



the
beginning
of growth

Corporate information

Board of Directors

- Mr. Sunder Lal Dugar, *Chairman & Managing Director*
- Mr. Pradeep Kumar Pugalia, *Wholetime Director*
- Mr. Ravi Prakash Pincha, *Director*
- Mr. Mahendra Pratap Singh, *Director*
- Mr. Abhishek S. Rathi, *Director*
- Mr. Omprakash Rathi, *Director*

Company secretary and compliance officer

Mr. Ashish Mishra

Auditors

S.M. Daga & Co.
Chartered Accountants
11, Clive Row, Kolkata - 700 001

Bankers

- Axis Bank
- Oriental Bank of Commerce
- Corporation Bank

Registrar & Share Transfer Agent

Niche Technologies Private Limited
D-511, 71 BRB Basu Road,
5th Floor, Kolkata - 700 001

Solicitors

Dipayan Choudhury, *Advocates*
5, Kiran Shankar Roy Road,
3rd Floor, Kolkata - 700 001

Registered office

“Bikaner Building”
8/1, Lal Bazar Street, Kolkata – 700001

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RDB Realty and Infrastructure Ltd. is one of the most exciting proxies of growth of the real estate industry today.

The seeds of robust growth across the foreseeable future, at the company, have already been sown.



With a strong foothold today awaits a promising existence of tomorrow

- RDB Realty and Infrastructure Limited began its real estate journey, developing residences for middle and lower-income groups. It has however graduated within a short span of time to develop townships as well as retail and office properties.
- It is now emerging in Tier II and III cities with extensive residential and commercial projects.
- RDB Realty and Infrastructure Limited boasts of being the sole listed company from Eastern India having one of the largest land bank in the region.
- RDB Realty and Infrastructure Limited is a prominent member of CREDAI (Bengal)

Headstrong determination accompanied by unfaltering focus

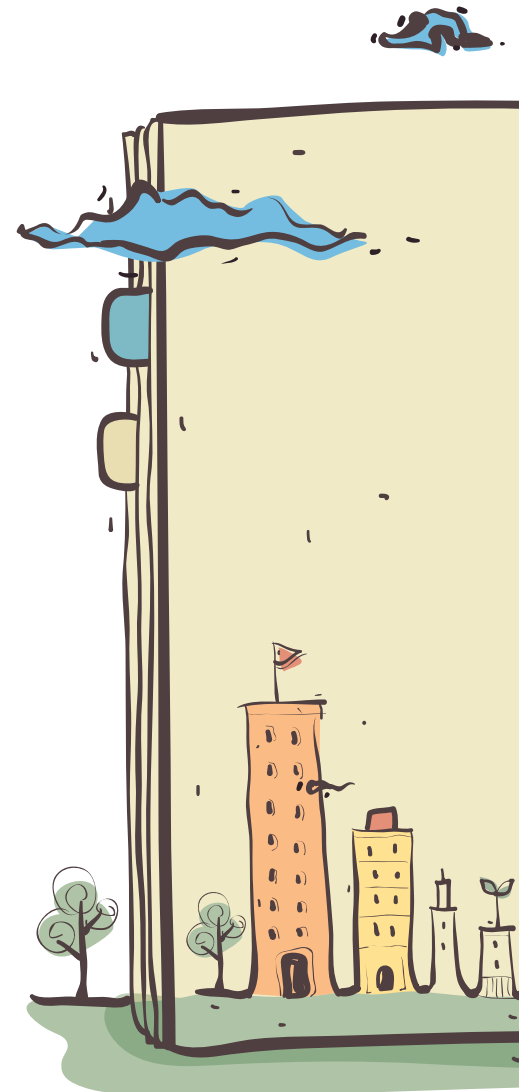
- An ISO 9001:2008 Company, RDB Realty and Infrastructure Limited is one of those few companies which have been conferred this recognition.
- Its wide array of knowledge of modern technologies and their flawless execution has enabled establishment of a number of real estate landmarks.

Governmental collaborations

- Assam State Housing Board, ASSAM
- Burdwan Municipality, WEST BENGAL

Well defined existence across the Nation with customer - friendly approach

- RDB Realty and Infrastructure Limited has its headquarter in Kolkata which is considered as the largest city in Eastern India.
- It is extending its roots and has established its presence in places like Haldia, Kharagpur, and Burdwan as well as in Surat, Bikaner, Delhi, Hyderabad and Guwahati.
- Keeping in mind the contemporary Indian trend, RDB Realty and Infrastructure Ltd mainly concentrates in the swiftly growing real estate verticals like housing, integrated townships, commercial complexes and resorts.



A perfect blend of strategy and finance

- Shri Sunder Lal Dugar is the man behind promotion of the company.
- The company being very particular about its employees, recruits professionals like civil and other engineers, company secretaries, architects as well as chartered and cost accountants. Besides, they have about 50 direct labourers and more than a 1000 indirect labourers, among others.
- It reported a turnover growth of 48% from ₹44 cr in 2009-10 to ₹65 cr in 2010-11.
- Its operating profit enhanced 44% from ₹8.18 cr in 2009-10 to ₹11.83 cr in 2010-11.
- Its post-tax profit increased 13% from ₹5.41 cr in 2009-10 to ₹6.13 cr in 2010-11.

Prestigious Governmental contracts efficiently carried out by RDB Realty and Infrastructure Limited

- Contract for Construction of Dwelling units at Chennai for Navy (Ministry of Defense, Govt. of India).
- Contract for setting up of Residential Complex at AIIMS, Patna.
- Successful handover of Dwelling Units construction at Fort William Kolkata for HO Eastern Command (Ministry of Defense, Government of India).
- Contract for construction and development of campus for Indian Institute of Chemical Biology at Salt Lake City, Kolkata.

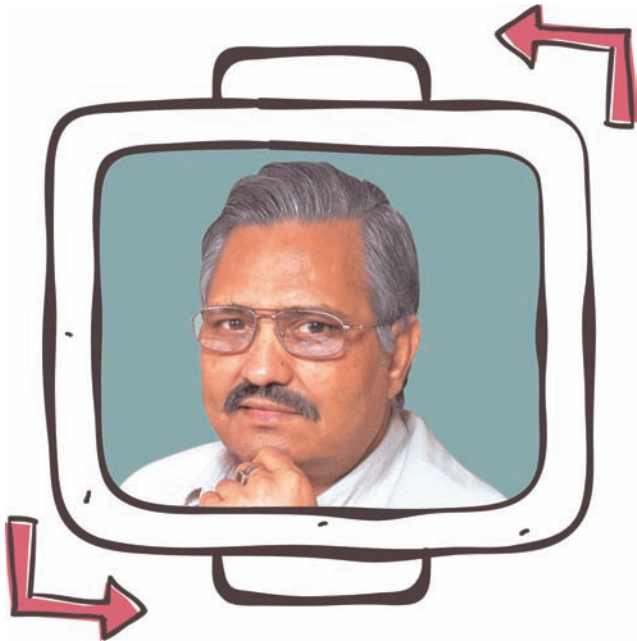
With the growth of the Indian economy and the resulting increase in corporate and consumer incomes, RDB believes there are significant opportunities for growth in the real estate arena. The Company also intends to diversify into other real estate related business such as infrastructure construction and development of hotels.



Chairman's message

The evolution in the external environment and the internal dynamics are just right to pave the way for overall growth across the foreseeable future. It may also be fair to state that the seeds of growth have already been sown.

What you witness today is just the beginning of growth in the company.



Dear Shareholders,

It gives me great pleasure to outline the reasons for optimism of the young and spirited demerged RDB Realty and Infrastructure Ltd in its second year of existence.

We finished 2010-11 with all-round growth reflected in an increase in our topline from ₹44.04 cr to ₹65.39 cr. Operating profit increased from ₹8.18 cr to ₹11.83 cr, EBDIT increased from ₹8.65 cr to ₹12.19 cr and bottomline increased from ₹5.41 cr to ₹6.13 cr. Besides, we launched more than 25 lakh sq. ft. of additional saleable space through RDB Realty and Infrastructure Limited along with its subsidiaries.

However, the most prominent initiative we undertook during the year under review was the de-merger of RDB Industries Limited (now NTC Industries Ltd.).

Both our tobacco and real estate businesses were growing demanding greater focus and prioritization on individual levels. The businesses also needed to be correctly assessed and understood for them to be aligned to domestic and international benchmarks. The strategies for



We have plans to diversify into hospitality sector in coming years as we entered into an MOU with tourism Department of Government of Gujarat.

both verticals needed to be more defined and teams more structured. Also, different management teams at the helm to navigate the individual courses of the two verticals is a positive outcome of this demerger.

Our presence in tier-II and tier-III cities has provided us with a sustainable growth foundation. As a practice, RDB has always focused on tier-II and tier-III cities and on the semi-urban target segment that had huge untapped potential. Land acquisitions in these locations were cheaper, making it possible for us to scale at a relatively low cost. We leveraged our growing brand to accelerate property sale on the one hand and generate a steady rental income out of property leases on the other.

We incorporated a new Subsidiary with Legend group of Hyderabad whereby our holding being 51%. Through this subsidiary we launched new projects such as Harmony, Coconut Grove, Marie Gold, Mint, Blue Hope, Dawn and Melno Park with total area under construction being about 30 lakh sq. ft. During the year we bagged prestigious contract from Ministry of Defense to Construct Dwelling Unit for Navy at Chennai.

We have plans to diversify into hospitality sector in coming years as we entered into an MOU with tourism Department of Government of Gujarat.

The outlook for the company is favorable across the medium and the long-term. We are optimistic of achieving a consolidated turnover of ₹125 cr in the Financial year 2011-12. I take this opportunity to thank all those who contributed to the company's growth – customers, employees, partners, suppliers and community members.

Sincerely,

Sunder Lal Dugar

Chairman and Managing Director

Strengths

At RDB, we have created distinctly different real estate products and in the process, created a strong brand.

At RDB, we are attractively positioned to take our business ahead through the following reasons:

- A position in market with established track record across real estate segment.
- Economies of scale, backed by low-cost land bank.
- Strong project execution capabilities.
- High operating efficiencies.

Strong brand

We enjoy a rich 30-years experience in the real estate business; our long-term presence has resulted in the creation of a strongly-established “Regent” brand.



Rich land bank

We recognise that an extensive land resource represents the springboard of growth. We possessed a sizable land reserve of saleable space.

Robust skill sets

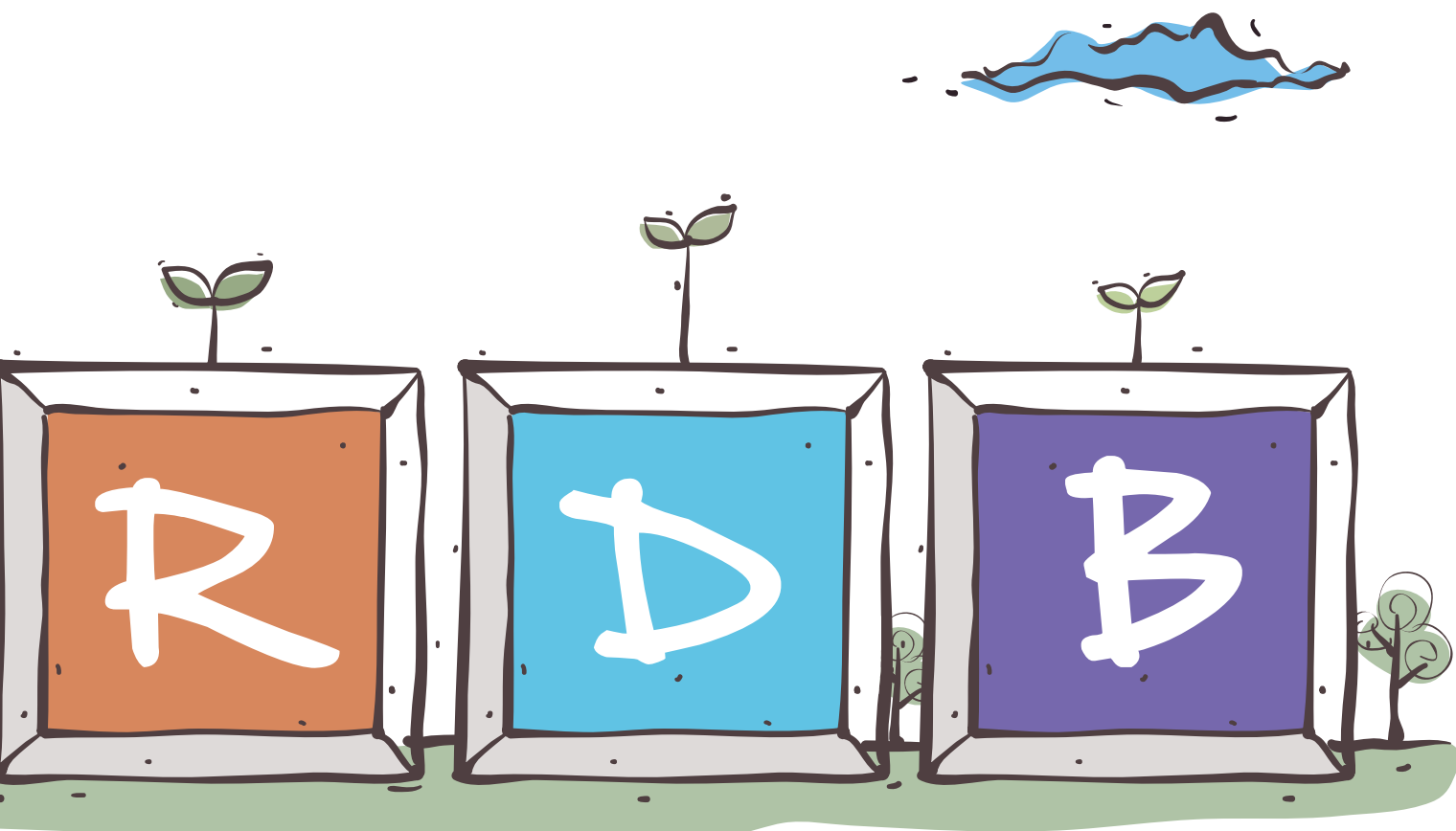
We possess the skills to identify, acquire and consolidate land holdings with speed and economy. Besides, we possess strong capabilities in identifying land parcels, overcoming regulatory hurdles and securing purchases.

Confidence

We deliver quality projects on schedule. We were among the few real estate companies in Eastern India to be certified with the ISO 9001-2000 certification.

People

We possess rich intellectual capital, reflected through the recruitment of MBAs, civil engineers, architects and chartered accountants. We manage our human resource through a spirit of continuous learning, trust, relationships, opportunities and empowerment. We possess a cumulative 200-person years of experience across an average organisational age of 28 years.



An illustration at the top of the page features a row of stylized buildings in various colors (orange, blue, yellow, brown, green) with simple windows and doors. A red banner with a white border is positioned across the middle of these buildings, containing the title text. The background behind the banner is a solid yellow color.

Management Discussion and Analysis

Industry overview

According to a recent study by Pricewaterhouse Coopers and Urban Land Institute, India leads the pack of top real estate investment markets in Asia for 2010. Having undergone a decisive learning curve, with the Global Financial Crisis fundamentally reshaping its property landscape, returns from rental income in Indian metros currently stands at 10.5%, one of the highest in the world.

Amidst market corrections, recovering demand and relaxed policy measures, India's lucrative property sector has reportedly attracted foreign direct investments totalling US\$2.8 billion. India is currently the second fastest-growing economy in the World. The Indian construction industry has been playing a vital role in overall economic development of the country, growing at over 26% CAGR over the past 5 years to \$ 50 bn today and is expected to triple in next 10 years. Its contribution to the GDP has grown from 2-3% in 2000 to about 6% of GDP today which is considerably small compared to 14% in developed markets.

With the growing quantum of domestic and international capital inflow, economic growth is likely to continue, and with it, the demand for infrastructure to maintain and accelerate this trajectory. As a result, the public sector has remained a big investor in this sector, given the acute shortage of infrastructure in India compared to the requisite level required to achieve the next growth target.

The Government of India proposes to achieve 9.0% GDP growth during the Eleventh Plan period. To achieve growth of this scale, adequate infrastructure is the most basic requirement. In order to overcome the current constraint of insufficient modern infrastructure, the government is developing a program for infrastructure investment through both public and private sectors, and expects to more than double public investments from ~1.2% of GDP in FY07 to 2.8% by FY12.

Regulatory environment

Historically the real estate sector in India was unorganized and characterized by various factors that impeded organized dealing, such as the absence of a



centralized title registry providing title guarantee, lack of uniformity in local laws and their application, non-availability of bank financing, high interest rates and transfer taxes and the lack of transparency in transaction values.

In recent years however, the real estate sector in India has exhibited a trend towards greater organization and transparency by various regulatory reforms. Further, the fast pace of the economic growth and the liberalized, FDI regime have given a boost to the development of the sector.

In the last fifteen years, post liberalization of the economy, Indian real estate business has taken an upturn and is expected to grow from the current USD 14 billion to a USD 102 billion in the next 10 years. This growth can be attributed to favorable demographics, increasing purchasing power, existence of customer friendly banks and housing finance companies, professionalism in real estate and favorable reforms initiated by the government to attract global investors.

Characteristics of the real estate industry in India

Growing Demand

- Realization of large commercial projects.
- IPOs by developers.
- Gradual organization of the markets in the Tier I cities.

Greater availability of information

- Emergence of transparency and liquidity.
- Entry of international real estate consultancies.
- Governing legal framework relaxed.
- Competitive pricing.

Driving forces

- Booming economy; accelerated GDP to 8% p.a.
- India's emergence as an attractive off shoring destination and availability of pool of highly skilled technicians and engineers.
- Rise in disposable income and growing middle class, increasing the demand for quality residential real estate and real estate as an investment option.
- Entry of professional players equipped with expertise in real estate development.
- Relaxation of legal rulings and processes by the governing bodies encouraging investments in real estate.
- Improvement in infrastructure facilities.



Industry segments and their characteristics

The industry is broadly composed of four main asset classes – residential, commercial, retail and hospitality. More than 80% of real estate in the country is residential in nature. According to a study conducted by realty services firm Cushman & Wakefield, India will need about 240 million sq. ft. of commercial property and about 4.25 million units of residential real estate to meet the demand in four years between 2010 and 2014. Due to the highly efficient capital utilization the residential sector is the preferred sector of the developers as they can work on negative working capital.

The housing sector has seen a rise in demand over the last two to three quarters. However, the supply largely remains constrained due to the slow pace of construction activity during 2009–10. About 70% of the total estimated demand for residential units during this period is expected from the mid-range and affordable segments. Around 60% of the total

estimated pan-India residential demand by 2014 is expected to be from India's top-seven cities.

About 46% of the pan-India office space demand estimated over the next five years is likely to be from Bangalore, NCR and Mumbai, signifying their continued pre-dominance. Tier-II cities, such as Kolkata and Chennai, are, however, likely to generate demand at a faster pace.

Retail property refers to space used for the sale of goods. The demand for retail space is estimated to be about 55 million sq.ft. with the current oversupply situation likely to be stabilized only by 2013.

There is a demand for new hotels in all segments, from the budget segment to upper scale and luxury segments. India, as the second most populous country in the world and with rapid economic growth, will see an influx of both business and leisure travelers in the coming years. The hospitality sector is thus expected to see demand of about 78 million room nights during the period of 2010-14.

The year 2010 witnessed a significant rise in commercial real estate fulfilling increased demands for office space and retail industry. The bubble burst in the booming real estate market that India experienced before the start of the economic slowdown has corrected the wrongly-inflated prices of residential and commercial properties, thus increasing more opportunities for real estate sale, buy, lease and rental.

Though the demand for commercial real estate has increased vehemently over the years, the residential property market is what drives the builders and other professionals engaged in the industry for more in construction and service



The year 2010 witnessed a significant rise in commercial real estate fulfilling increased demands for office space and retail industry.

related activities. The Tenth Five Year Plan has put the gap in the demand and supply of housing units for the current year to over 22.4 million units, which is likely to become 90 million over the next 10 years. The housing construction industry is thus geared to meet the whopping demand that the country is going to face in this segment in future.

Real estate investment opportunities

The studies conducted by some of the well-known international market research agencies have placed India on top of the list of the fastest developing nations. As a result, it has emerged as a favorable country for safe parking of global funds and all sorts of investment by corporate giants and market players. According to a report by Pricewaterhouse Coopers (PwC), the high prospects of capital gains associated with real estate investment in India, especially in its metro cities like Delhi, Mumbai, Chennai, Kolkata, Hyderabad and Bangalore are a big attraction for investors from the country as well as from abroad.

Future growth

According to a report 'Emerging trends in Real Estate in Asia Pacific 2011', released by Pricewaterhouse Coopers (PwC) and Urban Land Institute (ULI), India is the most viable investment destination in real estate. The report, which provides an outlook on Asia-Pacific real estate investment and development trends, points out that India, in particular Mumbai and Delhi, are good real estate investment options for 2011. Residential properties maintain their growth momentum and hence are viewed as more promising than other sectors. Further, real estate companies are coming up

with various residential and commercial projects to fulfill the demand for residential and office properties in Tier-II and Tier-III cities.

Operational review, 2010-11

- Formation of New Subsidiary RDB Legend Infrastructure Pvt Ltd with RDB Realty and Infrastructure Ltd having 51% Stake. Other shareholders being Legend group of Hyderabad.
- RDB Legend launched seven new projects in Hyderabad with built up area under construction being about 30 lakh sq. ft.
- RDB Realty and Infrastructure Ltd was awarded a tender to develop a dwelling units for Navy in Chennai by Ministry of Defense, Govt of India.
- Successful Handover of dwelling units for HO Eastern Command at Fort William, Kolkata.
- Completion of major projects like Regent Ganga, Regent Sonarpur.
- Completion of Regent Arcade the shopping Mall in Surat this mall being also nominated by CNBC TV 18 for various awards.

Outlook

The Company expects to continue to identify prudent land acquisition opportunities even as it intends to focus on the timely completion of its projects.



Indicators of our growth

48%

increase in turnover

44%

increase in EBIT

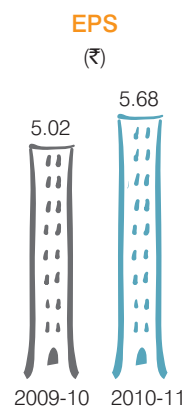
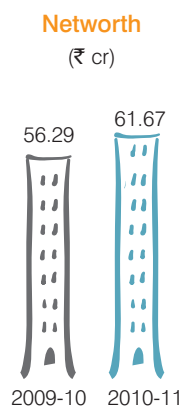
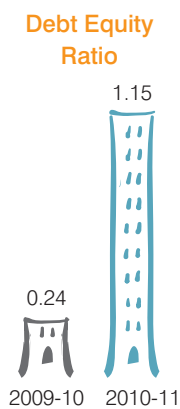
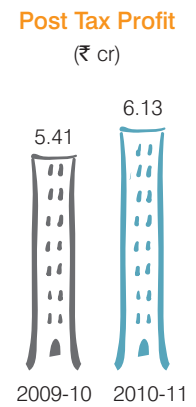
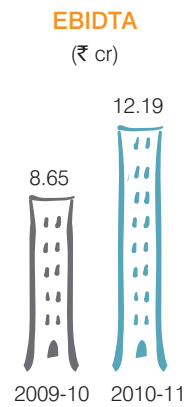
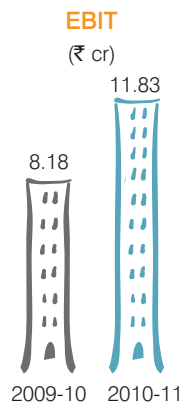
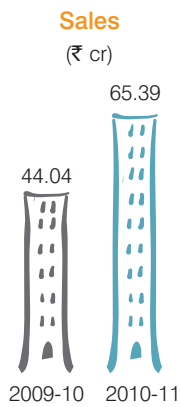
13%

increase in net profit



₹142 cr
spent on construction activity

11.82%
increase in reserves and surplus





RDB – Government projects and the road ahead

RDB's Government Division

This division is primarily engaged in various civil construction contracts for and on behalf of any Government body, directly, or through any of its agencies. The company's entry into the Indian Defence sector began with the prestigious contract of construction of dwelling units for the MAP (Married Army Personnel) covering an area of 1.5 lakh sq. ft. in Fort William, Kolkata.

After a successful completion of the first order of ₹209 million at Fort William Kolkata, Director General Married Accommodation Project (DG-MAP), Ministry of Defence (Govt. of India) RDBRIL (RDB Realty Infrastructure Limited) has already been awarded subsequent contracts worth ₹30 cr for the construction of dwelling units for the MAP (Married Army Personnel), covering an area of 2.4 lakh sq. ft in Chennai.

The company has also entered into a a Joint Venture with the Assam State Housing Board, Government of Assam for joint

development of 22 bighas of land, being developed in the name and style of Regent Paradise on a PPP model. Another project, Regent Crown, is a Joint Venture with the Burdwan Municipality.

RDBRIL is further strengthening its foothold in civil projects, bagging contracts from Govt. departments like AIIMS, Patna (Ministry of Health & Family Welfare), Indian Institute of Chemical Biology, Kolkata.

At present, the Company has an order book position of ₹773.1 million which is expected to increase further. With the Govt. of India's focus on accelerated spending on construction activities and developing infrastructural facilities across the country, there is ample scope ahead to capitalize on the opportunities in this segment. With our initial forays made into the civil construction of Govt./Semi-govt./Autonomous bodies, we have drawn up major plans to make aggressive bidding in the coming years.

Government Division - a snapshot

Projects already completed and/or under execution :

Sl. No.	Department/ Organisation	Nature of Contract	Nature of work	Location	Awarded in	Area/value (approx)
1	Assam State Housing Board	Joint Venture	Residential cum Commercial complex	Borsojai, Guwahati	Nov-06	6.50 lakh sq. ft
2	Directorate General of Married Accommodation Project (DG MAP), Ministry of Defence, Govt. of India	Turnkey	Dwelling Units including allied services	Fort Willimas, Kolkata	May-07	22 cr
3	Ministry of Health & Family Welfare (AIIMS Patna) awarded by Hindustan Latex Ltd.	Turnkey	Residential Complex	AIIMS, Patna	Jul-08	30 cr
4	Indian Institute of Chemical Biology Council of Scientific & Industrial Research, Jadavpur, awarded by HSCC (India) Ltd.	Turnkey	Laboratory Building, Facility Block, Ancillary Building and External Development works.	Salt Lake, Kolkata	Aug-09	27 cr
5	DG MAP (Defence, Navy)	Turnkey	Dwelling Units including allied services	Chennai	Aug-10	30 cr

Existing Government contracts

RDB Realty and Infrastructure Ltd ongoing business :

1. Construction of campus for Indian Institute of Chemical Biology at Salt Lake City, Kolkata.
2. Construction of dwelling units for Director General Married Accommodation at Chennai, Ministry of Defense.
3. Construction of Residential units at AIIMS, Patna.

RDB Realty and Infrastructure Ltd is prequalified for Director General Married Accommodation Phase II projects wherein the company is now eligible for ₹154.37 cr single tender and company can have total work to the tune of ₹268.50 cr.

The company is also regularly getting offers from Army Welfare Housing Association, Military Engineering Services and various residential projects for ALL India Institute of Medical Science.



DG Map Project, Fort William, Kolkata



Rationale for presence



Haldia

- Major trade port of the eastern region used mainly for bulk cargo.
- Home to nearly 0.5 million.
- Home to Haldia Petrochemicals and Chemical Industries.



Kolkata

- Fourth largest city of India and capital of West Bengal state.
- Gateway to Eastern India and North East.
- Home to 13 million.
- IT/ITES-driven real estate boom.
- A meager 0.7% vacancy rate in prime locations.



Burdwan

- One of the booming towns of West Bengal state.
- Home to nearly 0.6 million.
- Located close to the industrial zones of Asansol and Durgapur, Burdwan is a growing market.
- Rich cultural heritage and an education hub.



Guwahati

- Guwahati is home to 24% of the urban population of Assam.
- It is the economic nerve-centre for the Northeast India.
- It is an important service centre for the oil industry and tea plantations and hub for important tea auctions.
- The population of Guwahati has grown by almost 40% during the last 10 years.
- There has also been a significant growth in organised retail, financial services and industry, driving the demand for commercial and residential units.
- Guwahati figures among the 100 fastest growing cities of the world (Source: Times of India).





Surat

- Surat is the economic capital of Gujarat. The city's GDP growth rate is estimated at 16%.
- Best known as the city of diamonds and synthetic fabrics. Out of 12 diamonds processed in the world, Surat processes around 10, contributing a whopping ₹45,000 cr or 65% of the total export of diamonds from India.
- Textile exports from the city were valued at around ₹16 bn, contributing 12% and 40% of the total man-made fibre and filament fabric exports from India.
- Population more than doubled to an estimated 3.5 million in less than 15 years, making it India's ninth largest city.
- Around 60% of the city's population consists of migrants connected with the textiles and diamond sectors.
- Surat figures among the 100 fastest growing cities of the world (Source: *Times of India*).



Hyderabad

- Hyderabad finds demand outside IT/ITES sector Hyderabad has emerged as a key IT/ ITES city in India.
- Office market witnessed the highest ever absorption in the city in 2010 which reached about 5 million sq. ft.
- Hyderabad had a total stock of about 34 million sq. ft. which includes about 13 million of IT campus and Built to Suit buildings by the end of 2010.
- SEZs are being more preferred over the STPI for the tax sops. However as the supply of SEZs is limited, Hyderabad is expected to witness a temporary under supply situation in middle of 2011.
- Absorption is expected to strengthen in the city as IT industry is expected to see a strong growth and moreover ITES, KPOs and other sector business will drive the demand for office space in the city.
- Hyderabad is expected to witness a supply of about 14 million sq. ft. in next three years.
- The new malls mushrooming in the secondary and suburban precincts of the city are also witnessing pre-leasing in this scenario. About 20 million sq. ft. malls are planned in Hyderabad in next 5 years.
- The increase in hiring activity in the city is an opportunity for the investors as it is expected to surge the demand for rented houses.
- The growing income and spending will open opportunities for retail growth. This string of development is further supported by the planned infrastructure growth.
- The real estate development is expected to be along the major growth corridors in the city that are Outer Ring Road, NH-7 and NH-9.
- The future of Hyderabad as an investment destination is strong with its good infrastructure and diversified economic bases.

Completed projects



Regent Arcade



Regent Ganga



Regent Heritage Commercial



Regent DG Map, Fort William



Regent Heritage



Regent Sonarpur

Ongoing projects

Residential



Regent City
Rajarhat, Kolkata, West Bengal



Regent Crown
Burdwan, West Bengal



Regent Heritage
Kharagpur, West Bengal



Regent Paradise
Guwahati, Assam



Coconut Grove
Miyapur, Hyderabad, Andhra Pradesh



Legend Harmony
Hyderabad, Andhra Pradesh



Legend Marigold
Gachibowli, Hyderabad, Andhra Pradesh



Legend Ocarina
Hyderabad, Andhra Pradesh



Legend Primo
Hyderabad, Andhra Pradesh

Commercial



Regent Centre
Uttarpara, West Bengal



Regent Heritage Plaza
Kharagpur, West Bengal



Regent City Shoppers
Howrah, West Bengal



Regent Textile Market
Surat, Gujarat



Regent Knowledge Centre
Surat, Gujarat



Regent Square
Surat, Gujarat



Legend Blue Hope
Tilak Road, Abids, Hyderabad,
Andhra Pradesh



Legend Empire
Madhapur, Hyderabad, Andhra Pradesh



Legend Mint
Madhapur, Hyderabad, Andhra Pradesh

Corporate social responsibility



The Sri S. L. Dugar Charitable Trust is an initiative started by our Director, as part of the CSR initiatives of the company.

Established in 2001, the trust has played an important and constructive role in propagating literacy among underprivileged children and promoting healthcare facilities for the needy.

The Trust runs the Aryans School located in Kamarhati. Affiliated to the CISCE board it facilitates quality education upto class 10, providing scholarships and subsidised education, to underprivileged children, contributing to a better future for them.

It provides interest free loans for higher education under the Kusum Sunder Lal Dugar fund it has created, as well as donations for deserving candidates to pursue higher education.

The trust conducts free health checkups and is involved in activities like free eye operations and distribution of spectacles and facilitates blood donation camps on a regular basis. It has immensely contributed towards creation of healthcare facilities by way of donations for construction of hospitals as well as by providing donations for treatment of needy patients.

Directors' report

Dear Shareholders,

Your Directors have pleasure in presenting the Fifth Annual Report on the business and operations of the Company together with the audited accounts for the year ended 31st March 2011.

Consolidated Financial Performance

(₹ in lacs)

Particulars	Financial Year 2010-2011	Financial Year 2009-2010
Income from operations	9552.23	8253.07
Other income	474.38	227.72
Profit before interest and depreciation & Tax	2059.84	1167.34
Less: a) Interest	343.93	228.84
b) Depreciation	56.90	67.45
Profit before taxation	1659.01	871.04
Less:- Provisions for current tax and deferred tax	412.70	233.98
Profit (Loss) After Tax	1246.31	637.06
Less Minority Adjustment	(11.89)	26.40
Profit (Loss) After Tax after minority adjustments	1258.21	610.66
Add: Balance brought forward from last year	1707.55	95.56
Add: Balance transferred from RDB Industries Limited on demerger of Real Estate Undertaking	–	948.81
Balance available for appropriations	2965.76	1655.03
Less: Appropriations		
a) Provision for proposed dividend on equity shares	64.80	–
b) Provision for dividend tax	10.51	–
c) Transfer to general reserves	100.00	–
Balance carried to the Balance Sheet	2790.45	1655.03

Stand-Alone Financial Performance

(₹ in lacs)

Particulars	Financial Year 2010-2011	Financial Year 2009-2010
Income from operations	6530.19	4571.47
Other income	111.40	162.28
Profit before interest and depreciation	1206.86	850.00
Less: a) Interest	362.21	173.09
b) Depreciation	36.04	46.54
Profit before taxation	808.60	630.37
Less:- Provisions for current tax, deferred tax and fringe benefit tax	195.36	88.39
Profit (Loss) After Tax	613.24	541.98
Add: Balance brought forward from last year	1488.73	-2.05
Add: Balance transferred from RDB Industries Limited on demerger of Real Estate Undertaking	–	948.81
Balance available for appropriations	2101.97	1488.74
Less: Appropriations		
a) Provision for proposed dividend on equity shares	64.80	–
b) Provision for dividend tax	10.51	–
c) Transfer to general reserves	100.00	–
Balance carried to the Balance Sheet	2101.97	1488.74

Review of operations

During the year under review, the Company's Income from operations has increased by 42.85% to ₹6530.19 Lakhs as compared to ₹4571.47 Lakhs during the preceding year.

During the year under review, our Company has executed and handed over Residential Projects covering an area of 323560 square feet, Commercial Projects covering an area of 125059 square feet and Contractual Project covering an area of 150000 square feet resulting in aggregate completion of 598619 square feet.

Presently your company along-with its subsidiaries has 16 on going projects at various stages of planning and development on the available land bank. This includes housing projects, integrated townships, shopping malls and commercial complexes. It is the vision of your Company to achieve best of

professionalism and to develop, build and deliver best of Real Estate and quality construction.

During the period under review, your company focused on improving productivity, reducing costs and utilized its cash flows most effectively.

The Company has not brought any changes in its accounting policies during the year under review.

More details about the business and operations of your Company are provided in the Management's discussion and analysis report, forming part of the Annual Report.

Transfer to Reserves

An amount of ₹100 Lakhs is proposed to be transferred out of the current profit to the General Reserve.

Dividend

Your directors pleased to recommend a dividend of ₹0.60 per equity share of ₹10 each (i.e. 6%) subject to the approval of members at the ensuing Annual General Meeting ,for the financial year ending 31st March, 2011.

Business Activity

The main business activity of our company is development and construction of residential and commercial projects.

During the year Company along with its Subsidiaries has completed 7 projects and there are 16 undergoing projects scheduled to be completed in the coming years.

During the year under review, our company has not changed its existing line of business.

Demerger

Our Company has allotted 10,750,000 equity shares to the shareholders of NTC Industries Limited (Formerly known as RDB Industries Limited) on 24/06/2010, pursuant to the Scheme of Arrangement between the Company and NTC Industries Limited (Formerly known as RDB Industries Limited), as was approved by the Hon'ble High Court of Calcutta, vide Order dated 12/04/2010. The Share Exchange Ratio was fixed as 1:1.

Listing of Equity Shares

The company has got its equity shares listed with Bombay Stock Exchange Limited (BSE) and Calcutta Stock Exchange Limited (CSE) w.e.f. December 13th & 14th 2010 respectively. The details as under:-

Stock Exchange	Scrip Code
Bombay Stock Exchange Limited	533285
Calcutta Stock Exchange Limited	28393

Directors

The strength of Board Members of the company is six, which includes 4 Independent Director, 1 Whole-time Director and 1 Non-independent Chairman & Managing Director.

In terms of Article 89 of Articles of Association of the Company, Mr. Ravi Prakash Pincha and Mr. Om Prakash Rathi, Independent Directors, retires by rotation at the ensuing Annual General Meeting, and being eligible, offer themselves for re-appointment.

The Notice convening the Annual General Meeting includes the proposals for the re-appointment of Directors.

Your Directors recommend the above appointment/re-appointment.

None of the Directors of your Company is disqualified as per the provisions of Section 274(1)(g) of the Companies Act, 1956.

Management Discussion and Analysis

A separate report on Management Discussion and Analysis as per Clause 49 of the Listing Agreement with the stock exchanges is forming part of this Annual Report.

Corporate Governance

Your Company has taken adequate steps to ensure that all mandatory provisions of Corporate Governance, as provided under the amended Clause 49 of the Listing Agreement with the stock exchanges, are complied with.

A separate report on Corporate Governance along with the Auditors' Certificate for its due compliance is forming part of this Annual Report.

Human Resources

Your Company believes in best HR practices by providing its employees a world class working environment, giving them equal opportunities to rise and grow. We continue to implement the best of HR policies so as to ensure that talent retention is ensured at all levels. Employee relations continued to be cordial and harmonious at all levels and in all divisions of the Company during the year. Presently your Company does not have any employee falling within the scope of Section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of the Employees) Rules, 1975.

Subsidiary Company

Your Company has 10 subsidiaries as on March 31, 2011. List of Subsidiaries which have been consolidated at the year end is given in the Notes to Accounts.

Pursuant to Accounting Standard AS-21 issued by the Institute of Chartered Accountants of India and Listing Agreement as prescribed by Securities and Exchange Board of India (SEBI), Consolidated Financial Statements, which includes the financial information of the subsidiaries, are enclosed and forms part of this Annual Report.

Annual Accounts of the subsidiary companies and the related detailed information will be made available to the investors of holding and subsidiary companies seeking such information at any point of time and the Annual Accounts of the subsidiary companies will also be kept for inspection by any investor in its registered office and that of the subsidiary companies concerned.

As per General Circular No. 2/2011 dated February 8th 2011, issued by Ministry of Corporate Affairs the requirement of Section 212 of the Companies Act, 1956, (which requires Holding company to attach the Annual Report(s) of subsidiary companies with its Annual Report) has been done away provided certain conditions are fulfilled by the company. Your Company has complied with all the conditions as per the said circular and therefore annual report of the subsidiary companies are not attached with this Report.

We believe that the Consolidated Financial Statements present a more comprehensive picture rather than the standalone financial statements.

In compliance with the terms of the exemption granted by Ministry of Corporate Affairs, Government of India, we have presented summary financial information for each subsidiary which includes Capital, Reserves, Total Assets, Total Liabilities, Details of Investment (except in case of Investment in the Subsidiaries), Turnover, Profit before taxation, Provision for taxation, Profit after taxation and Proposed Dividend.

As Permitted by SEBI guidelines and the Companies Act, 1956 we have included consolidated financial statements of your company in this Annual Report. The detailed financial statements and audit reports of the subsidiaries are available for inspection at the registered office of the Company and upon written request from a shareholder; we will arrange to send the full balance sheet, profit and loss account and auditor's report to the said shareholder. Further, we will put the details of the accounts of individual subsidiary companies on the website of the Company i.e. www.rdbindia.com.

Directors' responsibility statement

The Director's Responsibility Statement, setting out compliance with the accounting and financial reporting requirements specified under Section 217(2AA) of the Companies Act, 1956, in respect of the financial statements, is furnished below and

on behalf of the Board of Directors, it is hereby confirmed:-

1. that in the preparation of the annual accounts, the applicable accounting standards have been followed;
2. that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
3. that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. that the Directors have prepared the annual accounts on a going concern basis;

Auditors

M/s S M Daga & Co., Chartered Accountants, statutory auditors retire at the ensuing Annual General Meeting and being eligible for re-appointment, have offered themselves for re-appointment and have further confirmed that the said re-appointment will be in conformity with the provisions of Section 224 (1B) of the Companies Act, 1956. The Board of Directors upon the recommendation of the Audit Committee proposes the re-appointment of M/s S M Daga & Co., Chartered Accountants as the statutory auditors of the Company.

Auditors observation

Observations of the auditors when read together with relevant notes on accounts and accounting policies are self-explanatory and do not require any further comments.

Public deposit

During the year under review, the Company has neither accepted nor renewed any public deposit and has no overdue or unclaimed public deposit, as defined under Section 58 (A) of the Companies Act, 1956, read with Companies (Acceptance of Deposit) Rules, 1975.

Investor Relations

Investor Relations have been cordial during the year. As a part of compliance, the Company has an Shareholder's /Investor's

Grievance Committee to redress the issues relating to investors. It consists of three members namely Shri Om Prakash Rathi, Independent Director, Shri Mahendra Pratap Singh, Independent Director and Mr. Pradeep Kumar Pugalia, whole-time Director of the Company. Shri Om Prakash Rathi, Independent Director is the Chairman of the Investor Grievance Committee. The details of this Committee are provided in the Corporate Governance Report forming part of the Annual Report.

Conservation of energy, technology absorption and foreign exchange earning and outgo

Particulars of conservation of energy, technology absorption

and foreign exchange earning and outgo as required under Section 217 (1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are not applicable to the company.

Acknowledgements

Your Directors would like to place on record their sincere gratitude to the shareholders, bankers, business associates, retailers, suppliers, customers, government and other regulatory agencies for their continued support and faith in the Company. Your Directors are also happy to place on record their appreciation for the whole-hearted co-operation, commitment and contribution made by all the employees and look forward to their continued support.

For & on behalf of the Board

S. L. Dugar

Chairman & Managing Director

Place: Kolkata

Date: 30.05.2011

Report on Corporate Governance

1. Company's philosophy on Corporate Governance

The company firmly believes that Corporate Governance is about commitment to values and ethical business conduct. Your Company believes in discharging its Corporate Social Responsibility and has been enduring in its philosophy to enhance stakeholders' value and customers' satisfaction by consistently endeavouring to follow the best Corporate Governance practices.

2. Corporate Governance guidelines

Over the years, the government has developed guidelines to fulfill our corporate responsibilities to various stakeholders. This ensures that the Board will have the necessary authority and practices in place to review and evaluate our operations when required. Further, it allows the Board to make decisions that are independent of the management. The Board may change these guidelines from time to time to effectively achieve our stated objective.

3. Board of Directors

In terms of the Company's Corporate Governance policy, all statutory and other significant and material information are placed before the Board to enable it to discharge its responsibility of strategic supervision of the Company as trustees to the shareholders.

Composition

The composition of the Board of Directors of the Company is in conformity with the Code of Corporate Governance under the Listing Agreement with the stock exchanges. The Company has an optimum combination of Executive and Non-Executive Directors. There is one Promoter Managing Director, one Whole-time Director and four Non-Executive Independent Directors on the Board. The Board believes that the current size is appropriate, based on the Company's present circumstances.

The following is the composition of the Board as on 31st March, 2011:

Name of the Director	Designation	Category	No. of other Directorship(s)*	Membership(s)/ Chairmanship(s) of Board Committees of other companies*
Mr. Sunder Lal Dugar	Chairman & Managing Director	Executive & Promoter	11	2 (1 as Chairman)
Mr. Pradeep Kumar Pugalia	Whole-time Director	Executive	–	–
Mr. Ravi Prakash Pincha	Director	Non-executive & Independent	10	4 (including 2 as Chairman)
Mr. Om Prakash Rathi	Director	Non-executive & Independent	–	–
Mr. Mahendra Pratap Singh	Director	Non-executive & Independent	2	5 (including 3 as Chairman)
Mr. Abhishek Satyanarayan Rathi	Director	Non-executive & Independent	–	–

* Directorships and positions held in committees of Indian Public Limited companies and its subsidiaries are considered.

Board meetings:

The Board meetings of the Company are decided in advance and tentative dates of Board meetings, in which quarterly/annual results are to be discussed forms a part of the Annual Report. The Chairman of the Board and the Company Secretary, draft the agenda for each meeting, along with the

agenda notes and explanatory statements, wherever required, are distributed in advance to the Directors. Every Board member is free to suggest items for inclusion on the agenda. The Board meets at least once in a quarter to review the quarterly results and other agendas.

During the financial year ended 31st March, 2011, nineteen meetings of the Board were held as follows:

Sl. No.	Date of the Meeting	Board Strength	No. of Directors present
1	13/04/2010	6	6
2	19/04/2010	6	6
3	29/05/2010	6	6
4	01/06/2010	6	6
5	02/06/2010	6	6
6	14/06/2010	6	6
7	24/06/2010	6	6
8	08/07/2010	7	7
9	12/07/2010	7	7
10	05/08/2010	6	6
11	12/08/2010	6	6
12	02/09/2010	6	5
13	04/10/2010	6	5
14	22/11/2010	6	6
15	07/12/2010	6	5
16	13/12/2010	6	6
17	11/01/2011	6	6
18	14/02/2011	6	6
19	16/03/2011	6	6

Attendance of Directors at Board Meetings and Annual General Meeting

Director	No. of Board Meetings		Attendance at last AGM (08.09.2010)
	Held during Directorship	Attended	
Mr. Sunder Lal Dugar	19	19	Yes
Mr. Ravi Prakash Pincha	19	19	Yes
Mr. Pradeep Kumar Pugalia	12	12	Yes
Mr. Mahendra Pratap Singh	19	17	Yes
Mr. Abhishek Satyanarayan Rathi	19	19	Yes
Mr. Om Prakash Rathi	10	9	Yes

4. Appointment/Re-Appointment of Directors

Mr. Ravi Prakash Pincha

Mr. Ravi Prakash Pincha was appointed on the Board of RDB Realty & Infrastructure Limited on 23rd June, 2006. He is a young man with vision and a great team leader. During his long association, the Company is greatly benefited by his distinctive managerial qualities and his rich & varied experience & exposures.

He is also holding directorships in the following companies:

1. Bahubali Tie-up Private Limited
2. Baron Suppliers Private Limited
3. Bengal Regent Infrastructure Limited
4. Bhagwati Builders and Development Private Limited
5. Headman Mercantile private Limited
6. Johri Towers Private Limited
7. Kasturi Tie-up Private Limited
8. Khatod Investments & Finance Company Limited
9. Mangalahat Construction & Builders Private Limited
10. NTC Industries Limited(Formerly known as RDB Industries Limited)
11. RD Devcon Private Limited
12. RDB Insurance Broking Services Private Limited
13. RDB Regent Retail Limited
14. Regent Capital Private Limited
15. Regent Finance Corporation Private Limited
16. Regent Forex private Limited
17. Rimjhim Vanijya Private Limited
18. Samspa Expo Private Limited
19. Triton Commercial Private Limited

Mr. Om Prakash Rathi

Mr. Om Prakash Rathi was appointed on the Board of RDB Realty & Infrastructure Limited on 12th July, 2010. He is a commerce graduate from Calcutta University. Mr. Om Prakash Rathi is an experienced personality with experience over 30 years in Real Estate Industry. During the period, he has been one of the core members of several residential/ commercial real estate projects of the RDB Group.

He is also holding directorships in the following companies:

1. Bhagwati Builders & Development Pvt. Ltd.
2. Rathi Textiles Pvt. Ltd.

5. Audit Committee

The Audit Committee of the Company acts as a link between the management, the statutory and internal auditors and the Board of Directors. The Audit Committee, inter alia, provides reassurance to the Board on the existence of an effective internal control environment that ensures:

- efficiency and effectiveness of operations;
- safeguarding of assets and adequacy of provisions for all liabilities;
- reliability of financial and other management information and adequacy of disclosures;
- compliance with all relevant statutes.

The Audit Committee is empowered, pursuant to its terms of reference, inter alia, to:

- investigate any activity within its terms of reference and to seek any information it requires from any employee;
- obtain legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise, when considered necessary.

The role of the Audit Committee includes the following:

- (a) Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- (b) Recommending the appointment/re-appointment and if required, the replacement or removal of statutory auditors, internal auditors and fixation of their remuneration;
- (c) Approval of payment to statutory auditors for any other services rendered by statutory auditors.
- (d) Reviewing, with the management, the financial statements before submission to the Board, focusing primarily on:

- Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of Clause (2AA) of Section 217 of the Companies Act, 1956.
- Any changes in accounting policies and practices.
- Major accounting entries involving estimates based on exercise of judgement by the management.
- Qualifications in the draft audit report.
- Significant adjustments arising out of audit.

- The 'going concern' assumption.
 - Compliance with Accounting Standards.
 - Compliance with stock exchanges and legal requirements concerning financial statements.
 - Any related party transactions.
- (e) Review with the management, of the quarterly financial statements before submission to the board for approval
- (f) Review with the management, of the performance of statutory and internal auditors, adequacy of the internal control systems.
- (g) Review of the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- (h) Discussion with internal auditors any significant findings and follow up there on.
- (i) Review of the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- (j) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- (k) To look into the reasons for substantial defaults in the

payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.

- (l) Review of the functioning of the Whistle Blower mechanism.
- (m) Carrying out any other function as may be assigned to the Committee by the Board from time to time.
- (i) Review of information relating to:
- a) Management discussion and analysis of financial condition and results of operations;
 - b) Statement of significant related party transactions, submitted by management;
 - c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - d) Internal audit reports relating to internal control weaknesses;

Composition of the Audit Committee

The Audit Committee comprised of two non-executive directors & one executive director. The Company Secretary is the Secretary to the Committee. All the members of the Committee are financially literate and the Chairman of the Committee has accounting and financial management expertise. The constitution of the Committee meets the requirements of Section 292A of the Companies Act, 1956 and Clause 49 of Listing Agreement

Details of members and their attendance at the meetings:

Sl. No.	Name	Position	No. of Committee Meetings	
			Held	Attended
1	Mr. Om Prakash Rathi	Chairman	3	3
2	Mr. Mahendra Pratap Singh	Member	3	3
3	Mr. Pradeep Kumar Pugalia	Member	3	3

Details of Audit Committee Meetings and attendances:

During the financial year ended 31st March, 2011, Three meetings of the Audit Committee were held as follows:

Sl. No.	Date of the meeting	Attendance
1	05/08/2010	3
2	22/11/2010	3
3	14/02/2011	3

6. Remuneration Committee

The Remuneration Committee of the Company, inter alia, recommends to the Board the compensation terms of the Executive Directors and other senior management personnel.

Composition of the Remuneration Committee:

Details of members and their attendance at the meetings:

Sl. No.	Name	Position	No. of Committee Meetings	
			Held	Attended
1	Mr. Om Prakash Rathi *	Chairman	Nil	Nil
2	Mr. Mahendra Pratap Singh	Member	1	1
3	Mr. Abhishek Satynarayan Rathi	Member	1	1

* Mr. Om Prakash Rathi was inducted in place of Mr. Pradeep Kumar Pugalia w.e.f 16/03/2011

During the financial year ended 31st March, 2011, one meeting of the Remuneration Committee was held as follows:

Sl. No.	Date of the meeting	Attendance
1	05/08/2010	3

Remuneration Policy

RDB Realty's remuneration strategy aims at attracting and retaining high- calibre talent. The remuneration policy, therefore, is market-led and takes into account respective job profile vis-à-vis the responsibility profile of individuals to attract and retain quality talent and leverage performance significantly.

Details of Remuneration of the Directors for the financial year ended 31st March, 2011

(Figures in ₹)

Director	Consolidated Salary (₹)	Perquisites and other Benefits	Performance bonus/ Commission	Sitting Fees	Total
Mr. Sunder Lal Dugar	4,80,000/-	67,337/-	Nil	Nil	5,47,337/-
Mr. Pradeep Kumar Pugalia	2,00,000/-	Nil	Nil	Nil	2,00,000/-

No remuneration (including sitting fee) has been paid to the Non-Executive Directors in the financial year 2010-11. The Non-Executive Directors except Shri Ravi Prakash Pincha do not hold any shares and/or convertible instruments in the Company and also they do not have any pecuniary relationship or transaction with the Company. The Company has not granted any stock options to its Directors.

7. Code of Conduct

The Company is consistently endeavouring to conduct its business in accordance with the highest standards of business ethics and complying with applicable laws, rules and

regulations.

The Company believes that a good corporate governance structure would not only encourage value creation but also provide accountability and control systems commensurate with the risks involved.

The Board of Directors have adopted the Code of Conduct for the Directors and Senior Management ("the Code"). A copy of the Code has been put on the Company's website www.rdbindia.com

The Code has been circulated to all the members of the Board and Senior Management and the compliance of the same has

been affirmed by them. A declaration signed by the Chairman and Managing Director is given below.

"I hereby confirm that the Company has obtained from all the members of the Board and Senior Management, affirmation that they have complied with the Code of Conduct for Directors and Senior Management in respect of financial year 2010-11."

S. L. Dugar
Chairman and Managing Director

8. Shareholders'/Investors' Grievance Committee

The Shareholders'/Investors' Grievance Committee of the Company oversees redressal of shareholders and investor grievances, and approves the sub-division, transfer / transmission of shares, issue of duplicate share certificates, etc. The committee also meets as and when required for approving share transfers. The processing activities with respect to requests received for share transfer are normally completed within 30 working days from the date of receipt of request. The Committee met six times during the financial year under review.

Composition

The Shareholders'/Investors' Grievance Committee comprises three members, two of them are Non Executive and Independent directors.

Sl. No.	Name	Position	No. of Committee Meetings	
			Held	Attended
1	Mr. Om Prakash Rathi	Chairman	6	6
2	Mr. Mahendra Pratap Singh	Member	6	6
3	Mr. Pradeep Kumar Pugalia	Member	6	6

Mr. Ashish Mishra, Company Secretary, is the Compliance Officer of the Company. The shareholders may send their complaints at investors@rdbindia.com.

Details of shareholders' complaints

- (a) Number of shareholders' complaints received during the year : 10
 (b) Number of shareholders' complaints resolved during the year : 10
 (c) Number of complaints not solved to the satisfaction of shareholders : Nil
 (d) Number of complaints pending : Nil

9. Details of General Body Meetings

The date, time, venue and the special resolutions passed in the last three Annual General Meetings are as under:-

Financial year ended	Meeting	Date	Time	Location	No. of Special Resolution, if any, passed
2009-10	4th A.G.M	Wednesday 08.09.2010	10.00 a.m.	Bharatiya Bhasha Parishad, Sitaram Seksaria Auditorium, 4th Floor, 36A, Shakespeare Sarani, Kolkata- 700017	4*
2008-09	3rd A.G.M	Monday 31.08.2009	10.00 a.m.	"Bikaner Building" 8/1 Lal Bazar Street Kolkata- 700001	–
2007-08	2nd A.G.M	Tuesday 30.09.2008	10.00 a.m.	"Bikaner Building" 8/1 Lal Bazar Street Kolkata- 700001	–

* Special Resolution for Appointment of Sri Sunder Lal Dugar as Managing Director and Sri Pradeep Kumar Pugalia as Whole Time Director
 Increase in Borrowing Limits of the Company
 Limit for Inter Corporate Loans & Advances

10. Disclosures

- a) Disclosures on materially significant related party transactions: There is no materially significant related party transactions entered i.e. any transaction of material nature, with its promoters, directors or the management or relatives, etc. that may have potential conflict with the interest of the Company at large, other than in the normal course of business. The transactions with related parties have been disclosed in Note No. 12 of Schedule "19" in Notes to the Accounts forming part of the accounts for the year ended 31st March, 2011.
- b) The Company is regular in complying with the requirements of the regulatory authorities on the matters relating to the capital market and no penalties / strictures have been imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, during the last three years.
- c) The Company does not have a whistleblower policy. However, no personnel of the Company have been denied access to the Audit committee.
- d) The Company duly complied with all the mandatory requirements of Clause 49 of the Listing Agreement with the stock exchanges.

11. Adoption of Non-mandatory requirements of Clause 49

The Company has complied with the non-mandatory requirement of Clause 49 with regard to the constitution of Remuneration Committee.

12. Means of communication

- (a) The quarterly financial results and annual audited financial results are normally published in The Financial Express in English, Kalantar, Dainik Lipi, Arthik Lipi and/or Duranta Barta in Bengali.
- (b) The quarterly financial results and annual audited financial results of the Company are sent to The Calcutta Stock Exchange Limited and Bombay Stock Exchange Limited.
- (c) The Company also files its quarterly and yearly compliances through Corporate Filing & Dissemination System at www.Corpfilling.nic.in.
- (d) The Company's financial results are also displayed in its website, www.rdbindia.com.
- (e) The Company's website does not display any official news releases.
- (f) No presentation was made to the institutional investors or to the analysts during the year under review.
- (g) Annual Report containing, inter alia, Directors' Report, Auditors' Report, Audited Annual Accounts and other important information is circulated to members and others entitled thereto. The Management Discussion and Analysis Report forms part of the Annual Report.

13. Compliance certificate of the auditors

The statutory auditors have certified that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges and the same is annexed.

14. General shareholder information

Details of Annual General Meeting for F. Y. 2010-11

Date	: Monday, 19th September, 2011
Venue	: Bharatiya Bhasha Parishad, Sitaram Seksaria Auditorium, 4th Floor, 36A, Shakespeare Sarani, Kolkata- 700017
Time	: 10:00 a.m.
Book closure date	: From Monday, 12th September, 2011 to Monday, 19th September, 2011 (both days inclusive)
Dividend payment date	: On or after 19th September, 2011

Financial Calendar

Financial year: 1st April to 31st March

For the year ended 31st March, 2011, results were adopted on:

- Not Applicable: First quarter
- 22nd November, 2010: Half Yearly (Audited)
- 14th February, 2011: Third quarter (Un-audited)
- 30th May, 2011: Annual (Audited)

For the year ending 31st March, 2012, the results are likely to be adopted:

- on or before 14th August, 2011 : First quarter (Un-audited)
- on or before 14th November, 2011: Half yearly (Un-audited)
- on or before 14th February, 2012: Third quarter (Un-audited)
- on or before 30th May, 2012: Annual (Audited)

Listing on stock exchanges

The shares of the Company are listed in the following Stock Exchanges, namely

1. The Calcutta Stock Exchange Limited

7, Lyons Range, Kolkata – 700 001
Website: www.cse-india.com

2. Bombay Stock Exchange Limited

Phiroz Jeejabhoy Towers
Dalal Street, Mumbai – 400 001
Website: www.bseindia.com

The listing fees for the financial year 2011-12 have been paid to the above Stock Exchanges.

Stock Code

(a) Bombay Stock Exchange Limited : 533285

(b) The Calcutta Stock Exchange Limited: 28393

Depositories

(a) National Securities Depositories Limited

Trade World, Kamala Mills Compound, Lower Parel,
Mumbai - 400003

(b) Central Depositories Services Limited

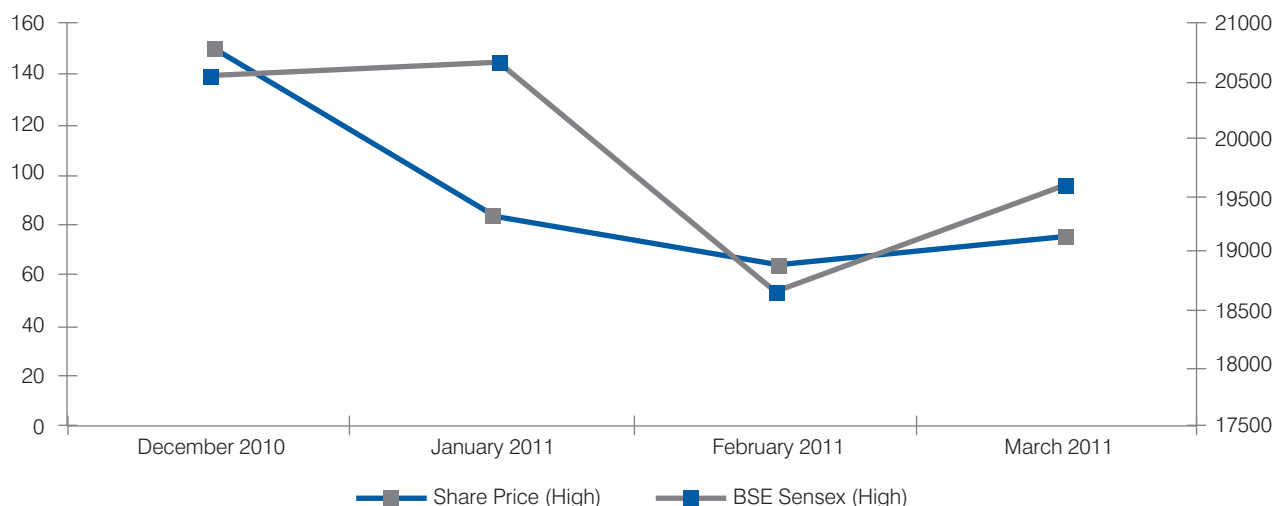
P J Towers, 28th Floor, Dalal Street, Mumbai – 400001

The fees to the depositories for the financial year 2011-12 have been paid.

Market price data

The monthly high and low share price data at the Bombay Stock Exchange Limited for the financial year 2010-11:

Month	Share Price (High)	Share Price (Low)	BSE Sensex (High)	BSE Sensex (Low)
Dec-10	150.00	55.15	20552.03	19074.57
Jan-11	84.00	51.35	20664.80	18038.48
Feb-11	64.90	56.00	18690.97	17295.62
Mar-11	74.20	57.05	19575.16	17792.17



Registrar & Share Transfer Agents

M/s Niche Technologies Private Limited

D-511, Bagree Market, 71, B.R.B. Basu Road,
5th Floor, Kolkata – 700 001

Phone No. 033-2234-3576, 2235-7270, 2235-7271, and 2235-3070

Fax No. 033-2215-6823, e-mail:

nichetechpl@nichetechpl.com

Contact Person – Mr. S. Abbas (Sr. Manager – Systems)

Share Transfer System

The RTA performs all share transfer activities, which is a category-I Registrar and Share Transfer Agent. Therefore, all correspondences should be made to the address mentioned above. Shareholders holding shares in the electronic form should address their correspondence to their respective depository participants.

Distribution of Shareholding

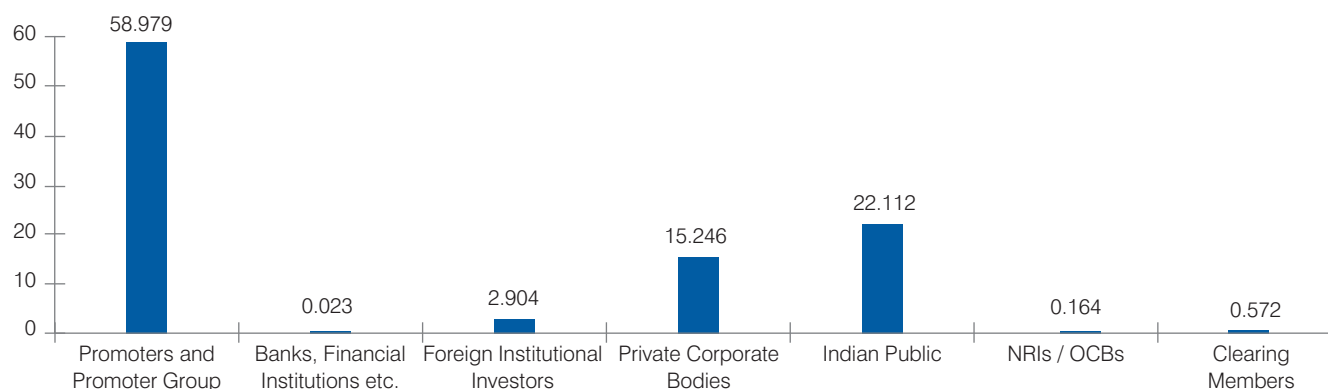
Distribution of shareholding by size as on 31st March, 2011

Range of Shares	Number of Shareholders	% of Shareholders	No. of Shares	% of Shares
Up to 500	5018	88.31	663639	6.145
501 – 1000	318	5.60	260554	2.413
1001 – 5000	243	4.28	542478	5.023
5001 – 10000	39	0.69	299104	2.77
10001 – 50000	44	0.77	878455	8.134
50001 – 100000	8	0.14	562483	5.208
100001 and above	12	0.21	7593287	70.308
Total	5682	100.00	10800000	100.00

Distribution of share holding by category as on 31st March, 2011

Category	Number of Shares	% to Total
Promoters and Promoter Group	6369775	58.979
Banks, Financial institutions etc.	2500	0.023
Foreign Institutional Investors	313622	2.904
Private corporate bodies	1646562	15.246
Indian Public	2388038	22.112
NRIs/ OCBs	17756	0.164
Clearing Members	61747	0.572
Total	10800000	100.00

Shareholding by category as on 31st March, 2011



List of Top Ten Shareholders as on 31st March, 2011.

Sl. No.	Name of the Shareholder	No. of Shares held	% of Shareholding
1	Vinod Dugar	2114423**	19.148
2	Sheetal Dugar	1000000	9.259
3	Khatod Investments And Finance Company Ltd	921225	8.530
4	Teck Consultancy And Services Private Ltd	750000	6.944
5	Pyramid Sales Pvt. Ltd.	716122	6.631
6	Sunder Lal Dugar	687900*	6.369
7	Loka Properties Pvt Limited	377100	3.492
8	Ankur Constructions Pvt Ltd.	375000	3.472
9	Albula Investment Fund Ltd	313622	2.904
10	Yashashwi Dugar	120055	1.112

* includes 67200 shares held as Karta of Moti Lal Dugar(HUF).

** includes 46400 shares held as Trustee of Rekha Benefit Trust.

Details of shares held by Directors as on 31st March, 2011

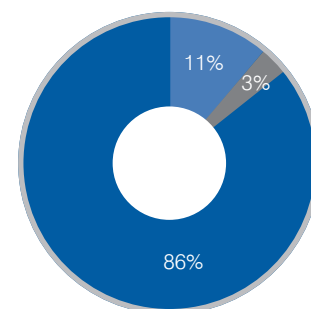
Name of Director	No. of Equity Shares	% of Total holding
Mr. Sunder Lal Dugar	687900*	6.37
Mr. Ravi Prakash Pincha	5600	0.05
Mr. Om Prakash Rathi	Nil	Nil
Mr. Mahendra Pratap Singh	Nil	Nil
Mr. Abhishek Satyanarayan Rathi	Nil	Nil
Mr. Pradeep Kumar Pugalia	Nil	Nil
Total	693500	6.42

* includes 67200 shares held as Karta of Moti Lal Dugar (HUF).

Dematerialisation of shares and liquidity

Shares held in dematerialised and physical form as on 31st March, 2011

Status of Dematerialisation	No. of Share	% of Total Share
Share held in NSDL	9256646	85.71%
Share held in CDSL	1201139	11.12%
Shares held in physical form	342215	3.17%



Plant Location

The Company does not have any Manufacturing Facility

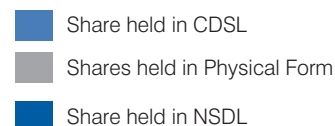
Address for correspondence

RDB Realty & Infrastructure Limited

“Bikaner Building”, 1st Floor

8/1 Lal Bazar Street, Kolkata - 700001

Website: www.rdbindia.com



Certificate of Corporate Governance

We have reviewed the compliance of conditions of Corporate Governance by RDB Realty & Infrastructure Limited (the Company) for the year ended 31st March, 2011, as stipulated in revised Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

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 conditions of 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 complied with the conditions of corporate Governance as stipulated in the Clause 49 of the above-mentioned Listing Agreement.

On the basis of records maintained by the company, we state that as on 31st March, 2011, there were no investor grievances remaining pending for a period exceeding one month against the company.

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.

Place: Kolkata

Date: 30th May 2011

For **S. M. DAGA & CO.**

Chartered Accountants

(D. K. DAGA)

Partner

Membership No. 59205

CEO/CFO Certification

To,
The Board of Directors,
RDB Realty & Infrastructure Limited

We, Sunder Lal Dugar, Chairman and Managing Director, appointed in terms of the Companies Act, 1956 and Anil Kumar Apat, Chief Financial Officer, hereby certify to the Board that:

- a) We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2011 and that to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2011 which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit Committee that:
 - i. there have been no significant changes in internal control over financial reporting during the year;
 - ii. there have been no significant changes in accounting policies during the period
 - iii. there have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For RDB Realty & Infrastructure Limited

S. L. Dugar

Chairman & Managing Director

For RDB Realty & Infrastructure Limited

A. K. Apat

Chief Financial Officer

Place: Kolkata

Date: 30th May 2011

Financial section

Auditor's Report to the members

We have audited the attached Balance Sheet of RDB REALTY & INFRASTRUCTURE LIMITED as at 31st March, 2011, the related Profit & Loss Account and Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An Audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An Audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We report that –

1. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
2. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of these books.
3. The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the Books of Account.
4. In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
5. On the basis of written representations received from the directors as on 31st March, 2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

In our opinion and based on the information and according to the explanations given to us, the said account read with Notes appearing in Schedule 21 give the information required by the Companies Act, 1956 in the manner so required and give true and fair view:

- (a) in the case of Balance Sheet, of the State of Affairs of the Company as at 31st March, 2011;
- (b) in the case of Profit & Loss Account, of the Profit of the Company for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the Cash flows for the year ended on that date.

As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956 and on the basis of such checks of the books and records as we considered appropriate and according to information and explanations given to us, the matters specified in the said order are given hereunder to the extent to which they are applicable.

- i) a) The Company is maintaining proper records showing, full particulars including quantitative details and situation of fixed assets.
b) In our opinion, the fixed assets have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification.
c) In our opinion, a substantial part of fixed assets has not been disposed off by the company during the year.
- ii) a) In our opinion, the inventory of the Company has been physically verified by the management at reasonable intervals during the year. In respect of material lying with third parties, these have substantially been confirmed by them.
b) In our opinion, the procedures of physical verification followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

- c) On the basis of our examination of inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies ascertained on physical verification between the physical stocks and the book records of inventories were not material in relation to the operations of the Company.
- iii) a) The Company has granted unsecured loan to a company covered in the register maintained under section 301 of the Companies Act 1956. The maximum amount involved during the year was ₹21,472,470 /- and the year end balance of loan granted to such party was ₹21,472,470 /-
- b) In our opinion, the rate of interest and other terms and conditions on which loans have been granted to such companies covered in the register maintained under section 301 of the Companies Act, 1956 are not, prima facie prejudicial to the interest of the Company.
- c) The Parties have repaid the principal amount as stipulated and have been regular in the repayment of interest.
- d) There is no overdue amount of loan granted to company covered in the register maintained under section 301 of the Companies Act, 1956.
- e) The Company has taken unsecured loan from companies covered in the register maintained under section 301 of the Companies Act 1956. The maximum amount involved during the year was ₹679,993,125 /- and the year end balance of loans taken from such parties were ₹481,036,283/-.
- f) In our opinion, the rate of interest and other terms and conditions on which loans have been taken from such Companies covered in the register maintained under section 301 of the Companies Act, 1956 are not, prima facie prejudicial to the interest of the Company.
- g) The Company has repaid the principal amount as stipulated and have been regular in the repayment of interest.
- iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company and according to the information and explanations given to us, we have neither come across nor have we been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
- v) a) In our opinion and according to information and explanations given to us, the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been so entered.
- b) In our opinion and according to information and explanations given to us, the transactions made in pursuance of contract or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of Rupees Five Lacs in respect of any party during the year, have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- vi) The Company has not accepted any deposits from the public.
- vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- viii) According to the information and explanations given to us, the Central Government has not prescribed maintenance of Cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 for the products of the Company.
- ix) a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and any other material statutory dues as applicable with the appropriate authorities.
- b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, cess and other undisputed statutory dues were outstanding, at the

year end, for a period of more than six months from the date they became payable.

- c) According to the information and explanations given to us and as far as ascertained from the records produced for our verification, there are no dues of income tax, sales tax, wealth tax, service tax, customs duty, excise duty and cess which have not been deposited on account of disputes.
- x) The Company does not have accumulated losses as at 31st March, 2011 and it has not incurred any cash losses in the financial year ended on that date.
- xi) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders during the year.
- xii) In our opinion, the Company has not granted any loans & advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) The provisions of any special statute applicable to chit fund/nidhi/mutual benefit fund/societies are not applicable to the Company.
- xiv) In our opinion and according to information and explanations given to us, the Company is not dealing in or trading in shares, securities, debentures and other investments.
- xv) The Company has given guarantees for loans taken by its subsidiary company from Banks. According to the information and explanations given to us, we are of the

opinion that the terms and conditions, on which the company has given guarantees for such loans, are not prima facie, prejudicial to the interest of the company.

- xvi) According to the information and explanations given to us, the term loans have been applied for the purpose for which they were raised.
- xvii) According to the information and explanation given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short term basis have been used for long term investment by the Company.
- xviii) The Company has not made preferential allotment of shares to parties and companies covered in register maintained under section 301 of the Companies Act, 1956 during the year.
- xix) The Company has no debentures outstanding at any time during the year and hence question of creating security in respect thereof does not arise.
- xx) As informed to us, the Company has not raised any money by way of a public issue during the period covered by our audit report.
- xxi) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

For S.M. DAGA & Co.

Chartered Accountants

D.K. Daga

Partner

Membership No. 59205

11, Clive Row,
Kolkata - 700 001.

The 30th day of May, 2011

Balance Sheet

as at 31st March 2011

(Amount in ₹)

	Schedule No.	As at 31st March 2011		As at 31st March 2010	
I. SOURCES OF FUNDS					
1. Shareholders' Funds					
a) Capital	1	108,000,000		108,000,000	
b) Reserves & Surplus	2	508,757,051	616,757,051	454,964,316	562,964,316
2. Loan Funds					
a) Secured Loans	3	32,339,338		42,635,722	
b) Unsecured Loans		678,645,594	710,984,932	90,713,562	133,349,284
3. Deferred Tax Liability					
			3,532,091		246,035
Total			1,331,274,074		696,559,635
II. APPLICATION OF FUNDS					
1. Fixed Assets					
a) Gross Block	4	49,969,849		49,070,063	
b) Less: Depreciation		12,256,127		8,703,208	
c) Net Block			37,713,722		40,366,855
2. Investments					
	5		53,127,611		52,728,134
3. Current Assets, Loans and Advances					
a) Inventories	6	1,738,793,810		812,422,465	
b) Sundry Debtors	7	87,474,722		37,149,641	
c) Cash & Bank Balances	8	45,285,817		51,008,065	
d) Loans & Advances	9	418,644,767		1,037,561,801	
			2,290,199,116		1,938,141,972
Less : Current Liabilities & Provisions	10				
a) Current Liabilities		1,019,322,864		1,325,118,455	
b) Provisions		30,443,511		9,558,871	
		1,049,766,375		1,334,677,326	
Net Current Assets			1,240,432,741		603,464,646
Total			1,331,274,074		696,559,635
Notes to the accounts	19				
Schedules referred to above form an integral part of the Balance Sheet					

This is the Balance Sheet referred to in our report of even date.

For and on behalf of the Board

For S. M. DAGA & CO.

Chartered Accountants

D. K. DAGA

Partner

Membership No.59205

Kolkata

The 30th day of May 2011

S. L. Dugar

Chairman and Managing Director

P. K. Pugalia

Whole Time Director

Ashish Mishra

Company Secretary

Profit and Loss Account

for the year ended on 31st March 2011

(Amount in ₹)

	Schedule No.	For the year ended 31st March 2011	For the year ended 31st March 2010
INCOME			
Sales & Services	11	653,909,927	440,446,762
Other Income	12	11,140,106	16,227,629
Increase / (Decrease) In Stocks	13	926,371,347	267,302,400
		1,591,421,380	723,976,791
EXPENDITURE			
Construction Activity Expenses	14	1,425,504,400	630,726,550
Payment to and Provision for Employees	15	3,516,001	5,106,904
Selling and Distribution Expenses	16	32,390,875	9,244,996
Administrative and General Expenses	17	7,211,002	9,048,033
Interest and Finance Charges	18	37,524,306	18,859,915
Loss / (Profit) from Partnership Firms		891,105	(16,700,501)
Depreciation	4	3,603,555	4,654,069
		1,510,641,244	660,939,966
Profit Before exceptional Items		80,780,136	63,036,825
Add: Prior Period Income		80,000	–
Less: Exceptional Items (Net)		125	–
Profit Before Taxation		80,860,011	63,036,825
Less: Provision For Taxation			
- Current Income Tax		16,250,000	8,593,000
- Deferred Tax (Assets) / Liabilities		3,286,056	246,035
		19,536,056	8,839,035
Profit After Taxation		61,323,955	54,197,790
Balance Brought Forward		148,873,254	(205,483)
Add: Balance Transferred from RDB Industries Limited on demerger of Real Estate Undertaking		–	94,880,947
Profit Available for Appropriation		210,197,209	148,873,254
APPROPRIATIONS			
Proposed Dividend on Equity Shares		6,480,000	–
Tax on Proposed Dividend		1,051,220	–
General Reserve		10,000,000	–
Balance Carried to Balance Sheet		192,665,989	148,873,254
		210,197,209	148,873,254
Earnings Per Share: (Face Value ₹10/- each) Basic & Diluted		5.68	5.02
Notes to the accounts	19		
Schedules referred to above form an integral part of the Profit and Loss Account			

This is the Profit and Loss Account referred to in our report of even date.

For and on behalf of the Board

For S. M. DAGA & CO.

Chartered Accountants

D. K. DAGA

Partner

Membership No.59205

Kolkata

The 30th day of May 2011

S. L. Dugar

Chairman and Managing Director

P. K. Pugalia

Whole Time Director

Ashish Mishra

Company Secretary

Cash Flow Statement

for the year ended 31st March 2011

(Amount in ₹)

	For the year ended 31st March 2011		For the year ended 31st March 2010	
A. Cash flow from operating activities :				
Net profit before tax as per Profit & Loss account		80,860,011		63,036,825
Adjustments for				
Depreciation	3,603,555		4,654,069	
(Profit) / Loss on Sale of Investments	125		-	
(Profit) / Loss on Sale of Fixed Assets	(5,382)		(2,910,301)	
Interest Paid	36,221,313		17,309,328	
Liabilities no longer required Written Back	(1,750,020)		(146,874)	
Interest Received	(3,642,222)		(8,371,342)	
Provision for Employee Benefits	2,086		128,975	
Provision for Rental Income	(70,129)	34,359,326	(363,403)	10,300,452
Operating profit before working capital changes		115,219,337		73,337,277
(Increase) / Decrease in Inventories	(926,371,345)		(267,302,400)	
(Increase) / Decrease in Trade and other receivables	586,772,786		(315,068,215)	
Increase / (Decrease) in Trade Payables	(304,190,358)	(643,788,917)	654,300,294	71,929,679
Cash generated from operations		(528,569,580)		145,266,956
Less: Direct taxes paid/ (Refunds) including Interest (Net)		7,960,880		4,829,234
Cash Flow before Exceptional Items		(536,530,460)		140,437,722
Net cash Generated/(used) from operating activities		(536,530,460)		140,437,722
B. Cash flow from investing activities :				
Purchase of fixed assets	(964,396)		(2,897,510)	
Sale of fixed assets	16,064		30,263,627	
Interest Received	2,955,154		12,073,687	
Investment with Subsidiaries and Firms	(5,399,602)		82,218,555	
Sale of Investment with Associates / Subsidiaries	5,000,125		405,000	
Loans Refund / (Given)	(12,297,313)		21,126,102	
		(10,689,968)		143,189,461
Net cash from investing activities		(10,689,968)		143,189,461
C. Cash flow from financing activities :				
Proceeds / (Repayment) of borrowings	547,200,641		(258,796,318)	
Interest Paid	(5,702,461)	541,498,180	(13,275,430)	(272,071,748)
Net cash generated/(used) in financing activities		541,498,180		(272,071,748)
Net increase/(decrease) in cash and cash equivalents (A+B+C)		(5,722,248)		11,555,435
Cash and cash equivalents -Opening balance	51,008,065		296,017	
Add: Transfer from RDB Industries Limited on demerger of Real Estate Undertaking.	-	51,008,065	39,156,613	39,452,630
		45,285,817		51,008,065
Cash and cash equivalents -Closing balance		45,285,817		51,008,065
CASH AND CASH EQUIVELANTS COMPRISE:				
Cash on hand		569,252		914,968
Cheques on hand		2,554,518		1,216,195
Balances with Scheduled Banks on:				
Current Accounts		12,726,577		19,883,846
Fixed Deposit Account		29,435,470		28,993,056
		45,285,817		51,008,065

This is the Cash Flow Statement referred to in our report of even date.

For and on behalf of the Board

For S. M. DAGA & CO.
Chartered Accountants

D. K. DAGA
Partner
Membership No.59205
Kolkata
The 30th day of May 2011

S. L. Dugar
Chairman and Managing Director

P. K. Pugalia
Whole Time Director

Ashish Mishra
Company Secretary

Schedules to the Accounts

(Amount in ₹)

	As at 31st March 2011		As at 31st March 2010	
Schedule - 1				
SHARE CAPITAL				
Authorised				
1,000,000 Equity Shares of ₹10/- each*		–		10,000,000
* The authorised share capital has been increased to 20,000,000 equity shares of ₹10/- each w.e.f. 06/05/2010		200,000,000		–
		200,000,000		100,000,000
Issued, Subscribed and Paid up:				
10,800,000 Equity Shares of ₹10/- each		108,000,000		–
50,000 Equity Shares of ₹10/- each		–		500,000
10,750,000 Equity Shares of ₹10/- each pending allotment (Refer Note 2 to Schedule 19)		–		107,500,000
		108,000,000		108,000,000
Schedule - 2				
RESERVES & SURPLUS				
Securities Premium Account				
Opening Balance		270,000,000		377,500,000
Less: 10,750,000 Equity Shares of ₹10/- each pending allotment to the Equity Share Holders of RDB Industries Ltd. in pursuance of the scheme of Arrangement for demerger of "Real Estate Undertaking" of RDB Industries Ltd.		–	270,000,000	107,500,000
				270,000,000
General Reserve				
Opening Balance		36,091,062		–
Add : Transfer from Profit & Loss Account		10,000,000		–
Add : Transfer from RDB Industries Limited on demerger of Real Estate Undertaking		–	46,091,062	36,091,062
				36,091,062
Profit & Loss Account				
Balance as per Profit & Loss Account		192,665,989		148,873,254
		508,757,051		454,964,316

Schedules to the Accounts

(Amount in ₹)

	As at 31st March 2011	As at 31st March 2010
Schedule - 3		
LOAN FUNDS		
Secured Loans		
Bank Over Draft Secured by Equitable Mortgage of Specific immovable assets owned by company, its subsidiaries and by Personal guarantee of Director	19,376,371	20,090,212
Term Loan from Banks Secured by Equitable Mortgage of Specific immovable assets owned by company, its subsidiaries and by Personal guarantee of Director (Amount Repayable within a year ₹10,831,856/- Previous Year ₹9,693,765/-)	12,962,967	22,545,510
	32,339,338	42,635,722
Unsecured Loans From Bodies Corporate	678,645,594	90,713,562
	678,645,594	90,713,562

Schedule - 4

FIXED ASSETS

Description of Assets	GROSS BLOCK					DEPRECIATION					NET BLOCK	
	As at 1st April 2010	Transfer from Transferor Company on Demerger	Additions during the year	Deductions during the year	As at 31st March 2011	Up to 31st March 2010	Transfer from Transferor Company on Demerger	For the year	Deductions during the year	Up to 31st March 2011	As at 31st March 2011	As at 31st March 2010
Building	36,840,439	-	-	-	36,840,439	2,235,510	-	1,730,247	-	3,965,757	32,874,682	34,604,929
Plant & Machinery	5,135,381	-	85,074	-	5,220,455	1,449,667	-	1,002,213	-	2,451,880	2,768,575	3,685,714
Furniture & Fixtures	344,824	-	159,829	3,100	501,553	257,627	-	35,464	3,100	289,991	211,562	87,197
Vehicles	3,645,487	-	625,358	-	4,270,845	2,699,266	-	402,464	-	3,101,730	1,169,115	946,221
Computers	3,103,932	-	94,125	61,500	3,136,557	2,062,138	-	433,167	48,536	2,446,769	689,788	1,041,794
Total	49,070,063	-	964,386	64,600	49,969,849	8,704,208	-	3,603,555	51,636	12,256,127	37,713,722	40,365,855
Previous Year	-	76,369,044	2,897,509	30,196,490	49,070,063	-	6,890,573	4,654,069	2,841,434	8,703,208	40,366,855	

Schedules to the Accounts

(Amount in ₹)

	As at 31st March 2011		As at 31st March 2010	
Schedule - 5				
INVESTMENTS				
(A) Long Term				
Trade Investments (at cost)				
(I) Subsidiary Companies				
Unquoted				
Bahubali Tie-up Private Ltd.* 10,000 Equity Shares of ₹10/- each, fully paid	100,000		100,000	
Baron Suppliers Private Ltd.* 10,000 Equity Shares of ₹10/- each, fully paid	100,000		100,000	
Bhagwati Builders & Development Private Ltd.* 27,000 Equity Shares of ₹10/- each, fully paid	12,920,000		12,920,000	
Bhagwati Plasto Works Private Ltd.* 562,870 Equity Shares of ₹10/- each, fully paid	11,257,400		11,257,400	
Headman Mercantile Private Ltd.* 10,010 Equity Shares of ₹10/- each, fully paid	100,100		100,100	
Kasturi Tie-up Private Ltd.* 10,000 Equity Shares of ₹10/- each, fully paid	100,000		100,000	
RDB Legend Infrastructure Ltd. 51,000 Equity Shares of ₹10/- each, fully paid	51,000		–	
Raj Construction Projects Pvt. Ltd.* 18,544,500 Equity Shares of ₹10/- each, fully paid	21,011,413		21,011,413	
Rathi Ess En Finance Co. Pvt. Ltd.* 129,700 Equity Shares of ₹10/- each, fully paid	1,950,370		1,950,370	
Triton Commercial Private Ltd.* 10,000 Equity Shares of ₹10/- each, fully paid	100,000		100,000	
		47,690,283		47,639,283
(II) In Others				
Unquoted				
Infravision Developers Private Ltd.* 500,000 Equity Shares of ₹10/- each, fully paid	–		5,000,125	
Rimjhim Vanijya Private Ltd.* 5,000 Equity Shares of ₹10/- each, fully paid	50,000	50,000	50,000	5,050,125
(III) Investments in the Capital of Partnership Firms				
M/s Bindi Developers* * Refer note 7 of notes to the accounts * Transfer from RDB Industries Limited on demerger of Real Estate Undertaking in previous year		5,387,328		38,726
		53,127,611		52,728,134
Aggregate book cost of unquoted investments ₹		53,127,611		52,728,134

Schedules to the Accounts

(Amount in ₹)

	As at 31st March 2011		As at 31st March 2010	
Schedule - 6				
INVENTORIES				
Work-in-Progress				
- Own Construction Projects		1,435,334,093		744,009,892
- Construction Contracts		28,233,356		52,266,766
Finished Goods		275,226,361		16,145,807
		1,738,793,810		812,422,465
Schedule - 7				
SUNDRY DEBTORS				
(Unsecured, considered good)				
Debts outstanding for a period exceeding six months		3,398,999		12,512,309
Other Debts		84,075,723		24,637,332
		87,474,722		37,149,641
Schedule - 8				
CASH & BANK BALANCES				
Cash on hand		569,252		914,968
Cheques on hand		2,554,518		1,216,195
Balances with Scheduled Banks in:				
Current Accounts		12,726,577		19,883,846
Fixed Deposit Account (Pledged with respective Bank against credit facilities availed by the Company)		29,435,470		28,993,056
		45,285,817		51,008,065
Schedule - 9				
LOANS & ADVANCES				
(Unsecured, considered good)				
Loans to Subsidiaries (including interest accrued)		21,472,470		8,488,089
Advances (Recoverable in cash or in kind or for value to be received)		320,620,768		969,177,959
Sundry Deposits		61,429,420		54,461,588
Payment of Income Tax including Fringe Benefit Tax		9,891,448		4,829,234
Prepaid Expenses		335,522		604,931
TDS Receivable on Sales Tax		4,895,139		-
		418,644,767		1,037,561,801
Loans to Subsidiaries comprise of :				
Name	Max. amount outstanding during the year	Closing Balance	Max. amount outstanding during the year	Closing Balance
Rathi Ess En Finance Co. Pvt. Ltd.	21,472,470	21,472,470	39,821,129	8,488,089

Schedules to the Accounts

(Amount in ₹)

	As at 31st March 2011	As at 31st March 2010
Schedule - 10		
1. CURRENT LIABILITIES		
Sundry Creditors *	99,149,372	79,256,259
Advances from Customers	730,063,458	1,088,444,822
Sundry Deposits	5,392,600	9,766,032
Other Liabilities	184,717,434	142,802,427
Bank Book Overdrawn	–	4,848,915
	1,019,322,864	1,325,118,455
2. PROVISIONS		
Income Tax	21,944,334	8,593,000
Retirement Benefits	967,957	965,871
Proposed Dividend	6,480,000	–
Tax on Proposed Dividend	1,051,220	–
	30,443,511	9,558,871

* No amount due to Small, Medium & Micro Enterprise

(Amount in ₹)

	For the year ended 31st March 2011	For the year ended 31st March 2010
Schedule - 11		
SALES & SERVICES		
Construction Activities	653,347,087	439,808,677
Miscellaneous	562,840	638,085
	653,909,927	440,446,762
Schedule - 12		
OTHER INCOME		
Rental Income	4,383,130	4,780,222
Interest Received*		
-Capital with Partnership Firm	492,897	4,690,376
-Others	3,149,325	3,680,966
Profit on Sale of Fixed Assets	5,382	2,910,301
Liabilities/ advances no longer payable written back**	1,750,020	146,874
Miscellaneous Income	1,359,352	18,890
	11,140,106	16,227,629

* Tax Deducted at Source ₹394,461/- (Previous Year ₹399,005/-)

** Net of Sundry balances written off ₹824,229/- (Previous Year ₹15,657/-)

Schedules to the Accounts

(Amount in ₹)

	For the year ended 31st March 2011		For the year ended 31st March 2010	
Schedule - 13				
INCREASE / (DECREASE) IN STOCKS				
Opening stock				
Work-in-Progress	796,276,658			–
Add: Work-in-Progress transferred from RDB Industries Limited on demerger of Real Estate Undertaking	–	796,276,658	524,616,965	524,616,965
Finished Goods	16,145,807			–
Add: Finished Goods transferred from RDB Industries Limited on demerger of Real Estate Undertaking	–	16,145,807	20,503,100	20,503,100
		812,422,465		545,120,065
Closing stock				
Work-in-Progress		1,463,567,449		796,276,658
Finished Goods		275,226,363		16,145,807
		1,738,793,812		812,422,465
Increase / (Decrease) in Stocks		926,371,347		267,302,400
Schedule - 14				
CONSTRUCTION ACTIVITY EXPENSES				
Direct Purchase Cost for the Project		244,256,612		–
Cost of Land and Development Charges		733,265,960		110,634
Construction and other Materials		299,012,405		509,235,532
Contract Labour Charges		70,717,205		70,679,036
Interest on Project Loan		5,261,553		17,010,074
Professional Charges		779,631		444,041
Project Management Charges		36,140		–
Other Construction Expenses		72,174,894		33,247,233
		1,425,504,400		630,726,550
Schedule - 15				
PAYMENTS TO AND PROVISIONS FOR EMPLOYEES				
Salaries, Wages and Bonus		3,009,454		4,147,059
Contribution to Provident and Other Funds		151,356		321,851
Employee Welfare and other amenities		353,105		509,019
Gratuity		2,086		128,975
		3,516,001		5,106,904

Schedules to the Accounts

(Amount in ₹)

	For the year ended 31st March 2011	For the year ended 31st March 2010
Schedule - 16		
SELLING AND DISTRIBUTION EXPENSES		
Advertisement & Publicity Expenses	3,441,568	6,227,916
Commission to Selling Agents	25,666,760	3,017,080
Sales Promotion Expenses	3,282,547	–
	32,390,875	9,244,996
Schedule - 17		
ADMINISTRATIVE AND GENERAL EXPENSES		
Legal and Professional Charges	1,320,851	3,894,214
Postage, Telegraph & Telephones	373,896	481,463
Motor Vehicle Expenses	725,294	578,977
Rates & Taxes	107,785	69,917
Rent	390,000	390,000
Travelling & Conveyance Expenses	133,358	338,386
Insurance	26,807	–
Auditors Remuneration :		
Statutory Audit Fee	110,300	1,500
Tax Audit Fee	27,575	–
		1,500
Electricity Expenses	398,532	–
Other Repairs	1,223,394	977,557
Printing & Stationary	474,580	651,315
Miscellaneous Expenses	1,898,630	1,664,704
	7,211,002	9,048,033
Schedule - 18		
INTEREST AND FINANCE CHARGES		
Interest Paid		
On Loans from Bodies Corporate	33,189,364	8,264,797
On Term Loans from Banks	2,962,009	7,418,244
On Working Capital Loans	–	1,625,276
Others	69,940	1,012
Finance Charges	1,302,993	1,550,586
	37,524,306	18,859,915

Notes to the Accounts

Schedule - 19

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

A. FINANCIAL STATEMENTS

The financial statements are prepared under historical cost convention on accrual basis as a going concern and in accordance with the Generally Accepted Accounting Principles (GAAP), the Companies Act, 1956 and in compliance with Companies (Accounting Standard) Rules, 2006, except those with significant uncertainty. Accounting policies not stated explicitly otherwise are consistent with Generally Accepted Accounting Principles.

B. USE OF ESTIMATES

The preparation of financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the balances of assets and liabilities and disclosures relating to contingent liabilities as at the Balance Sheet date and amounts of income and expenses during the year. Examples of such estimates include contract costs expected to be incurred to complete construction contracts, provision for doubtful debts, income taxes and future obligations under employee retirement benefit plans. Management periodically assesses whether there is an indication that an asset may be impaired and makes provision in the accounts for any impairment losses estimated. Actual results could differ from those estimates. The effects of adjustment arising from revisions made to the estimates are included in the Profit and Loss statement of the year in which such revisions are made.

C. REVENUE RECOGNITION

- a) Revenue from own construction projects are recognised on percentage of completion method. Units for which agreement for sale is executed till reporting date are considered for it. Revenue recognition starts when 20% of estimated project cost excluding land and marketing cost is incurred. Further, units for which Deed of Conveyance is executed or possession is given, revenue is recognised to full extent.
- b) Revenue from Joint Venture Development Agreement under work sharing arrangements are recognized on the same basis as similar to own construction projects independently executed by the company to the extent of the company's

share in joint venture.

- c) Revenue from Construction Contracts are recognised on percentage of completion method measured by reference to the survey of works done up to the reporting date and certified by the client before finalisation of projects accounts.
- d) Revenue from services are recognised on rendering of services to customers except otherwise stated.
- e) Rental income from assets given on operating lease is recognised using straight line method. Contingent rent is recognised as income to reflect systematic allocation of earning over the lease period. This policy is not applicable for variable rental income based on turnover of the tenant.
- f) Interest income is recognised on accrual basis on a time proportion basis.

D. FIXED ASSETS

Fixed Assets, including those given on operating lease, are stated at cost of acquisition inclusive of freight incurred, duties and taxes (net of CENVAT/ Sales Tax) and incidental expenses less accumulated depreciation. Cost incurred on construction of fixed assets consists of all directly attributable expenditure.

Software is capitalized, where it is expected to provide future enduring economic benefits. Capitalisation cost includes license fees, duties and taxes and cost of implementation.

E. DEPRECIATION

Depreciation is provided on fixed assets including those given on operating lease on written down value method at the rates and in the manner specified in Schedule-XIV of the Companies Act, 1956, except Software.

Software costs are amortised over their useful lives or five years whichever is lower.

F. INVESTMENTS

All investments are bifurcated into Long Term Investments and Current Investments. Investments that are readily realisable and intended to be held for not more than a year are classified as Current Investments. All other investments are classified as Long Term. Current Investments are carried at lower of cost or fair market value, determined on an individual investment basis. Long Term Investments are carried at cost. Provision for Diminution in the value of Long Term Investments is made, only

Notes to the Accounts

if such a diminution is other than temporary.

G. INVENTORIES

a) Finished Goods: At lower of cost or net realisable value.

b) Work-in-Progress: At lower of cost or net realisable value.

Cost comprises of cost of land and development, material cost including material lying at respective sites, construction expenses, finance and administrative expenses which contribute to bring the inventory to their present location and condition.

Provision for obsolescence in inventories is made, wherever required.

H. FOREIGN CURRENCY TRANSACTION

Transactions in foreign currencies are recorded at the exchange rate prevailing at the time of occurrence of payments / receipts.

Exchange differences arising on foreign exchange transactions settled during the year are recognized in the profit and loss account of the year.

I. SALES

i) Real Estate: Sales is exclusive of service tax and value added tax, if any, net of sales return.

ii) Rental Income: Rental income is exclusive of service tax.

K. EMPLOYEE BENEFITS

i) Short term employee benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and short term compensated absences, etc. and the expected cost of ex-gratia is recognised in the period in which the employee renders the related service.

ii) Post-employment benefits

a) Defined Contribution Plan: Employee benefits in the form of Employees State Insurance Corporation and Provident Fund are considered as defined contribution plan and the contributions are charged to the Profit and Loss Account of the year when the contributions to the respective funds are due.

b) Defined Benefit Plan: Employee benefits in the form of Gratuity and Leave Encashment are considered as defined benefit plan and are provided for on the basis of an independent actuarial valuation, using the projected unit

credit method, as at the Balance Sheet date as per requirements of Accounting Standard-15 (Revised 2005) on "Employee Benefits".

Actuarial gains/losses, if any, are immediately recognised in the Profit and Loss Account.

L. TAXATION

a) Current Tax: Current tax is determined as the amount of tax payable in respect of taxable income for the year in accordance with the provisions of the Income Tax Act, 1961. Minimum Alternative Tax credit available under section 115JB of the Income Tax Act, 1961 will be accounted in the year in which the benefits are claimed.

b) Deferred Tax: Deferred tax is recognised subject to consideration of prudence on the basis of timing differences being the differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods using the tax rates and laws that have been enacted or substantially enacted as on the balance sheet date. Deferred tax asset is recognised and carried forward only to the extent that there is reasonable certainty that the asset will be realised in future.

M. IMPAIRMENT OF ASSETS

An asset is treated as impaired when the carrying cost of the same exceeds its recoverable amount. Impairment is charged to the Profit and Loss account in the year in which 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 the recoverable amount.

N. BORROWING COSTS

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use or sale. Other borrowing costs are recognised as an expense in the year in which they are incurred.

O. PROVISIONS/CONTINGENCIES

A provision is recognised for a present obligation as a result of past events if it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are determined

Notes to the Accounts

based on best estimate of the amount required to settle the obligation as at the Balance Sheet date. Liabilities which are material and whose future outcome cannot be ascertained with reasonable certainty are treated as contingent liability and are disclosed by way of note.

2. Allotment of Equity Shares:-

Pursuant to approval of demerger scheme by the Honorable Calcutta High Court, company issued and allotted its shares to the shareholders of RDB Industries Limited in the ratio of one equity share of face value of ₹10/- each fully paid up in the company for every one equity shares of ₹10/- each held by the share holders of RDB Industries Limited on 24-06-2010.

3. Earnings per share

Earnings per share is computed as under:-

	2010-11	2009-10
Profit after Taxation (A) (₹)	61,323,955	54,197,790
Weighted average number of Equity Shares outstanding (B)		
Paid up Equity Shares	10,800,000	50,000
Pending Allotment (Refer Note No. 2)	–	10,750,000
Total Equity Shares	10,800,000	10,800,000
Earnings per share (Face value of ₹10/- per share)		
Basic & Diluted (A/B) (₹)	5.68	5.02

4. In terms of disclosures required to be made under the Accounting Standard - 7 (Revised) on "Construction Contracts" the amounts considered in the financial statements up to the reporting date are as follows:-

(₹)

PARTICULARS	2010-11	2009-10
Contract revenue recognised during the year	121,051,975	131,748,998
Contract Cost incurred and recognised profits (less recognised losses) for all the contracts.	131,896,555	134,176,293
Advances received	86,488,845	72,194,269
Retentions	32,237,996	22,991,937
Due from customer for contract work	32,654,248	–
Due to suppliers for contract work	57,909,576	51,515,241

5. In terms of Accounting Standard - 19 on "Leases", disclosures for operating lease arrangements are as under:

(₹)

S.No. PARTICULARS	2010-11	2009-10
I. Asset under leasing arrangement-Building *		
a) Gross Block	36,840,438	36,840,438
b) Less: Accumulated Depreciation	3,965,757	2,235,510
c) Net Block	32,874,682	34,604,928
II. Depreciation during the year	1,730,247	1,821,311
III. Total contingent rents recognised as income in the statement of Profit and Loss Account	(70,129)	363,403
IV. General Description: The Company has entered into cancelable operating lease arrangements which vary from 26 months to 15 years considering renewals at regular intervals.		

Notes to the Accounts

6. Directors' Remuneration:- Remuneration paid during the year under review and value of perquisites enjoyed by Chairman & Managing Director and Whole-time Director in terms of appointment is as follows:

(₹)		
PARTICULARS	2010-11	2009-10
Salary	680,000	–
Contribution to Provident Fund	57,600	–
Perquisites	9,737	–
	747,337	–

Note: As the Liability of Gratuity and compensated absence is provided on an actuarial basis for the company as a whole, the amount pertaining to the directors are not ascertainable and therefore not included in above.

Computation of Net Profit under Section 198 of the Companies Act, 1956 read with Section 349 of the Act for the purpose of calculating Directors' Remuneration:

(₹)		
PARTICULARS	2010-11	2009-10
Profit before Taxation	80,860,010	–
Add: Directors' Remuneration	680,000	–
Fixed Assets Written Off	–	–
	81,540,010	–
Less: Profit/ (Loss) on sale of Fixed Assets (Net)	5,382	–
Profit/ (Loss) on sale of Shares	(125)	–
Profit for the purpose of Directors' Remuneration	81,534,753	–

7. Prior period adjustment (Net) amounting to ₹80,000/- [Previous Year Nil] debited to Profit and Loss Account comprises of following Income / Expenses:

(₹)		
PARTICULARS	2010-11	2009-10
INCOME		
Rental Income	80,000	–
	80,000	–
EXPENSES		
Prior period adjustment (Net)	80,000	–

8. Auditors' Remuneration:- Remuneration paid during the year under in terms of appointment is as follows:

(₹)		
PARTICULARS	2010-11	2009-10
Statutory Audit Fee	100,000	1,500
Add : Service Tax (inclusive of CESS)	10,300	–
Total (A)	110,300	1,500
Tax Audit Fee	25,000	–
Add : Service Tax (inclusive of CESS)	2,575	–
Total (B)	27,575	–
Grand Total (A + B)	137,875	1,500

Notes to the Accounts

9. Employee Defined Benefits:

- a) Defined Contribution Plans: The Company has recognised an expense of ₹151,356/- (Previous Year ₹321,851/-) towards the defined contribution plans.
- b) Defined Benefit Plans: As per actuarial valuation as on March 31, 2011 and recognised in the financial statements in respect of Employee Benefit Schemes:

		(₹ in lacs)	
PARTICULARS	2010-11	2009-10	
I	Components of Employer Expense		
1	1.28	1.74	Current Service Cost
2	0.77	0.72	Interest Cost
3	–	–	Expected Return on Plan Assets
4	–	–	Curtailment Cost/ (Credit)
5	–	–	Settlement Cost/ (Credit)
6	–	–	Past Service Cost
7	(2.03)	(1.17)	Actuarial Losses/ (Gains)
8	0.02	1.29	Total employer expense recognised in the statement of Profit & Loss Account
	Gratuity expense is recognised in "Gratuity" and Leave Encashment in "Salary, Wages and Bonus" under Schedule -17.		
II	Net Asset/ (Liability) recognised in Balance Sheet		
1	9.68	9.66	Present Value of Defined Benefit Obligation
2	–	–	Fair Value of Plan Assets
3	(9.68)	(9.66)	Funded Status [Surplus/ (Deficit)]
4	–	–	Unrecognised Past Service Costs
5	(9.68)	(9.66)	Net Asset/ (Liability) recognised in Balance Sheet
III	Change in Defined Benefit Obligation (DBO)		
1	9.68	8.37	Present Value of DBO at the Beginning of Period
2	1.28	1.74	Current Service Cost
3	0.77	0.72	Interest Cost
4	–	–	Curtailment Cost/ (Credit)
5	–	–	Settlement Cost/ (Credit)
6	–	–	Plan Amendments
7	–	–	Acquisitions
8	(2.03)	(1.17)	Actuarial Losses/ (Gains)
9	–	–	Benefit Payments
10	9.68	9.66	Present Value of DBO at the End of Period
IV	Change in Fair Value of Assets		
1	–	–	Plan Assets at the Beginning of Period
2	–	–	Acquisition Adjustment
3	–	–	Expected Return on Plan Assets
4	–	–	Actual Company Contributions
5	–	–	Actuarial Gain/ (Loss)
6	–	–	Benefit Payments
7	–	–	Plan Assets at the End of Period
V	Actuarial Assumptions		
1	8.00%	8.00%	Discount Rate
2	N.A.	N.A.	Expected Return on Assets
3	5.00%	5.00%	Salary Escalations
4	LIC (1994-96) Ultimate	LIC (1994-96) Ultimate	Mortality
5	The Estimates of future salary increases, considered in actuarial valuation takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in employment market.		
6	Discount rate is based upon the market yields available on Government Bonds at the accounting date with a term that matches with that of liabilities		

Notes to the Accounts

10. Details of Investment in the capital of **partnership firm** are as under:

Name of Partnership Firm	Name of Partners	2010-11		2009-10	
		Total Capital (₹)	Profit Sharing Ratio	Total Capital (₹)	Profit Sharing Ratio
Bindi Developers	1. RDB Realty & Infrastructure Limited	5,387,328	75%	38,726	75%
	2. Nilesh Dayabhai Patel	(5,640,793)	25%	(4,743,411)	25%

11. Segment Reporting:

- a) The Business of the company falls under a single segment i.e, Development of Real Estate & Infrastructure". In view of the general classification issued by the Institute of Chartered Accountants of India for Companies operating in single segment, the disclosure requirement as per Accounting Standard -17 on "Segment Reporting" are not applicable to the company.
- b) The Company's business is mainly concentrated in similar geographical, political and economical conditions; hence disclosure for Geographical segment is not required.

12. Related Party Disclosures:

In terms of Accounting Standard-18 are as under:

i) Enterprises where control exists

(A) Subsidiaries:-

Sl. No.	Name of Company
1	Bahubali Tie-Up Private Ltd.
2	Baron Suppliers Private Ltd.
3	Bhagwati Builders & Development Pvt. Ltd.
4	Bhagwati Plasto Works Private Ltd.
5	Headman Mercantile Private Ltd.
6	Kasturi Tie-Up Private Ltd.
7	Triton Commercial Private Ltd.
8	Rathi Ess En Finance Co. Private Ltd.
9	Raj Construction Projects Private Ltd.
10	RDB Legend Infrastructure Private Ltd.**

** Subsidiary w.e.f. 25.10.2010

Following companies ceased to be an associate

Sl. No. Name of Company

1 Infravision Developer Private Ltd.*

*with effect from 23.06.2010

(B) Partnership Firm:-

Sl. No. Name of Company

1 Bindi Developers

(ii) Other related parties with whom the company had transactions:-

(A) Key Management Personnel & their relatives:-

Sl. No.	Name	Designation / Relationship
1	Sunder Lal Dugar	Director
2	Pradeep Kumar Pugalia	Director

(B) Enterprises over which Key Management Personnel/Major Shareholders/Their Relatives have Significant Influence: -

Sl. No. Name of Company

1 Humraj Commodities Pvt. Ltd.
 2 Sri S.L.Dugar Charitable Trust.
 3 Pyramid Sales Private Ltd.
 4 Somani Estates Pvt. Ltd.
 5 Khatod Investment & Finance Co. Ltd.
 6 RDB Builders Pvt. Ltd.
 7 Johri Towers Pvt. Ltd.
 8 Veekay Apparments Pvt. Ltd.
 9 Basudev Builders Pvt. Ltd.
 10 NTC Industries Ltd.
 11 MKN Investment Pvt. Ltd.

Notes to the Accounts

iii) Disclosure of transactions between the Company and related parties and the status of outstanding balances as on 31.3.2011

(₹)

Nature of Transactions	Subsidiaries	Partnership Firms	Associates	Key Management Personnel & their Relatives	Enterprises over which KMP & their relatives have significant influence
Interest Income	1,093,757	492,897	–	–	–
Share of Profit Earned	–	(891,105)	–	–	–
Rent Paid	90,000	–	–	–	300,000
Interest Paid	3,007,493	–	–	–	25,823,729
Equity Share Sold	–	–	–	–	2,100,000
Inventory Purchase	–	–	–	244,256,612	–
Directors' Remuneration	–	–	–	680,000	–
Unsecured Loan Received	178,365,000	–	–	–	702,910,000
Unsecured Loan Repaid	96,480,749	–	–	–	357,473,109
Share Application Money Paid	193,000,000	–	–	–	–
Capital Introduced in Partnership Firm	–	15,961,810	–	–	–
Refund of Capital by Partnership Firm	–	10,215,000	–	–	–
Advance Received	–	–	–	–	1,900,000
Refund of Advance Received	–	–	–	–	356,300,000
Advance Given	–	–	–	–	6,805,897
Refund of Advance Given	–	–	–	–	7,850,832
Loan Given	22,200,000	–	–	–	–
Refund of Loan with interest	10,309,376	–	–	–	–
Closing Balance					
Payable	–	–	–	23,652,110	–
Advance Given	–	–	–	–	1,633
Advance Taken	–	–	–	–	10,347,000
Loan Given	21,472,470	–	–	–	–
Unsecured Loan Taken	84,891,744	–	–	–	444,545,460
Capital with Partnership Firm	–	5,387,328	–	–	–

Notes to the Accounts

IV) The significant transactions during the year with related parties are as under:

(₹)

Name & Nature of Transactions	Related Parties	2010-11	2009-10
Interest Income	Rathi Ess En Finance Co. Private Ltd.	1,093,757	1,429,054
	Bindi Developers	492,897	4,690,376
Share of Profit from Partnership Firm	Bindi Developers	(891,105)	16,700,501
Rent Paid	Johri Towers Pvt. Ltd.	300,000	300,000
	Raj Construction Projects Private Ltd.	90,000	90,000
Interest Paid	Pyramid Sales Private Ltd.	22,155,250	2,569,008
	Bhagwati Bulders & Development Pvt.Ltd.	2,490,602	–
Inventory Purchase	RDB Builders Pvt. Ltd.	244,256,612	30,000,000
Maintenance Charges	RDB Builders Pvt. Ltd.	357,027	–
Equity Share Sold	Pyramid Sales Pvt. Ltd.	2,100,000	40,000
Directors' Remuneration	Mr. Sunder Lal Dugar	480,000	–
	Mr. Pradeep Kumar Pugalia	200,000	–
Unsecured Loan Received	Pyramid Sales Pvt. Ltd.	527,250,000	43,080,000
	Bhagwati Bulders & Development Pvt.Ltd.	138,140,000	–
Unsecured Loan Repaid	Pyramid Sales Pvt. Ltd.	227,261,176	59,147,893
	Bhagwati Bulders & Development Pvt.Ltd.	74,949,060	–
	MKN Investment Pvt. Ltd.	87,701,889	–
Capital Introduced in Partnership Firm	Bindi Developers	15,961,810	5,002,385
Refund of Capital by Partnership Firm	Bindi Developers	10,215,000	115,100,000
Share Application Money Paid	RDB Legend Infrastructure Pvt. Ltd.	193,000,000	–
Advance Received	Somani Estate Pvt. Ltd.	1,900,000	–
Refund of Advance Received	Pyramid Sales Pvt. Ltd.	322,050,000	203,350,000
Advance Given	Sri S.L.Dugar Charitable Trust	6,805,897	–
Refund of Advance Given	Sri S.L.Dugar Charitable Trust	7,850,832	1,000,000
Loan Given	Rathi Ess En Finance Co. Private Ltd.	22,200,000	47,400,000
Refund of Loan with interest	Rathi Ess En Finance Co. Private Ltd.	10,309,376	73,657,501

Note:

a) Related party relationships are identified by the Company on the basis of available information which has been relied upon by the auditors.

13. The Company is in communication with its suppliers to ascertain the applicability of "The Micro, Small and Medium Enterprises Development Act, 2006". As on the date of this Balance Sheet the Company has not received any communications from any of its suppliers regarding the applicability of this Act to them.

Notes to the Accounts

14. The break-up of major components of Deferred Tax Assets & Liabilities calculated in accordance with Accounting Standard - 22 on "Accounting for Taxes on Income", is as under:

(₹)		
PARTICULARS	2010-11	2009-10
Deferred Tax Assets on		
Provisional Rental Income	23,297	(304,334)
Provision for Gratuity	693	328,300
	23,990	23,966
Deferred Tax Liabilities on		
Depreciation Allowance on fixed assets	3,538,860	270,001
Expenses Disallowed U/S 40 (a)(ia)	17,221	-
	3,556,081	270,001
Deferred Tax Assets / (Liabilities) (Net)	(3,532,091)	(246,035)

15. Interest amounting to ₹5,261,553/- (Previous year ₹17,010,074/-) paid on loans taken for real estate projects has been included in the value of inventory.

16. Quantitative Information:-

The management is of the view that the provisions of clause 3 (ii) of Schedule VI of Part II of the Companies Act, 1956 are not applicable to the company and as such no quantitative details are given.

17. Contingent Liabilities:-

- a) On account of Guarantee ₹155,132,746 /- issued by the company's bankers to the Contractee for projects under EPC Division.
- b) ₹3,207,510/- on account of Service Tax collected from flat

owners of Regent Enclave and deposited to the credit of central government.

- c) On account of corporate guarantee given to bank for secured loan taken by Associates and Subsidiary of the Company, ₹439,700,000/- (Previous year ₹564,700,000/).

18. In the opinion of the Board the Current Assets, Loans and Advances are not less than the stated value if realised in ordinary course of business. The provision for all known liabilities is adequate and not in excess of the amount reasonably necessary. There is no contingent liability except stated and informed by the Management.

19. The figures of Previous Year have been recast and regrouped wherever considered necessary.

Signatories to Schedules 1 to 19 forming part of the Accounts

For and on behalf of the Board

For S. M. DAGA & CO.
Chartered Accountants

D. K. DAGA
Partner
Membership No.59205

Kolkata
The 30th day of May 2011

S. L. Dugar
Chairman and Managing Director

P. K. Pugalia
Whole Time Director

Balance Sheet Abstract and Company's General Business Profile

Information Pursuant to Part IV of Schedule VI to the Companies Act, 1956 :

Balance Sheet Abstract and Company's General Business Profile

1. Registration Details

Registration No. 5 3 5 6 2

State Code 2 1

Balance Sheet Date 3 1 0 3 2 0 1 1

2. Capital raised during the year (Amount in Rs. '000s)

Public Issue N I L

Rights Issue N I L

Bonus Issue N I L

Private Placement N I L

3. Position of Mobilisation and Deployment of Funds (Amount in Rs. '000s)

Total Liabilities 2 3 8 1 0 4 0

Total Assets 2 3 8 1 0 4 0

Sources of Funds

Paid-up Capital 0 1 0 8 0 0 0

Reserves & Surplus 0 5 0 8 7 5 8

Secured Loans 0 0 3 2 3 3 9

Unsecured Loans 0 6 7 8 6 4 6

Deferred Tax Liabilities 0 0 0 3 5 3 2

Application of Funds

Net Fixed Assets 0 0 3 7 7 1 4

Investments 0 0 5 3 1 2 8

Net Current Assets 1 2 4 0 4 3 3

Miscellaneous Expenditure 0 0 0 0 0 0 0

4. Performance of Company (Amount in Rs. '000s)

Turnover & Other Income 0 6 6 5 1 3 0

Total Expenditure 0 5 8 4 2 7 0

+ - Profit/Loss Before Tax + 0 8 0 8 6 0

+ - Profit/Loss After Tax + 0 6 1 3 2 3

Earning Per Share in ₹ + 0 5 . 6 8

Dividend rate (%) N I L

5. Generic Names of three principal products / services of the Company (in monetary terms)

Item Code No (ITC Code)

N . A .

Product Description

C O N S T R U C T I O N

A C T I V I T Y

For and on behalf of the Board

For S. M. DAGA & CO.

Chartered Accountants

D. K. DAGA

Partner

Membership No.59205

Kolkata

The 30th day of May 2011

S. L. Dugar

Chairman and Managing Director

P. K. Pugalia

Whole Time Director

Ashish Mishra

Company Secretary

Consolidated accounts

Consolidated Auditor's Report

Report of the auditor's to the Board of Directors of **RDB REALTY & INFRASTRUCTURE LIMITED**

1. We have audited the attached Consolidated Balance Sheet of RDB REALTY & INFRASTRUCTURE LIMITED and its subsidiaries and associates (collectively referred to as group) as at 31st March, 2011, the Consolidated Profit and Loss Account for the year ended on that date annexed thereto and the Consolidated Cash Flow Statement for the year ended on that date, which we have signed under reference to this report. These consolidated financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and are free of material misstatement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of certain subsidiaries and associates whose financial statements reflect total assets of ₹1,637,996,901/- as at 31st March 2011 and total revenues of ₹62,431,429/- for the year ended on that date. These financial statements have been audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates the amount included in respect of these subsidiaries, associates and joint ventures is based solely on the report of the other auditors.
4. We report that the consolidated financial statements have

been prepared by the Company in accordance with the requirement of Accounting Standard 21 "Consolidated Financial Statements", Accounting Standard 23 "Accounting for Investment in Associates in consolidated Financial Statements", notified by the companies (Accounting Standards) Rules, 2006 and on the basis of the separate audited financial statements of RDB Realty & Infrastructure Limited, its subsidiaries and associates included in the consolidated financial statements.

5. On the basis of the information and explanations given to us on consideration of the separate audit reports on individual audited financial statements of RDB Realty & Infrastructure Limited, its aforesaid subsidiaries and associates in our opinion, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a) In case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March,2011;
 - b) In case of the Consolidated Profit & Loss Account, of the Profits of the Group for the year ended on that date; and
 - c) In case of the Consolidated Cash Flow Statement, of the Cash Flows of the Group for the year ended on that date.

For **S.M. DAGA & Co.**
Chartered Accountants

D.K. Daga
Partner
Membership No. 59205
11, Clive Row,

Kolkata - 700 001
The 30th day of May, 2011

Consolidated Balance Sheet as at 31st March 2011

(Amount in ₹)

	Schedule No.	As at 31st March 2011		As at 31st March 2010	
I. SOURCES OF FUNDS					
1. Shareholders' Funds					
a) Capital	1	108,000,000		108,000,000	
b) Reserves & Surplus	2	659,517,515	767,517,515	535,993,329	643,993,329
2. Minority Interest			935,597		2,659,404
3. Deferred Tax Liabilities			3,457,786		184,826
4. Loan Funds	3				
a) Secured Loans		122,905,351		162,171,994	
b) Unsecured Loans		621,074,993	743,980,344	90,713,562	252,885,556
Total			1,515,891,242		899,723,115
II. APPLICATION OF FUNDS					
1. Fixed Assets	4				
a) Gross Block		91,329,028		94,205,333	
b) Less: Depreciation		19,432,753		13,793,769	
c) Net Block		71,896,275		80,411,564	
d) Capital Work-in-Progress		11,929,562	83,825,837	11,929,562	92,341,126
2. Investments	5		482,145		1,640,632
3. Current Assets, Loans and Advances					
a) Inventories	6	2,683,289,655		1,375,334,294	
b) Sundry Debtors	7	143,080,473		28,980,954	
c) Cash & Bank Balances	8	56,249,267		60,065,891	
d) Loans & Advances	9	537,762,170		1,186,473,122	
		3,420,381,565		2,650,854,261	
Less : Current Liabilities & Provisions	10				
a) Current Liabilities		1,933,697,568		1,821,021,181	
b) Provisions		55,115,713		24,091,723	
		1,988,813,281		1,845,112,904	
Net Current Assets			1,431,568,284		805,741,357
4. Miscellaneous Expenditure (To the extent not written off Preliminary Expenses)			14,976		-
Total			1,515,891,242		899,723,115
Notes to the accounts	19				
Schedules referred to above form an integral part of the Balance Sheet					

This is the Balance Sheet referred to in our report of even date.

For and on behalf of the Board

For S. M. DAGA & CO.
Chartered Accountants

D. K. DAGA
Partner
Membership No.59205
Kolkata
The 30th day of May 2011

S. L. Dugar
Chairman and Managing Director

P. K. Pugalia
Whole Time Director

Ashish Mishra
Company Secretary

Consolidated Profit & Loss Account for the year ended on 31st March 2011

(Amount in ₹)

	Schedule No.	For the year ended 31st March 2011	For the year ended 31st March 2010
INCOME			
Sales & Services	11	955,223,417	825,307,082
Other Income	12	46,945,356	22,771,635
Increase / (Decrease) In Stocks	13	1,302,760,072	187,787,605
		2,304,928,845	1,035,866,321
EXPENDITURE			
Construction Activity Expenses	14	2,032,000,524	885,066,807
Payment to and Provision for Employees	15	5,169,934	6,778,042
Selling and Distribution Expenses	16	40,406,321	10,478,127
Administrative and General Expenses	17	20,633,490	14,210,391
Interest and Finance Charges	18	35,221,356	24,465,569
Depreciation		5,689,620	6,745,085
Preliminary Expenses		3,744	–
		2,139,124,990	947,744,021
Profit before exceptional Items		165,803,855	88,122,300
Less: Exceptional Items (Net)		125	–
Add: Prior Period (Income)		80,000	–
Profit Before Share of Profit / Loss in Associates		165,883,730	88,122,300
Add: Share of Profit/(Loss) in Associates		16,123	(1,017,902)
Profit Before Taxation		165,899,853	87,104,398
Less: Provision For Taxation			
- Current Income Tax		40,038,540	23,125,852
- Tax adjustments for earlier years		1,724,226	35,172
- Deferred Tax (Assets) / Liabilities		3,272,960	237,357
- Interest Claimed in H/P Disallowed		(3,766,234)	–
		41,269,492	23,398,381
Holding's Share in Profit After Tax		124,630,361	63,706,017
Minority's Share in Profit After Tax		1,188,911	(2,639,746)
Profit After Tax		125,819,272	61,066,271
Balance Brought Forward		85,812,715	104,436,480
Profit Available for Appropriation		211,631,987	165,502,751
APPROPRIATIONS			
Proposed Dividend on Equity Shares		6,480,000	–
Tax on Proposed Dividend		1,051,220	–
General Reserve		10,000,000	–
Balance Carried to Balance Sheet		194,100,767	165,502,751
		211,631,987	165,502,751
Earnings Per Share :- (Face Value ₹10/- each)			
Basic & Diluted		11.65	5.65
Notes to the accounts	19		

Schedules referred to above form an integral part of the Profit and Loss Account

This is the Profit and Loss Account referred to in our report of even date.

For and on behalf of the Board

For S. M. DAGA & CO.
Chartered Accountants

D. K. DAGA
Partner
Membership No.59205
Kolkata
The 30th day of May 2011

S. L. Dugar
Chairman and Managing Director

P. K. Pugalia
Whole Time Director

Ashish Mishra
Company Secretary

Consolidated Cash Flow Statement for the year ended 31st March 2011

(Amount in ₹)

	For the year ended 31st March 2011	For the year ended 31st March 2010
A. Cash flow from operating activities :		
Net profit before tax as per Profit & Loss account	165,883,730	88,122,300
Adjustments for		
Depreciation	5,689,620	6,745,085
(Profit) / Loss on Sale of Investments	125	–
(Profit) / Loss On sale/ Discard of Assets	(3,866,957)	(2,910,301)
Bad Debts Written Off/ Provision Written Back	–	20,135
Interest Paid	35,221,356	22,884,336
Liabilities no longer required Written Back	(1,887,220)	(207,960)
Interest Received	(3,468,714)	(2,751,622)
Provision for Employee Benefits	2,086	128,975
Provision for Rental Income	(70,129)	(363,403)
Operating profit before working capital changes	197,503,897	111,667,545
(Increase) / Decrease in Inventories	(1,302,760,071)	(187,787,605)
(Increase) / Decrease in Trade and other receivables	540,887,455	(303,421,173)
Increase / (Decrease) in Trade Payables	114,357,733	823,104,567
Cash generated from operations	(450,010,986)	443,563,334
Less: Direct taxes paid/ Refunds including Interest (Net)	20,618,662	6,589,955
Cash Flow before Exceptional Items	(470,629,648)	436,973,379
Net cash Generated/(used) from operating activities	(470,629,648)	436,973,379
B. Cash flow from investing activities :		
Purchase of fixed assets	(45,775,725)	(3,388,806)
Sale of fixed assets	49,642,683	29,178,589
Interest Received	(553,697)	2,751,622
Investment in Subsidiaries and Firms	(5,399,602)	611,063
Sale of Investment in Associates / Subsidiaries	5,000,125	405,000
Sale of Minority Interest in subsidiary	13,512,327	(84,521,715)
Purchase of Interest in subsidiary	(36,091,062)	(37,668,252)
Loans (Given) / Refund	107,226	78,169
Net cash from investing activities	(19,557,725)	(92,554,331)
C. Cash flow from financing activities :		
Proceeds / (Repayment) of borrowings	491,178,633	(320,873,843)
Interest Paid	(4,807,884)	(18,850,437)
Net cash generated/(used) in financing activities	486,370,749	(339,724,280)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(3,816,624)	4,694,768
Cash and cash equivalents -Opening balance	60,065,891	296,017
Add: Cash & Bank Balances of Subsidiaries and transfer from RDB Industries Limited on demerger of Real Estate Undertaking.	–	55,075,106
Cash and cash equivalents -Closing balance	56,249,267	60,065,891
CASH AND CASH EQUIVELANTS COMPRISE:		
Cash on hand	1,188,259	1,572,444
Cheques on hand	2,554,518	1,396,195
Balances with Scheduled Banks on:		
Current Accounts	19,185,243	24,407,677
Fixed Deposit Account	33,321,247	32,689,575
	56,249,267	60,065,891

This is the Cash Flow Statement referred to in our report of even date.

For and on behalf of the Board

For S. M. DAGA & CO.
Chartered Accountants

D. K. DAGA
Partner
Membership No.59205
Kolkata
The 30th day of May 2011

S. L. Dugar
Chairman and Managing Director

P. K. Pugalia
Whole Time Director

Ashish Mishra
Company Secretary

Schedules to the Consolidated Accounts

(Amount in ₹)

	As at 31st March 2011	As at 31st March 2010
Schedule - 1		
SHARE CAPITAL		
Authorised		
1,000,000 Equity Shares of ₹10/- each*	–	10,000,000
* The authorised share capital has been increased to 20,000,000 equity shares of ₹10/- each w.e.f. 06/05/2010	200,000,000	–
	200,000,000	10,000,000
Issued, Subscribed and Paid up:		
10,800,000 (Previous Year 50,000) Equity Shares of ₹10/- each (Out of above 10,750,000 Equity Shares of ₹10/- each fully paid up issued for consideration other than cash pursuant to the Scheme Arrangement for demerger of "Real Estate Undertaking" of RDB Industries Ltd.)	108,000,000	500,000
Share Capital (Pending Allotment)	–	107,500,000
	108,000,000	108,000,000
Schedule - 2		
RESERVES & SURPLUS		
Capital Reserve		
Opening Balance	–	–
Add: during the year*	–	–
On consolidation *(Refer note number 14 of notes to the accounts)	67,199,506	64,399,516
	67,199,506	64,399,516
Securities Premium Account		
Opening Balance	270,000,000	–
On consolidation	82,126,180	–
Add : Transfer from RDB Industries Limited on demerger of Real Estate Undertaking	–	377,500,000
Less : 10,750,000 Equity Shares of ₹10/- each pending allotment to the Equity Share Holders of RDB Industries Ltd. in pursuance of the scheme of Arrangement for demerger of "Real Estate Undertaking" of RDB Industries Ltd.	–	352,126,180
		107,500,000
		270,000,000
General Reserve		
Opening Balance	36,091,062	–
Add : Transfer from Profit & Loss Account	10,000,000	–
Add : Transfer from RDB Industries Limited on demerger of Real Estate Undertaking	–	46,091,062
		36,091,062
		36,091,062
Profit & Loss Account		
Balance as per Profit & Loss Account	194,100,767	165,502,751
	659,517,515	535,993,329

Schedules to the Consolidated Accounts

(Amount in ₹)

	As at 31st March 2011	As at 31st March 2010
Schedule - 3		
LOAN FUNDS		
Secured Loans	55,000,000	–
Cash Credit from Banks	19,376,371	20,090,212
Secured by Equitable Mortgage of Specific immovable assets and by Personal guarantee of the Director.		
Term Loan from Banks	12,962,967	102,545,510
Secured by Charge/Mortgage of Specific movable/ immovable assets and by Personal guarantees of the Chairman and Executive Director. (Amount Repayable within a year ₹65831857/- Previous Year ₹9,693,765/-)		
Loan Against Rent Securitisation	35,566,013	39,536,272
*Secured by way of assignment of lease rentals charge and equitable mortgage of title deed of immovable property (Amount Repayable within a year ₹3,663,348/- Previous Year ₹12,138,747/-)		
	122,905,351	162,171,994
Unsecured Loans		
From Bodies Corporate (Includes interest accrued and due ₹31,973,367 Previous Year ₹7,699,840/-)*	621,074,993	90,713,562
	621,074,993	90,713,562

* Note : Previous Year represent paid from 01-Apr-09 to 31-Mar-10

Schedule - 4

FIXED ASSETS

Description of Assets	GROSS BLOCK					DEPRECIATION					NET BLOCK	
	As at 1st April 2010	Transfer from Transferor Company on Demerger	Additions during the year	Deductions during the year	As at 31st March 2011	Up to 31st March 2010	Transfer from Transferor Company on Demerger	For the year	Deductions during the year	Up to 31st March 2011	As at 31st March 2011	As at 31st March 2010
Land	4,608,471	–	41,577,741	45,711,126	475,086	–	–	–	–	–	475,086	4,608,471
Building	73,917,518	–	–	–	73,917,518	5,519,711	–	3,419,891	–	8,939,602	64,977,916	68,397,807
Plant & Machinery	6,264,227	–	154,894	–	6,419,121	1,819,966	–	1,124,827	–	2,944,793	3,474,328	4,447,010
Furniture & Fixtures	1,667,735	–	299,102	3,100	1,963,737	984,546	–	147,250	3,100	1,128,696	835,041	742,235
Vehicles	4,243,887	–	625,358	–	4,869,245	3,121,831	–	447,987	–	3,569,818	1,299,427	1,122,056
Computers	3,503,496	–	242,325	61,500	3,684,321	2,348,715	–	549,665	48,536	2,849,844	834,477	1,196,004
Total	94,205,334	–	42,899,420	45,775,726	91,329,028	13,794,769	–	5,689,620	51,636	19,432,753	71,896,274	80,513,583
Previous Year	44,654,235	76,369,044	3,378,544	30,196,490	94,205,333	2,996,350	6,890,573	6,748,280	2,841,434	13,793,769	80,411,564	–
Capital Work in Progress											11,929,562	–

Note : Opening Balance Comprise of Balance of the Subsidiaries and the Demerger of Real Estate Undertaking of RDB Industries Ltd.

Schedules to the Consolidated Accounts

(Amount in ₹)

	As at 31st March 2011	As at 31st March 2010
Schedule - 5		
INVESTMENTS		
(A) Long Term		
Trade Investments (at cost)		
(i) Unquoted		
Infravision Developers (P) Ltd. 500,000 Equity Shares of ₹10/- each, fully paid	–	1,176,597
Rimjhim Vanijya (P) Ltd.* 5,000 Equity Shares of ₹10/- each, fully paid	95,805	79,681
Dalton Kunj (P) Ltd. 40,000 Equity Shares of ₹10/- each, fully paid	80,000	80,000
Manavata Vyapaar (P) Ltd. 50,000 Equity Shares of ₹10/- each, fully paid	100,000	100,000
Persi Fashion (P) Ltd. 90,000 Equity Shares of ₹10/- each, fully paid	180,000	180,000
	455,805	1,616,278
* Investment is net of post acquisition gain ₹ 29,681/-		
(ii) In Others		
National Savings Certificate	26,340	24,354
	482,145	1,640,632
Aggregate book cost of unquoted investments	482,145	1,640,632
Schedule - 6		
INVENTORIES		
Work-in-Progress		
- Own Construction Projects	2,379,829,937	1,306,921,721
- Construction Contracts	28,233,356	52,266,766
Finished Goods	275,226,362	16,145,807
	2,683,289,655	1,375,334,294
Schedule - 7		
SUNDRY DEBTORS		
(Unsecured, considered good)		
Debts outstanding for a period exceeding six months	5,269,525	16,831,968
Other Debts	137,810,948	12,148,986
	143,080,473	28,980,954

Schedules to the Consolidated Accounts

(Amount in ₹)

	As at 31st March 2011	As at 31st March 2010
Schedule - 8		
CASH & BANK BALANCES		
Cash on hand	1,188,259	1,572,444
Cheques on hand	2,554,518	1,396,195
Balances with Scheduled Banks on:		
Current Accounts	19,185,243	24,407,677
Fixed Deposit Account (Pledged with respective Bank against credit facilities availed by the Company)	33,321,247	32,689,575
	56,249,267	60,065,891
Schedule - 9		
LOANS & ADVANCES (Unsecured, considered good)		
Loans to Others (including interest accrued)	256,177	–
Advances (Recoverable in cash or in kind or for value to be received)	148,349,707	1,122,686,513
Sundry Deposits	374,212,082	54,685,810
Payment of Income Tax	14,608,682	8,495,868
Prepaid Expenses	335,522	604,931
	537,762,170	1,186,473,122
Schedule - 10		
1. CURRENT LIABILITIES		
Sundry Creditors*	190,278,146	116,232,338
Advances from Customers	1,366,968,375	1,510,797,197
Sundry Deposits	14,102,099	19,329,821
Other Liabilities	361,312,656	168,781,693
Bank Overdraft	1,036,292	5,880,132
* No amount due to Small, Medium & Micro Enterprise		
	1,933,697,568	1,821,021,181
2. PROVISIONS		
Income Tax	46,616,536	23,125,852
Retirement Benefits	967,957	965,871
Proposed Dividend	6,480,000	–
Tax on Proposed Dividend	1,051,220	–
	55,115,713	24,091,723

Schedules to the Consolidated Accounts

(Amount in ₹)

	For the year ended 31st March 2011	For the year ended 31st March 2010
Schedule - 11		
SALES & SERVICES		
Construction Activities	954,043,137	824,254,487
Miscellaneous	1,180,280	1,052,595
	955,223,417	825,307,082
Schedule - 12		
OTHER INCOME		
Rental Income	36,183,440	16,817,571
Interest Received	3,468,714	2,751,622
Profit from Sale of Fixed Assets & Land	3,866,957	2,910,301
Liabilities/ advances no longer payable written back	1,887,220	207,960
Miscellaneous Income	1,539,025	84,181
	46,945,356	22,771,635
Schedule - 13		
INCREASE / (DECREASE) IN STOCKS		
Opening stock		
Work-in-Progress	1,364,383,777	1,167,043,590
Finished Goods	16,145,807	20,503,100
	1,380,529,584	1,187,546,690
Closing stock		
Work-in-Progress	2,408,063,294	1,359,188,488
Finished Goods	275,226,363	16,145,807
	2,683,289,657	1,375,334,294
Increase / (Decrease) in Stocks	1,302,760,072	187,787,605
Schedule - 14		
CONSTRUCTION ACTIVITY EXPENSES		
Direct Purchase Cost for the Project	244,256,612	–
Cost of Land and Development Charges	824,697,860	361,152
Construction and other Materials	473,806,022	659,136,944
Contract Labour Charges	233,850,000	127,142,221
Interest	16,003,164	31,005,706
Professional Charges	7,852,035	2,771,344
Other Construction Expenses	231,534,831	64,649,440
	2,032,000,524	885,066,807

Schedules to the Consolidated Accounts

(Amount in ₹)

	For the year ended 31st March 2011	For the year ended 31st March 2010
Schedule - 15		
PAYMENTS TO AND PROVISIONS FOR EMPLOYEES		
Salaries, Wages and Bonus	4,663,387	5,803,668
Contribution to Provident and Other Funds	151,356	321,851
Employee Welfare and other amenities	353,105	523,548
Gratuity	2,086	128,975
	5,169,934	6,778,042
Schedule - 16		
SELLING AND DISTRIBUTION EXPENSES		
Advertisement & Publicity Expenses	9,392,310	6,569,047
Commission to Selling Agents	26,923,110	3,909,080
Other Sales Expenses	4,090,901	–
	40,406,321	10,478,127
Schedule - 17		
ADMINISTRATIVE AND GENERAL EXPENSES		
Legal and Professional Charges	2,341,701	4,693,698
Postage, Telegraph & Telephones	489,877	603,304
Motor Vehicle Expenses	792,950	829,910
Rates & Taxes	1,713,792	1,342,976
Rent	391,476	331,237
Travelling & Conveyance Expenses	170,233	719,111
Insurance	69,003	111,638
Interest, Penalty & Demurrage	9,148	–
Auditors Remuneration :		
Statutory Audit Fee	246,360	58,030
Tax Audit Fee	40,075	6,500
Electricity Expenses	1,301,567	619,255
Other Repairs	3,961,116	998,262
Printing & Stationary	566,292	710,595
Bad Debts/ Advances Written Off	714,392	20,135
Miscellaneous Expenses	2,725,508	3,165,740
Donation Paid	5,100,000	–
	20,633,490	14,210,391
Schedule - 18		
INTEREST AND FINANCE CHARGES		
Interest Paid		
On Loans from Bodies Corporate	30,413,472	8,564,143
On Term Loans from Banks	2,962,009	12,693,905
On Working Capital Loans	–	1,625,276
Others	514,543	1,012
Finance Charges	1,331,332	1,581,234
	35,221,356	24,465,569

Notes to the Consolidated Accounts

Schedule - 19

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

I) PRINCIPLES OF CONSOLIDATION

The Consolidated Financial Statements include the financial statements of RDB Realty & Infrastructure Limited, the parent company, and its subsidiaries and joint ventures (collectively referred to as "Group") on the following basis:

- A) The Consolidated Financial Statements have been prepared in accordance with Accounting Standard-21 on "Consolidated Financial Statements", Accounting Standard-23 on "Accounting for Investments in Associates in Consolidated Financial Statements" and Accounting Standard-27 on "Financial Reporting of Interests in Joint Ventures", notified by the Companies (Accounting Standard) Rules, 2006.
- B) The financial statement of the parent company and its subsidiaries are combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses after adjustments / elimination of inter-company transactions, balances including unrealized profit etc.
- C) The surplus/deficit of cost of investment in the subsidiary over the proportionate share in equity of subsidiary as at the

date of investment is recognised as goodwill/ capital reserve.

- D) Capital Reserve (net of goodwill) arising out of consolidation is stated at cost.
- E) Minority interest in the net assets of consolidated subsidiaries consists of:
- The amount of equity attributable to minorities at the date on which the control in a subsidiary is transferred; and
 - Minorities share of movement in equity since the date the parent-subsidiary relationship came into existence.
- F) The Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the parent company's standalone financial statements. However, no effect in respect of different method of charging depreciation by various subsidiaries, other than the method adopted by parent company, has been considered.
- G) The financial statements of the entities used for the purpose of consolidation are drawn up to the same reporting date as that of the parent company i.e. 31st March, 2011.

II) BASIS OF PRESENTATION

A) The subsidiaries (which alongwith RDB Realty & Infrastructure Limited, the parent company, constitute the Group) considered in preparation of these consolidated financial statements are:

Name	Country of Incorporation	Percentage of ownership interest as at 31st March, 2011	Percentage of ownership interest as at 31st March, 2010
Bahubali Tie-Up Private Ltd.	India	100	100
Baron Suppliers Private Ltd.	India	100	100
Bhagwati Builders & Development Private Ltd.	India	100	100
Bhagwati Plasto Works Private Ltd.	India	51	51
Headman Mercantile Private Ltd.	India	100	100
Kasturi Tie-Up Private Ltd.	India	100	100
Raj Construction Projects Private Ltd.	India	100	100
Rathi Ess En Finance Co. Private Ltd.	India	100	100
RDB Legend Infrastructure Private Ltd.*	India	51	Nil
Triton Commercial Private Ltd.	India	100	100
Bindi Developers	India	75	75

* Subsidiary w.e.f. 25.10.2010

Notes to the Consolidated Accounts

B) The Group's associates are:

Name	Country of Incorporation	Percentage of ownership interest as at 31st March, 2011	Percentage of ownership interest as at 31st March, 2010
Infravision Developers Private Ltd.*	India	Nil	50
Rimjihim Vanijya Private Ltd.	India	50	50

* Ceased to be Associate Company w.e.f. 23.06.2010

C) Notes to these Consolidated Financial Statements are intended to serve as a means of informative disclosure and guide to better understanding of the consolidated position of the Group. Recognising, this purpose, only such notes from the individual financial statements are disclosed which fairly present the required disclosures.

D) The subsidiaries of the parent Company are those entities in which the parent company directly or indirectly owns more than one half of the voting power or otherwise has power to exercise control over the composition of the Board of Directors/ Governing Body of such entities.

E) The financial statements of subsidiaries are consolidated from the date on which the control is transferred to the Parent Company.

III) OTHER SIGNIFICANT ACCOUNTING POLICIES

These are set out under "Significant Accounting Policies" as given in the notes to the accounts in the stand alone financial statements of parent company and its subsidiaries.

A. FINANCIAL STATEMENTS

The financial statements are prepared under historical cost convention on accrual basis as a going concern and in accordance with the Generally Accepted Accounting Principles (GAAP), the Companies Act, 1956 and in compliance with Companies (Accounting Standard) Rules, 2006, except those with significant uncertainty. Accounting policies not stated explicitly otherwise are consistent with Generally Accepted Accounting Principles.

B. USE OF ESTIMATES

The preparation of financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the balances of assets and liabilities and disclosures relating to contingent liabilities as at the Balance Sheet date and amounts of income and expenses during the year. Examples of such estimates include contract costs expected to be incurred to complete construction

contracts, provision for doubtful debts, income taxes and future obligations under employee retirement benefit plans. Management periodically assesses whether there is an indication that an asset may be impaired and makes provision in the accounts for any impairment losses estimated. Actual results could differ from those estimates. The effects of adjustment arising from revisions made to the estimates are included in the Profit and Loss statement of the year in which such revisions are made.

C. REVENUE RECOGNITION

- Revenue from own construction projects are recognised on percentage of completion method. Units for which agreement for sale is executed till reporting date are considered for it. Revenue recognition starts when 20% of estimated project cost excluding land and marketing cost is incurred. Further, units for which Deed of Conveyance is executed or possession is given, revenue is recognised to full extent.
- Revenue from Joint Venture Development Agreement under work sharing arrangements are recognized on the same basis as similar to own construction projects independently executed by the company to the extent of the company's share in joint venture.
- Revenue from Construction Contracts are recognised on percentage of completion method measured by reference to the survey of works done up to the reporting date and certified by the client before finalisation of projects accounts.
- Revenue from services are recognised on rendering of services to customers except otherwise stated.
- Rental income from assets given on operating lease is recognised using straight line method. Contingent rent is recognised as income to reflect systematic allocation of earning over the lease period. This policy is not applicable for variable rental income based on turnover of the tenant.

Notes to the Consolidated Accounts

f) Interest income is recognised on accrual basis on a time proportion basis.

D. FIXED ASSETS

Fixed Assets, including those given on operating lease, are stated at cost of acquisition inclusive of freight incurred, duties and taxes and incidental expenses less accumulated depreciation. Cost incurred on construction of fixed assets consists of all directly attributable expenditure.

Software is capitalized, where it is expected to provide future enduring economic benefits. Capitalisation cost includes license fees, duties and taxes and cost of implementation.

E. DEPRECIATION

Depreciation is provided on fixed assets including those given on operating lease on written down value method at the rates and in the manner specified in Schedule-XIV of the Companies Act, 1956, except Software.

Software costs are amortised over their useful lives or five years whichever is lower.

F. INVESTMENTS

All investments are bifurcated into Long Term Investments and Current Investments. Investments that are readily realisable and intended to be held for not more than a year are classified as Current Investments. All other investments are classified as Long Term. Current Investments are carried at lower of cost or fair market value, determined on an individual investment basis. Long Term Investments are carried at cost. Provision for Diminution in the value of Long Term Investments is made, only if such a diminution is other than temporary.

G. INVENTORIES

a) Finished Goods: At lower of cost or net realisable value.

b) Work-in-Progress: At lower of cost or net realisable value.

Cost comprises of cost of land and development, material cost including material lying at respective sites, construction expenses, finance and administrative expenses which contribute to bring the inventory to their present location and condition.

Provision for obsolescence in inventories is made, wherever required.

H. FOREIGN CURRENCY TRANSACTION

Transactions in foreign currencies are recorded at the exchange rate prevailing at the time of occurrence of payments / receipts.

Exchange differences arising on foreign exchange transactions

settled during the year are recognized in the profit and loss account of the year.

I. SALES

i) Real Estate: Sales is exclusive of service tax and value added tax, if any, net of sales return.

ii) Rental Income: Rental income is exclusive of service tax.

J. EMPLOYEE BENEFITS

i) Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and short term compensated absences, etc. and the expected cost of ex-gratia is recognised in the period in which the employee renders the related service.

ii) Post-employment benefits

a) Defined Contribution Plan: Employee benefits in the form of Employees State Insurance Corporation and Provident Fund are considered as defined contribution plan and the contributions are charged to the Profit and Loss Account of the year when the contributions to the respective funds are due.

b) Defined Benefit Plan: Employee benefits in the form of Gratuity and Leave Encashment are considered as defined benefit plan and are provided for on the basis of an independent actuarial valuation, using the projected unit credit method, as at the Balance Sheet date as per requirements of Accounting Standard-15 (Revised 2005) on "Employee Benefits".

iii) Actuarial gains/losses, if any, are immediately recognised in the Profit and Loss Account.

K. TAXATION

a) Current Tax: Current tax is determined as the amount of tax payable in respect of taxable income for the year in accordance with the provisions of the Income Tax Act, 1961. Minimum Alternate Tax credit available under section 115JB of the Income Tax Act, 1961 will be accounted in the year in which the benefits are claimed.

b) Deferred Tax: Deferred tax is recognised subject to consideration of prudence on the basis of timing differences being the differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods using

Notes to the Consolidated Accounts

the tax rates and laws that have been enacted or substantially enacted as on the balance sheet date. Deferred tax asset is recognised and carried forward only to the extent that there is reasonable certainty that the asset will be realised in future.

L. IMPAIRMENT OF ASSETS

An asset is treated as impaired when the carrying cost of the same exceeds its recoverable amount. Impairment is charged to the Profit and Loss account in the year in which 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 the recoverable amount.

M. BORROWING COSTS

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use or sale. Other borrowing costs are recognised as an expense in the year in which they are incurred.

N. PROVISIONS/CONTINGENCIES

A provision is recognised for a present obligation as a result of past events if it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are determined based on best estimate of the amount required to settle the obligation as at the Balance Sheet date. Liabilities which are material and whose future outcome cannot be ascertained with reasonable certainty are treated as contingent liability and are disclosed by way of note.

NOTES TO THE ACCOUNTS

1. Allotment of Equity Shares:-

In Consideration of the Demerger of the real estate undertaking from RDB Industries Ltd., the Company has allotted its shares to the shareholders of RDB Industries Limited in the ratio of one equity share of face value of ₹10/- each fully paid up in the company for every one equity shares of ₹10/- each held by the shareholders of RDB Industries Limited, on 24th June 2010.

2. Earnings Per Share

Earnings per share is computed as under:-

	2010-11	2009-10
Profit after Taxation (A) (₹)	125,819,272	61,066,271
Weighted average number of Equity Shares outstanding (B)	10,800,000	10,800,000
Earnings per share (Face value of ₹10/- per share) Basic & Diluted (A/B) (₹)	11.65	5.65

3. In terms of disclosures required to be made under the Accounting Standard - 7 (Revised) on "Construction Contracts" the amounts considered in the financial statements upto the reporting date are as follows:-

(Amount in ₹)

PARTICULARS	2010-11	2009-10
Contract revenue recognised during the year	121,051,975	131,748,998
Contract Cost incurred and recognised profits (less recognised losses) for all the contracts.	131,896,555	134,176,293
Advances received	86,488,845	72,194,269
Retentions	32,237,996	22,991,937
Due from customer for contract work	32,654,248	-
Due to suppliers for contract work	57,909,576	51,515,241

Notes to the Consolidated Accounts

4. The break-up of major components of Deferred Tax Assets & Liabilities calculated in accordance with Accounting Standard -22 on "Accounting for Taxes on Income", is as under:

(Amount in ₹)

PARTICULARS	2010-11	2009-10
Deferred Tax (Assets) Liabilities on		
Provision for Gratuity	693	328,300
Depreciation Allowance on fixed assets	(3,464,555)	(208,792)
Provisional Rental Income	23,297	(304,334)
Expenses Disallowed U/S 40 (a)(1a)	(17,221)	-
Deferred Tax Assets / (Liabilities) (Net)	(3,457,786)	(184,826)

5. In terms of Accounting Standard - 19 on "Leases", disclosures for operating lease arrangements are as under:-

(Amount in ₹)

S.No.	PARTICULARS	2010-11	2009-10
I	Asset under leasing arrangement-Building		
	a) Gross Block	36,840,438	36,840,438
	b) Less: Accumulated Depreciation	3,965,757	2,235,510
	c) Net Block	32,874,682	34,604,928
II	Depreciation during the period	1,730,247	1,821,311
III	Total contingent rents recognised as income in the statement of Profit and Loss Account	(70,129)	363,403
IV	General Description: The Company has entered into cancelable operating lease arrangements which vary from 26 months to 15 years considering renewals at regular intervals.		

6. Prior period adjustment

Amounting to ₹80,000/- [Previous Year - Nil] credited to Profit and Loss Account comprises of following Income:

(Amount in ₹)

PARTICULARS	2010-11	2009-10
INCOME		
Rental Income	80,000	-
Prior period adjustments	80,000	-

Notes to the Consolidated Accounts

7. Employee Benefits:-

- a) Defined Contribution Plans: The Company has recognised an expense of ₹(151,356/-),(Previous Year ₹128,975/-) towards the defined contribution plans.
- b) Defined Benefit Plans: As per actuarial valuation as on September 30, 2010 and recognised in the financial statements in respect of Employee Benefit Schemes:

(Amount in ₹)

PARTICULARS	2010-11 Gratuity	2009-10 Gratuity
I Components of Employer Expense		
1 Current Service Cost	1.28	1.74
2 Interest Cost	0.77	0.72
3 Expected Return on Plan Assets	–	–
4 Curtailment Cost/ (Credit)	–	–
5 Settlement Cost/ (Credit)	–	–
6 Past Service Cost	–	–
7 Actuarial Losses/ (Gains)	(2.03)	(1.17)
8 Total employer expense recognised in the statement of Profit & Loss Account	0.02	1.29
Gratuity expense is recognised in "Gratuity" and Leave Encashment in "Salary, Wages and Bonus" under Schedule -17.		
II Net Asset/ (Liability) recognised in Balance Sheet		
1 Present Value of Defined Benefit Obligation	9.68	9.66
2 Fair Value of Plan Assets	–	–
3 Funded Status [Surplus/ (Deficit)]	(9.68)	(9.66)
4 Unrecognised Past Service Costs	–	–
5 Net Asset/ (Liability) recognised in Balance Sheet	(9.68)	(9.66)
III Change in Defined Benefit Obligation (DBO)		
1 Present Value of DBO at the Beginning of Period	9.68	8.37
2 Current Service Cost	1.28	1.74
3 Interest Cost	0.77	0.72
4 Curtailment Cost/ (Credit)	–	–
5 Settlement Cost/ (Credit)	–	–
6 Plan Amendments	–	–
7 Acquisitions	–	–
8 Actuarial Losses/ (Gains)	(2.03)	(1.17)
9 Benefit Payments	–	–
10 Present Value of DBO at the End of Period	9.68	9.66
IV Change in Fair Value of Assets		
1 Plan Assets at the Beginning of Period	–	–
2 Acquisition Adjustment	–	–
3 Expected Return on Plan Assets	–	–
4 Actual Company Contributions	–	–
5 Actuarial Gain/ (Loss)	–	–
6 Benefit Payments	–	–
7 Plan Assets at the End of Period	–	–
V Actuarial Assumptions		
1 Discount Rate	8.00%	8.00%
2 Expected Return on Assets	N.A	N.A
3 Salary Escalations	5.00%	5.00%
4 Mortality	LIC (1994-96) Ultimate	LIC (1994-96) Ultimate
5 The Estimates of future salary increases, considered in actuarial valuation takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in employment market.		
6 Discount rate is based upon the market yields available on Government Bonds at the accounting date with a term that matches with that of liabilities		

Notes to the Consolidated Accounts

8. Related Party Disclosures:-

In terms of Accounting Standard-18 are as under:

(i) Other related parties with whom the company had transactions:-

(A) Associate:-

Sl. No.	Name of Company
1	Rimjihim Vanija Private Ltd.

(B) Key Management Personnel & their relatives:-

Sl. No.	Name	Designation / Relationship
1	Sunder Lal Dugar	Director
2	Ravi Prakash Pincha	Director
3	Pradeep Kumar Pugalia	Director
4	Abhishek Satyanarayan Rathi	Director

(C)Enterprises over which Key Management Personnel/Major Shareholders/Their Relatives have Significant Influence: -

Sl. No.	Name of Enterprise
1	Khatod Invest.& Finance Co.Ltd.
2	Somani Estates Pvt. Ltd.
3	Humraj Commodities Pvt. Ltd.
4	Veekay Apartments Pvt. Ltd.
5	Johri Towers Pvt. Ltd.
6	RDB Builders Pvt Ltd
7	Pyramid Sales Pvt. Ltd.
8	Sri SLD Charitable Trust

(ii) Disclosure of transactions between the Company and related parties and the status of outstanding balances as on 31.03.2011

(Amount in ₹)

Nature of Transactions	Associates	Key Management Personnel & their Relatives	Enterprises over which KMP & their relatives have significant influence
Rent Paid	-	-	300,000
Interest Paid	-	-	26,499,933
Equity Share Sold	-	-	2,100,000
Inventory Purchase	-	244,256,612	-
Unsecured Loan Received	-	-	744,095,000
Unsecured Loan Repaid	-	-	387,748,109
Advance Received	-	-	1,900,000
Refund of Advance Received	-	-	356,300,000
Advance Given	-	-	6,805,897
Refund of Advance Given	-	-	7,850,832
Closing Balance			
Payable	-	23,652,110	-
Advance Given	-	-	1,633
Advance Taken	-	-	10,347,000
Loan Given	-	-	-
Unsecured Loan Taken	-	-	455,855,603

Notes to the Consolidated Accounts

iii) The significant transactions during the period with related parties are as under:

(₹)

Name & Nature of Transactions	Related Parties	2010-11	2009-10
Rent Paid	Johri Towers Pvt. Ltd.	300,000	300,000
Interest Paid	Pyramid Sales Private Ltd.	22,831,454	2,569,008
	Veekay Apartments Pvt. Ltd.	–	1,317,794
Maintenance Charges	RD Motors Pvt. Ltd.	–	111,635
	RDB Builders Pvt. Ltd.	357,027	–
Inventory Purchase	RDB Builders Pvt. Ltd.	244,256,612	30,000,000
Equity Share Purchased	Vinod Dugar	–	2,532,000
	Pyramid Sales Pvt. Ltd.	–	651,000
Equity Share Sold	Pyramid Sales Pvt. Ltd.	2,100,000	40,000
	Rekha Benefit Trust	–	30,000
	Veekay Apartments Pvt. Ltd.	–	15,000
Unsecured Loan Received	Pyramid Sales Pvt. Ltd.	568,435,000	43,080,000
	Khatod Investment & Finance Co. Ltd.	–	10,450,000
	Veekay Apartments Pvt. Ltd.	–	26,295,000
Unsecured Loan Repaid	Pyramid Sales Pvt. Ltd.	257,536,176	59,147,893
	MKN Investment Pvt. Ltd.	87,701,889	–
	Veekay Apartments Pvt. Ltd.	–	27,813,985
Advance Received	Somani Estates Pvt. Ltd.	1,900,000	–
	Pyramid Sales Pvt. Ltd.	–	404,625,000
	Veekay Apartments Pvt. Ltd.	–	52,050,000
Refund of Advance Received	Pyramid Sales Pvt. Ltd.	322,050,000	203,350,000
	Veekay Apartments Pvt. Ltd.	–	37,200,000
Advance Given	Sri S.L.Dugar Charitable Trust	6,805,897	–
	RDB Builders Pvt. Ltd.	–	78,006,000
Refund of Advance Given	Ankur Construction Pvt. Ltd.	–	3,100,000
	Sri S.L.Dugar Charitable Trust	7,850,832	1,000,000

Note:

a) Related party relationships are identified by the Company on the basis of available information.

Notes to the Consolidated Accounts

9. Segment Reporting:-

a) The Business of the company falls under a single segment i.e, "Development of Real Estate & Infrastructure". In view of the general classification issued by the Institute of Chartered Accountants of India for Companies operating in single segment, the disclosure requirement as per Accounting Standard -17 on "Segment Reporting" are not applicable to the company.

b) The Company's business is mainly concentrated in similar geographical, political and economical conditions; hence disclosure for Geographical segment is not required.

10. Interest amounting to ₹16,003,164/-,(Previous year ₹31,005,706/-) paid on loans taken for real estate projects has been included in the value of inventory.

11. Contingent Liabilities:-

a) On account of Guarantee ₹155,132,746 /- issued by the company's bankers to the Contractee for projects under EPC Division.

b) On account of corporate guarantee given to bank for secured loan taken by Associates of the Company, ₹1,439,700,000/- (Previous year ₹1,564,700,000/-).

c) ₹3,207,510/- on account of Service Tax collected from flat owners of Regent Enclave and deposited to the credit of central government.

d) In view of the judgment of Honorable Delhi High Court in case of Home Solutions Retail Private Limited & Others, the tenants have stopped re-imbursalment of service tax on rental income. They may re-imburse the same in case the service tax liability finally arises in future. The nature of the

service tax being an indirect tax, the company can claim the same from the tenants. Accordingly, bills for rental income are raised along with service tax, and the amount of service tax so charged in the bills is credited in "Service Tax on Rent" account and included in "Other Liabilities" shown under the head "Current Liabilities" in the Balance Sheet.

12. In the opinion of the Board the Current Assets, Loans and Advances are not less than the stated value if realised in ordinary course of business. The provision for all known liabilities is adequate and not in excess of the amount reasonably necessary. There is no contingent liability except stated and informed by the Management.

13. Capital Reserve (net of goodwill) amounting to ₹67,199,506/- (Previous year ₹64,399,516) arising on account of consolidation has been shown under the head capital reserves on consolidation.

14. Reserves shown in the consolidated financial statements represent the Group's share in the respective reserves of subsidiary companies. Retained earnings comprise general reserve and profits & loss account.

15. Figures relating to subsidiaries, associates and joint ventures have been re-grouped/classified wherever considered necessary to bring them in line with parent company's financial statements.

16. The figures of Previous Year have been recast and regrouped wherever considered necessary.

17. The figures given for the previous year have been recast and regrouped wherever considered necessary.

Signatories to Schedules 1 to 19 forming part of the Accounts

For and on behalf of the Board

For S. M. DAGA & CO.

Chartered Accountants

D. K. DAGA

Partner

Membership No. 59205

Firm Registration No. : 303119E

Kolkata

The 30th day of May 2011

S. L. Dugar

Chairman and Managing Director

P. K. Pugalia

Whole Time Director

Section 212

Under Section 212(8) of the Companies Act, 1956 for the year ended 31st March, 2011

Sl. No.	Name of the Company	Paid Up Share Capital	Reserves	Total Assets	Total Liabilities	Investments	Turnover	Profit / (Loss) Before Tax	Provision for Tax	Profit / (Loss) After Tax	Proposed Dividend
1	Bhagwati Plasto Works Private Limited	11,036,000	5,038,935	144,159,808	144,159,808	360,000	2,016,659	(1,031,207)	-	933,252	-
2	Bhagwati Builders & Developers Private Limited	272,000	52,861,345	244,272,553	244,272,553	-	178,709,257	47,166,165	10,650,000	36,606,535	-
3	Raj Construction Project Private Limited	18,544,500	119,472,101	181,805,082	181,805,082	13,686	127,464,718	41,959,497	12,828,370	29,131,402	-
4	Triton Commercial Private Limited	100,000	(62,621)	29,253,031	29,253,031	-	-	(6,738)	-	(6,738)	-
5	Banubali Tie-Up Private Limited	100,000	(63,117)	29,203,031	29,203,031	-	-	(6,747)	-	(6,747)	-
6	Baron Suppliers Private Limited	100,000	(67,149)	32,153,032	32,153,032	-	-	(11,045)	-	(11,045)	-
7	Kasturi Tie-Up Private Limited	100,000	(68,698)	30,953,031	30,953,031	-	-	(9,222)	-	(9,222)	-
8	Headman Mercantile Private Limited	100,100	(61,782)	29,253,131	29,253,131	-	-	(6,747)	-	(6,747)	-
9	RDB Legend Infrastructure Private Limited	100,000	(2,753,733)	639,039,367	639,039,367	-	175,000	(2,753,733)	-	(2,753,733)	-
10	Rathi Ess En Finance Company Private Limited	1,297,000	(1,063,548)	115,423,641	115,423,641	-	24,230,658	(289,636)	-	(289,636)	-

Amount in ₹

Notes

Core management team

- **Madhusudhan Sharma**
(VP, Legal)
- **Pradeep Kumar Hirawat**
(VP, Purchase)
- **Ashish Mishra**
(Company Secretary and Compliance Officer)
- **Sushil Kumar Banthia**
(VP, HRD and Administration)
- **Rakesh Kumar Sharma**
(VP, Project Coordinator)
- **Archana Dey**
(VP, Marketing)
- **Anil Apat**
(CFO)

Disclaimer

In this Annual Report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.



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