




SOLID & LIQUID

RDB REALTY & INFRASTRUCTURE LIMITED
ANNUAL REPORT, 2011-12



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RDB REALTY, ALONG WITH ITS
SUBSIDIARIES, POSSESSES A LAND BANK
OF AROUND 125 ACRES.

RDB GROUP MARKETED 12 PROJECTS IN
THE LAST FIVE YEARS.

WE REPORTED REVENUES OF ₹89.94
CRORES IN 2011-12.

RDB REALTY, ALONG WITH ITS
SUBSIDIARIES AND ASSOCIATES, IS
DEVELOPING PROJECTS WITH AN AREA OF
ABOUT 58 LAC SQ. FT. RDB REALTY
ALONE ACCOUNTS FOR AROUND 22 LAC
SQ. FT. OF WHICH AROUND 15 LAC SQ.
FT. IS ACCOUNTED BY GOVERNMENT
PROJECTS.

EMPHASISING THE TWO POINTS THAT WE
WISH TO MAKE ABOUT OUR BUSINESS.

SOLID
&
LIQUID

AT RDB REALTY, WE DESCRIBE OURSELVES AS 'RESPONSIBLY CONTRARIAN'.

WHILE OTHERS FOCUSED ON THE LUXURY RESIDENTIAL SEGMENT, WE WERE BUILDING HOMES FOR THE LOW-MIDDLE INCOME TARGET SEGMENT.

WHILE OTHERS FOCUSED ON THE GROWTH COMING OUT OF INDIA'S METRO CITIES, OUR COMPANY VENTURED INTO TIER-II AND TIER-III INDIAN CITIES.

WHILE OTHERS WERE STRETCHING THEIR BALANCE SHEETS TO GROW AT ANY COST, WE BECAME INCREASINGLY SELECTIVE ABOUT THE QUANTUM OF PROJECTS OUR BALANCE SHEET WOULD SHOULDER.

WHILE OTHERS WERE BUILDING THEIR LAND BANKS AS A HEDGE AGAINST THE FUTURE, WE FOCUSED ON TIMELY CONSTRUCTION INSTEAD.

WHILE OTHERS WERE SLOWING THEIR INVESTMENTS IN A CHALLENGING REAL ESTATE INDUSTRY, WE EMBARKED ON OUR BIGGEST REALTY DEVELOPMENT PROJECT.

THE RESULT: A CASH PROFIT OF ₹9.44 CRORES, EBIDTA MARGIN OF 25.57% IN 2011-12.

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LEGACY

RDB Group entered the real estate residential development business in 1991. The Company is promoted by Chairman and Managing Director, Mr. Sunder Lal Dugar.

PRESENCE

Headquartered in Kolkata, RDBRIL enjoys a pan-India presence in Guwahati, Haldia, Kharagpur, New Delhi, Surat, Hyderabad and Jaipur. The Company entered into a joint venture with the Legend Group and formed a subsidiary company which at present develops projects having a total built-up area of 29 lac sq. ft. in Hyderabad.

CERTIFIED

The Company is one of the few real estate companies to be accredited with the ISO 9001:2008 certification and is a prominent member of CREDAI Bengal.



RENOWNED

RDBRIL's prominent properties comprise Regent Sonarpur, Regent Ganga, and Regent Arcade, among others.

PROMOTERS' STAKE

61.45%

AS ON 31ST MARCH 2012

TEAM STRENGTH

200+

AS ON 31ST MARCH 2012

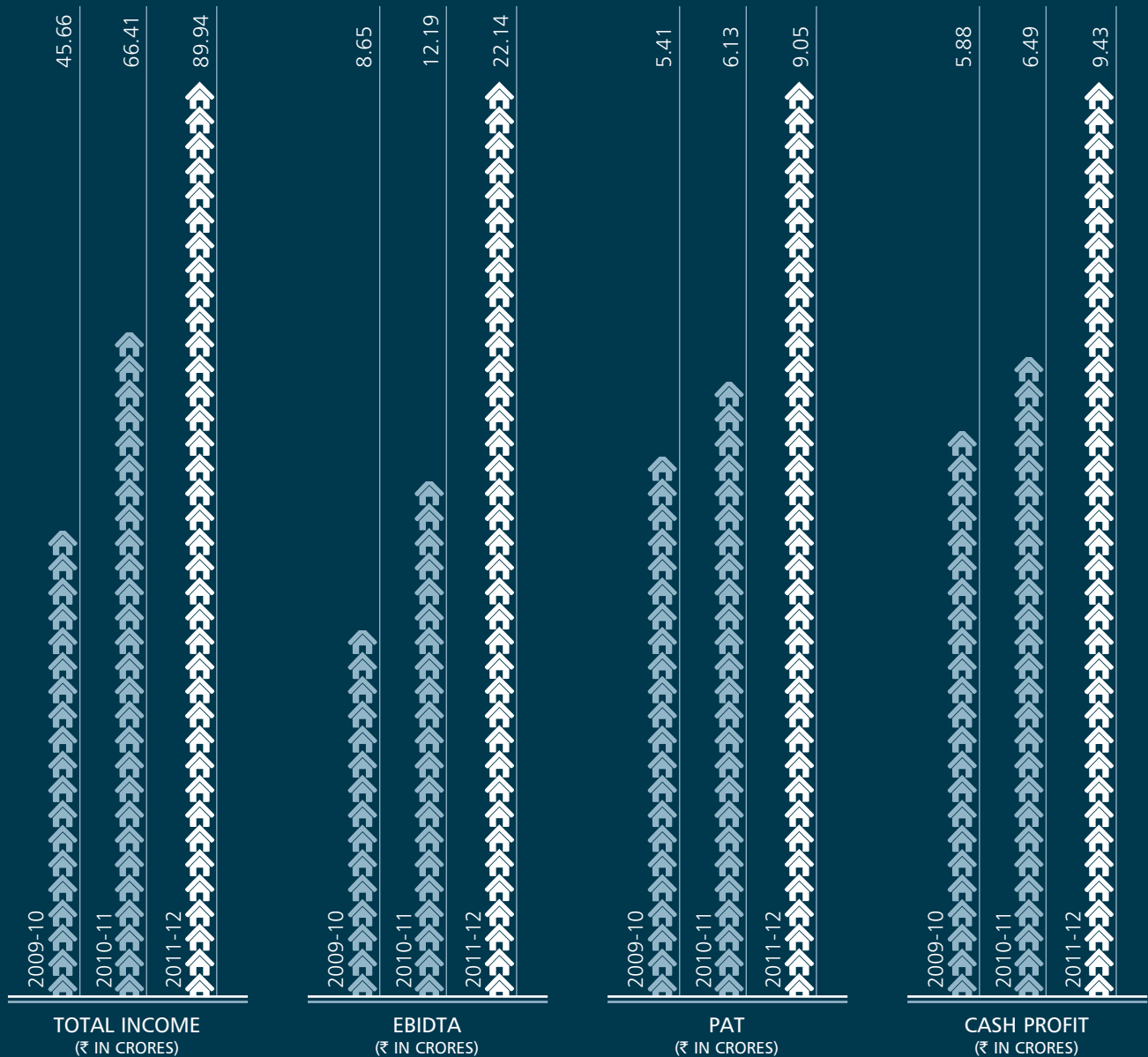
LAND BANK

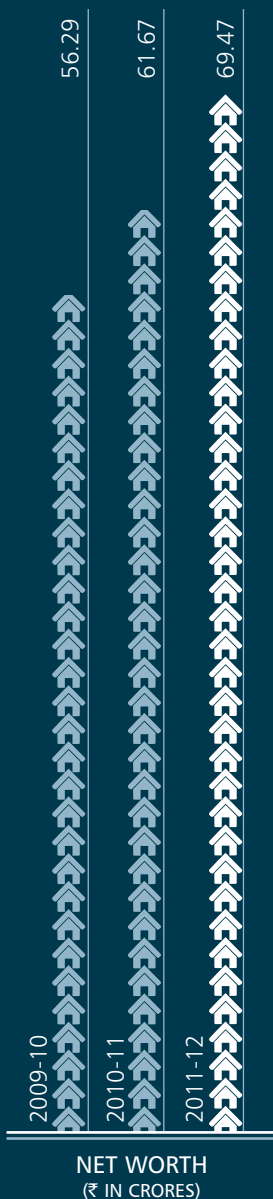
125+
ACRES (AROUND)

AS ON 31ST MARCH 2012



NUMBERS REFLECT OUR GROWTH STORY





STANDALONE

REVENUE GROWTH

35.42%

OVER 2010-11

AREA UNDER DEVELOPMENT

22

LAC SQ. FT. (APPROX.)
AS ON 31ST MARCH 2012

EBIDTA GROWTH

81.55%

OVER 2010-11

EPS GROWTH

47.54%

AS ON 31ST MARCH 2012

Financial highlights, 2011-12

- Revenues of ₹8,994.15 lacs as compared with ₹6,641.59 lacs in 2010-11
- EBIDTA of ₹2,214.62 lacs compared with ₹1,219.88 lacs in 2010-11
- PAT of ₹905.55 lacs compared with ₹613.24 lacs in 2010-11

DEBT-EQUITY RATIO

0.99

AS ON 31ST MARCH 2012

“OUR PREFERENCE FOR STEADY GROWTH HELD US IN GOOD STEAD IN A CHALLENGING 2011-12.”



Mr. Sunder Lal Dugar,
Chairman and Managing Director,
throws light on the Company's
achievements and prospects

Q How would you describe the Company's performance in 2011-12?

A The year 2011-12 was a challenging one for the Indian economy. This trend was particularly visible in the country's real estate sector for some pertinent reasons: rising interest rates affected the offtake of residential apartments especially among those selecting to buy on mortgage. There was also a feeling that the downward movement in real estate value would accelerate purchase, however, instead of attracting buyers, it actually put buyers off since they expected the decline to continue.

Q What explains the Company's respectable performance in this challenging environment?

A There were a number of factors that contributed to a respectable showing by our Company. One, the Company consciously decided not to over-extend itself in terms of land bank acquisition or projects being undertaken. Two, the Company selected to work within the segment of its specialisation: residential options for the middle-low income segments.

I am pleased to state that this safety-first approach resulted in maintaining the integrity of our financials during a challenging year.

Q At a time of slowdown, it is usual for most companies to put their expansion initiatives on hold. Is that something that also happened with the Company in 2011-12?

A The reverse happened. At RDB, we always observed that industry opportunities become attractive whenever the economy slows down for some pertinent reasons: buyers prefer to buy only from credible and established builders who have a reputation for timely delivery. More importantly, we entered South India for the first time since our inception. At a time when a number of builders were cash-strapped, they preferred to collaborate with cash-rich builders and complete projects on schedule. The result was that we were similarly approached and we entered into a joint venture with the Legend Group in Hyderabad. Deviating from our established practice of marketing our properties at the time of launch, we are now doing the reverse: we will

wait for the property to be fully completed, evoke customer confidence and then market in one shot. We expect that this strategy will help us liquidate with speed and also enable us to derive an attractive premium over prevailing realisations – a win-win situation. An equal focus on government projects ensures that the Company has confirmed sales on its books, enhancing revenue visibility.

Q It is generally observed that some of the most efficient builders in India have tended to be regional players because they believe that managing projects pan-India remains a challenge.

A At RDB, we possess the management bandwidth to manage projects pan-India for some relevant reasons: we are not over-extended; we created a good project management team to monitor the progress of projects across the country; we created profit centres from within our organisation whereby they were required to manage the growth of their respective projects without recourse to the corporate cash pool. As a result, each of our projects is being run like a profit centre with specific targets of

collection and profit generation that must be contributed to the overall corporate cash pool. This federal structure – wherein the corporate office controls direction, strategy, priority, gearing, project selection and the wheel and spokes managed ground level realities – is a scalable and secure model that should lead to sustainable growth.

Q A number of analysts would like to know the reason behind the Company's presence in government projects.

A There is an important role that government projects play in our Company. The Indian healthcare sector is expected to reach USD 100 billion by 2015 from the current USD 65 billion, growing at around 20% a year, according to rating agency Fitch. Accordingly, the government is aggressively spending on healthcare sector for the benefit of the country at large by constructing hospitals, research laboratory, among others. Additionally, government is also constructing hostel blocks for the benefit of medical students. RDBRIL, by participating in constructing these hostel blocks is contributing to the country's growth and benefiting the

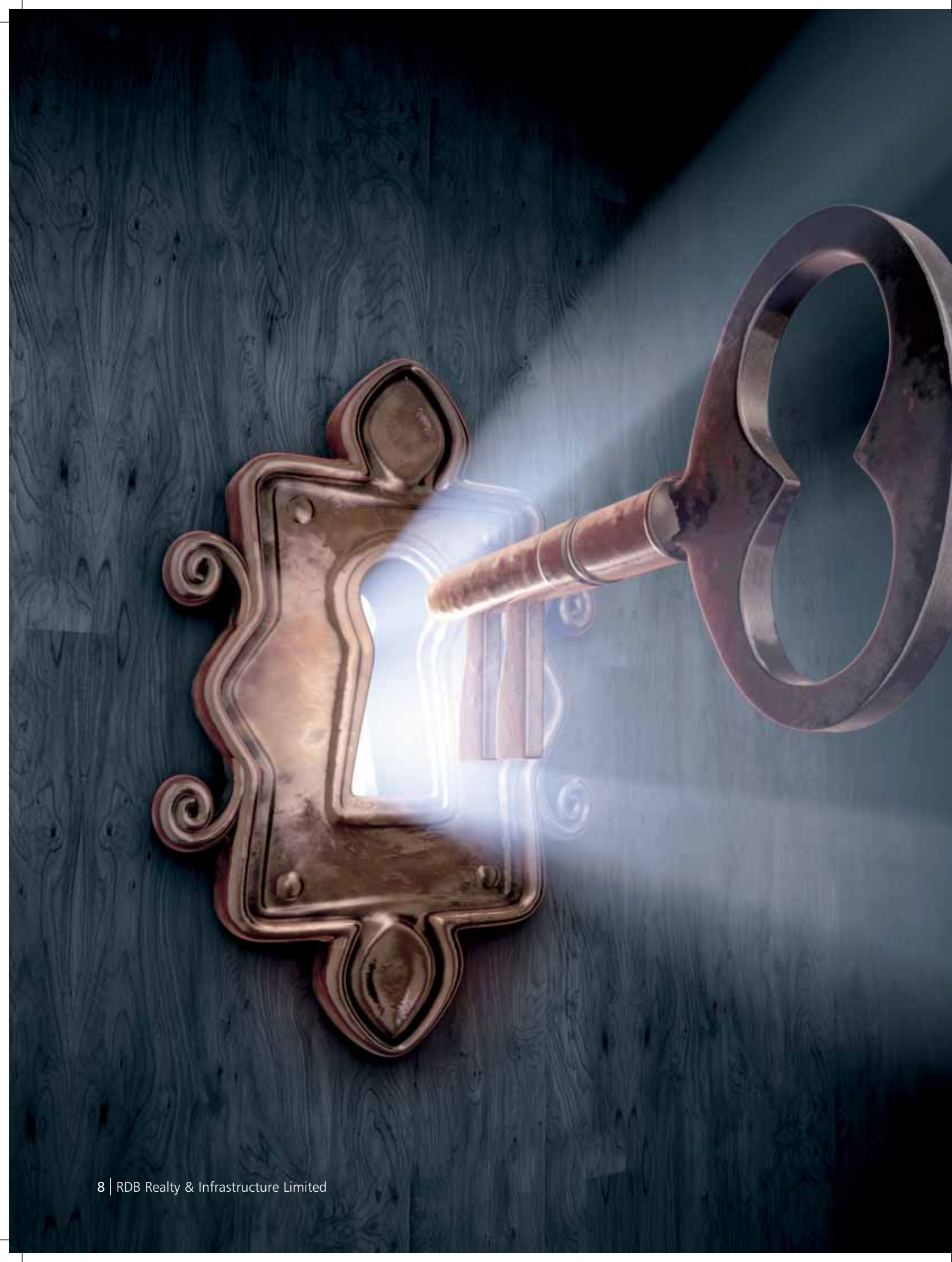
Company with a healthy project inflow.

Q How would you guide shareholders in appraising the Company's performance more precisely?

A Firstly, I would advise our shareholders to take a medium-term perspective of our business as opposed to seeing our numbers every quarter. Since the accounting of revenues is staggered (no revenues are booked until 20% of the project has been completed), there could be a danger of misinterpreting temporary declines in quarterly numbers as a sign of a weakening business, when the reason could well only be accounting.

So the one number which I would advise our shareholders to consistently look at is our annual sales figure. If this number is attractively higher than what we reported in the preceding year, it would mean that the Company's business continues to be robust.

Our business model is scalable and secure which will lead to sustainable growth.



SOLID

IN ANY BUSINESS, INTRINSIC PROFITABILITY IS DERIVED FROM THE ABILITY TO MAXIMISE VALUE TO RAW MATERIAL INVENTORY ON THE ONE HAND AND LEVERAGE THE CASH AVAILABLE WITHIN ON THE OTHER.

At RDB, we are attractively placed to generate sustainable growth for some relevant reasons:

- The Company possesses a land bank equivalent to around 125 acres
- The Company is one of the few approved companies of DG-Map Project, where the Company's assessed capacity is 268.50 crores

- The Company established a track record of timely completion across a number of real estate projects

Going ahead, the Company expects to build on its land bank, enter into joint ventures and progressively leverage an asset-light approach to generate higher revenues, profits and shareholder value.

48% CAGR growth in revenue in the last two years

LIQUID

WHEN MOST ORGANISED REAL ESTATE SECTOR COMPANIES IN INDIA WERE SEEKING TO GROW THEIR PRESENCE IN METRO CITIES OF INDIA WITH LUXURY APARTMENTS AIMED AT THE AFFLUENT, RDB WAS DOING EXACTLY THE OPPOSITE.

The Company was building properties directed at the country's middle-lower income group. One of the first instances of an organised realty developer in India selecting to target an absolutely overlooked consumer segment.

The Company did so for some good reasons.

One, the land banks in the country's Tier-II and Tier-III locations were considerably cheaper.

Two, considering that these would be one of the first instances of an organised builder launching projects directed at off-centre semi-urban locations, most of the projects would be sold out at launch.

Three, the ability to completely market projects around

the launch would kickstart a negative working capital cycle that would make it possible for the products to be sustained by customer installments.

Four, due to the mortgaged nature of the acquisitions, customers would pay their installments on schedule, leading to timely project completion.

As a result of this contrarian approach, the Company reported a return on equity of 13% even in a challenging 2011-12, when most realty companies encountered a decline in their profitability.

Now, when a number of realty developers are intending to extend to Tier-II and Tier-III cities, it will be relevant to remember that RDB already embarked on this transition a decade ago.

8000+ The number of satisfied RDB customers



WHAT KEEPS RDBRIL GOING.

EXPERIENCE

The Company possesses an experience of more than two decades, making it a trusted developer.

FIRST MOVER

The Company was among the first organised builders to enter Tier-II and Tier-III cities of the country. It built a large land bank in these locations. RDB Group has built around 42.50 lacs sq feet of space.

TEAM

The Company's intellectual capital is its real strength. With a total of 15+ person-years of experience, the employees drive the Company ahead.

LIQUIDITY

The Company's debt free status certifies its financial credibility in an industry which mostly survives on external funding.

FOCUSED

The Company developed a profit-centre approach for its pan-India presence, allowing each project to be managed profitably.

EXECUTION

The Company's timely execution capabilities strengthened the Company's brand.

ECONOMIES OF SCALE

The Company's experienced team works on maintaining a low operational cost. The Company's land bank was acquired at a low cost and is one of the key factors in achieving economies of scale.



RISK MANAGEMENT

1 Rising interest rates and inflation might result in a revenue slowdown for the Company

Mitigation

The Company targets middle-lower income groups with an attractive price-value proposition, primarily being end-users, perfectly leverages the Company's projects from remaining unsold. The transparency in its projects – with clear title deeds, timely execution and fair agreements, translate into easy financing for the end-user to buy the property.

2 Dependence on one region could stagnate growth

Mitigation

The Company's presence in five states validates its brand as a pan-India Company. The Company's policy to concentrate on each city with a profit-centre approach allowed it to build its brand in each city and penetrate further. Moreover, its rich land bank in each of the cities allows it to build on its revenues and earn higher realisations.

3 Delay in projects could affect the brand recall and growth of the business

Mitigation

The Company's strong management collaborates with its core 'team' in terms of design, raw material management and regulatory clearances, among others. Its project management team, with stringent controlling measures,

ensures that all projects are completed on time.

4 Inadequate funding could result in project delay and affect profitability

Mitigation

The Company is almost debt free. Its strong receivables management team ensures that collections are received on time and working capital requirement is managed adequately. The Company enjoyed a debt-equity ratio of 0.99 as on 31st March 2012, reinforcing its profitability.

5 Non-availability of labour and disputes with contractors affect project completion to a great extent

Mitigation

The Company enjoys a good working relationship with the contractors. The Company's policy of making timely payments enhanced the trust of the contractors, who execute all the Company's projects (across the country).

6 Not adapting to changing situations could result in competition

Mitigation

The Company's visionary approach resulted in moving into government projects in 2007. Starting with ₹20 crores in 2007, the Company now has an order of around ₹320 crores. Presently, the Company's revenue comprises a 70% share from its own projects and the rest from government projects.

GOVERNMENT DIVISION

ORDER BOOK	VALUE OF PROJECTS COMPLETED	SHARE OF TOTAL REVENUE	SHARE OF TOTAL REVENUE
₹ 320.00 crore AS ON 31ST MARCH 2012	₹ 70.00 ^{approx} crore AS ON 31ST MARCH 2012	18 % FOR THE YEAR 2007-08	30 % FOR THE YEAR 2011-12

Focusing primarily on government contracts, the Company forayed into civil construction contracts for, and on behalf of the government in 2007. After the successful completion of its first project (construction of dwelling units) at Fort William, Kolkata, covering a total area of 1.5 lac sq. ft, today, the Company has seven projects under progress across six cities. With the increasing focus of the government on infrastructure facilities, the Company has ample scope for growth in this segment. With more than two decades of experience in the industry, the Company is

aggressively pursuing contracts from the government and other autonomous bodies.

Some of the government bodies we worked with:

- Ministry of Defense
- All India Institute of Medical Sciences
- Ministry of Health and Family Welfare
- Indian Institute of Chemical Biology
- Regional Institute of Medical Sciences



Projects under process

Name of the Project	Location	Description of Work	Value [in ₹ crores]
AIIMS Patna	Patna, Bihar	Construction of a residential complex	29.55
IICB-Saltlake	Salt Lake, W.B.	Construction and development of a new campus	27.41
DG MAP-Chennai	Chennai	Construction of dwelling units in Chennai	29.87
AIIMS-Bhubaneswar	Bhubaneswar	Construction of a residential complex	48.86
RIMS-Manipur-I	Manipur	Construction of PG gents and ladies hostel	75.96
RIMS-Manipur-II	Manipur	Construction of OPD block	35.58
AIIMS-Delhi	Delhi	Construction of a hostel	72.85
Total			320.08

Intangible gains

Apart from the tangible revenues derived from government contracts, the value-addition the Company receives is beyond measure. Knowing the limited budgets, critical specifications and timely execution, the Company enhanced its knowledge bank to apply the same to its own projects. This significantly contributed to the Company's capability of optimising costs and maximising profits.

ONGOING PROJECTS



Regent Paradise, Guwahati



Regent City, Rajarhat – Kolkata



Regent Centre, Uttarpara (WB)



Regent Crown, Burdwan (WB)



Marigold, Hyderabad



Mint, Hyderabad



Ocarina, Hyderabad



Pranav, Hyderabad



Coconut Grove, Hyderabad



Blue Hope, Hyderabad



Harmony, Hyderabad

GOVERNMENT PROJECTS



AIIMS, Patna



Fort William, Kolkata



IICB, Kolkata

The Company is associated with government bodies such as Assam State Housing Board and Burdwan Municipality. The Company embarked on a residential project – Regent Paradise – in a joint venture with the Assam State Housing Board on 22 bighas of land. The Company has purchased land from Burdwan Municipality to develop Regent Crown with a built-up area of more than 300,000 sq. ft.

A CULTURE OF CARING

In 2001, the Sri S.L. Dugar Charitable Trust was established under the Indian Trust Act, 1882 and registered under the Indian Registration Act, 1908. Our Director set up The Trust with the primary aim of contributing to society at large. The chief objectives of the Trust are as following:

- Establish and finance hospitals, schools, and blood banks
- Contribute towards social welfare activities by improving public health and sanitation conditions
- Provide basic facilities and amenities to the deprived

The Trust also plays an integral role in encouraging literacy among underprivileged children and offers healthcare facilities for the needy. In order to completely accomplish all these objectives, the Trust has built a school named “Aryans School” which is located in Kamarhati and is affiliated to the CISCE Board. The

school gives scholarships along with subsidised education to deserving children and trains them up to the 10th standard in order to give them a head start for a better future.

As of now, the Kusum Sundar Lal Dugar Fund has provided interest free loans to around 400 students in order that they pursue some kind of higher education; donations have also been provided to some promising candidates.

The Trust regularly organises blood donation and free health checkup camps and funds activities like free eye operations and distribution of spectacles. The Trust also provides extensive contributions towards the creation of healthcare facilities by giving donations that finance the construction of hospitals and treatment of needy patients.

HOW WE MANAGE OUR BUSINESS

Sure growth

At RDB, our focus is on safe, secure and sustainable growth. In view of this, the Company will be safely conservative in good markets or bad: during periods of excessive industry optimism, the Company will build to the extent that its balance sheet permits; during periods of pessimism, the Company will build projects with the optimism that there will always be buyers for products that are correctly priced and positioned.

Gearing

Much of the Company's conservatism is reflected in its gearing.

Positioning

The Company selected to create residential properties for the middle-lower income segment, resulting in relatively quick offtake that sustains the cash flow.

Diverse income mix

Until 2010-11, the Company was largely into the sell-and-make revenue model, wherein the Company launched projects to market all its inventory in the shortest possible time to stay relatively liquid through the course of the project, sustained by periodic installment payments by its customers. From 2011-12, the Company evolved as part of its business model to make and sell; the ongoing projects at Hyderabad to be sold only following the completion in

years to come. As a result, linear and predictable revenues will now be blended with lumpy revenues.

Cost-light

The Company deliberately selected to remain cost-light. As a result, the Company did not invest significantly in building land banks in the last few years.

Financial integrity

The Company's revenues are structured around the percentage completion method. As a result, revenues are recognised in the books only after 20% of the project is completed. In view of this, the Company's accounting of revenues is conservatively credible.

Geographic focus

The Company progressively de-risked itself through a presence in all four zones – North Zone (Jaipur) & Delhi, East Zone (Kolkata, Guwahati, Kharagpur and Haldia), South Zone (Hyderabad) and West Zone (Surat).

Corporatised

The Company corporatised its pan-India presence around Strategic Business Units dedicated to each zone. Each of these SBUs represents a profit centre that must generate its own resources and eventually contribute to the overall corporate pool.

REAL ESTATE SECTOR IN INDIA

In India, real estate is the second-largest employer after agriculture. Over the next decade, the real estate sector is expected to grow by 30%. The sector is divided into four sub-sectors: housing, retail, hospitality, and commercial. The housing sub-sector contributes 5-6% to the country's gross domestic product (GDP). The real estate sector contributed only 5% of India's overall GDP in 2011-12.

The Indian real estate market size is expected to touch USD 180 billion by 2020. India is going to produce an estimated two million new graduates from various Indian universities during this year, creating demand for 100 million square feet of office and industrial space.

This sector is today witnessing residential, retail and commercial development in metro cities like Mumbai, Delhi and NCR, Kolkata and Chennai. Easier access to bank loans and higher earnings are some of the pivotal reasons behind the growing Indian real estate sector.

Demand drivers

India gets younger: In India, the working age declined sharply, providing high disposable incomes. Close to 65% of Indians between 20-60 years are working, leading to higher disposable incomes and lifestyle aspirations. Among BRIC nations, India is expected to remain the youngest with its working-age population estimated to rise to 70% of the total demographic by 2030 – the largest in the world. Some estimates suggest that India will see 70 million new entrants into its workforce over the next five years.

Increasing earnings and disposable income: The salary of the average Indian grew 12% in 2012, higher than most other global nations. India's per capita income stood at ₹60,972 in 2011-12 (Source: *Deccan Herald*). In line with economic growth, estimates suggest that PFCE is expected to scale from USD 790 bn in 2010 to USD 3.6 tn by 2020 (Source: *ENAM*).

Urbanisation: India is the fastest urbanising country; UN estimates that 40% of India's population will be living in urban areas by 2030 (Source: *Forbes India*). Rising disposable income (FY08-11 CAGR of ~15%), growing middle-class and increasing urbanisation (currently ~30% of the population) will boost the demand for real estate.

Nuclear families: The average increase in the number of middle-class nuclear families is estimated to be over 300 million. The average household size declined from 4.6 to 4.1 in the past decade; average dwelling sizes increased from 41 sq. m per unit to 48 sq. m and this is expected to sustain (Source: *ENAM*).

Semi-urban demand: Real estate demand in Tier-II and III towns and cities accelerated in line with the need for a better lifestyle. Cities like Bhopal, Bhubaneswar, Coimbatore, Indore, Jaipur, Lucknow, Surat, Vadodara and Visakhapatnam are expected to add over 354 million sq. ft of residential space in three years with sales expected to generate ₹180 bn.

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the 6th Annual Report on the business and operations of the Company together with the audited accounts for the year ended 31st March 2012.

Consolidated Financial Performance

Particulars	(₹ in Lacs)	
	Financial Year 2011-2012	Financial Year 2010-2011
Total Income	13,899.25	10,021.68
Less: Expenses	11,116.38	7,967.85
Profit/(Loss) before interest and depreciation	2,782.87	2,053.84
Less: a) Interest	896.20	338.90
b) Depreciation	63.13	56.90
Profit/(Loss) before taxation	1,823.53	1,658.04
Add: Prior Period Income	–	0.80
Less:- Provisions for current tax and deferred tax	455.57	412.69
Profit/(Loss) After Tax	1,367.96	1,246.14
Add: Share of Profit/Loss in Associates	10.60	0.16
Less:- Minority Adjustment	56.43	(11.89)
Profit/(Loss) After Tax and minority adjustments	1,322.13	1,258.19
Add: Balance brought forward from last year	1,902.69	858.13
Balance available for appropriations	3,224.82	2,116.32
Less: Appropriations		
a) Provision for proposed dividend on equity shares	108.00	64.80
b) Provision for dividend tax	17.52	10.51
c) Transfer to general reserves	–	100.00
Balance carried to the Balance Sheet	3,099.30	1,941.01

Stand-Alone Financial Performance

(₹ in Lacs)

Particulars	Financial Year 2011-2012	Financial Year 2010-2011
Total Income	8,994.15	6,641.59
Less: Expenses	6,879.52	5,435.54
Profit/(Loss) before interest and depreciation	2,114.63	1,206.86
Less a) Interest	939.99	362.21
b) Depreciation	38.08	36.04
Profit/(Loss) before taxation	1,136.56	807.80
Add: Prior Period Income	–	0.80
Less: Provisions for current tax and deferred tax	231.02	195.36
Profit/(Loss) After Tax	905.55	613.24
Add: Balance brought forward from last year	1,926.66	1,488.73
Balance available for appropriations	2,832.21	2,101.97
Less: Appropriations		
a) Provision for proposed dividend on equity shares	108.00	64.80
b) Provision for dividend tax	17.52	10.51
c) Transfer to general reserves	–	100.00
Balance carried to the Balance Sheet	2,706.69	1,926.66

Review of operations

During the year under review, the Company's total income has increased by 35.42 % to ₹8,994.15 Lacs as compared to ₹6,641.59 Lacs during the preceding year.

During the year under review, your Company has executed and handed over Residential Projects covering an area of around 56,061 square feet and Commercial Projects covering an area of around 1,05,000 square feet resulting in aggregate completion of around 1,61,061 square feet.

Presently your Company along-with its subsidiaries has 20 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 utilised 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 Discussion and Analysis Report, forming part of this Annual Report.

Dividend

Your directors are pleased to recommend a final dividend of ₹1/- per equity share of ₹10 each (i.e. 10%) subject to the approval of members at the ensuing Annual General Meeting, for the financial year ending 31st March 2012.

Business Activity

The main business activity of your Company is development and construction of residential and commercial projects.

The Company has been awarded 4 (four) new projects by HSCC, namely, AIIMS Delhi (Hostel Block), AIIMS Bhubaneswar (Hostel Block), RIMS Imphal (Hostel Block) and RIMS Imphal (OPD Block). There are 5 projects which are scheduled to be completed in the coming year.

During the year under review, your Company has not changed its existing line of business.

Directors

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

In terms of Section 256 of the Companies Act, 1956 and Clause No. 89 of Articles of Association of the Company, Mr. Mahendra Pratap Singh, Independent Director, retires by rotation at the ensuing Annual General Meeting, and being eligible, offers himself for re-appointment.

Brief resume of Mr. Mahendra Pratap Singh, who is proposed to be reappointed and other details as stipulated under Clause 49 of the Listing Agreement, is provided in the Notice for convening the Annual General Meeting.

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.

Loan to Directors and Executives

There were no loans to Directors and Executives during the financial period.

Management Discussion and Analysis Report

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 Clause 49 of the Listing Agreement with the stock exchanges, as amended from time to time 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.

CEO/CFO Certification

The CEO/ CFO certificate on the financial statements of the Company as required under Clause 49 of the Listing Agreement forms 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.

Secretarial Compliance Certificate

In the absence of the Company Secretary of the Company, the Board had appointed Ms Minu Tulsian, Company Secretary, for issuance of Compliance Certificate in terms of the provisions of Section 383A of the Companies Act, 1956. The compliance certificate received in accordance with provisions of Sections 383A of the Companies Act, 1956 read with the Companies (Compliance Certificate)

Rules, 2001 forms part of this Annual Report. The said compliance is self-explanatory and needs no comments.

Health, Safety and Environmental Protection

Your Company has complied with all the applicable laws. The Company has been complying with relevant laws and has been taking all necessary measures to protect the environment and maximise worker protection and safety.

Subsidiary Company

Your Company has 11 subsidiaries as on 31st March 2012. Pursuant to Accounting Standard AS-21 issued by the Institute of Chartered Accountants of India and the Listing Agreement, Consolidated Financial Statements, which includes the financial information of the subsidiaries, are enclosed and forms part of this Annual Report.

As per General Circular No. 2/2011 dated 8th February 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.

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 which 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 upon request from the shareholders 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.

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

There are no reservations, qualification or adverse remark contained in the Auditors Report attached to the Balance Sheet as at 31st March 2012.

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.

Listing at Stock Exchange

The equity shares of the Company are presently listed at BSE Limited, P.J Towers, Dalal Street, Mumbai and The Calcutta Stock Exchange Limited, 7 Lyons Range, Kolkata and the Company has paid listing fee upto 31st March 2013 in respect of above stock exchanges.

Investor Relations

Investor Relations have been cordial during the year. As a part of compliance, the Company has a Shareholder's/ Investor's Grievance Committee to redress the issues relating to investors. It consists of three members namely Mr. Om Prakash Rathi, Independent Director, Mr. Mahendra Pratap Singh, Independent Director and Mr. Pradeep Kumar Pugalia, Whole-Time Director of the Company. Mr. Om Prakash Rathi, Independent Director is the Chairman of the Committee. The details of this Committee are provided in the Corporate Governance Report forming part of this 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 given in the annexure and forms part of this Report.

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 and on behalf of the Board

Place: Kolkata
Date: 28.05.2012

S. L. Dugar
Chairman & Managing Director

ANNEXURE

TO THE DIRECTORS REPORT

Disclosure of particulars 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

A. Conservation of Energy

a) Energy Conservation Measures taken	N.A.
b) Additional Investments and proposals, being implemented for reduction of consumption of energy	N.A.
c) Impact of the measures at (a) or (b) above for reduction of energy consumption and consequent impact on the cost of production	N.A.
d) Total Energy consumption and energy consumption per unit of production	N.A.

B. Technology Absorption

Research & Development (R & D)	2011-12 (₹)	2010-11 (₹)
a) Specific areas in which R & D carried out	Nil	Nil
b) Benefits derived as a result of the above R & D	Nil	Nil
c) Future plan of action	Nil	Nil
d) Expenditure on R & D		
i) Capital Expenditure	Nil	Nil
ii) Recurring Expenditure	Nil	Nil
Total	Nil	Nil
Total R & D expenditure as a percentage of total turnover	Nil	Nil

Technology Absorption, Adaptation and Innovation

1. Efforts in brief, made towards technology absorption, adaptation and innovation	Nil
2. Benefits derived as a result of the above efforts	Nil
3. In case of imported technology (imported during last 5 years reckoned from the beginning of the financial year), following information may be furnished:	
i) Technology imported	N.A.
ii) Year of import	N.A.
iii) Has technology been fully absorbed?	N.A.
iv) If not fully absorbed, areas where this has not taken place, reasons there for and future plans of action	N.A.

C. Foreign Exchange Earning and Outgo

a) Total foreign exchange used and earned	Nil	
b) Initiatives taken to increase exports	The Company does not have any export activities	
c) Development of new export markets for products and services	Nil	
d) Export Plans	Nil	
e) Total Foreign Exchange earned and used		
i) Foreign Exchange earned	2011-12 (₹) Nil	2010-11 (₹) Nil
ii) Foreign Exchange used	2011-12 (₹) Nil	2010-11 (₹) Nil

SECRETARIAL COMPLIANCE CERTIFICATE

CIN: L16003WB2006PLC110039

Paid up Capital: ₹108,000,000/-

To,
The Members,
M/S RDB REALTY & INFRASTRUCTURE LIMITED
BIKANER BUILDING
8/1, Lalbazar Street, 1st Floor,
Room No.10
Kolkata-700001

I have examined the registers, records, books and papers of M/s RDB Realty & Infrastructure Ltd. as required to be maintained under the Companies Act, 1956 and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year 31st March 2012. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made there under.
3. The Company being a Public Limited Company has the minimum prescribed Paid-up Capital.
4. The Board of Directors duly met Fourteen times on 01.04.2011, 30.05.2011, 21.06.2011, 25.07.2011, 10.08.2011, 13.08.2011, 26.08.2011, 15.09.2011, 07.10.2011, 14.11.2011, 12.12.2011, 11.01.2012, 16.01.2012 and 14.02.2012 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed.
5. The Company closed its Register of Members from 12.09.2011 to 19.09.2011 and during the financial year.
6. The Annual General Meeting for the Financial Year ended on 31st March 2011 was held on 19th September 2011 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. As per High Court order dated 30th November 2011 One Extra Ordinary General meeting was held on 25th January 2012 during the Financial Year after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
8. The Company has not advanced any loans to its Directors or Persons or Firms or companies referred in the section 295 of the Act.
9. The Company has duly complied with the provisions of Section 297 of the Act in respect of contracts specified in that section.

10. The Company has made the required entries in the register maintained under Section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, members or the Central Government, as the case may be.
12. The Company has not issued any duplicate certificates during the Financial Year.
13. The Company has:
 - I. delivered all certificates on transfer/transmission of securities in accordance with the provisions of the Act.
 - II. deposited the amount of dividend declared in a separate Bank Account on 21st September 2011 which is within five days from the date of declaration of such dividend.
 - III. paid/posted warrants for dividends to all the members within a period of 30 (Thirty) days from the date of declaration and that all unclaimed/unpaid dividend has been transferred to Unpaid Dividend Account of the Company with HDFC Bank on 28th October 2011.
 - IV. not transferred any amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund.
 - V. Duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. There was no appointment of additional directors, alternate directors and directors to fill casual vacancies during the financial year.
15. The Company has not appointed a managing director during the Financial Year.
16. The Company has not appointed any sole-selling agent during the Financial Year.
17. The Company has obtained all required approvals of the Central Government, Company Law Board, Regional Director, Registrar of Companies and/or such other authorities prescribed under the various provisions of the Act.
18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued Shares, Debentures or other securities during the financial year.
20. The Company has not bought back shares during the Financial Year.
21. There was no redemption of unsecured debentures during the Financial Year.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, right shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/accepted any deposit including any unsecured loans falling within the purview of Section 58A during the Financial Year.
24. The amount borrowed by the Company from Banks, financial institutions and others during the financial year ending is within the borrowing limits of the Company.
25. The Company has made loans and investments or given guarantees to other bodies corporate in compliance

<p>with the provisions of the Act and had made necessary entries in the register kept for the purpose.</p> <p>26. The Company has not altered the provisions of the memorandum with respect to situation of the Company's registered office from one state to another during the year under scrutiny.</p> <p>27. The Company has not altered the provisions of the memorandum with respect to the objects of the Company during the year under scrutiny.</p> <p>28. The Company has not altered the provisions of the memorandum with respect to name of the Company during the year under scrutiny.</p> <p>29. The Company has not altered the provisions of the memorandum with respect to share capital of the Company during the year under scrutiny.</p>	<p>30. The Company has not altered its Articles of association during the financial year.</p> <p>31. There was no prosecution initiated against or show cause notices received by the Company, during the Financial Year for offences under the Act.</p> <p>32. The Company has not received any money as security from its employees during the year under certification.</p> <p>33. The Company has deposited both employee's and employer's contribution to Provident Fund in a trust maintained for this purpose.</p> <p>Place: Kolkata Dated: 24th May 2012 C. P. No: 9038</p> <p style="text-align: right;">Minu Tulsian <i>Company Secretaries</i></p>
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Annexure-A

Registers as Maintained by the Company

Sl.No.	Particulars	Applicable Provisions
1.	Register of Members & Index of Members	U/s 150 & 151
2.	Books of Accounts	U/s 209
3.	Register of Directors	U/s 303
4.	Register of Contracts in which Directors are interested	U/s 301
5.	Register of Inter-corporate Loan and Investments	U/s 372A
6.	Register of Disclosure of directors' interest in other co.	U/s 301(3)
7.	Register of charges	U/s 143
8.	Proceedings of General & Board Meetings (Minutes)	U/s 193
9.	Register of Investments	U/s 49
10.	Register of Directors' Shareholding	U/s 307
11.	Share transfer register	

Annexure-B

Forms and Returns as filed by the Company with Registrar of Companies, Regional Directors, Central Government or other authorities during the financial year ending 31st March 2012;

Sl. No.	Form No./Return	Filed under Section	Date of filing	Whether filed within prescribed time	Whether additional fees paid or not
1.	Form 8	125	19.04.2011	No	Yes
2.	Form 23	192	23.08.2011	Yes	No
3.	Profit & Loss A/c and Balance Sheet (Form 23AC & 23ACA)	220	31.12.2011	Yes	No
4.	Annual Return (Form 20B)	159	18.11.2011	Yes	No
5.	Form 8	125	04.12.2011	No	Yes
6.	Form 8	125	31.12.2011	Yes	No
7.	Form 8	125	20.01.2012	Yes	No
8.	Form 32	303(2)	04.02.2012	Yes	No
9.	Form 23	192	04.02.2012	Yes	No
10.	Form 23	192	14.03.2012	No	Yes
11.	Form 17	138	30.03.2012	Yes	No

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Economic review

The global economy contracted in 2009 and recovered in 2010 even as there was financial uncertainty in the euro region, slower recovery in advanced economies, high unemployment, tightening credit and rising risk premiums.

The Indian economy grew 6.5% in 2011-12 following 8.6% GDP growth in 2010-11. The IIP growth of 8.1% in January 2011 declined to 1.8% in December 2011. The services sector increased its GDP share from 58% in 2010-11 to 59% in 2011-12. The agricultural and allied sectors are projected to achieve 2.5% growth in 2011-12.

The scepter of inflation compelled the RBI to tighten credit flow and raise interest rates. Interest rates hardened on 11 occasions since July 2010, which caused national investment to shrink by ₹621 billion during the period. There was a decline in inflation towards the close of 2011-12. Meanwhile, the Indian rupee remained under stress as net inflows declined from around USD 29 billion in 2010 to under USD 300 million in 2011.

Real estate industry

The real estate sector has seen tremendous growth prospects, over the last 10-15 years. The real estate sector has contributed only 5% of India's overall GDP this year as compared to a contribution of 10.6% in FY 2010-11. The increased business and consequent employment opportunities led to heavy migration to Metros and Tier-I cities which in turn increased the demand for all the segments of real estate. Further, the emergence of the services sector, especially IT/ITES, reduced the Real Estate sector's reliance on manufacturing segment.

Opportunities in the real estate industry:

- There is a shortage of 12 million housing units in urban areas
- There is scope for 400 township projects over the next 5 years spread across 30-35 cities, having a population of 0.5 million.
- Total project value dedicated to low and middle income

housing in the next 7 years is estimated at USD 40 billion.

Price Index

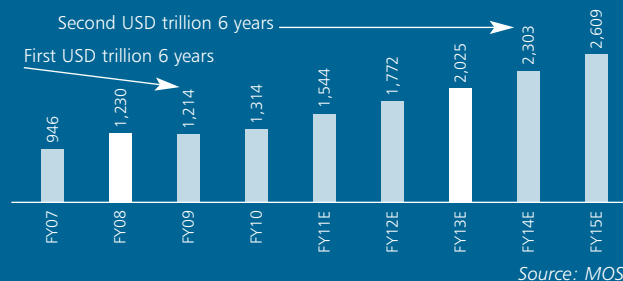
Data available from the National Housing Bank (for the quarter ending 30th September 2011) show that residential housing prices in 9 cities have shown a decline in prices compared to the previous quarter (April to June 2011), with a maximum fall shown by Kochi (9%), followed by Hyderabad (8%), Bhopal (7%), Surat (7%), Faridabad (6%), Ahmedabad (4%), Lucknow (4%), Patna (3%) and Kolkata (2%).

Why real estate sector will grow?

Rising per capita income: Per capita income increased from ₹35,430 in 2007-08 to ₹46,492 in 2009-10 and ₹54,527 in 2010-11. India's per capita income was estimated to have risen 14.3% to ₹60,972 in 2011-12 (Source: Deccan Herald). Private final consumption expenditure (PFCE) is expected to scale up from USD 790 bn in 2010 to USD 3.6 tn by 2020 (Source: ENAM).

Rising income and demographic dividend key positives

India's per capita GDP will grow from USD 1,314 in 2010 to USD 2,609 in 2015



Young population: India has a young population (63% people below 59 years; average age 24 years), leading to higher disposable incomes in the hands of those with aspirations for a better lifestyle. Among the BRIC nations, India is expected to remain the youngest with a working-age population estimated to rise to 70% of the total population by 2030 – the largest such population component globally.

Rising urbanisation: Though urban India accounts for 37% of the population, it accounts for 70% of the total income. India is the world's fastest urbanising country with the UN estimating 40% of India's population to live in urban areas by 2030, primarily owing to improved employment prospects, rising income levels and growing nuclear families.

Rising proportion of the consumer class: The Indian middle-class is projected to grow from 83 mn in 2010 to 114 mn by 2025, making it the largest middle-class population pool globally. The dependency ratio in Indian families decreased from 58% in 2005 to 55% in 2010 and is further expected to decline to 52% in 2015 and 49% in 2020 (Source: ENAM).

Road ahead

It is expected that Gurgaon and Kolkata are expected to have the maximum absorption trend. The real estate sector in India is ready to take a big leap in the coming years. Strong demographic mix and increasing salary levels will be the key triggers for growth of the residential market in 2012. Salaried individuals in the age group of 30 to 35 years will emerge as the biggest contributors for demand in the residential category. This category of buyers has in past also been the main contributor to the growth of residential category.

Internal Control

The Company has adequate internal control systems in place, commensurate with its size and nature of operations. The Internal Auditor, interalia, covers all significant areas of the Company's operations and submits its report, which is reviewed by the Audit Committee of the Company.

Financial Performance

The turnover of the Company has increased from ₹65.39 crores to ₹86.63 crores.

Particulars	Amount (₹ in crores)		
	2009-10	2010-11	2011-12
Turnover	44.04	65.39	86.63
EBIT	8.18	11.83	20.76
PBT	6.30	8.09	11.37
Networth	56.29	61.67	69.48
Debt Equity Ratio	0.24	1.15	0.99

Future Prospects on Real Estate Industry/ Investment Opportunities

The real estate market in India is yet in a nascent stage and the scope is simply unlimited. It does not resemble a bubble that will burst. An unhindered growth for the next twenty years is almost sure. This is because the outsourcing business in India is going in great guns and this entails a huge demand for commercial buildings and urban housing besides improvement in infrastructure. The organised retail market in India is also accelerating with players like WalMart, Bharti, Reliance etc. looking forward to make a foray thus stepping up the demand for real estate.

Operational review, 2011-12

- RDBRIL was awarded a tender to develop a Hostel Block at All-India Institute of Medical Sciences (AIIMS), Delhi
- RDBRIL was awarded a tender to develop a Hostel Block at AIIMS, Bhubaneswar
- RDBRIL was awarded a tender to develop a Hostel Block at Regional Institute of Medical Sciences (RIMS), Imphal
- RDBRIL was awarded a tender to develop an OPD Block at RIMS, Imphal
- Completion of Regent Square in Surat

Outlook

2012 promises to be an exciting year and property prices (esp. residential properties) are expected to go up this year too. The following are some reasons why the residential property prices will head northwards this year too.

1. Demand for Affordable Housing
2. Growth in Tier II and Tier III Cities/Metro Suburbs
3. Interest Rate Movement

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

For and on behalf of the Board

Place: Kolkata
Date: 28.05.2012

Sunder Lal Dugar
Chairman & Managing Director

REPORT ON CORPORATE GOVERNANCE

As per Clause 49 of the Listing Agreement entered into with stock exchanges, the Directors present the Company's Report on Corporate Governance for the year ended 31st March 2012.

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 has a strong legacy of fair, transparent and ethical governance practices and endeavours to improve upon these aspects on an ongoing basis and adopts innovative approaches. The Board of Directors of your Company is responsible for and committed to sound principles of Corporate Governance in the Company. It has been enduring in its philosophy to enhance stakeholders' value and customers' satisfaction by consistently endeavoring to follow the best Corporate Governance practices. The Board plays a critical role in overseeing how the management serves the short and long-term interests of shareholders and other stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed and independent Board. The Board updates its policies and guidelines from time to time to address the changing need of the environment in which it operates and to effectively achieve the stated objective of the Company.

2. Board of Directors

In terms of the 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. The Board of Directors ('the Board') is entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company and has been vested with the requisite powers, authorities and duties.

Brief Profile of All Directors

Mr. Sunder Lal Dugar, Chairman & Managing Director of the Company, aged about 56 years, has working experience of more than 32 years. During this period he had promoted several residential/ commercial real estate projects and established the Company as reputed builders/ developers in Eastern India. He is also on the Board of several other Companies. Mr. Dugar has an extensive working experience of several years in diversified areas and has been a pioneer in bringing radical improvements in the organisations within his realm. He is the founder of Sri S.L. Dugar Charitable Trust.

Mr. Mahendra Pratap Singh, aged about 64 years, got his master's degree in Geophysics from Banaras Hindu University. He was appointed as Dy. Superintendent of Police in CRPF in 1970. He disassociated himself from CRPF in 1974 to pursue Master in Business Management Programme at Asian Institute of Management. Thereafter, he worked with many organisations at different managerial positions. His varied experience and exposure immensely helps the Board to take appropriate strategic decisions in a competitive business era.

Mr. Abhishek Satyanarayan Rathi, aged about 32 years, is a civil engineer with a working experience of more than 10 years in real estate development which proves beneficial in augmenting growth in the business of the Company. At present, Mr. Rathi is the Treasurer in CREDAI (Confederation of Real Estate Developers Association of India), Surat.

Mr. Om Prakash Rathi, aged about 53 years, a commerce graduate from Calcutta University, is an experienced personality with experience over 30 years in Real Estate Industry. He has been one of the core members of several residential/ commercial real estate projects of the RDB Group.

Mr. Pradeep Kumar Pugalia, Wholetime Director of the Company, aged about 37 years, possess requisite skill and knowledge in the field of real estate sector. He has an excellent track record of successful project implementation. He oversees the operations of the Company. He has made valuable contributions towards the growth of the organisation.

Mr. Ravi Prakash Pincha, aged about 31 years, is a young man with vision and a great team leader, having considerable experience in real estate business and is valued for his innovative ideas which inculcate a creative culture in the Company. Mr. Pincha is also a good administrator. During his long association, the Company has greatly

benefited by his distinctive managerial qualities and his rich & varied experience & exposures.

Composition

The composition of the Board of Directors of the Company is in conformity with the Code of Corporate Governance as per 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 activities.

The following is the composition of the Board as on 31st March 2012:

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	–
Mr. Pradeep Kumar Pugalia	Whole-time Director	Executive	01	–
Mr. Ravi Prakash Pincha	Director	Non-executive & Independent	12	4 (including 1 as Chairman)
Mr. Om Prakash Rathi	Director	Non-executive & Independent	01	–
Mr. Mahendra Pratap Singh	Director	Non-executive & Independent	02	5 (including 3 as Chairman)
Mr. Abhishek Satyanarayan Rathi	Director	Non-executive & Independent	02	–

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

Notes:

1. None of the Directors hold Directorships in more than 15 companies pursuant to Section 275 read with Section 278 of the Companies Act, 1956
2. None of the Directors hold Membership and/or Chairmanship of any Committee exceeding 10 Companies and/or 5 Companies respectively as per Clause 49 of the Listing Agreement

Board meetings:

The Board meets at regular intervals to discuss and decide on Company/business policy and strategy apart from other Board business. The Board/Committee meetings are pre-scheduled and a tentative date of Board and Committee meetings is circulated to the Directors well in advance to facilitate them to plan their schedules. The Chairman of the Board and the Company Secretary, draft the agenda for each meeting, along with the agenda notes and explanatory statements, which are distributed in advance to the Directors to ensure meaningful participation in the meetings. 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 2012, fourteen meetings of the Board were held as follows:

Sl. No.	Date of the Meeting	Board Strength	No. of Directors present
1	01/04/2011	6	5
2	30/05/2011	6	5
3	21/06/2011	6	5
4	25/07/2011	6	6
5	10/08/2011	6	5
6	13/08/2011	6	5
7	26/08/2011	6	5
8	15/09/2011	6	4
9	07/10/2011	6	5
10	14/11/2011	6	4
11	12/12/2011	6	3
12	11/01/2012	6	3
13	16/01/2012	6	4
14	14/02/2012	6	5

Attendance of Directors at Board Meetings and Annual General Meeting

Director	No. of Board Meetings		Attendance at last AGM (19.09.2011)
	Held During Directorship	Attended	
Mr. Sunder Lal Dugar	14	10	Yes
Mr. Ravi Prakash Pincha	14	14	Yes
Mr. Pradeep Kumar Pugalía	14	14	Yes
Mr. Mahendra Pratap Singh	14	11	Yes
Mr. Abhishek Satyanarayan Rathi	14	1	No
Mr. Om Prakash Rathi	14	14	Yes

3. Appointment/Re-appointment of Directors

The brief resume of Director retiring by rotation and seeking re-appointment is appended in the notice for convening the Annual General Meeting (AGM).

4. Committees of the Board

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas / activities which concern the Company and need a closer review. The Board Committees are set up under the formal approval of the Board, to carry out clearly defined roles. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The Minutes of the meetings of all the

Committees are placed before the Board for review.

The Board has established the following Committees:

A. 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 matter within its terms of reference or in relation to the compliance with the provisions of the Companies Act, 1956 or referred to it by the Board
- to seek information from any employees
- obtain legal or other professional advice
- to secure the attendance of outsiders with relevant experience and expertise, when considered necessary.

The role of the Audit Committee includes the following:

1. 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;
2. Recommending the appointment/re-appointment and if required, the replacement or removal of statutory auditors, internal auditors and fixation of their remuneration;
3. Approval of payment to statutory auditors for any other services rendered by statutory auditors;
4. Reviewing, with the management, the financial statements before submission to the Board, focusing primarily on:
 - (a) 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.
 - (b) Any changes in accounting policies and practices.
 - (c) Major accounting entries involving estimates based on exercise of judgment by the management.
 - (d) Significant adjustments arising out of audit.
 - (e) Compliance with stock exchanges and legal requirements concerning financial statements.
 - (f) Any related party transactions.
 - (g) Qualifications in the draft audit report.
5. Review with the management, of the quarterly financial

statements before submission to the board for approval

5A. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

6. Review with the management, of the performance of statutory and internal auditors, adequacy of the internal control systems.
7. 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.
8. Discussion with internal auditors any significant findings and follow up there on.
9. 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.
10. 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.
11. 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.
12. To review the functioning of the Whistle Blower Mechanism, in case the same is existing.
- 12A. Approval of appointment of CFO (i.e., the Whole-Time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
13. Considering such other matters as may be required by the Board.

Composition of the Audit Committee

The Audit Committee comprised of two non-executive directors & one executive director. The Company Secretary acts as 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:

Name	Position	No. of Committee Meetings	
		Held	Attended
Mr. Om Prakash Rathi	Chairman	5	5
Mr. Mahendra Pratap Singh	Member	5	5
Mr. Pradeep Kumar Pugalia	Member	5	5

Details of Audit Committee Meetings and attendances:

During the financial year ended 31st March 2012, five meetings of the Audit Committee were held as follows:

Sl. No.	Date of the meeting	Attendance
1	07/04/2011	3
2	30/05/2011	3
3	13/08/2011	3
4	14/11/2011	3
5	14/02/2012	3

B. 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:

The Remuneration Committee comprises three members all of them being Non-Executive and independent Directors.

Details of members and their attendance at the meetings:

Name	Position	No. of Committee Meetings	
		Held	Attended
Mr. Om Prakash Rathi	Chairman	1	1
Mr. Mahendra Pratap Singh	Member	1	1
Mr. Abhishek Satyanarayan Rathi	Member	1	1

During the financial year ended 31st March 2012, one meeting of the Remuneration Committee was held as follows:

Sl. No.	Date of the meeting	Attendance
1	25/07/2011	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 2012

(Figures in ₹)

Director	Consolidated Salary	Perquisites and other Benefits	Contribution towards Provident and/or other Funds	Performance bonus/ Commission	Sitting Fees	Total
Mr. Sunder Lal Dugar	7,20,000/-	12,787/-	86400/-	Nil	Nil	8,19,187/-
Mr. Pradeep Kumar Pugalia	6,00,000/-	Nil	Nil	Nil	Nil	6,00,000/-

No remuneration (including sitting fee) has been paid to the Non-Executive Directors in the financial year 2011-12. Except Mr. Ravi Prakash Pincha, no other Non-Executive Director holds 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.

C. 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 nine 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.

Name	Position	No. of Committee Meetings	
		Held	Attended
Mr. Om Prakash Rathi	Chairman	9	9
Mr. Mahendra Pratap Singh	Member	9	4
Mr. Pradeep Kumar Pugalia	Member	9	9

Mr. Anil Kumar Apat, Chief Financial Officer, is acting as 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 :	03
(b) Number of shareholders' complaints resolved during the year :	03
(c) Number of complaints not solved to the satisfaction of shareholders :	Nil
(d) Number of complaints pending :	Nil

5. Details of General Body Meetings

a. Details of Annual General 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	Venue	Special Resolutions, if any, passed
2010-11	5th A.G.M	Monday 19.09.2011	10.00 a.m.	Bharatiya Bhasha Parishad, Sitaram Seksaria Auditorium, 4th Floor, 36A, Shakespeare Sarani, Kolkata- 700017	1. Increase in the Limit for Inter Corporate Loans, Investments and Guarantees u/s 372A of the Companies Act, 1956
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	1. Increase in the Limit for Inter Corporate Loans, Investments and Guarantees u/s 372A of the Companies Act, 1956
2008-09	3rd A.G.M	Monday 31.08.2009	10.00 a.m.	"Bikaner Building" 8/1 Lal Bazar Street Kolkata- 700001	–

b. Details of Extra Ordinary General meetings

The date, time, venue and the resolutions passed in the Extra Ordinary General Meetings in the preceding three years are as under:-

Financial Year ended	Meeting	Date	Time	Venue	Special Resolutions, passed
2011-12	Court Convened Meeting	Wednesday, 25.01.2012	05.00 p.m.	Bharatiya Bhasha Parishad, Sitaram Seksaria Auditorium, 4th Floor, 36A, Shakespeare Sarani, Kolkata- 700017	1. Approval of Scheme of Amalgamation of Pincha Home Builders Private Limited with RDB Realty & Infrastructure Limited
2010-11	Extra Ordinary General Meeting	Monday, 21.06.2010	10.00 a.m.	"Bikaner Building" 8/1 Lal Bazar Street Kolkata- 700001	1. Increase in the Limit for making Inter Corporate Loans, Investments and Guarantees u/s 372A of the Companies Act, 1956 for amount not exceeding ₹25 crores to proposed subsidiary, M/s. RDB Legend Infrastructure Pvt. Ltd.
2010-11	Extra Ordinary General Meeting	Thursday, 06.05.2010	11.00 a.m.	"Bikaner Building" 8/1 Lal Bazar Street Kolkata- 700001	1. Increase in Authorised Share Capital from ₹1 crore to ₹20 crores under section 94(1)(a) of the Companies Act, 1956 (Ordinary Resolution) 2. Adoption of new set of Articles of Association under section 31 of the Companies Act, 1956
2009-10				None	

Postal Ballot

No special resolution was passed last year through postal ballot. No special resolution requiring a postal ballot is being proposed at the ensuing AGM.

6. Code of Conduct

The Company is consistently endeavoring 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 & 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 2011-12."

S. L. Dugar
Chairman & Managing Director

7. 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. 31 in Notes to the Accounts forming part of the accounts for the year ended 31st March 2012.

b) Statutory Compliances

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) Adoption of Mandatory and Non Mandatory Requirements as per Clause 49 of Listing Agreement

The Company duly complied with all the mandatory requirements of Clause 49 of the Listing Agreement with the stock exchanges.

The Company has complied with the non-mandatory requirement of Clause 49 with regard to the constitution of Remuneration Committee. Further, Independent Directors are rotational Directors whose maximum tenure has not been specifically determined. Also, there has been no qualification by the Auditors since the incorporation of the Company.

The Company does not have a whistleblower policy. However, no personnel of the Company have been denied access to the Audit committee.

d) Disclosure of Accounting Treatment

In preparation of Financial Statements, the Company has followed the Accounting Standards issued by The Institute of Chartered Accountants of India. The significant Accounting Standards have been set out in the notes to Accounts of the Standalone Audited Accounts.

e) Subsidiary Monitoring Framework

All the subsidiaries of the Company are managed by their respective Boards having rights and obligations to manage

such companies in the best interest of their stakeholders. As the Company holds the majority stake in most of its subsidiaries, the Company notes the workings of its subsidiaries by following means:

- i. Minutes of the Board Meetings of the Subsidiary Companies are placed before the Board Meeting of the Company.
- ii. The Audit Committee of the Company reviews the Financial Statements, in particular the investments made by the Subsidiary Companies.

f) Management Discussion and Analysis Report (MDA)

MDA forms part of the Directors' Report and the same is attached separately in this Annual Report.

8. Means of communication

(a) The quarterly financial results and annual audited financial results are normally published in Business Standard, The Financial Express in English, Dainik 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 BSE Limited.

(c) The Company's financial results are also displayed in its website, www.rdbindia.com.

(d) In compliance of Clause 47(f) of the Listing Agreement, the Company has designated an e-mail id as investors@rdbindia.com especially for its investors.

(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.

9. 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.

10. Reconciliation of Share Capital

As per SEBI (Depositories & Participants) Regulation, 2003, certificate of Reconciliation of Share Capital Audit issued by a Practicing Company Secretary, confirming that the total issued capital of the Company is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL, is placed before the Board on a quarterly basis and also submitted to the stock exchanges.

11. General shareholder information

Details of Annual General Meeting for F. Y. 2011-12

Date	: Wednesday, 8th August 2012
Venue	: Gyan Manch, 11, Pretoria Street, Kolkata – 700 071
Time	: 11.30 a.m.
Book closure date	: From Wednesday, 1st August 2012 to Wednesday, 8th August 2012 (both days inclusive)
Payment of Dividend	: Dividend for the FY 2011-12 will be paid/dispatched between 10th August 2012 to 6th September 2012

Shareholders, who have not encashed/claimed their Dividend warrants for the Financial Year 2010-11, are

requested to write to the Company or M/s. Niche Technologies Pvt. Ltd., Registrar and Share Transfer Agent for revalidation of the same. 20th September 2018 is the date by which unclaimed dividend is due for transfer to Investor Education and Protection Fund, set up by the Government, in compliance with Section 205A read with Section 205C of the Companies Act, 1956.

Financial Calendar

Financial year : 1st April to 31st March

For the year ended 31st March 2012, results were adopted on:

- 13th August 2011 : First quarter (Un-audited)
- 14th November 2011 : Second quarter (Un-audited)
- 14th February 2012 : Third quarter (Un-audited)
- 28th May 2012 : Annual (Audited)

For the year ending 31st March 2013, the results are likely to be adopted:

- on or before 14th August 2012 : First quarter (Un-audited)
- on or before 14th November 2012 : Second quarter (Un-audited)
- on or before 14th February 2013 : Third quarter (Un-audited)
- on or before 30th May 2013 : Annual (Audited)

Listing on stock exchanges

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

Name of the Stock Exchange	Address of the Stock Exchange	Stock Code
The Calcutta Stock Exchange Limited	7, Lyons Range, Kolkata – 700 001 Website: www.cse-india.com	28393
BSE Limited	Phiroz Jeejabhoy Towers, Dalal Street, Mumbai – 400 001 • Website: www.bseindia.com	533285

The listing fees for the financial year 2012-13 have been paid to the above Stock Exchanges.

Depositories

Name of the Depository	Address of the Depository	Website
National Securities Depository Ltd.	Trade World, Kamala Mills Compound, Lower Parel, Mumbai – 400013	www.nsdl.co.in
Central Depository Services (India) Limited	P J Towers, 17th Floor, Dalal Street, Fort, Mumbai - 400001	www.cdslindia.com

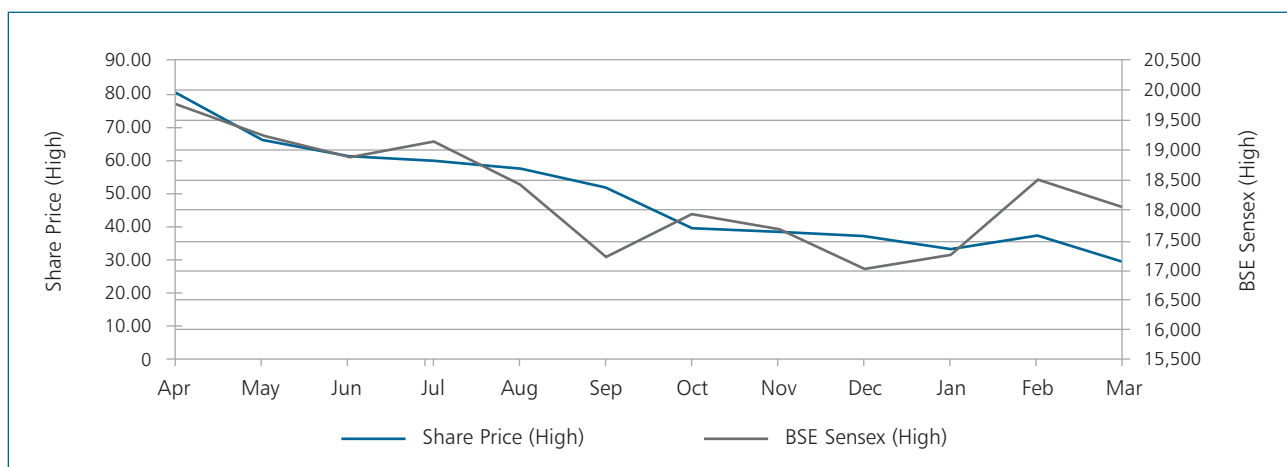
The International Securities Identification Number (ISIN) allotted to Company's securities under the Depository system is INE245L01010. The fees to the depositories for the financial year 2012-13 have been paid.

Market price data

The monthly high and low share price data at the BSE Limited for the financial year 2011-12:

Month	Share Price (High)	Share Price (Low)	BSE Sensex (High)	BSE Sensex (Low)
Apr-11	80.00	55.05	19,811.14	18,976.19
May-11	66.00	53.10	19,253.87	17,786.13
Jun-11	61.10	45.05	18,873.39	17,314.38
Jul-11	60.00	48.00	19,131.70	18,131.86
Aug-11	57.40	32.00	18,440.07	15,765.53
Sept-11	51.90	35.20	17,211.80	15,801.01
Oct-11	40.00	33.95	17,908.13	15,745.43
Nov-11	38.85	32.25	17,702.26	15,478.69
Dec-11	37.25	25.70	17,003.71	15,135.86
Jan-12	33.55	26.50	17,258.97	15,358.02
Feb-12	37.50	27.00	18,523.78	17,061.55
Mar-12	29.85	22.70	18,040.69	16,920.61

Performance of Company's script on BSE vs BSE SENSEX



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
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

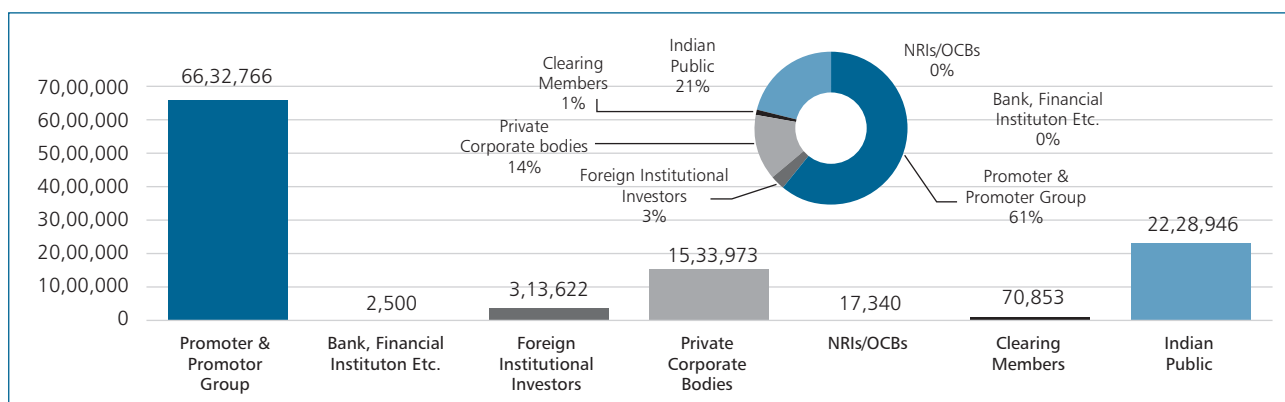
Distribution of shareholding by size as on 31st March 2012

Range of Shares	Number of Shareholders	% of Shareholders	No. of Shares	% of Shares
Upto 50	1534	28.313	38,236	0.354
51 – 100	1752	32.337	1,71,247	1.586
101 – 200	782	14.433	1,45,860	1.351
201 – 300	288	5.317	81,042	0.750
301 – 400	148	2.732	57,350	0.531
401 – 500	279	5.149	1,37,658	1.275
501 – 1000	309	5.703	2,53,586	2.348
1001 – 5000	225	4.153	5,10,485	4.727
5001 – 10000	39	0.719	2,81,796	2.609
10001 – 50000	40	0.738	7,88,910	7.305
50001 – 100000	9	0.166	5,94,480	5.504
100001 and above	13	0.240	77,39,350	71.660
Total	5,418	100.00	1,08,00,000	100.00

Distribution of share holding by category as on 31st March 2012

Category	Number of Shares	% to Total
Promoters and Promoter Group	66,32,766	61.415
Banks, Financial institutions etc.	2,500	0.023
Foreign Institutional Investors	3,13,622	2.904
Private Corporate Bodies	15,33,973	14.203
NRIs/ OCBs	17,340	0.161
Clearing Members	70,853	0.656
Indian Public	22,28,946	20.638
Total	1,08,00,000	100.00

Share holding category as 31st March 2012



List of Top Ten Shareholders as on 31st March 2012.

Sl. No.	Name of the Shareholder	No. of Shares held	% of Shareholding
1	Vinod Dugar	21,14,423**	19.578
2	Sheetal Dugar	12,48,491	11.560
3	Khatod Investments And Finance Company Ltd	9,21,225	8.530
4	Pyramid Sales Pvt. Ltd.	7,16,122	6.631
5	Sunder Lal Dugar	6,87,900*	6.369
6	Loka Properties Pvt Limited	3,77,100	3.492
7	Ankur Constructions Pvt Ltd.	3,75,000	3.472
8	Teck Consultancy and Services Pvt Ltd	3,73,038	3.454
9	Albula Investment Fund Ltd	3,13,622	2.904
10	Teck Consultancy and Services Private Limited	2,72,940	2.527

* 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 2012

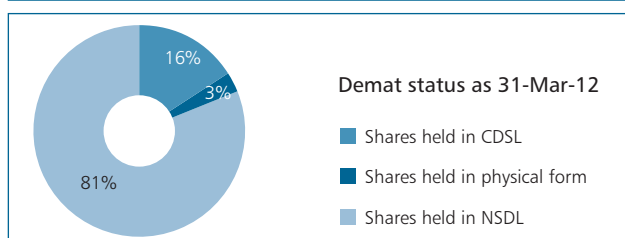
Name of Director	No. of Equity Shares	% of Total holding
Mr. Sunder Lal Dugar	6,87,900*	6.369
Mr. Ravi Prakash Pincha	5,600	0.052
Mr. Om Prakash Rathi	1,700	0.016
Mr. Mahendra Pratap Singh	Nil	Nil
Mr. Abhishek Satyanarayan Rathi	Nil	Nil
Mr. Pradeep Kumar Pugalia	Nil	Nil
Total	6,95,200	6.437

* 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 2012

Status of Dematerialisation	No. of Shares	% of Total Shares
Shares held in NSDL	8772200	81.22%
Shares held in CDSL	1714506	15.88%
Shares held in physical form	313294	2.90%



Outstanding GDRs/ADRs/Warrants or any Convertible instruments

The Company has not issued any ADRs /GDRs /Warrants/ Stock Options or any other convertible instruments.

Plant Location:

The Company does not have any Manufacturing or Processing plant.

Address for correspondence:

RDB Realty & Infrastructure Limited
 "Bikaner Building",
 1st Floor, 8/1 Lal Bazar Street,
 Kolkata - 700001
 Website: www.rdbindia.com

CEO/CFO CERTIFICATION

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

We, Sunder Lal Dugar, Chairman & 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 2012 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 2012 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

A. K. Apat
Chief Financial Officer

Kolkata, 28th May 2012

CERTIFICATE OF CORPORATE GOVERNANCE

To,
The Members,
RDB Realty & Infrastructure Limited

We have reviewed the compliance of conditions of Corporate Governance by RDB Realty & Infrastructure Limited (the Company) for the year ended 31st March 2012, 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 2012, 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.

For **S. M. DAGA & CO.**
Chartered Accountants
Firm Registration No. 303119E

(Megh Raj Daga)

Partner

Membership No. 013625

Place: Kolkata

Date: 28th May 2012

FINANCIAL SECTION

Auditor's Report

To
The Members of
RDB REALTY & INFRASTRUCTURE LIMITED

We have audited the attached Balance Sheet of RDB REALTY & INFRASTRUCTURE LIMITED as at 31st March 2012, the related Statement of Profit & Loss 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, Statement of Profit & Loss and Cash Flow Statement dealt with by this report are in agreement with the Books of Accounts.
4. In our opinion, the Balance Sheet, Statement of Profit & Loss 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 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2012 from being appointed as a director in terms of clause (g) of

sub-section (1) of section 274 of the Companies Act, 1956.

6. In our opinion and based on the information and according to the explanations given to us, the said account read with Notes forming part of the financial statements 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 2012;
 - (b) in the case of Statement of Profit & Loss, 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 not granted any loan during the year to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Consequently, the requirements of sub clauses (a), (b), (c) and (d) of clause (iii) of paragraph 4 of the order are not applicable.
- b) The Company has taken secured loan from one party and unsecured loan from fourteen parties covered in the register maintained under section 301 of the Companies Act 1956. The maximum amount involved during the year was ₹84,94,50,469/- and the year end balance was ₹40,87,94,028/-.
- c) 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.
- d) 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) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- ix) a) According to the information and explanations given to us and records of the Company examined by us, in our opinion, no undisputed amounts payable in respect of provident fund, employees state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us and the record examined by us, there are no dues in respect of sales tax, income tax, customs duty, wealth tax, excise duty and cess which have not been deposited on account of any dispute.
- x) The Company does not have accumulated losses as at 31st March 2012 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
- 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 associate 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 Company has not taken any term loans during the year.
- 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
Firm Registration No. 303119E

11, Clive Row,
Kolkata - 700 001
28th May 2012

MEGH RAJ DAGA
(Partner)
Membership No. 013625

Balance Sheet as at 31st March 2012

(Amount in ₹)

Particulars	Notes No.	As at		As at	
		31st March 2012		31st March 2011	
I EQUITY AND LIABILITIES					
1. Shareholders' Funds					
a) Share Capital	1	108,000,000		108,000,000	
b) Reserves & Surplus	2	586,759,524	694,759,524	508,757,051	616,757,051
2. Non Current Liabilities					
a) Long Term Borrowings	3	–		12,962,967	
b) Deferred Tax Liabilities (Net)	4	2,168,114		3,532,091	
c) Other Long Term Liabilities	5	1,357,706		32,289,600	
d) Long Term Provisions	6	384,260	3,910,080	384,260	49,168,918
3. Current Liabilities					
a) Short Term Borrowings	7	691,791,827		698,021,965	
b) Trade Payables	8	393,099,516		283,866,807	
c) Other Current Liabilities	9	693,707,378		703,166,458	
d) Short Term Provisions	10	36,748,665	1,815,347,386	30,059,251	1,715,114,481
Total			2,514,016,990		2,381,040,450
II ASSETS					
1. Non Current assets					
a) Fixed Assets	11				
i) Tangible Assets		41,881,694		37,291,354	
ii) Intangible Assets		254,134		422,368	
		42,135,828		37,713,722	
b) Non Current Investments	12	277,316,914		53,127,611	
c) Long Term Loans & Advances	13	178,838,934	498,291,676	337,830,553	428,671,886
2. Current Assets					
a) Inventories	14	1,558,999,626		1,738,793,810	
b) Trade Receivable	15	105,560,776		87,474,722	
c) Cash and Bank Balances	16	48,732,381		45,285,817	
d) Short Term Loans & Advances	17	280,294,614		65,692,105	
e) Other Current Assets	18	22,137,917	2,015,725,314	15,122,109	1,952,368,563
Total			2,514,016,990		2,381,040,450
Significant accounting policies and other notes to accounts	26 to 35				
Notes referred to above forms an integral part of the Financial Statements					

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
Firm Regd. No. 303119E

MEGH RAJ DAGA
Partner
Membership No. 013625

Kolkata
28th May 2012

S. L. Dugar
Chairman and Managing Director

P. K. Pugalia
Wholetime Director

Statements of Profit and Loss for the year ended 31st March 2012

(Amount in ₹)

Particulars	Notes No.	For the year ended 31st March 2012	For the year ended 31st March 2011
REVENUE			
Revenue From Operations	19	890,981,932	661,044,174
Other Income	20	8,432,655	3,114,754
		899,414,587	664,158,928
EXPENSES			
Construction Activity Expenses	21	480,312,453	1,425,504,400
Changes in Inventories of Finished Goods and Work in Progress	22	179,794,186	(926,371,347)
Employee Benefits Expense	23	4,961,162	3,516,001
Finance Costs	24	103,998,876	37,524,306
Depreciation	11	3,807,506	3,603,555
Other Expenses	25	12,884,327	39,601,877
		785,758,510	583,378,792
PROFIT BEFORE EXCEPTIONAL ITEMS		113,656,077	80,780,136
Add: Prior Period Income		–	80,000
Less: Exceptional Items (Net)		–	125
PROFIT BEFORE TAX		113,656,077	80,860,011
Less: Provision For Tax			
- Current Tax		23,500,000	16,250,000
- Tax Adjustment For Earlier Years		965,551	–
- Deferred Tax		(1,363,977)	3,286,056
		23,101,574	19,536,056
PROFIT AFTER TAX		90,554,503	61,323,955
EARNINGS PER SHARE (OF ₹ PER EQUITY SHARE)			
- Basic		8.38	5.68
- Diluted		8.38	5.68
Notes referred to above forms an integral part of the Financial Statements			

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

For and on behalf of the Board

For S. M. DAGA & CO.
Chartered Accountants
Firm Regd. No. 303119E

MEGH RAJ DAGA
Partner
Membership No. 013625

Kolkata
28th May 2012

S. L. Dugar
Chairman and Managing Director

P. K. Pugalia
Wholetime Director

Cash Flow Statement for the year ended 31st March 2012

(Amount in ₹)

Particulars	For the year ended 31st March 2012		For the year ended 31st March 2011	
A. CASH FLOW FROM OPERATING ACTIVITIES:				
Net profit before tax as per Statement of Profit and Loss		113,656,077		80,860,011
Adjustments for				
Depreciation	3,807,506		3,603,555	
Interest Paid	90,981,562		38,520,857	
(Profit) / Loss on Sale of Fixed Assets	(9,729)		(5,382)	
(Profit) / Loss on Sale of Investment	–		125	
Liabilities no longer payable written back	(8,849,100)		(2,574,249)	
Sundry Balance Written Off	1,090,724		824,229	
(Provision for Rental Income) / Provision W/Back	825,235		(70,129)	
Provision for Employee Benefits	112,938		2,086	
Interest Received	(20,699,534)	67,259,601	(3,642,222)	36,658,870
Operating Profit Before Working Capital Changes		180,915,678		117,518,881
(Increase) / Decrease in Inventories	179,794,184		(926,371,345)	
(Increase) / Decrease in Trade receivables	(20,002,013)		(51,079,181)	
(Increase) / Decrease of Short-Term Advances	(10,372,853)		841,826,600	
(Increase) / Decrease of Long-Term Advances	158,991,619		(199,967,832)	
Increase / (Decrease) of Other Long-Term Liabilities	(30,931,894)		(86,577,000)	
Increase / (Decrease) in Trade Payables	118,081,810		64,382,370	
Increase / (Decrease) of Other Current Liabilities	(9,598,721)	385,962,132	(281,026,711)	(638,813,100)
Cash generated from operations		566,877,810		(521,294,219)
Less: Direct taxes paid/ (Refunds) including Interest (Net)		30,063,372		12,856,019
Cash Flow before Exceptional Items		536,814,438		(534,150,238)
Net cash Generated/(used) from operating activities		536,814,438		(534,150,238)
B. CASH FLOW FROM INVESTING ACTIVITIES:				
Purchase of fixed assets	(8,262,309)		(964,386)	
Sale of fixed assets	42,426		19,346	
Interest Received	5,750,637		2,955,154	
Investment with Subsidiaries and Firms	(229,604,918)		(5,399,602)	
Sale of Investment with Associates / Capital Withdrawn from Firm	5,415,615		5,000,000	
Loans Refund / (Given)	(189,143,079)		(12,297,313)	
Fixed Deposits	(1,594,028)	(417,395,656)	(442,414)	(11,129,215)
Net cash from investing activities		(417,395,656)		(11,129,215)

Cash Flow Statement (Contd.) for the year ended 31st March 2012

(Amount in ₹)

Particulars	For the year ended 31st March 2012		For the year ended 31st March 2011	
C. CASH FLOW FROM FINANCING ACTIVITIES :				
Proceeds / (Repayment) of Long Term Borrowings	(12,962,967)		(9,582,543)	
Proceeds / (Repayment) of Short Term Borrowings	42,555,880		617,653,198	
Interest Paid	(139,767,580)		(68,955,866)	
Dividend paid	(6,480,000)		–	
Dividend Tax paid	(1,051,220)	(117,705,887)	–	539,114,789
Net cash generated/(used) in financing activities		(117,705,887)		539,114,789
Net increase/(decrease) in cash and cash equivalents (A+B+C)		1,712,895		(6,164,663)
Cash and cash equivalents -Opening balance		15,850,347		22,015,010
		17,563,242		15,850,347
Cash and cash equivalents -Closing balance		17,563,242		15,850,347
CASH AND CASH EQUIVALENTS :				
Balances with Banks		14,042,229		12,726,577
Cheques on hand		1,939,518		2,554,518
Cash on hand (As certified by the management)		1,581,495		569,252
		17,563,242		15,850,347

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

For S. M. DAGA & CO.
Chartered Accountants
Firm Regd. No. 303119E

MEGH RAJ DAGA
Partner
Membership No. 013625

Kolkata
28th May 2012

For and on behalf of the Board

S. L. Dugar
Chairman and Managing Director

P. K. Pugalía
Wholetime Director

Notes to Financial Statement for the year ended 31st March 2012

(Amount in ₹)

Particulars	As at 31st March 2012	As at 31st March 2011
NOTES NO. - 1		
SHARE CAPITAL		
a. Authorised Share Capital		
Number of Equity shares		
2,00,00,000 (Previous year 2,00,00,000)	200,000,000	200,000,000
	200,000,000	200,000,000
b. Issued, subscribed and paid-up share capital		
Number of Equity shares fully paid up		
1,08,00,000 (Previous year 1,08,00,000)	108,000,000	108,000,000
	108,000,000	108,000,000
c. Par value per share		
Equity shares	10	10
	10	10

d. Reconciliation of number of equity shares outstanding as at the beginning and as at the end of the year

(Amount in ₹)

Particulars	Opening Balance	Closing Balance
Number of shares outstanding as at the beginning of the year	10,800,000	10,800,000
Add: Number of shares issued during the year	–	–
Less: Number of shares bought back during the year	–	–
Number of shares outstanding as at the end of the year	10,800,000	10,800,000

e. The rights, preferences & restrictions attaching to shares and restrictions on distribution of dividend and repayment of capital
The Company has only one class of equity shares having par value of ₹10 per share. Each Shareholder is eligible for one vote. The dividend proposed by the Board of Directors is subject to the approval of shareholders, except in case of interim dividend.

f. Details of shareholders holding more than 5% shares, with voting rights.

(Amount in ₹)

Sl. No	Name of Equity shareholder	As at 31st March 2012		As at 31st March 2011	
		Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
1	Sunder Lal Dugar [As Individual = 620700, As a Karta of Moti Lal Dugar (HUF) = 67200]	687,900	6.37	687,900	6.37
2	Vinod Dugar [As Individual = 2068023, As the Guardian of Yashashwi Dugar = 120055, As Trustee of Rekha Benefits Trust = 46,400]	2,234,478	20.69	2,234,478	20.69
3	Sheetal Dugar	1,248,491	11.56	1,000,000	9.26
4	Khatod Investments & Finance Company Limited	921,225	8.53	921,225	8.53
5	Pyramid Sales Private Limited	716,122	6.63	716,122	6.63
6	Teck Consultancy & Services Private Limited	645,978	5.98	750,000	6.94

g) None of the Shares are reserved for issue under options or contracts.

Notes to Financial Statement (Contd.) for the year ended 31st March 2012

h) Number of shares issued for consideration other than cash or bonus to shareholders or bought back from shareholders within the period of 5 years

Number of Shares issued without payment being received in Cash	Number of Shares issued by way of Bonus Shares	Number of Shares Bought Back
10750000*	NA	NA

*10750000 Shares were issued to the Shareholders of RDB Industries Ltd. (Now known as NTC Industries Ltd.) in pursuance of scheme of arrangement for demerger of Real Estate Division of RDB Industries Ltd. (Now known as NTC Industries Ltd.)

i) If the scheme of amalgamation of Pincha Home Builders Private Limited (The Transferor Company) and RDB Realty & Infrastructure Limited (The Transferee Company) is approved by Honourable High Court at Calcutta, company will issue 64,83,400 Nos. of Shares to the shareholders of the Pincha Home Builders Private Limited.

Particulars	(Amount in ₹)			
	As at 31st March 2012		As at 31st March 2011	
NOTES NO. - 2				
RESERVES & SURPLUS				
a) Securities Premium Account				
Opening Balance	270,000,000		270,000,000	
Add: During the Year	–	270,000,000	–	270,000,000
b) General Reserve				
Opening Balance	46,091,062		36,091,062	
Add : Transfer from the Statement of Profit & Loss	–	46,091,062	10,000,000	46,091,062
c) Surplus i.e. Balance in Statement of Profit & Loss				
Opening Balance	192,665,989		148,873,254	
Add : Profit for the year	90,554,503		61,323,955	
	283,220,492		210,197,209	
Less : Appropriations				
Proposed Equity Dividend	10,800,000		6,480,000	
Dividend Distribution Tax	1,752,030		1,051,220	
General Reserve	–		10,000,000	
	12,552,030		17,531,220	
Surplus as at the End of the Period		270,668,462		192,665,989
		586,759,524		508,757,051
NOTES NO. - 3				
LONG TERM BORROWINGS				
Secured Loans				
Term Loan from Banks (Secured by corporate guarantee of subsidiary company and personal guarantee of Managing Director)		–		12,962,967
		–		12,962,967

Notes to Financial Statement (Contd.) for the year ended 31st March 2012

(Amount in ₹)

Particulars	As at 31st March 2012	As at 31st March 2011
NOTES NO. - 4		
DEFERRED TAX LIABILITIES (NET)		
Deferred Tax Liabilities on		
Depreciation Allowance on Fixed Assets	2,693,400	3,538,860
Expenses Disallowed u/s 40 (a)(ia)	–	17,221
Sub Total (A)	2,693,400	3,556,081
Deferred Tax Assets on		
Provisional Rental Income	267,747	23,297
Amalgamation Expenses [Refer note No. 33]	220,896	–
Provision for Gratuity	36,643	693
Sub Total (B)	525,286	23,990
Deferred Tax (Assets) / Liabilities (Net) (A-B)	2,168,114	3,532,091
NOTES NO. - 5		
OTHER LONG TERM LIABILITIES		
Advance against properties	–	26,897,000
Sundry Deposits	1,357,706	5,392,600
	1,357,706	32,289,600
NOTES NO. - 6		
LONG TERM PROVISIONS		
Provision for Employee Benefits	384,260	384,260
	384,260	384,260
NOTES NO. - 7		
SHORT TERM BORROWINGS		
Repayable on Demand		
Form Bank : Over Draft (Secured)		
(Rate of Interest being base rate + 3.50%)		
(Secured by corporate guarantee of subsidiary company and personal guarantee of Managing Director)	19,359,055	19,376,371
From Other Than Bank (Unsecured)		
a) Related Parties	408,794,028	529,437,204
b) Others	263,638,744	149,208,390
	691,791,827	698,021,965
NOTES NO. - 8		
TRADE PAYABLES		
Trade Payables *	393,099,516	283,866,807
* 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 the Act to them.		
	393,099,516	283,866,807

Notes to Financial Statement (Contd.) for the year ended 31st March 2012

(Amount in ₹)

Particulars	As at 31st March 2012	As at 31st March 2011
NOTES NO. - 9		
OTHER CURRENT LIABILITIES		
Advances from Customers	419,752,069	536,879,245
Advances from Related Parties	199,000,000	10,347,000
Advances from Others	58,048,701	149,192,400
Retention Money	3,264,717	1,311,777
Outstanding Statutory Payment	13,502,250	5,436,036
Unclaimed Dividend*	139,641	–
* There is no amount due and outstanding as on 31st March 2012 to be credited to Investor Education and Protection Fund.		
	693,707,378	703,166,458
NOTES NO. - 10		
SHORT TERM PROVISIONS		
Income Tax	23,500,000	21,944,334
Proposed Equity Dividend*	10,800,000	6,480,000
Dividend Distribution Tax*	1,752,030	1,051,220
Provision for Employee Benefits	696,635	583,697
* The Board of Directors have recommended, subject to approval of shareholders, of dividend of ₹1.00 per equity share of ₹10/- each, aggregating to ₹125.52 lacs (Previous Year ₹0.60, aggregating ₹75.31 Lacs) including dividend distribution tax.		
	36,748,665	30,059,251

NOTES NO. - 11

FIXED ASSETS

(Amount in ₹)

Description of Assets	GROSS BLOCK				DEPRECIATION			NET BLOCK		
	As at 1st April 2011	Additions During the Year	Deductions During the Year	As at 31st March 2012	Up to 31st March 2011	For the Year	Deductions During the Year	Up to 31st March 2012	As at 31st March 2012	As at 31st March 2011
i) Tangible Assets										
Buildings	36,840,439	898,301	–	37,738,740	3,965,757	1,643,734	–	5,609,491	32,129,249	32,874,682
Plant & Machineries	5,220,455	377,739	21,426	5,576,768	2,451,880	698,734	10,720	3,139,894	2,436,874	2,768,575
Furniture & Fixtures	501,553	1,400	52,074	450,879	289,991	42,576	50,347	282,220	168,659	211,562
Vehicles	4,270,845	6,511,492	545,250	10,237,087	3,101,730	1,139,140	524,986	3,715,884	6,521,203	1,169,115
Computers	2,003,402	473,377	–	2,476,779	1,735,982	115,088	–	1,851,070	625,709	267,420
Sub Total	48,836,694	8,262,309	618,750	56,480,253	11,545,340	3,639,272	586,053	14,598,559	41,881,694	37,291,354
ii) Intangible Assets										
Computer Softwares	1,133,155	–	–	1,133,155	710,787	168,234	–	879,021	254,134	422,368
Sub Total	1,133,155	–	–	1,133,155	710,787	168,234	–	879,021	254,134	422,368
Grand Total	49,969,849	8,262,309	618,750	57,613,408	12,256,127	3,807,506	586,053	15,477,580	42,135,828	37,713,722
Previous Year	49,070,063	964,386	64,600	49,969,849	8,704,208	3,603,555	51,636	12,256,127	37,713,722	

Notes to Financial Statement (Contd.) for the year ended 31st March 2012

Particulars	As at 31st March 2012		As at 31st March 2011		
	Nos. of Equity Shares Fully Paid	Cost of Share Amount in (₹)	Nos. of Equity Shares Fully Paid	Cost of Share Amount in (₹)	
NOTES NO. - 12					
NON CURRENT INVESTMENTS					
Trade Investments (at cost)					
A) Investment in Equity Instruments					
(I) In Subsidiary Companies					
	Face Value @ ₹				
Unquoted					
Bahubali Tie-up Private Limited	10.00	10,000	100,000	10,000	100,000
Baron Suppliers Private Limited	10.00	10,000	100,000	10,000	100,000
Bhagwati Builders & Development Private Limited	10.00	27,000	12,920,000	27,000	12,920,000
Bhagwati Plasto Works Private Limited	10.00	562,870	11,257,400	562,870	11,257,400
Headman Mercantile Private Limited	10.00	10,010	100,100	10,010	100,100
Kasturi Tie-up Private Limited	10.00	10,000	100,000	10,000	100,000
RDB Realty Private Limited *	10.00	5,500,000	55,000,000	–	–
RDB Legend Infrastructure Private Limited	10.00	3,065,100	153,051,000	5,100	51,000
Raj Construction Projects Private Limited	10.00	18,544,500	21,011,413	18,544,500	21,011,413
Rathi Ess En Finance Co. Private Limited	10.00	129,700	1,950,370	129,700	1,950,370
Triton Commercial Private Limited	10.00	10,000	100,000	10,000	100,000
		27,879,180	255,690,283	19,319,180	47,690,283
* Became Subsidiary w.e.f. 12th October 2011, (Holding Percentage 55.00)					
(II) In Associates					
Unquoted					
Rimjhim Vanijya Private Limited	10.00	5,000	50,000	5,000	50,000
		5,000	50,000	5,000	50,000
Sub Total (I + II) = A		27,884,180	255,740,283	19,324,180	47,740,283
Particulars	(Amount in ₹)		(Amount in ₹)		
B) Investments in Partnership Firms					
Unique RDB Realty		21,604,918		–	
Bindi Developers		(28,287)		5,387,328	
Udai Residency		–		–	
		21,576,631		5,387,328	
Total (A + B)		277,316,914		53,127,611	
Aggregate book cost of unquoted investments ₹		277,316,914		53,127,611	

Notes to Financial Statement (Contd.) for the year ended 31st March 2012

Disclosures of firms in which company is Partner

Name of Partnership Firm	2011-12		2010-11	
	Total Capital (₹)	Profit Sharing Ratio	Total Capital (₹)	Profit Sharing Ratio
Bindi Developers				
1 RDB Realty & Infrastructure Limited	(28,287)	75.00%	5,387,328	75.00%
2 Nilesh Dayabhai Patel	252,929	25.00%	(5,640,793)	25.00%
Total	224,642	100.00%	(253,465)	100.00%
Unique RDB Realty (Became Partnership Firm w.e.f. 5-Jul-11)				
1 Mannat Infra Projects Pvt. Limited	10,000	49.00%	–	0.00%
2 RDB Realty & Infrastructure Limited	21,604,918	49.00%	–	0.00%
3 Vibhishek Pal Singh	(1,023,251)	1.00%	–	0.00%
4 Kaushal Dugar	10,000	1.00%	–	0.00%
Total	20,601,667	100.00%	–	0.00%
Udai Residency (Became Partnership Firm w.e.f. 1-Jul-11)				
1 Mannat Infra Projects Pvt. Limited	–	32.34%	–	0.00%
2 RDB Realty & Infrastructure Limited	–	32.33%	–	0.00%
3 Vibhishek Pal Singh	–	1.00%	–	0.00%
4 Kaushal Dugar	–	1.00%	–	0.00%
5 Pooja Bomb	7,557,400	33.33%	–	0.00%
Total	7,557,400	100.00%	–	0.00%

(Amount in ₹)

Particulars	As at 31st March 2012	As at 31st March 2011
NOTES NO. - 13		
LONG TERM LOANS & ADVANCES (Unsecured, Considered Good)		
Capital Advances	85,333,153	83,401,133
Share Application Money Given to Subsidiary	40,000,000	193,000,000
Sundry Deposits	53,505,781	61,429,420
	178,838,934	337,830,553
Notes No. - 14		
INVENTORIES		
Work in Progress	1,418,306,742	1,463,567,449
Finished Goods	140,692,884	275,226,361
	1,558,999,626	1,738,793,810
NOTES NO. - 15		
TRADE RECEIVABLE (Unsecured, considered good)		
Debts outstanding for a period exceeding six months	1,559,295	3,398,999
Other Debts	104,001,481	84,075,723
	105,560,776	87,474,722

Notes to Financial Statement (Contd.) for the year ended 31st March 2012

(Amount in ₹)

Particulars	As at 31st March 2012		As at 31st March 2011	
NOTES NO. - 16				
CASH AND BANK BALANCES				
a. Cash and Cash Equivalents :				
Balances with Banks	14,042,229		12,726,577	
Cheques on hand	1,939,518		2,554,518	
Cash on hand (As certified by the management)	1,581,495		569,252	
		17,563,242		15,850,347
b. Other Bank Balances :				
Unpaid Dividend	139,641		-	
Fixed Deposits*	31,029,498	31,169,139	29,435,470	29,435,470
(*Pledged with respective Bank against credit facilities availed by the Company)				
		48,732,381		45,285,817
NOTES NO. - 17				
SHORT TERM LOANS & ADVANCES				
(Unsecured, considered good)				
Loans to Related Parties		225,564,446		21,472,470
Other Advances		54,730,168		44,219,635
		280,294,614		65,692,105
NOTES NO. - 18				
OTHER CURRENT ASSETS				
Advance Income Tax and Tax Deducted at Source		9,730,911		9,891,448
Service Tax Advance		59,706		-
Sales Tax TDS Receivable		12,209,163		4,895,139
Prepaid Expenses		138,137		335,522
		22,137,917		15,122,109

(Amount in ₹)

Particulars	For the year ended 31st March 2012		For the year ended 31st March 2011	
NOTES NO. - 19				
REVENUE FROM OPERATIONS				
a) Sales and Services				
Construction Activities		859,000,266		653,347,087
Services		7,355,993		562,840
Profit / (Loss) from Partnership Firms		530,433		(891,105)
Sub Total (A)		866,886,692		653,018,822
b) Other Operating Income				
Rental Income		3,395,706		4,383,130
Interest Received				
- On Capital with Partnership Firm	1,658,220		492,897	
- On Related Parties	16,377,951		1,093,757	
- Others	2,663,363	20,699,534	2,055,568	3,642,222
Sub Total (B)		24,095,240		8,025,352
Total (A + B)		890,981,932		661,044,174

Notes to Financial Statement (Contd.) for the year ended 31st March 2012

(Amount in ₹)

Particulars	As at 31st March 2012	As at 31st March 2011
NOTES NO. - 20		
OTHER INCOME		
Profit on Sale of Fixed Assets	9,729	5,382
Liabilities/ advances no longer payable written back*	7,857,118	1,750,020
Miscellaneous Income	565,808	1,359,352
* Net of Sundry balances written off ₹9,91,982/- (Previous Year ₹8,24,229/-)		
	8,432,655	3,114,754
NOTES NO. - 21		
CONSTRUCTION ACTIVITY EXPENSES		
Direct Purchase Cost for the Project	275,629,454	244,256,612
Cost of Land and Development Charges	1,914,768	733,265,960
Construction and other Materials	131,988,711	299,012,405
Contract Labour Charges	42,725,334	70,717,205
Interest on Project Loan*	–	5,261,553
Professional Charges	1,957,685	779,631
Other Construction Expenses	26,096,501	72,211,034
	480,312,453	1,425,504,400
* Interest amounting to ₹ Nil (Previous year ₹5,261,553/-) paid on loans taken for real estate projects has been included in the value of inventory in accordance with AS-16 - "Borrowing Costs".		
Notes No. - 22		
CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS		
Opening stock		
Work in Progress	1,463,567,449	796,276,658
Finished Goods	275,226,363	16,145,807
Sub Total (A)	1,738,793,812	812,422,465
Closing stock		
Work in Progress	1,418,306,742	1,463,567,449
Finished Goods	140,692,884	275,226,363
Sub Total (B)	1,558,999,626	1,738,793,812
Total (A - B)	179,794,186	(926,371,347)
NOTES NO. - 23		
EMPLOYEE BENEFITS EXPENSE		
Salaries, Wages, Bonus, Exgratia etc.	4,483,875	3,009,454
Contribution to Provident and Other Funds	139,071	151,356
Staff Welfare Expenses	225,278	353,105
Gratuity	112,938	2,086
	4,961,162	3,516,001

Notes to Financial Statement (Contd.) for the year ended 31st March 2012

(Amount in ₹)

Particulars	For the year ended 31st March 2012		For the year ended 31st March 2011	
NOTES NO. - 24				
FINANCE COSTS				
Interest Paid				
On Term Loans from Bank	958,691		2,388,010	
On Overdraft from Bank	2,058,739		573,999	
To Related Party	58,112,807		28,831,222	
To Others	32,868,755	93,998,992	4,428,082	36,221,313
Finance Charges		9,999,884		1,302,993
		103,998,876		37,524,306
NOTES NO. - 25				
OTHER EXPENSES				
A) Administrative and General Expenses				
Legal and Professional Charges		748,842		1,320,851
Postage, Telegraph & Telephones		439,669		373,896
Motor Vehicle Expenses		254,787		725,294
Rates & Taxes		684,611		107,786
Rent		374,275		390,000
Travelling & Conveyance Expenses		697,683		133,358
Insurance		1,248,683		26,807
Auditors Remuneration :				
- Statutory Audit Fee	110,300		110,300	
- Tax Audit Fee	27,575	137,875	27,575	137,875
Electricity Expenses		631,102		398,532
Other Repairs		1,210,837		1,223,393
Printing & Stationary		401,011		474,580
Miscellaneous Expenses		1,540,229		1,898,630
Bad Debts		98,742		-
Sub Total (A)		8,468,346		7,211,002
B) Selling and Distribution Expenses				
Advertisement & Publicity Expenses		2,618,666		3,441,568
Commission to Selling Agents		130,273		25,666,760
Sales Promotion Expenses		1,667,042		3,282,547
Sub Total (B)		4,415,981		32,390,875
Total (A + B)		12,884,327		39,601,877

26. SIGNIFICANT ACCOUNTING POLICIES

A. Financial Statements

The financial statements have been prepared to comply in all the material aspects with Accounting Standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) u/s 211 (3C) of Companies Act, 1956 and the relevant provisions of the Companies Act, 1956. The financial statement has been prepared under historical cost convention on an accrual basis in accordance with Generally Accepted Accounting Principles (GAAP). The accounting policies have been consistently applied by the Company except otherwise stated and are consistent with those used in previous year.

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

Notes to Financial Statement (Contd.) for the year ended 31st March 2012

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. Actual results could differ from those estimates. The effects of adjustment arising from revisions made to the estimates are included in the Statement of Profit and Loss in 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 recognised 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 is recognised for an accrual basis except in case where ultimate collection is considered doubtful.
- f) Interest income is recognised on time proportion basis.

D. Fixed Assets

Fixed Assets, including those given on lease, are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Software is capitalised, where it is expected to provide future enduring economic benefits.

Leasehold land under perpetual lease is not amortised. Lease hold land other than on perpetual lease are being amortised on time proportion basis over their respective lease periods.

E. Depreciation

Depreciation is provided on written down value method at the rates prescribed under Schedule-XIV of the Companies Act, 1956.

F. Investments

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

Notes to Financial Statement (Contd.) for the year ended 31st March 2012

Provision for obsolescence in inventories is made, wherever required.

Work-in-progress- Real Estate projects (including land inventory): represents cost incurred in respect of unsold area of the real estate development projects or costs incurred on projects where revenue is to be recognised.

Work-in-progress- Contractual: represents cost of work done yet to be certified / billed.

H. Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

I. Revenue from Operations

- 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. Foreign Currency Transaction

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing at the date of transactions or that approximates the actual rate at the date of transactions.

Exchange differences arising on foreign exchange transactions settled during the year are recognised in the statement of profit and loss for the period.

Transactions which remains unsettled at the reporting date and reported at rates prevailing as at reporting date and any exchange gain / loss is recognised in Statement of Profit and Loss.

K. Employee Benefits

- i) Short term employee benefits:
Short term employee benefits such as salaries, wages, bonus, expected cost of ex-gratia etc. are 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 Statement of Profit and Loss for the period when the contributions to the respective funds are due.
 - b) Defined Benefit Plan: Employee benefits in the form of Gratuity is 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 Statement of Profit and Loss.

L. 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.

M. 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.

Notes to Financial Statement (Contd.) for the year ended 31st March 2012

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.

O. 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 Statement of Profit and Loss 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.

27. EARNINGS PER SHARE IN ACCORDANCE WITH AS-20

Earnings per share is computed as under:-		(Amount in ₹)	
		As at 31st March 2012	As at 31st March 2011
Profit available for Equity Shareholders	(A) (₹)	90,554,503	61,323,955
Weighted average number of Equity Shares outstanding	(B) (Nos.)	10,800,000	10,800,000
Earnings per share (Face value of ₹10/- per Equity Share) Basic & Diluted	(A/B) (₹)	8.38	5.68

28. CONSTRUCTION CONTRACTS IN ACCORDANCE WITH AS-7

Particulars	(Amount in ₹)	
	As at 31st March 2012	As at 31st March 2011
Contract revenue recognised during the year	272,155,216	121,051,975
Contract Cost incurred and recognised profits (less recognised losses) for all the contracts.	261,604,163	131,896,555
Advances received	12,404,807	86,488,845
Due from customer for contract work (Including Retention)	38,383,911	64,892,244
Due to suppliers for contract work	130,139,998	57,909,576

29. EMPLOYEE DEFINED BENEFITS:-

a) **Defined Contribution Plans:** The Company has recognised an expense of ₹1,39,071/- (Previous Year ₹1,51,356/-) towards the defined contribution plans.

b) **Defined Benefit Plans:** As per actuarial valuation as on 31st March 2012 and recognised in the financial statements in respect of Employee Benefit Schemes:

Particulars	(₹ in Lacs)	
	2011-12 Gratuity	2010-11 Gratuity
I Components of Employer Expense		
1 Current Service Cost	1.47	1.28
2 Interest Cost	0.82	0.77
3 Expected Return on Plan Assets	-	-
4 Curtailment Cost/ (Credit)	-	-
5 Settlement Cost/ (Credit)	-	-
6 Past Service Cost	-	-
7 Actuarial Losses/ (Gains)	(1.16)	(2.03)
8 Total employer expense recognised in the Statement of Profit & Loss	1.13	0.02
Gratuity expense is recognised in "Gratuity" under Note No -26(K)		

Notes to Financial Statement (Contd.) for the year ended 31st March 2012

b) **Defined Benefit Plans:** As per actuarial valuation as on 31st March 2012 and recognised in the financial statements in respect of Employee Benefit Schemes (Contd.):

		(₹ in Lacs)	
Particulars	2011-12 Gratuity	2010-11 Gratuity	
II Net Asset/ (Liability) recognised in Balance Sheet			
1 Present Value of Defined Benefit Obligation	10.81	9.68	
2 Fair Value of Plan Assets	–	–	
3 Funded Status [Surplus/ (Deficit)]	(10.81)	(9.68)	
4 Unrecognised Past Service Costs	–	–	
5 Net Asset/ (Liability) recognised in Balance Sheet	(10.81)	(9.68)	
III Change in Defined Benefit Obligation (DBO)			
1 Present Value of DBO at the Beginning of Period	(10.81)	9.68	
2 Current Service Cost	1.47	1.28	
3 Interest Cost	0.82	0.77	
4 Curtailment Cost/ (Credit)	–	–	
5 Settlement Cost/ (Credit)	–	–	
6 Plan Amendments	–	–	
7 Acquisitions	–	–	
8 Actuarial Losses/ (Gains)	(1.16)	(2.03)	
9 Benefit Payments	–	–	
10 Present Value of DBO at the End of Period	10.81	9.68	
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)	LIC (1994-96)	
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			

30. SEGMENT REPORTING

The Business of the Company fall under a single segment i.e., "Development of Real Estate & Infrastructure". In view of the general classification notified by Central Government in exercise of power conferred u/s 211(3C) of Companies Act, 1956 for Company operating in a single segment, the disclosure requirement as per AS – 17 on 'Segment Reporting' is not applicable to the Company. The Company's business is mainly concentrated in similar geographical, political and economical conditions; hence disclosure for Geographical segment is also not required.

Notes to Financial Statement (Contd.) for the year ended 31st March 2012

31. RELATED PARTY DISCLOSURES IN ACCORDANCE WITH AS - 18:-

(i) Enterprises where control exists

(A) Subsidiaries:-

Sl. No.	Name of Company	Sl.No.	Name of Company
1	Bahubali Tie-Up Private Limited	7	Triton Commercial Private Limited
2	Baron Suppliers Private Limited	8	Rathi Ess En Finance Co. Private Limited
3	Bhagwati Builders & Development Private Limited	9	Raj Construction Projects Private Limited
4	Bhagwati Plasto Works Private Limited	10	RDB Legend Infrastructure Private Limited
5	Headman Mercantile Private Limited	11	RDB Realty Private Limited (Subsidiary w.e.f. 12th October 2011)
6	Kasturi Tie-Up Private Limited		

(B) Partnership Firm:-

Sl. No.	Name of the Firm	Sl.No.	Name of the Firm
1	Bindi Developers	3	Udai Residency
2	Unique RDB Realty (Became Partner w.e.f. 5th July 2011)		(Became Partner w.e.f. 1st July 2011)

(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	Chairman and Managing Director
2	Pradeep Kumar Pugalia	Wholetime Director

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

Sl. No.	Name of Enterprise	Sl.No.	Name of Enterprise
1	Arrow Vinimay Private Limited	9	Pincha Home Builders Private Limited
2	Basudev Builders Private Limited	10	Pyramid Sales Private Limited
3	BFM Industries Limited	11	RD Devcon Private Limited
4	Humraj Commodities Private Limited	12	RDB Rasayans Limited
5	Khatod Investments & Finance Company Limited	13	Samspa Expo Private Limited
6	Loka Properties Private Limited	14	Somani Estates Private Limited
7	NTC Industries Limited	15	Veekay Apartments Private Limited
8	Pincha Griha Nirmaan Private Limited		

Notes to Financial Statement (Contd.) for the year ended 31st March 2012

(iii) Disclosure of transactions between the Company and related parties and the status of outstanding balances as on 31st March 2012 (and Previous year figures have been given in brackets) (Amount in ₹)

Nature of Transactions	Subsidiaries	Partnership Firms	Associates	Key Management Personnel & their Relatives	Enterprises over which KMP & their relatives have significant influence
Interest Income	16,377,951 (1,093,757)	1,658,220 (492,897)	- (-)	- (-)	- (-)
Share of Profit Earned	- (-)	530,433 (-891,105)	- (-)	- (-)	- (-)
Rent Paid	90,000 (90,000)	- (-)	- (-)	- (-)	275,000 (300,000)
Interest Paid	5,819,340 (3,007,493)	- (-)	- (-)	- (-)	52,293,467 (25,823,729)
Equity Share Purchase	208,000,000 (-)	- (-)	- (-)	- (-)	- (-)
Directors' Remuneration	- (-)	- (-)	- (-)	1,419,187 (680,000)	- (-)
Secured Loan Received	- (-)	- (-)	- (-)	- (-)	484,487,397 (-)
Secured Loan Repaid	- (-)	- (-)	- (-)	- (-)	484,487,397 (-)
Unsecured Loan Received	29,931,523 (178,365,000)	- (-)	- (-)	- (-)	1,049,186,491 (702,910,000)
Unsecured Loan Repaid	203,129,735 (96,480,749)	- (-)	- (-)	- (-)	1,181,043,834 (357,473,109)
Capital Introduced in Partnership Firm	- (-)	35,200,650 (15,961,810)	- (-)	- (-)	- (-)
Refund of Capital by Partnership Firm	- (-)	21,200,000 (10,215,000)	- (-)	- (-)	- (-)
Advance Received	- (-)	- (-)	- (-)	- (-)	199,000,000 (1,900,000)
Refund of Advance Received	- (-)	- (-)	- (-)	- (-)	28,787,000 (356,300,000)
Loan Given	189,701,820 (22,200,000)	- (-)	- (-)	- (-)	- (-)
Refund of Loan Given	350,000 (10,309,376)	- (-)	- (-)	- (-)	- (-)
Closing Balance					
Payable	1,675,000 (-)	- (-)	- (-)	- (23,652,110)	- (-)
Advance Taken Money	- (-)	- (-)	- (-)	- (-)	199,000,000 (10,347,000)
Share Application Money	40,000,000 (193,000,000)	- (-)	- (-)	- (-)	- (-)
Loan Given	225,564,446 (21,472,470)	- (-)	- (-)	- (-)	- (-)
Unsecured Loan Taken	- (84,891,744)	- (-)	- (-)	- (-)	408,794,028 (444,545,460)
Capital with Partnership Firm	- (-)	21,576,631 (5,387,328)	- (-)	- (-)	- (-)

Notes to Financial Statement (Contd.) for the year ended 31st March 2012

32. 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.
33. The scheme of amalgamation of Pincha Home Builders Private Limited (the Transferor Company) and RDB Realty & Infrastructure Ltd (the Transferee Company) is pending for approval with the Honourable High Court at Calcutta before the finalisation of accounts of company. Hence, effect of amalgamation is not incorporated.
34. **CONTINGENT LIABILITIES**
- a) On account of Guarantee ₹24,06,73,812/- (Previous Year ₹15,51,32,746/-) issued by the Company's bankers to the Contractee for projects under EPC Division.
- b) ₹32,07,510/- (Previous Year ₹32,07,510/-) on account of Service Tax collected from flat owners of Regent Enclave and deposited to the credit of Central Government. Flat owners filed a suit against Company, claiming refund of Service Tax.
35. The financial statements for the year ended 31st March 2011 had been prepared as per the then applicable, pre-revised Schedule VI to the Companies Act, 1956. Consequent to the notification the revised Schedule VI under the Companies Act, 1956, the financial statement for the year ended 31st March 2012 are prepared as per revised Schedule VI. Accordingly, the previous year have also been reclassified / regrouped to confirm to this year's classification. The adoption of revised Schedule VI for previous year figures does not impact recognition and measurement principles followed for preparation of financial statements.

For and on behalf of the Board

For S. M. DAGA & CO.
Chartered Accountants
Firm Regd. No. 303119E

MEGH RAJ DAGA
Partner
Membership No. 013625
Kolkata
28th May 2012

S. L. Dugar
Chairman and Managing Director

P. K. Pugalia
Wholetime Director

Consolidated Auditor's Report

To
The Board of Directors
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 'the Group') as at 31st March 2012, the Consolidated Statement of Profit and Loss 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 subsidiaries and associates whose financial statements reflect total assets of ₹3,46,92,02,642/- as at 31st March 2012, total turnover and profit after tax of ₹53,32,52,312/- and ₹4,88,91,918/- respectively 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, in so far as it relates to the amounts included in respect of these subsidiaries and associates 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 requirements of Accounting Standard 21-"Consolidated financial Statements", and Accounting Standard 23 – "Accounting for Investments 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 and 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 the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March 2012;
 - b) in the case of the Consolidated Statement of Profit & Loss, of the Profits of the Group for the year ended on that date; and
 - c) in the 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
Firm Registration No. 303119E

11, Clive Row,
Kolkata - 700 001
28th May 2012

MEGH RAJ DAGA
(Partner)
Membership No. 013625

Consolidated Balance Sheet as at 31st March 2012

(Amount in ₹)

Particulars	Notes No.	As at 31st March 2012		As at 31st March 2011	
I EQUITY AND LIABILITIES					
1. Shareholders' Funds					
a) Share Capital	1	108,000,000		108,000,000	
b) Reserves & Surplus	2	772,920,541	880,920,541	659,517,517	767,517,517
2. Minority Interest (Refer Note No. 35)			215,111,679		155,525,597
3. Non Current Liabilities					
a) Long Term Borrowings	3	143,766,161		103,528,980	
b) Deferred Tax Liabilities (Net)	4	2,098,359		3,457,786	
c) Other Long Term Liabilities	5	172,927,706		65,999,066	
d) Long Term Provisions	6	384,260	319,176,486	384,260	173,370,092
4. Current Liabilities					
a) Short Term Borrowings	7	845,415,611		640,451,364	
b) Trade Payables	8	523,231,956		396,811,200	
c) Other Current Liabilities	9	2,447,497,604		1,316,297,300	
d) Short Term Provisions	10	58,202,143	3,874,347,314	54,731,453	2,408,291,317
Total			5,289,556,020		3,504,704,523
II ASSETS					
1. Non Current assets					
a) Fixed Assets	11				
i) Tangible Assets		53,062,901		71,472,280	
ii) Intangible Assets		255,109		423,994	
iii) Capital Work in Progress		–		11,929,562	
		53,318,010		83,825,836	
b) Non Current Investments	12	23,102,318		482,145	
c) Long Term Loans & Advances	13	565,099,032	641,519,360	477,528,191	561,836,172
3. Current Assets					
a) Inventories	14	3,978,518,280		2,683,289,654	
b) Trade Receivable	15	314,726,475		143,080,473	
c) Cash and Bank Balances	16	57,939,097		56,249,268	
d) Short Term Loans & Advances	17	268,591,654		40,381,338	
e) Other Current Assets	18	28,261,154	4,648,036,660	19,867,618	2,942,868,351
Total			5,289,556,020		3,504,704,523
Significant accounting policies and other notes to accounts	26 to 39				
Notes referred to above forms an integral part of the Financial Statements					

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
Firm Regd. No. 303119E

MEGH RAJ DAGA
Partner
Membership No. 013625

Kolkata
28th May 2012

S. L. Dugar
Chairman and Managing Director

P. K. Pugalia
Wholetime Director

Consolidated Statements of Profit and Loss for the year ended 31st March 2012

(Amount in ₹)

Particulars	Notes No.	As at 31st March 2012	As at 31st March 2011
REVENUE			
Revenue From Operations	19	1,380,635,360	994,875,571
Other Income	20	9,289,437	7,293,202
		1,389,924,797	1,002,168,773
EXPENSES			
Construction Activity Expenses	21	1,254,074,646	2,032,000,524
Changes in Inventories of Finished Goods and Work in Progress	22	(189,944,660)	(1,302,760,073)
Employee Benefits Expense	23	6,723,935	5,169,934
Finance Costs	24	99,816,226	35,221,356
Depreciation	11	6,313,428	5,689,620
Other Expenses	25	30,585,498	61,039,811
Preliminary Expenses Written Off		3,002	3,744
		1,207,572,075	836,364,917
PROFIT BEFORE EXCEPTIONAL ITEMS		182,352,722	165,803,857
Add: Prior Period Income		–	80,000
Less: Exceptional Items (Net)		–	125
PROFIT BEFORE TAX		182,352,722	165,883,732
Less: Provision For Tax			
- Current Tax		44,953,478	40,038,540
- Tax Adjustment For Earlier Years		1,962,736	1,724,226
- Deferred Tax		(1,359,427)	3,272,960
- Interest Claimed in H/P Disallowed		–	(3,766,234)
PROFIT AFTER TAX		136,795,935	124,614,240
(Before Share of Results of Associates and Minority Interests)			
Share of Profit/(Loss) in Associates		1,060,027	16,123
Minority's Interest		(5,642,666)	1,188,911
PROFIT AFTER TAX		132,213,296	125,819,274
EARNINGS PER SHARE (OF ₹ PER EQUITY SHARE)			
- Basic		12.24	11.65
- Diluted		12.24	11.65
Notes referred to above forms an integral part of the Financial Statements			

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

For and on behalf of the Board

For S. M. DAGA & CO.
Chartered Accountants
Firm Regd. No. 303119E

MEGH RAJ DAGA
Partner
Membership No. 013625

Kolkata
28th May 2012

S. L. Dugar
Chairman and Managing Director

P. K. Pugalia
Wholetime Director

Consolidated Cash Flow Statement for the year ended 31st March 2012

(Amount in ₹)

Particulars	For the year ended 31st March 2012		For the year ended 31st March 2011	
A. CASH FLOW FROM OPERATING ACTIVITIES :				
Net profit before tax as per Statement of Profit and Loss		182,352,722		165,883,732
Adjustments for				
Depreciation	6,313,428		5,689,620	
Interest Paid	127,918,365		49,893,188	
(Profit) / Loss on Sale of Fixed Assets	(9,729)		(3,866,957)	
(Profit) / Loss on Sale of Investment	–		125	
Liabilities no longer payable written back	(8,995,096)		(2,711,449)	
Sundry Balance Written Off	1,143,969		1,538,621	
(Provision for Rental Income) / Provision W/Back	825,235		(70,129)	
Preliminary Expenses Written Off	3,002		3,744	
Provision for Employee Benefits	112,938		2,086	
Interest Received	(6,145,562)	121,166,550	(3,468,714)	47,010,135
Operating Profit Before Working Capital Changes		303,519,272		212,893,867
(Increase) / Decrease in Inventories	(1,295,228,625)		(1,307,955,360)	
(Increase) / Decrease in Trade receivables	(173,615,207)		(115,568,011)	
(Increase) / Decrease of Short-Term Advances	(89,007,925)		990,437,066	
(Increase) / Decrease of Long-Term Advances	(87,573,843)		(332,701,382)	
Increase / (Decrease) of Other Long-Term Liabilities	106,928,640		772,245	
Increase / (Decrease) in Trade Payables	135,415,852		114,508,618	
Increase / (Decrease) of Other Current Liabilities	1,131,060,663	(272,020,445)	(154,483,028)	(804,989,852)
Cash generated from operations		31,498,827		(592,095,985)
Less: Direct taxes paid/ (Refunds) including Interest (Net)		57,072,333		23,293,125
Cash Flow before Exceptional Items		(25,573,507)		(615,389,110)
Net cash Generated/(used) from operating activities		(25,573,507)		(615,389,110)
B. CASH FLOW FROM INVESTING ACTIVITIES :				
Purchase of fixed assets	(18,661,726)		(42,899,420)	
Sale of fixed assets	42,865,854		49,592,047	
Interest Received	4,724,118		3,212,536	
Investment with Associates and Firms	(21,560,146)		(1,987)	
Sale of Investment with Associates / Capital Withdrawn from Firm	–		1,176,472	
Minority Interest Loss / (Gain)	47,685,173		159,291,238	
Loans Refund / (Given)	(137,681,420)		–	
Withdraw Fixed Deposits / (Fixed Deposits Earned)	1,231,778	(81,396,369)	(631,672)	169,739,214
Net cash from investing activities		(81,396,369)		169,739,214

Cash Flow Statement (Contd.) for the year ended 31st March 2012

(Amount in ₹)

Particulars	For the year ended 31st March 2012		For the year ended 31st March 2011	
C. CASH FLOW FROM FINANCING ACTIVITIES :				
Proceeds / (Repayment) of Long Term Borrowings	40,237,181		(38,552,802)	
Proceeds / (Repayment) of Short Term Borrowings	257,251,309		529,731,435	
Interest Paid	(180,205,429)		(49,977,033)	
Dividend paid	(6,480,000)		–	
Dividend Tax paid	(1,051,220)	109,751,841	–	441,201,600
Net cash generated/(used) in financing activities		109,751,841		441,201,600
Net increase/(decrease) in cash and cash equivalents (A+B+C)		2,781,966		(4,448,295)
Cash and cash equivalents -Opening balance		22,928,021		27,376,316
		25,709,987		22,928,021
Cash and cash equivalents -Closing balance		25,709,987		22,928,021
CASH AND CASH EQUIVALENTS :				
Balances with Banks		21,430,479		19,185,243
Cheques on hand		1,939,518		2,554,518
Cash on hand (As certified by the management)		2,339,990		1,188,260
		25,709,987		22,928,021

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
Firm Regd. No. 303119E

MEGH RAJ DAGA
Partner
Membership No. 013625

Kolkata
28th May 2012

S. L. Dugar
Chairman and Managing Director

P. K. Pugalia
Wholetime Director

Notes to Consolidated Financial Statement for the year ended 31st March 2012

(Amount in ₹)

Particulars	As at 31st March 2012	As at 31st March 2011
NOTES NO. - 1		
SHARE CAPITAL		
a. Authorised Share Capital		
Number of Equity shares		
2,00,00,000 (Previous year 2,00,00,000)	200,000,000	200,000,000
	200,000,000	200,000,000
b. Issued, subscribed and paid-up share capital :		
Number of Equity shares fully paid up		
1,08,00,000 (Previous year 1,08,00,000)	108,000,000	108,000,000
	108,000,000	108,000,000
c. Par value per share		
Equity shares	10	10
	10	10

d. Reconciliation of number of equity shares outstanding as at the beginning and as at the end of the year

(Amount in ₹)

Particulars	Opening Balance	Closing Balance
Number of shares outstanding as at the beginning of the year	10,800,000	10,800,000
Add: Number of shares issued during the year	-	-
Less: Number of shares bought back during the year	-	-
Number of shares outstanding as at the end of the year	10,800,000	10,800,000

e. The rights, preferences & restrictions attaching to shares and restrictions on distribution of dividend and repayment of capital
The Company has only one class of equity shares having par value of ₹10 per share. Each Shareholder is eligible for one vote. The dividend proposed by the Board of Directors is subject to the approval of shareholders, except in case of interim dividend.

f. Details of shareholders holding more than 5% shares, with voting rights.

(Amount in ₹)

Sl. No	Name of Equity shareholder	As at 31st March 2012		As at 31st March 2011	
		Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
1	Sunder Lal Dugar [As Individual = 620700, As a Karta of Moti Lal Dugar (HUF) = 67200]	687,900	6.37	687,900	6.37
2	Vinod Dugar [As Individual = 2068023, As the Guardian of Yashashwi Dugar = 120055, As Trustee of Rekha Benefits Trust = 46,400]	2,234,478	20.69	2,234,478	20.69
3	Sheetal Dugar	1,248,491	11.56	1,000,000	9.26
4	Khatod Investments & Finance Company Limited	921,225	8.53	921,225	8.53
5	Pyramid Sales Private Limited	716,122	6.63	716,122	6.63
6	Teck Consultancy & Services Private Limited	645,978	5.98	750,000	6.94

g) None of the Shares are reserved for issue under options or contracts.

Notes to Consolidated Financial Statement (Contd.) for the year ended 31st March 2012

h) Number of shares issued for consideration other than cash or bonus to shareholders or bought back from shareholders within the period of 5 years

Number of Shares issued without payment being received in Cash	Number of Shares issued by way of Bonus Shares	Number of Shares Bought Back
10750000*	NA	NA

*10750000 Shares were issued to the Shareholders of RDB Industries Ltd. (Now known as NTC Industries Ltd.) in pursuance of scheme of arrangement for demerger of Real Estate Division of RDB Industries Ltd. (Now known as NTC Industries Ltd.)

i) If the scheme of amalgamation of Pincha Home Builders Private Limited (The Transferor Company) and RDB Realty & Infrastructure Limited (The Transferee Company) is approved by Honourable High Court at Calcutta, company will issue 64,83,400 Nos. of Shares to the shareholders of the Pincha Home Builders Private Limited.

(Amount in ₹)

Particulars	As at 31st March 2012		As at 31st March 2011	
NOTES NO. - 2				
RESERVES & SURPLUS				
a) Capital Reserve				
Opening Balance	67,199,506		64,399,516	
Add: during the year*	(124,826,814)		2,799,990	
*Refer note no. 34 of notes to the accounts		(57,627,308)		67,199,506
b) Securities Premium Account				
Opening Balance	352,126,180		270,000,000	
Add: During the Year	122,400,000	474,526,180	82,126,180	352,126,180
c) General Reserve				
Opening Balance	46,091,062		36,091,062	
Add : Transfer from Statement of Profit and Loss	–	46,091,062	10,000,000	46,091,062
d) Surplus i.e. Balance in Statement of Profit and Loss				
Opening Balance	190,269,340		85,812,715	
Add : Profit during the year	132,213,296		125,819,274	
	322,482,636		211,631,989	
Less : Appropriations				
Proposed Equity Dividend	10,800,000		6,480,000	
Dividend Distribution Tax	1,752,030		1,051,220	
General Reserve	–		10,000,000	
	12,552,030		17,531,220	
Surplus as at the end of the period		309,930,606		194,100,769
		772,920,541		659,517,517
NOTES NO. - 3				
LONG TERM BORROWINGS				
Secured Loans *				
Project Finance		100,000,000		55,000,000
Loan Against Rental Securitisation		40,000,000		35,566,013
Term Loan from Banks		–		12,962,967
Equipments Finance		3,766,161		–
		143,766,161		103,528,980

Notes to Consolidated Financial Statement (Contd.) for the year ended 31st March 2012

(Amount in ₹)

*Secured Loans	Payment Details	Others Remarks	2011-2012	2010-2011
Project Finance	The Loan is Repayable in two quarterly instalments of ₹2,50,00,000/- each starting from 31-Jan-11 and last instalment falling due on 31-Oct-11 of ₹50,00,000/-.	The applicable interest rate is 16%	–	55,000,000
Secured by way of charge on Current Assets of Project and Corporate and personal guarantee of associate concern and directors respectively.	The Loan is Repayable from 15-Jul-12 at Monthly Instalments of ₹80,00,000/-	The applicable rate of interest is base rate plus 5.75%	100,000,000	–
Loan Against Rental Securitisation	The Loan is Repayable in 60 monthly instalments of ₹9,25,554/- starting from 15-Apr-12 and last instalment falling due on 15-Mar-17.	The applicable rate of interest is base rate plus 3.75%	40,000,000	–
Secured by way of Assignment of Lease Rentals and personal guarantee of Promoters.	Amount Repayable within a year ₹ Nil (Previous Year ₹89,61,420/-)	The applicable rate of interest is BPLR less 2.50%	–	35,566,013
Secured by way of assignment of Lease Rentals and equitable mortgage of title deed of immovable property (This Loan has been Prepaid).	Amount Repayable within a year ₹ Nil (Previous Year ₹1,14,06,708/-)	The applicable rate of interest is base rate plus 3.50%	–	12,962,967
Term Loan from Banks	The Loan is Repayable in 35 monthly instalments of ₹1,66,695/- starting from 15-Jul-11 and last instalment falling due on 15-Apr-14.	The applicable rate of interest is 11.50%	3,766,161	–
Secured by Charge / Mortgage of Specific movable/immovable assets and by Personal guarantees of the Chairman and Executive Director. (This Loan has been Prepaid).				
Equipments Finance				
Secured by way of hypothecation of equipments				

Notes to Consolidated Financial Statement (Contd.) for the year ended 31st March 2012

(Amount in ₹)

Particulars	As at 31st March 2012	As at 31st March 2011
NOTES NO. - 4		
DEFERRED TAX LIABILITIES (NET)		
Deferred Tax Liabilities on		
Depreciation Allowance on Fixed Assets	2,623,645	3,464,555
Expenses Disallowed u/s 40 (a)	-	17,221
Sub Total (A)	2,623,645	3,481,776
Deferred Tax Assets on		
Provisional Rental Income	267,747	23,297
Amalgamation Expenses (Refer Note No. 33)	220,896	-
Provision for Gratuity	36,643	693
Sub Total (B)	525,286	23,990
Deferred Tax (Assets) / Liabilities (Net) (A-B)	2,098,359	3,457,786
NOTES NO. - 5		
OTHER LONG TERM LIABILITIES		
Advance against properties	169,718,000	51,896,967
Sundry Deposits	3,209,706	14,102,099
	172,927,706	65,999,066
NOTES NO. - 6		
LONG TERM PROVISIONS		
Provision for Employee Benefits	384,260	384,260
	384,260	384,260
NOTES NO. - 7		
SHORT TERM BORROWINGS		
Repayable on Demand		
Bank Over Draft (Secured)		
(Rate of Interest being base rate + 3.50%)		
(Secured by corporate guarantee of subsidiary company and personal guarantee of Managing Director)	19,359,055	19,376,371
From Other Than Bank (Unsecured)		
a) Related Parties	561,825,112	455,855,603
b) Others	264,231,444	165,219,390
	845,415,611	640,451,364
NOTES NO. - 8		
TRADE PAYABLES		
Trade Payables *	523,231,956	396,811,200
* 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 the Act to them.		
	523,231,956	396,811,200

Notes to Consolidated Financial Statement (Contd.) for the year ended 31st March 2012

(Amount in ₹)

Particulars	As at 31st March 2012	As at 31st March 2011
NOTES NO. - 9		
OTHER CURRENT LIABILITIES		
Advances from Customers	1,023,563,016	1,121,316,197
Advances from Related Parties	211,751,000	10,347,000
Advances from Others	1,186,157,258	174,192,367
Retention Money	3,331,717	1,311,777
Outstanding Statutory Payment	22,554,972	7,928,833
Interest Accrued but not due	–	164,834
Unclaimed Dividend*	139,641	–
Excess Cheques Drawn	–	1,036,292
* There is no amount due and outstanding as on 31st March 2012 to be credited to Investor Education and Protection Fund.		
	2,447,497,604	1,316,297,300
NOTES NO. - 10		
SHORT TERM PROVISIONS		
Income Tax	44,953,478	46,616,536
Proposed Equity Dividend*	10,800,000	6,480,000
Dividend Distribution Tax*	1,752,030	1,051,220
Provision for Employee Benefits	696,635	583,697
* The Board of Directors has recommended, subject to approval of shareholders, or dividend of ₹1.00 per equity share of ₹10/- each, aggregating to ₹125.52 lacs (Previous Year ₹0.60, aggregating ₹75.31 Lacs) including dividend distribution tax.		
	58,202,143	54,731,453

NOTES NO. - 11

FIXED ASSETS

(Amount in ₹)

Description of Assets	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	As at 1st April 2011	Additions During the Year	Deductions During the Year	As at 31st March 2012	Up to 31st March 2011	For the Year	Deductions During the Year	Up to 31st March 2012	As at 31st March 2012	As at 31st March 2011
Tangible Assets										
Lands	475,086	–	–	475,086	–	–	–	–	475,086	475,086
Buildings *	73,917,518	898,301	37,077,079	37,738,740	8,939,602	2,853,102	6,183,213	5,609,491	32,129,249	64,977,915
Plant & Machineries	6,420,720	1,102,270	21,426	7,501,564	2,943,643	854,327	10,720	3,787,250	3,714,314	3,477,077
Furniture & Fixtures	1,960,985	473,865	52,074	2,382,776	1,129,176	184,154	50,347	1,262,983	1,119,793	831,809
Vehicles	4,869,245	15,528,491	545,250	19,852,486	3,569,818	2,047,747	524,986	5,092,579	14,759,907	1,299,427
Computers	2,534,669	658,799	25,553	3,167,915	2,123,703	205,213	25,553	2,303,363	864,552	410,966
Sub Total	90,178,223	18,661,726	37,721,382	71,118,567	18,705,942	6,144,543	6,794,819	18,055,666	53,062,901	71,472,280
Intangible Assets										
Computer Softwares	1,149,655	–	–	1,149,655	725,661	168,885	–	894,546	255,109	423,994
Sub Total	1,149,655	–	–	1,149,655	725,661	168,885	–	894,546	255,109	423,994
Capital Work in Progress *	11,929,562	–	11,929,562	–	–	–	–	–	–	11,929,562
Sub Total	11,929,562	–	11,929,562	–	–	–	–	–	–	11,929,562
Grand Total	103,257,440	18,661,726	49,650,944	72,268,222	19,431,603	6,313,428	6,794,819	18,950,212	53,318,010	83,825,836
Previous Year	108,694,440	42,899,420	48,335,270	103,258,590	15,444,286	5,880,934	1,892,466	19,432,754	83,825,836	

*Note: ₹3,70,77,079/- and ₹1,19,29,562/- have been Transferred from Building and Capital Work in Progress respectively to Inventory

Notes to Consolidated Financial Statement (Contd.) for the year ended 31st March 2012

Particulars	As at 31st March 2012		As at 31st March 2011	
	Nos. of Equity Shares Fully Paid	Cost of Share Amount in (₹)	Nos. of Equity Shares Fully Paid	Cost of Share Amount in (₹)
NOTES NO. - 12				
NON CURRENT INVESTMENTS				
Trade Investments (at cost)				
I) Investment in Equity Instruments	Face Value @			
Unquoted				
a) Associates				
Rimjhim Vanijya Private Limited*	₹10	5,000	5,000	95,805
* Investment is net of post acquisition gain ₹10,14,222/- in accordance with AS-23				
b) Others				
Dalton Kunj Private Limited	₹10	40,000	40,000	80,000
Manavata Vyapaar Private Limited	₹10	50,000	50,000	100,000
Persi Fashion Private Limited	₹10	90,000	90,000	180,000
Total (A + B) = I		185,000	185,000	455,805
Aggregate book cost of unquoted investments (Amount in ₹)		1,470,027		455,805

Particulars	(Amount in ₹)	(Amount in ₹)
(II) Investments in the Capital of Partnership Firms		
Unique RDB Realty	21,604,918	–
Udai Residency	–	–
	21,604,918	–
(III) In Others		
National Savings Certificate	27,373	26,340
Total (I + II + III)	23,102,318	482,145

Disclosures of firms in which company is Partner

Name of Partnership Firm	2011-12		2010-11	
	Total Capital (₹)	Profit Sharing Ratio	Total Capital (₹)	Profit Sharing Ratio
Unique RDB Realty (Became Partnership Firm w.e.f. 05-Jul-11)				
1 Mannat Infra Projects Pvt. Limited	10,000	49.00%	–	0.00%
2 RDB Realty & Infrastructure Limited	21,604,918	49.00%	–	0.00%
3 Vibhishek Pal Singh	(1,023,251)	1.00%	–	0.00%
4 Kaushal Dugar	10,000	1.00%	–	0.00%
Total	20,601,667	100.00%	–	0.00%
Udai Residency (Became Partnership Firm w.e.f. 01-Jul-11)				
1 Mannat Infra Projects Pvt. Limited	–	32.34%	–	0.00%
2 RDB Realty & Infrastructure Limited	–	32.33%	–	0.00%
3 Vibhishek Pal Singh	–	1.00%	–	0.00%
4 Kaushal Dugar	–	1.00%	–	0.00%
5 Pooja Bomb	7,557,400	33.33%	–	0.00%
Total	7,557,400	100.00%	–	0.00%

Notes to Consolidated Financial Statement (Contd.) for the year ended 31st March 2012

(Amount in ₹)

Particulars	As at 31st March 2012	As at 31st March 2011
NOTES NO. - 13		
LONG TERM LOANS & ADVANCES		
(Unsecured, Considered Good)		
Capital Advances	100,843,153	83,401,133
Sundry Deposits	464,243,905	394,112,082
Preliminary Expenses	11,974	14,976
	565,099,032	477,528,191
NOTES NO. - 14		
INVENTORIES		
Work in Progress	3,837,825,396	2,408,063,293
Finished Goods	140,692,884	275,226,361
	3,978,518,280	2,683,289,654
NOTES NO. - 15		
TRADE RECEIVABLE		
(Unsecured, considered good)		
Debts outstanding for a period exceeding six months	3,591,925	6,311,959
Other Debts	311,134,550	136,768,514
	314,726,475	143,080,473
NOTES NO. - 16		
CASH AND BANK BALANCES		
a. Cash and Cash Equivalents :		
Balances with Banks	21,430,479	19,185,243
Cheques on hand	1,939,518	2,554,518
Cash on hand (As certified by the management)	2,339,990	1,188,260
	25,709,987	22,928,021
b. Other Bank Balances :		
Unpaid Dividend	139,641	–
Fixed Deposit Account	32,089,469	33,321,247
(Pledged with respective Bank against credit facilities availed by the Company)		
	57,939,097	56,249,268
NOTES NO. - 17		
SHORT TERM LOANS & ADVANCES		
(Unsecured, considered good)		
Loans to Related Parties	138,654,999	256,178
Loans to Others	704,043	–
Other Advances	129,232,612	40,125,160
	268,591,654	40,381,338
NOTES NO. - 18		
OTHER CURRENT ASSETS		
Advance Income Tax and Tax Deducted at Source	15,787,720	14,608,682
Service Tax Advance	97,670	28,275
Sales Tax TDS Receivable	12,209,163	4,895,139
Prepaid Expenses	166,601	335,522
	28,261,154	19,867,618

Notes to Consolidated Financial Statement (Contd.) for the year ended 31st March 2012

(Amount in ₹)

Particulars	For the year ended 31st March 2012	For the year ended 31st March 2011
NOTES NO. - 19		
REVENUE FROM OPERATIONS		
a) Sales & Services		
Construction Activities	1,328,443,233	954,043,137
Sale of Land	3,520,000	–
Services	13,176,606	1,180,280
Sub Total (A)	1,345,139,839	955,223,417
b Other Operating Income		
Rental Income	29,349,959	36,183,440
Interest Received		
- On Capital with Partnership Firm	1,604,918	–
- On Related Parties	1,684,999	–
- Others	2,855,645	3,468,714
Sub Total (B)	35,495,521	39,652,154
Total (A + B)	1,380,635,360	994,875,571
NOTES NO. - 20		
OTHER INCOME		
Profit on Sale of Fixed Assets	9,729	3,866,957
Liabilities/ advances no longer payable written back*	8,003,114	1,887,220
Miscellaneous Income	1,276,594	1,539,025
*Net of Sundry balances written off ₹9,91,982/- (Previous Year ₹8,24,229/-)		
	9,289,437	7,293,202
NOTES NO. - 21		
CONSTRUCTION ACTIVITY EXPENSES		
Direct Purchase Cost for the Project	275,629,454	244,256,612
Cost of Land and Development Charges	51,914,767	824,697,860
Construction and other Materials	641,564,488	473,806,022
Contract Labour Charges	145,510,842	233,850,000
Interest on Project Loan*	38,298,192	16,003,164
Professional Charges	15,135,817	7,852,035
Other Construction Expenses	86,021,086	231,534,831
* Interest paid on loans taken for real estate projects has been included in the value of inventory in accordance with AS-16 - "Borrowing Costs".		
	1,254,074,646	2,032,000,524

Notes to Consolidated Financial Statement (Contd.) for the year ended 31st March 2012

(Amount in ₹)

Particulars	For the year ended 31st March 2012	For the year ended 31st March 2011
NOTES NO. - 22		
CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS		
Opening stock		
Work in Progress	3,513,347,257	1,364,383,777
Finished Goods	275,226,363	16,145,807
Sub Total (A)	3,788,573,620	1,380,529,584
Closing stock		
Work in Progress	3,837,825,396	2,408,063,294
Finished Goods	140,692,884	275,226,363
Sub Total (B)	3,978,518,280	2,683,289,657
Total (A - B)	(189,944,660)	(1,302,760,073)
NOTES NO. - 23		
EMPLOYEE BENEFITS EXPENSE		
Salaries, Wages, Bonus, Exgratia etc.	6,246,648	4,663,387
Contribution to Provident and Other Funds	139,071	151,356
Staff Welfare Expenses	225,278	353,105
Gratuity	112,938	2,086
	6,723,935	5,169,934
NOTES NO. - 24		
FINANCE COSTS		
Interest Paid		
On Term Loans from Banks	958,691	2,388,010
On Overdraft from Bank	2,058,739	573,999
To Related Party	53,652,268	26,499,933
Others	32,950,475	4,428,082
Finance Charges	10,196,053	1,331,332
	99,816,226	35,221,356
NOTES NO. - 25		
OTHER EXPENSES		
A) Administrative And General Expenses		
Legal and Professional Charges	1,609,677	2,341,701
Postage, Telegraph & Telephones	624,999	489,877
Motor Vehicle Expenses	409,044	792,950
Rates & Taxes	1,874,459	1,713,792
Rent	375,751	391,476
Travelling & Conveyance Expenses	727,429	170,233
Insurance	1,342,478	69,003
Auditors Remuneration :		
- Statutory Audit Fee	334,607	246,360
- Tax Audit Fee	74,075	40,075
Electricity Expenses	643,102	1,301,567
Other Repairs	3,119,628	3,961,116
Printing & Stationary	559,029	566,292
Donation	2,350,000	5,100,000
Miscellaneous Expenses	2,993,149	2,734,656
Bad Debts/Advances written off	151,987	714,392
Sub Total (A)	17,189,414	20,633,490

Notes to Consolidated Financial Statement (Contd.) for the year ended 31st March 2012

(Amount in ₹)

Particulars	For the year ended 31st March 2012	For the year ended 31st March 2011
NOTES NO. - 25 (Contd.)		
OTHER EXPENSES		
B) Selling And Distribution Expenses		
Advertisement & Publicity Expenses	9,057,215	9,392,310
Commission to Selling Agents	2,070,819	26,923,110
Sales Promotion Expenses	2,268,050	4,090,901
Sub Total (B)	13,396,084	40,406,321
Total (A + B)	30,585,498	61,039,811

26. 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 (Refer Note No. 26(II)A) (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", and Accounting Standard - 23 on "Accounting for Investments in Associates in Consolidated Financial Statements" notified by the Central Government as Companies (Accounting Standards), Rules 2006, in exercise of powers conferred u/s 211(3C) of Companies Act, 1956.
- 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 unrealised 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:
 - i) The amount of equity attributable to minorities at the date on which the control in a subsidiary is transferred; and
 - ii) 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 2012.

Notes to Consolidated Financial Statement (Contd.) for the year ended 31st March 2012

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: (Amount in ₹)

Sl. No.	Name	Country of Incorporation	Percentage of ownership interest as at 31st March 2012	Percentage of ownership interest as at 31st March 2011
1	Bahubali Tie-Up Private Limited	India	100	100
2	Baron Suppliers Private Limited	India	100	100
3	Bhagwati Builders & Development Private Limited	India	100	100
4	Bhagwati Plasto Works Private Limited	India	51	51
5	Headman Mercantile Private Limited	India	100	100
6	Kasturi Tie-Up Private Limited	India	100	100
7	Triton Commercial Private Limited	India	100	100
8	Rathi Ess En Finance Co. Private Limited	India	100	100
9	Raj Construction Projects Private Limited	India	100	100
10	RDB Legend Infrastructure Private Limited	India	51	51
11	RDB Realty Private Limited (Subsidiary w.e.f. 12th October 2011)	India	55	–
12	Bindi Developers (A Partnership Firm)	India	75	75

- B. The Group Associates are:

Sl. No.	Name	Country of Incorporation	Percentage of ownership interest as at 31st March 2012	Percentage of ownership interest as at 31st March 2011
1	Rimjhim Vanijya Private Limited	India	50	50

- 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 have been prepared to comply in all the material aspects with Accounting Standards notified by Central Government as Companies (Accounting Standard) Rules, 2006 (as amended) in exercise of power conferred u/s 211 (3C) of Companies Act, 1956 and the relevant provisions of the Companies Act, 1956. The financial statement has been prepared under historical cost convention on an accrual basis in accordance with Generally Accepted Accounting Principles (GAAP). The accounting policies have been consistently applied by the Company except otherwise stated and are consistent with those used in previous year.

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

Notes to Consolidated Financial Statement (Contd.) for the year ended 31st March 2012

B. Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affects 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. Actual results could differ from those estimates. The effects of adjustment arising from revisions made to the estimates are included in the Statement of Profit and Loss in the year in which such revisions are materialised.

C. Revenue Recognition

- a) Revenue from own construction projects are recognised on "Percentage 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 recognised 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 is recognised for an accrual basis except in case where ultimate collection is considered doubtful.
- f) Interest income is recognised on time proportion basis.

D. Fixed Assets

Fixed Assets, including those given on lease, are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Software is capitalised, where it is expected to provide future enduring economic benefits.

Leasehold land under perpetual lease is not amortised. Lease hold land other than on perpetual lease is being amortised on time proportion basis over their respective lease periods.

E. Depreciation

Depreciation is provided on written down value method at the rates prescribed under Schedule-XIV of the Companies Act, 1956.

F. Investments

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

Notes to Consolidated Financial Statement (Contd.) for the year ended 31st March 2012

present location and condition.

Provision for obsolescence in inventories is made, wherever required.

Work-in-progress- Real Estate projects (including land inventory): represents cost incurred in respect of unsold area of the real estate development projects or costs incurred on projects where revenue is to be recognised.

Work-in-progress- Contractual: represents cost of work done yet to be certified / billed.

H. Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

I. Revenue From Operations

- 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. Foreign Currency Transaction

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing at the date of transactions or that approximates the actual rate at the date of transactions.

Exchange differences arising on foreign exchange transactions settled during the year are recognised in the Statement of Profit and Loss for the period.

Transactions which remain unsettled at the reporting date and reported at rates prevailing as at reporting date and any exchange gain / loss is recognised in the Statement of Profit and Loss.

K. EMPLOYEE BENEFITS

i) Short term employee benefits:

Short term employee benefits such as salaries, wages, bonus, expected cost of ex-gratia etc. are 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 Statement of Profit and Loss for the period when the contributions to the respective funds are due.
- b) Defined Benefit Plan: Employee benefits in the form of Gratuity is considered as defined benefit plan and are provided for on the basis of 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 Statement of Profit and Loss.

L. 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.

M. 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.

Notes to Consolidated Financial Statement (Contd.) for the year ended 31st March 2012

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.

O. 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 Statement of Profit and Loss 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.

27. EARNINGS PER SHARE IN ACCORDANCE WITH AS-20

Earnings per share is computed as under:-		(Amount in ₹)	
		As at 31st March 2012	As at 31st March 2011
Profit available for Equity Shareholders	(A) (₹)	132,213,296	125,819,274
Weighted average number of Equity Shares outstanding	(B) (Nos.)	10,800,000	10,800,000
Earnings per share (Face value of ₹10/- per Equity Share)	(A/B) (₹)	12.24	11.65
Basic & Diluted			

28. CONSTRUCTION CONTRACTS ACCORDANCE WITH AS-7

Particulars		(Amount in ₹)	
		As at 31st March 2012	As at 31st March 2011
Contract revenue recognised during the year		272,155,216	121,051,975
Contract Cost incurred and recognised profits (less recognised losses) for all the contracts.		261,604,163	131,896,555
Advances received		12,404,807	86,488,845
Due from customer for contract work (Including Retention)		38,383,911	64,892,244
Due to suppliers for contract work		130,139,998	57,909,576

29. EMPLOYEE DEFINED BENEFITS:-

a) **Defined Contribution Plans:** The Company has recognised an expense of ₹1,39,071/- (Previous Year ₹1,51,356/-) towards defined contribution plans.

b) **Defined Benefit Plans:** As per actuarial valuation as on 31st March 2012 and recognised in the financial statements in respect of Employee Benefit Schemes:

Particulars		(₹ in Lacs)	
		2011-12 Gratuity	2010-11 Gratuity
I Components of Employer Expense			
1	Current Service Cost	1.47	1.28
2	Interest Cost	0.82	0.77
3	Expected Return on Plan Assets	-	-
4	Curtailment Cost/ (Credit)	-	-
5	Settlement Cost/ (Credit)	-	-
6	Past Service Cost	-	-
7	Actuarial Losses/ (Gains)	(1.16)	(2.03)
8	Total employer expense recognised in the Statement of Profit and Loss	1.13	0.02
Gratuity expense is recognised in "Gratuity" under Note No -26 (III) K			

Notes to Consolidated Financial Statement (Contd.) for the year ended 31st March 2012

Particulars	(₹ in Lacs)	
	2011-12 Gratuity	2010-11 Gratuity
II Net Asset/ (Liability) recognised in Balance Sheet		
1 Present Value of Defined Benefit Obligation	10.81	9.68
2 Fair Value of Plan Assets	-	-
3 Funded Status [Surplus/ (Deficit)]	(10.81)	(9.68)
4 Unrecognised Past Service Costs	-	-
5 Net Asset/ (Liability) recognised in Balance Sheet	(10.81)	(9.68)
III Change in Defined Benefit Obligation (DBO)		
1 Present Value of DBO at the Beginning of Period	(10.81)	9.68
2 Current Service Cost	1.47	1.28
3 Interest Cost	0.82	0.77
4 Curtailment Cost/ (Credit)	-	-
5 Settlement Cost/ (Credit)	-	-
6 Plan Amendments	-	-
7 Acquisitions	-	-
8 Actuarial Losses/ (Gains)	(1.16)	(2.03)
9 Benefit Payments	-	-
10 Present Value of DBO at the End of Period	10.81	9.68
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)	LIC (1994-96)
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		

30. SEGMENT REPORTING:-

The Business of the Company fall under a single segment i.e. "Development of Real Estate & Infrastructure". In view of the general classification notified by Central Government in exercise of power conferred u/s 211(3C) of Companies Act, 1956 for company operating in a single segment, the disclosure requirement as per AS – 17 on 'Segment Reporting' is not applicable to the Company. The Company's business is mainly concentrated in similar geographical, political and economical conditions; hence disclosure for Geographical segment is also not required.

Notes to Consolidated Financial Statement (Contd.) for the year ended 31st March 2012

31. RELATED PARTY DISCLOSURES IN ACCORDANCE WITH AS - 18:-

(i) Enterprises where control exists

(A) Partnership Firm:-

Sl. No.	Name of the Firm	Sl.No.	Name of the Firm
1	Unique RDB Realty (Became Partner w.e.f. 5th July 2011)	2	Udai Residency (Became Partner w.e.f. 1st July 2011)

(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	Chairman and Managing Director
2	Pradeep Kumar Pugalia	Wholetime Director
3	Abhishek Satyanarayan Rathi	Director
4	Vinod Dugar	Relative of the Director
5	Sheetal Dugar	Relative of the Director
6	Pradeep Kumar Hirawat	Director of Subsidiaries Company

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

Sl. No.	Name of Enterprise	Sl.No.	Name of Enterprise
1	Arrow Vinimay Private Limited	9	Pincha Home Builders Private Limited
2	Basudev Builders Private Limited	10	Pyramid Sales Private Limited
3	BFM Industries Limited	11	RD Devcon Private Limited
4	Humraj Commodities Private Limited	12	RDB Rasayans Limited
5	Khatod Investments & Finance Company Limited	13	RDB Regent Retail Limited
6	Loka Properties Private Limited	14	Samspa Expo Private Limited
7	NTC Industries Limited	15	Somani Estates Private Limited
8	Pincha Griha Nirmaan Private Limited	16	Veekay Apartments Private Limited

(iii) Disclosure of transactions between the Company and related parties and the status of outstanding balances as on 31st March 2012 (and Previous year figures have been given in brackets) (Amount in ₹)

Nature of Transactions	Partnership Firms	Associates	Key Management Personnel & their Relatives	Enterprises over which KMP & their relatives have significant influence
Interest Income	1,604,918 (-)	- (-)	1,684,999 (-)	- (-)
Rent & Other Received	- (-)	- (-)	- (-)	1,899,885 (-)
Rent Paid	- (-)	- (-)	- (-)	275,000 (300,000)
Interest Paid *	- (-)	- (-)	- (-)	55,794,512 (26,499,933)
Directors' Remuneration	- (-)	- (-)	2,246,849 (-)	- (-)
Secured Loan Received	- (-)	- (-)	- (-)	484,487,397 (-)
Secured Loan Paid	- (-)	- (-)	- (-)	484,487,397 (-)

Notes to Consolidated Financial Statement (Contd.) for the year ended 31st March 2012

(Amount in ₹)

Nature of Transactions	Partnership Firms	Associates	Key Management Personnel & their Relatives	Enterprises over which KMP & their relatives have significant influence
Unsecured Loan Received	– (–)	– (–)	– (–)	1,233,081,491 (744,095,000)
Unsecured Loan Repaid	– (–)	– (–)	– (–)	1,226,368,834 (387,748,109)
Fresh Capital Introduced in Firm	35,000,000 (–)	– (–)	– (–)	– (–)
Refund of Capital by Partnership Firm	15,000,000 (–)	– (–)	– (–)	– (–)
Advance Received	– (–)	– (–)	– (–)	1,047,109,000 (1,900,000)
Refund of Advance Received	– (–)	– (–)	– (–)	944,745,000 (356,300,000)
Loan Given	– (–)	– (–)	141,827,622 (–)	– (–)
Refund of Loan Given	– (–)	– (–)	3,180,000 (–)	– (–)
Closing Balance				
Receivable	– (–)	– (–)	– (–)	2,562,592 (–)
Advance Taken	– (–)	– (–)	– (–)	211,751,000 (10,347,000)
Loan Given	– (–)	– (–)	138,654,999 (–)	– (256,178)
Unsecured Loan Taken	– (–)	– (–)	– (–)	561,825,112 (455,855,603)
Capital with Partnership Firm	21,604,918 (–)	– (–)	– (–)	– (–)

*Note: Interest amounting ₹21,42,244/-(Previous Year Nil) is Interest capitalised to value of Inventory.

32. 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 are adequate and not in excess of the amount reasonably necessary. There are no contingent liabilities except stated and informed by the Management.
33. The scheme of amalgamation of Pincha Home Builders Private Limited (the Transferor Company) and RDB Realty & Infrastructure Ltd (the Transferee Company) is pending for approval with the Honourable High Court at Calcutta before the finalisation of accounts of company. Hence, effects of amalgamation are not incorporated.
34. Capital Reserve (net of goodwill) amounting to ₹(5,76,27,308/-) (Previous year ₹67,199,506/-) arising on account of consolidation has been shown under the head capital reserves on consolidation.

Notes to Consolidated Financial Statement (Contd.) for the year ended 31st March 2012

35. Minority Interest includes ₹77,01,000/- (Previous year ₹15,45,90,000/-) Received as Share Application Money. The Application Money have been received by a Subsidiary from the Minority against which Allotment is pending.
36. 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 the Statement of Profit and Loss.
37. Figures relating to subsidiaries, Joint Ventures and associates have been regrouped / reclassified wherever considered necessary to bring them in line with parent company's financial statements.
38. **CONTINGENT LIABILITIES:-**
- a) On account of Guarantee ₹24,06,73,812/- (Previous year ₹15,51,32,746/-) issued by the Company's bankers to the Contractee for projects under EPC Division.
 - b) ₹32,07,510/- (Previous Year ₹32,07,510/-) on account of Service Tax collected from flat owners of Regent Enclave and deposited to the credit of Central Government. Flat owners filed a suit against company, claiming refund of Service Tax.
 - c) On account of Corporate Guarantee to the tune of ₹2,50,00,000/- (Previous Year ₹143,97,00,000/-) given to bank for secured loan taken by Group Company.
39. The financial statements for the year ended 31st March 2011 had been prepared as per the then applicable, pre-revised Schedule VI to the Companies Act, 1956. Consequent to the notification the revised Schedule VI under the Companies Act, 1956, the financial statement for the year ended 31st March 2012 are prepared as per revised Schedule VI. Accordingly, the previous year have also been reclassified / regrouped to confirm to this year's classification. The adoption of revised Schedule VI for previous year figures does not impact recognition and measurement principles followed for preparation of financial statements.

For and on behalf of the Board

For S. M. DAGA & CO.
Chartered Accountants
Firm Regd. No. 303119E

MEGH RAJ DAGA
Partner
Membership No. 013625

Kolkata
28th May 2012

S. L. Dugar
Chairman and Managing Director

P. K. Pugalia
Wholetime Director

Statement Pursuant to Section 212 of the Companies Act, 1956 relating to Subsidiary Company

(Amount in ₹)

Name of the subsidiary Company	Financial year ending of the Subsidiary Company	Number of Equity Shares	Extent of Holding	Date from which they became subsidiary	For the financial year of the subsidiary (31.03.2012)		For the previous financial years since it became a subsidiary	
					Profits/ (Losses) so far it concerns the members of the holding company and not dealt with in the books of account of the holding company (except to the extent dealt with in col. 7)	Profits/ (Losses) so far it concerns the members of the holding company and dealt with in the books of account of the holding company	Profits/(Losses) so far it concerns the members of the holding company and not dealt with in the books of account of the holding company (except to the extent dealt with in col. 9)	Profits/ (Losses) so far it concerns the members of the holding company and dealt with in the books of account of the holding Company
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Bahubali Tie-Up (P) Ltd.	31-03-2012	10,000	100%	01.04.2009	21,39,564	-	(16,061)	-
Baron Suppliers (P) Ltd.	31-03-2012	10,000	100%	01.04.2009	21,18,364	-	(19,532)	-
Bhagwati Builders & Development (P) Ltd.	31-03-2012	27,200	100%	01.04.2009	74,10,508	-	4,12,31,448	-
Bhagwati Plasto Works (P) Ltd.	31-03-2012	5,62,870	51%	01.04.2009	82,55,194	-	(25,70,761)	-
Headman Mercantile (P) Ltd.	31-03-2012	10,010	100%	01.04.2009	20,53,353	-	(15,262)	-
Kasturi Tie-Up (P) Ltd.	31-03-2012	10,000	100%	01.04.2009	20,92,416	-	(17,752)	-
Raj Construction Projects (P) Ltd.	31-03-2012	18,54,450	100%	01.04.2009	1,66,44,359	-	3,71,06,708	-
Rathi EssEn Finance Co. Pvt. Ltd.	31-03-2012	1,29,700	100%	01.04.2009	(2,10,686)	-	(4,86,728)	-
RDB Legend Infrastructure (P) Ltd.	31-03-2012	30,65,100	51%	21.07.2010	(17,68,883)	-	(14,04,404)	-
RDB Realty (P) Ltd.	31-03-2012	55,00,000	55%	12.10.2011	(2,44,621)	-	-	-
Triton Commercial (P) Ltd.	31-03-2012	10,000	100%	01.04.2009	21,09,196	-	(13,024)	-

Statement under section 212(8) of the Companies Act, 1956 relating to Subsidiary Company for the year ended 31st March 2012

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	16,453,599	130,159,162	130,159,162	360,000	44,415,612	25,353,568	9,161,488	16,192,080	-
2	Bhagwati Builders & Development Private Limited	272,000	60,543,853	295,126,903	295,126,903	-	222,364,095	8,967,066	1,556,558	7,410,508	-
3	Raj Construction Projects Private Limited	18,544,500	154,660,960	219,522,657	219,522,657	13,686	110,583,733	23,538,463	6,894,104	16,644,359	-
4	Triton Commercial Private Limited	100,000	2,146,575	27,156,753	27,156,753	-	21,344,287	3,024,366	915,170	2,109,196	-
5	Bahubali Tie-Up Private Limited	100,000	2,176,447	34,644,092	34,644,092	-	21,354,287	3,029,469	889,905	2,139,564	-
6	Baron Suppliers Private Limited	100,000	2,151,216	30,059,138	30,059,138	-	21,344,287	3,035,622	917,258	2,118,364	-
7	Kasturi Tie-Up Private Limited	100,000	2,123,718	28,829,632	28,829,632	-	21,344,287	2,997,376	904,960	2,092,416	-
8	Headman Mercantile Private Limited	100,100	2,091,671	44,761,404	44,761,404	-	21,344,287	2,943,938	890,585	2,053,353	-
9	RDB Legend Infrastructure Private Limited	60,100,000	149,877,713	1,145,154,297	1,145,154,297	-	26,095,000	(3,468,397)	-	(3,468,397)	-
10	RDB Realty Private Limited	100,000,000	48,542,752	1,199,377,797	1,199,377,797	-	2,072,241	(1,008,553)	7,585	(1,016,138)	-
11	Rathi EssEn Finance Company Private Limited	1,297,000	22,767	141,830,640	141,830,640	-	2,500	(210,686)	-	(210,686)	-

CORPORATE INFORMATION

Board of Directors

Mr. Sunder Lal Dugar, Chairman & Managing Director

Mr. Pradeep Kumar Pugalia, Wholetime Director

Mr. Mahendra Pratap Singh, Independent Director

Mr. Abhishek Satyanarayan Rathi, Independent Director

Mr. Ravi Prakash Pincha, Independent Director

Mr. Om Prakash Rathi, Independent Director

Chief Financial Officer & Compliance Officer

Mr. Anil Kumar Apat

Statutory Auditors

M/s S. M. Daga & Co.

Chartered Accountants

11 Clive Row, 2nd Floor, Kolkata -700 001

Bankers

Axis Bank

Oriental Bank of Commerce

Corporation Bank

State Bank of India

Registrar and Share Transfer Agent

Niche Technologies Private Limited

D-511, Bagree Market, 71 B.R.B.B. Road, Kolkata – 700 001

Solicitors

Mr. Dipayan Choudhury, Advocates

5, Kiran Shankar Roy Road, 3rd Floor, Kolkata – 700 001

Registered office

“Bikaner Building”, 8/1 Lal Bazar Street,

1st Floor, Room No. 10, Kolkata 700001

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 ‘anticipates’, ‘estimates’, ‘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 realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, 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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