

Urban Infrastructure Trustees Limited

DIRECTORS' REPORT

Dear Shareholders,

Your Directors are pleased to present the 5th Annual Report and the audited accounts for the year ended March 31, 2010.

1. Financial Results:

The performance of the Company during the financial year ended March 31, 2010 is summarized below:

| | 2009-10 | 2008-09 |
|--|------------------|------------------|
| Particulars | Rs. | Rs. |
| Gross Profit before Interest and depreciation | 9,98,624 | 9,96,800 |
| Less: Interest | Nil | Nil |
| Less: Depreciation | Nil | Nil |
| Profit before tax | 9,98,624 | 9,96,800 |
| Less: Provisions | 2,93,950 | 2,81,536 |
| Profit after tax | 7,04,674 | 7,15,264 |
| Add: Balance in Profit & Loss Account | 13,06,740 | 5,91,476 |
| Add: Reduction in liability for employees benefits | Nil | Nil |
| Less: Prior period expenditure | Nil | Nil |
| Balance carried to Balance Sheet | 20,11,413 | 13,06,740 |

2. Operations:

As you are aware, your Company has been acting as Trustees to Urban Infrastructure Venture Capital Fund, a Venture Capital Fund registered with Securities and Exchange Board of India (SEBI). The fund launched a scheme "Urban Infrastructure Opportunity Fund, (the Fund)" in May 2006 and had mobilized a capital commitment of Rs. 2221 crores. The Fund came up with an Additional Offer, during the last year, for all its existing Contributors in the ratio of 2 additional units for every 5 units held as on 12th May, 2008. The Fund allotted 88,820 units of Rs.1,20,000 (Including Rs.20,000 Premium) each and raised a total amount of Rs.1065.84 crores. The Fund collected 20% upfront upon application i.e. Rs.24,000 (including Rs.4,000 premium) per unit, amounting to Rs.213.16 Crores.

Pursuant to Clause 3.14 of the Letter of Offer dated 12th May, 2008 issued by the Company, no drawdown shall be made by the Trustees from the Contributors after expiry of 18 months from the Closing date and the undrawn Additional Capital Commitment, shall stand cancelled on the expiry of the Additional Commitment Period i.e. on 14th December, 2009.

In view of the above, the Trustees have decided to cancel the balance undrawn Capital Commitment of Rs.96,000 (including Premium of Rs.16,000) per Unit and thereby convert the partly paid up units, held by the Contributors, into Fully Paid Units of UIOF of Rs.1,00,000/- each.

Your Company has received Trusteeship fees of Rs.9,73,471/- from the Fund during the year.

Urban Infrastructure Trustees Limited

3. Fixed Deposits:

The Company has not accepted any fixed deposits during the year under review.

4. Dividend:

Your Directors do not recommend any dividend for the year ended on 31st March, 2010.

5. Directors:

In terms of Articles of Association of the Company, Shri Virendra Jain, Director retires by rotation and being eligible offers himself for reappointment at the ensuing Annual General Meeting.

6. Auditors:

M/s Chaturvedi & Shah, Chartered Accountants, Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. The Company has received a letter from them that their appointment, if made, would be within the prescribed limits under Section 224 (1B) of the Companies Act, 1956 and that they are not disqualified for such re-appointment within the meaning of Section 226 of the said Act.

7. Auditors' Report:

There are no qualifications and / or observations in the Auditors' Report, calling for any explanations from the Board.

8. Directors Responsibility Statement:

As required under Section 217 (2AA) of the Companies Act, 1956, it is hereby stated that to the best of our knowledge and belief:

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) we have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- c) we 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; and
- d) We have prepared the annual accounts on a going concern basis.

9. Particulars of Employees:

Your Company has not employed any person during the year under review attracting the provisions under Section 217(2A) of the Companies Act, 1956 read with the

Urban Infrastructure Trustees Limited

Companies (Particulars of Employees) Rules, 1975. Hence, no information is required to be appended to this report in this regard.

10. Conservation of Energy, Research and Development, Technology absorption and Foreign Exchange Earnings and Outgoings:

As regards the additional information required by the Companies [Amendment] Act, 1988, regarding Conservation of Energy, the same is not required to be given by the Company, as the Company is not listed in the Schedule to the Companies [Disclosure of particulars in the Report of Board of Directors] Rules, 1988.

Energy Conservation Measures, Progress made in Technology Absorption and Foreign Exchange Earning & Outgo as required by the companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988 are as under:-

| | | |
|--|---|----------------|
| Energy Conservation Measures | : | Not Applicable |
| Progress made in Technology Absorption | : | Not Applicable |
| Foreign Exchange Earning & Outgo | : | Not Applicable |

11. Acknowledgements and Appreciation:

The Directors take this opportunity to thank Contributors of the Urban Infrastructure Opportunities Fund, Shareholders, Securities Exchange Board of India, Bankers, Financial Institutions and Central & State Governments for their consistent support to the Fund and the Company.

For and on behalf of the Board

Virendra Jain
Director

R.A. Agarwal
Director

Date: 12.05.2010
Place: Mumbai

AUDITORS' REPORT

To,
The Members of Urban Infrastructure Trustees Limited

We have audited the attached Balance Sheet of '**Urban Infrastructure Trustees Limited**' ("**the Company**") as at March 31, 2010, the Profit and Loss Account and also the Cash Flow Statement of the Company 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.

1. 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 from 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.
2. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in the paragraphs 4 and 5 of the said Order.
3. Further to our comments in the Annexure referred to in Paragraph 2 above, we report that:
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account, as required by law, have been kept by the Company so far as appears from our examination of those books;.
 - c) The Balance Sheet, Profit & Loss Account and Cash Flow statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-Section (3C) of Section 211 of the Companies Act, 1956;
 - e) On the basis of written representations received from the Directors as on March 31, 2010 and taken on record by the Board of Directors, we report that none of the Directors are disqualified as at March 31, 2010

from being appointed as a director in terms of Clause (g) of sub-Section (1) of Section 274 of the Companies Act, 1956;

- f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Significant Accounting Policies & notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2010;
 - b) in the case of the Profit and loss account, of the profit of the Company for the year ended on that date; and
 - c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For Chaturvedi & Shah
Firm Reg. No. 101720W
Chartered Accountants

R. Koria
Partner
Membership No.: 35629

Place: Mumbai
Date: 12th May, 2010

ANNEXURE TO THE AUDITORS' REPORT

Re: Urban Infrastructure Trustees Limited

(Referred to in Paragraph 2 of our report of even date)

- (i) In respect of its fixed assets:
The Company does not have any fixed assets. Therefore the provisions of Clause 4 (i) of the Companies (Auditor's Report) Order, 2003 are not applicable.
- (ii) In respect of its inventories:
The Company does not have any inventory. Therefore the provisions of Clause 4 (ii) of the Companies (Auditor's Report) Order, 2003 are not applicable.
- (iii) According to the information and explanations given to us, the Company has neither granted nor taken any loan, secured or unsecured to/from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, provisions of Clause 4(iii) of Companies (Auditor's Report) Order, 2003 are not applicable.
- (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. During the financial year, the Company did not undertake any activity of purchase of fixed assets, inventory and sale of goods. During the course of our audit, we have not observed continuing failure to correct major weaknesses in such internal control system.
- (v) According to the information and explanations given to us, there are no contracts or arrangements referred to in Section 301 of the Companies Act, 1956 that need to be entered in the register required to be maintained under that Section.
- (vi) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public and hence directives issued by the Reserve Bank of India and the provisions of Section 58A and 58AA of the Companies Act, 1956 and rules framed there under are not applicable for the year under audit.
- (vii) According to the information and explanations given to us, provisions of Clause 4 (vii) of the Companies (Auditor's Report) Order, 2003 relating to internal Audit system, are not applicable.
- (viii) According to the information and explanations given to us, Central Government has not prescribed maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956 in respect of activities carried on by the Company. Hence the provisions of Clause 4 (viii) of the Companies (Auditor's Report) Order, 2003 are not applicable.

- (ix) According to the information and explanations given to us, and the records of the Company examined by us:
 - (a) The Company has generally been regular in depositing with appropriate authorities undisputed statutory dues, including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income tax, Sales tax, Wealth tax, Service tax, Custom Duty, Excise Duty and any other material statutory dues applicable to it. Further, since the Central Government has till date not prescribed the amount of cess payable under Section 44 1A of the Companies Act, 1956, we are not in a position to comment upon the regularity or otherwise of the Company in depositing the same.
 - (b) There were no undisputed amounts payable in respect of Sales Tax, Income Tax, Custom Duty, Wealth Tax, Service Tax and Excise Duty and any other material dues in arrears as at 31st March, 2010 for a period of more than six months from the date they became payable.
 - (c) According to the information and explanations given to us there are no dues of Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, Service Tax & Cess as applicable, which have not been deposited on account of any dispute
- (x) The Company does not have accumulated losses at the end of financial year. It has not incurred any cash losses during the financial year covered by audit and in the immediately preceding financial year.
- (xi) The Company does not have any dues to financial institutions, banks or debenture holders. Therefore the provisions of Clause 4 (xi) of the Companies (Auditor's Report) Order, 2003 are not applicable.
- (xii) According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund, a nidhi or a mutual benefit fund/society. Therefore, the provisions of Clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable.
- (xiv) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of transactions and contracts in respect of investments and timely entries have been made therein. All the investments have been held by the Company in its own name.
- (xv) According to the information and explanations given by the management, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xvi) According to the information & explanations given to us, the Company has not raised any term loan during the year.

- (xvii) According to the information and explanations given to us and on an overall examination of the Balance sheet of the Company, there are no funds raised on short term basis during the period of our audit and hence the question of using the same for long term investment does not arise.
- (xviii) During the year the Company has not made any preferential allotment of the shares to the parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
- (xix) The Company has not issued any debentures during the year hence Clause 4 (xix) of the Companies (Auditor's Report) Order 2003 is not applicable.
- (xx) The Company has not raised any monies by way of public issues during the year.
- (xxi) According to the information and explanations given by the management, we report that no material fraud on or by the Company has been noticed or reported during the course of our audit.

For Chaturvedi & Shah
Firm Reg. No. 101720W
Chartered Accountants

R. Koria
Partner
Membership No.: 35629

Place: Mumbai
Date: 12th May, 2010

Urban Infrastructure Trustees Limited

Balance Sheet as at 31st March 2010

| SOURCES OF FUNDS | Schedule | Amount in Rs. | |
|--|----------|------------------------------------|------------------------------------|
| | | As at 31st March 2010 | As at 31st March 2009 |
| Shareholders Funds | | | |
| Share Capital | A | 5 00 000 | 5 00 000 |
| Reserves & Surplus | B | 20 11 413 | 13 06 740 |
| Total | | <u>25 11 413</u> | <u>18 06 740</u> |
| APPLICATION OF FUNDS | | | |
| Investments | C | 25 13 880 | 15 88 847 |
| Deferred Tax Asset (Refer note no. 2 of Schedule I) | | - | 1 653 |
| Current Assets, Loans and Advances | | | |
| Bank Balances | D | 9 361 | 2 26 792 |
| Loans & Advances | E | <u>3 33 078</u> <u>3 42 439</u> | <u>3 22 696</u> <u>5 49 488</u> |
| Less: Current Liabilities and Provisions | | | |
| Current Liabilities | F | 53 090 | 53 090 |
| Provision | | <u>2 91 815</u> <u>3 44 905</u> | <u>2 80 158</u> <u>3 33 248</u> |
| Net Current Assets/ (Liabilities) | | (2 467) | 2 16 240 |
| Total | | <u>25 11 413</u> | <u>18 06 740</u> |
| Significant Accounting Policies | II | | |
| Notes on Accounts | I | | |

As per our report of even date
For Chaturvedi & Shah
 Chartered Accountants

For and on behalf of the Board of Directors

R. Koria
 Partner

Virendra Jain
 Director

R A Agarwal
 Director

Place: Mumbai
Date: 12.05.2010

Urban Infrastructure Trustees Limited

Profit & Loss Account for the year ended 31st March 2010

| | Schedule | Amount in Rs. | |
|--|----------|------------------|------------------|
| | | 2009-10 | 2008-09 |
| INCOME | | | |
| Trusteeship Fees | | 9 73 471 | 9 52 914 |
| Dividend from Current Investments | | 60 033 | 85 685 |
| | | <u>10 33 504</u> | <u>10 38 599</u> |
| EXPENDITURES | | | |
| Administrative & Other Expenses | G | 34 880 | 41 125 |
| Bank Charges | | - | 674 |
| | | <u>34 880</u> | <u>41 799</u> |
| Profit before tax | | <u>9 98 624</u> | <u>9 96 800</u> |
| Less: Provision for Tax | | | |
| Current Tax | | 2 91 815 | 2 80 158 |
| Income tax of earlier years | | 482 | - |
| Deferred Tax | | 1 653 | 1 378 |
| | | <u>7 04 674</u> | <u>7 15 264</u> |
| Profit after tax | | <u>7 04 674</u> | <u>7 15 264</u> |
| Balance brought forward from previous year | | 13 06 740 | 5 91 476 |
| Balance carried forward to Balance Sheet | | <u>20 11 413</u> | <u>13 06 740</u> |
| Basic & Diluted earnings per equity share of Rs. 10 each (Refer note no. 4 of Schedule I) | | | |
| | | 14.09 | 14.31 |

Significant Accounting Policies H
Notes on Accounts I

As per our report of even date
For Chaturvedi & Shah
Chartered Accountants

For and on behalf of the Board of Directors

R. Koria
Partner

Virendra Jain
Director

R A Agarwal
Director

Place: Mumbai
Date: 12.05.2010

Urban Infrastructure Trustees Limited**Cash Flow Statement for the year ended 31st March 2010**

(Amount in Rs.)

| | For the year ended 31.03.2010 | For the year ended 31.03.2009 |
|---|----------------------------------|----------------------------------|
| Cash flow from operating Activities | | |
| Net Profit before tax as per Profit & Loss Account | 9 98 624 | 9 96 800 |
| Adjustments for : | | |
| Dividend from Current Investment | (60 033) | (85 685) |
| Trade Payable | - | (618) |
| Cash generated from operations | <u>9 38 591</u> | <u>9 10 497</u> |
| Less: Taxes Paid | (2 91 022) | (3 10 965) |
| Net Cash from operating activities (A) | <u>6 47 569</u> | <u>5 99 532</u> |
| Cash flow from Investing Activities | | |
| Purchase of Current Investments | (10 35 033) | (6 35 685) |
| Sale of Current Investments | 1 10 000 | 1 50 000 |
| Dividend from Current Investment | 60 033 | 85 685 |
| Net Cash from / (used in) investing activities (B) | <u>(8 65 000)</u> | <u>(4 00 000)</u> |
| Net Cash from financing activities (C) | <u>-</u> | <u>-</u> |
| Net increase in cash and cash equivalents (A+B+C) | <u>(2 17 431)</u> | <u>1 99 532</u> |
| Opening Balance of cash and cash equivalents* | 2 26 792 | 27 260 |
| Closing Balance of cash and cash equivalents* | 9 361 | 2 26 792 |

*For composition refer Schedule "D"

Notes:

1. The Cash Flow Statement has been prepared under the "Indirect Method" set out in Accounting Standard 3 on "Cash Flow Statement", as notified by Companies (Accounting Standard) Rules 2006.
2. Figures of previous year have been regrouped/ rearranged wherever required.

As per our report of even date

For Chaturvedi & Shah

Chartered Accountants

For and on behalf of the Board of Directors

Virendra Jain
DirectorR A Agarwal
DirectorR. Koria
PartnerPlace : Mumbai
Date : 12.05.2010

Urban Infrastructure Trustees Limited

Schedules forming part of the Balance Sheet as at 31st March 2010

| | | Amount in Rs. | |
|---|-------------------------------|-------------------------------|--------------------------|
| | | As at 31st March 2010 | As at 31st March 2009 |
| Schedule A | | | |
| SHARE CAPITAL | | | |
| Authorised: | | | |
| 50 000 Equity Shares of Rs 10 each | | 5 00 000 | 5 00 000 |
| | | <u>5 00 000</u> | <u>5 00 000</u> |
| Issued, subscribed and paid up: | | | |
| 50 000 Equity Shares of Rs 10 each fully paid up | | 5 00 000 | 5 00 000 |
| | | <u>5 00 000</u> | <u>5 00 000</u> |
| Of the above 49 994 Equity Shares are held by Jai Corp Limited, the holding Company and 6 Equity Shares are held jointly by Jai Corp Limited and its nominees. | | | |
| Schedule B | | | |
| RESERVES & SURPLUS | | | |
| Profit & Loss Account | | 20 11 413 | 13 06 740 |
| | | <u>20 11 413</u> | <u>13 06 740</u> |
| Schedule C | | | |
| INVESTMENTS | | | |
| CURRENT INVESTMENT | | | |
| Other Investment | | | |
| In units - Unquoted fully paid up | Units | | |
| Birla Cash Plus - Retail - Daily Dividend: | 1 53 572 | 25 13 880 | 15 88 847 |
| Face value of Rs. 10 per unit | (97 062) | | |
| | | <u>25 13 880</u> | <u>15 88 847</u> |
| INVESTMENTS | | | |
| AGGREGATE VALUE OF | | Amount in Rs. | |
| | As at 31st March, 2010 | As at 31st March, 2009 | |
| | Book Value | Book Value | Market Value |
| Unquoted Investments | 25 13 880 | 15 88 847 | |
| | - | | |
| Schedule D | | | |
| BANK BALANCES | | | |
| In Current account with a scheduled bank | | 9 361 | 2 26 792 |
| | | <u>9 361</u> | <u>2 26 792</u> |
| Schedule E | | | |
| LOANS & ADVANCES | | | |
| Advance Tax & TDS (Net of provisions) | | 3 33 078 | 3 22 696 |
| | | <u>3 33 078</u> | <u>3 22 696</u> |
| Schedule F | | | |
| CURRENT LIABILITIES & PROVISION | | | |
| Current Liabilities | | | |
| Other Liabilities | | 53 090 | 53 090 |
| Provisions | | | |
| Income Tax | | 2 91 815 | 2 80 158 |
| | | <u>3 44 905</u> | <u>3 33 248</u> |

Note: The Company has not received any intimation from "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, relating to amounts unpaid as at year end together with interest paid / payable under this Act have not been given.

Urban Infrastructure Trustees Limited

Schedules forming part of the Profit & Loss Account for the year ended 31st March 2010

| | Amount in Rs. | |
|--|---------------|---------------|
| | 2009-10 | 2008-09 |
| Schedule G | | |
| ADMINISTRATIVE & OTHER EXPENSES | | |
| Rates & Taxes | 930 | 695 |
| Legal & Professional Fess | 750 | - |
| Payment to Auditors | 33 090 | 39 270 |
| Other Expenses | 110 | 1 160 |
| | <u>34 880</u> | <u>41 125</u> |

Urban Infrastructure Trustees Limited

Schedules forming part of the Balance Sheet and Profit & Loss Account

Schedule H

SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Preparation of Financial Statements

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

2. Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that effect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Differences between the actual results and estimates are recognized in the period in which the results are known /materialized.

3. Revenue Recognition

Revenues are recognized when it is earned and no significant uncertainty exists as to its ultimate collection and includes, service tax, wherever applicable.

4. Investments

Current investments are carried at the lower of cost and quoted / fair value, computed scrip wise. Long Term Investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary in the opinion of the management.

5. Provision for current and Deferred Tax

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961.

Deferred tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. The deferred tax is recognized and carried forward only to the extent that there is a reasonable certainty that the asset will be realized in future.

6. Preliminary Expenses

Preliminary expenses are charged off to the profit & loss account in the year in which incurred.

7. Provisions, Contingent Liabilities and Contingent Assets

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

Urban Infrastructure Trustees Limited

Schedules forming part of the Balance Sheet and Profit & Loss Account

Schedule I

NOTES ON ACCOUNTS

- The figures of previous year's are regrouped / rearranged wherever considered necessary.
- The components of deferred tax are as follows: (Amount in Rs.)

| | <u>As on</u> <u>31st March 2010</u> | <u>As on</u> <u>31st March 2009</u> |
|--|---|---|
| (i) Deferred tax liabilities | - | - |
| (ii) Deferred tax assets | | |
| Disallowance under the Income Tax Act, 1961 | - | 1 653 |
| Net deferred tax Assets | <u>-</u> | <u>1 653</u> |

- As per Accounting Standard – 18 on Related Party disclosures as notified by the Companies (Accounting Standard) Rules, 2006, the disclosures of transactions are given below:

List of Related Parties and relationship

| Sr. No. | Name of the Company | Relationship |
|---------|---|---------------------------|
| 1. | Jai Corp Limited | Holding Company |
| 2. | Urban Infrastructure Venture Capital Limited | Fellow Subsidiary Company |
| 3. | Urban Infrastructure Venture Capital Fund | Associate |
| 4. | Urban Infrastructure Venture Capital Fund II | Associate |

Transactions during the year with related parties:

| | (Amount in Rs.) | |
|---|-----------------|----------|
| | 2009-10 | 2008-09 |
| i. Jai Corp Limited Equity Shares Closing Balance as at 31 st March | 5 00 000 | 5 00 000 |
| ii. Urban Infrastructure Venture Capital Fund - Trusteeship Fees | 9 73 471 | 9 52 914 |
| iii. Urban Infrastructure Venture Capital Fund II Closing Balance as at 31 st March | 20 000 | 20 000 |

| 4. Basic and Diluted Earnings Per Share (EPS) | (Amount in Rs.) | |
|--|-----------------|----------------|
| | 2009-10 | 2008-09 |
| (a) Net profit as per profit and loss account | 7 04 674 | 7 15 264 |
| (b) Weighted average number of Equity Shares used as denominator for calculating EPS | 50 000 | 50 000 |
| (c) Basic and diluted EPS (Face value of Rs. 10 each) | 14.09 | 14.31 |

| 5. Payment to Auditors: | (Amount in Rs.) | |
|--------------------------------|----------------------|----------------------|
| | 2009-10 | 2008-09 |
| Audit Fees | 33 090 | 33 090 |
| Taxation matters | <u>-</u> | <u>6 180</u> |
| Total | <u>33 090</u> | <u>39 270</u> |

6. Segment Reporting

The company is primarily engaged in providing trust services. As such there is one reportable segment, as per accounting standard on "Segment Reporting" (AS - 17) as notified by Companies (Accounting Standard) Rules, 2006.

7. There are no other information, which is required to be disclosed in accordance with Para III and IV of part II of Schedule VI of the Companies Act, 1956.

As per our report of even date
For Chaturvedi & Shah
Chartered Accountants

For and on behalf of the Board of Directors

Virendra Jain (Director)

R A Agarwal (Director)

R. Koria
Partner

Place: Mumbai
Date: 12.05.2010

Urban Infrastructure Trustees Limited

Balance sheet abstract and Company's general business profile

Rs in '000

I Registration details

Registration No. U65991MH2005PTC158050

State Code

Balance Sheet date

| | | |
|------|-------|------|
| 31 | 3 | 2010 |
| Date | Month | Year |

II Capital raised during the year (Rs. in thousand)

| | |
|--------------------------------|--------------------------------|
| Public issue | Rights issue |
| <input type="text" value="-"/> | <input type="text" value="-"/> |
| Bonus issue | Private placement |
| <input type="text" value="-"/> | <input type="text" value="-"/> |

III Position of mobilisation and deployment of funds (Rs. In thousand)

| | |
|------------------------------------|------------------------------------|
| Total liabilities | Total assets |
| <input type="text" value="2 511"/> | <input type="text" value="2 511"/> |

Sources of funds

| | |
|----------------------------------|------------------------------------|
| Paid-up capital | Reserve & Surplus |
| <input type="text" value="500"/> | <input type="text" value="2 011"/> |
| Secured loans | Unsecured loans |
| <input type="text" value="-"/> | <input type="text" value="-"/> |

Application of funds

| | |
|----------------------------------|------------------------------------|
| Net fixed assets | Investments |
| <input type="text" value="-"/> | <input type="text" value="2 514"/> |
| Net current assets | Profit & Loss Account |
| <input type="text" value="(2)"/> | <input type="text" value="-"/> |

IV Performance of the Company (Rs. In thousand)

| | |
|--|----------------------------------|
| Turnover & other income | Total expenditure |
| <input type="text" value="1 034"/> | <input type="text" value="35"/> |
| Profit/ (loss) before tax | Profit/ (loss) after tax |
| <input type="text" value="999"/> | <input type="text" value="705"/> |
| Earnings per share (Basic & Diluted) in Rs | Dividend |
| <input type="text" value="14.09"/> | <input type="text" value="-"/> |

V Generic names of 3 principal products/services of the Company (as per monetary terms)

| | |
|-------------------------|---|
| Item Code no (ITC code) | <input type="text" value="Not applicable"/> |
| Product description | <input type="text" value="Not applicable"/> |

For and on Behalf of the Board of Directors

Virendra Jain
Director

R A Agarwal
Director

Place: Mumbai
Date : 12.05.2010