

Urban Infrastructure Venture Capital Limited

DIRECTORS' REPORT

Dear Shareholders,

Your Directors are pleased to present the 6th Annual Report and the audited accounts for the year ended March 31, 2011.

1. Financial Results:

The performance of the Company during the financial year ended March 31, 2011 is summarized below:

Particulars	2010-11	2009-10
	Rs.	Rs.
Gross Profit Before Interest and depreciation	55,53,78,828	43,85,75,393
Less: Interest	1,78,96,948	2,26,343
Less: Depreciation	13,48,607	12,25,462
Profit before tax	53,61,33,273	43,71,23,588
Less: Provision for tax	17,98,31,842	12,58,51,169
Profit after tax	35,63,01,431	31,12,72,419
Less: Gratuity for earlier years	23,84,054	Nil
Less: Prior Period Expenditures	10,000	
Add: Balance in Profit & Loss Account	31,66,21,005	25,82,63,805
Profit available for Appropriation	67,05,28,382	56,95,36,224
Less: Appropriations:		
Transfer to General Reserves	25,00,00,000	25,00,00,000
Proposed dividend on Equity	30,00,000	25,00,000
Tax on Proposed Dividend	4,86,675	4,15,219
Surplus carried to Balance Sheet	41,70,41,707	31,66,21,005

2. Operations:

Your Company has been acting as an Investment Manager to Urban Infrastructure Venture Capital Fund (“**the Fund**”), a Venture Capital Fund registered with Securities and Exchange Board of India (“**SEBI**”). Your Company is also acting as an Indian Advisor to Urban Infrastructure Capital Advisors (“**UICA**”), Mauritius. UICA is Investment Manager to Urban Infrastructure Real Estate Fund (“**UIREF**”), a public limited life company with limited liability incorporated in Mauritius and licensed by the Financial Services Commission, Mauritius.

During the year, Gross Profit has increased to Rs. 53,61,33,273 from Rs. 43,71,23,588 in F. Y. 2009-10 mainly on account of increase in interest income. The Company had to augment its working capital requirements by way of loans from Banks resulting into a higher interest expenditure of Rs. 1,78,96,948 compared to Rs. 2,26,343 in F. Y. 2009-10. Profit after tax has increased to Rs. 35,63,01,431 compared to Rs. 31,12,72,419 in F. Y. 2009-10.

3. Dividend:

Your Directors are pleased to recommend a final dividend of Rs.3/- per Equity Share of face value of Rs.10/- each, for the year ended March 31, 2011.

The proposed dividend amounts to Rs. 30,00,000/- and a Dividend Distribution Tax of Rs. 4,86,675/- shall be paid.

4. Directors:

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

5. Auditors:

M/s Chaturvedi & Shah, Chartered Accountants, Statutory Auditors of the Company, hold office until the conclusion of ensuing Annual General Meeting and are eligible for re-appointment. The Company has received consent from them to act as the Statutory Auditors of the Company.

6. Auditors' Report:

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

7. 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.

8. Fixed Deposits:

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

9. Particulars of Employees:

The particulars as required under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, is attached as **Annexure - A**.

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	:	

Earnings	-	Rs. 10,30,53,708/- (Previous Year Rs. 8,69,34,373/-)
Outgo	-	Rs. 19,349/- (Previous Year Rs. 1,208/-)

11. Secretarial Compliance Certificate

The Secretarial Compliance Certificate received from M/s Sangita Joshi & Associates., Practicing Company Secretaries for financial year 2010-11 in accordance with Section 383A(1)(a) of the Companies Act 1956 read with the Companies (Compliance Certificate) Rules, 2001 is annexed and forms part of this report.

12. Acknowledgements and Appreciation:

The Directors take this opportunity to thank Contributors of the Urban Infrastructure Opportunities Fund, Shareholders & Bankers for their consistent support to the Company.

For and on behalf of the Board of Directors

**Sd/-
Anand Jain
Chairman**

Date: 24th May 2011
Place: Mumbai

Urban Infrastructure Venture Capital Limited
Particulars of Employees under Section 217 (2A) during the Financial Year ended 31.03.2011

Annexure A

S.No.	Name of Employee	Designation/Nature of Duties of the employee	Nature of Emp.	Qualifications	Exp.	Date of Joining	Date of Resignation	Age (Yrs.)	Date of Birth	LAST EMPLOYMENT	% OF Equity Shares held by Employee	Total Gross Remunetation
1	Mr.PARAG PAREKH	MANAGING DIRECTOR & CEO	CONTRACTUAL	CA	26	21.10.2006	-	50	23.06.1961	Reliance Industries Ltd.	Nil	1 53 94 942
2	Ms.DEEPA SANGHANI	HEAD - CORP.DEVELOPMENT	PERMANENT	CA	22	04.04.2006	-	44	01.09.1966	NMSEZ Ltd.	Nil	64 77 576
3	Mr.TREVOR MACHADO	VP - INVESTMENT	PERMANENT	B.Sc. MBA	19	01.08.2006	-	44	13.02.1967	Reliance Industries Ltd.	Nil	60 12 978
4	Mr.BITTAL SINGHI	VP - INVESTMENT	PERMANENT	CA	15	01.05.2006	-	37	08.07.1973	Darshan Securities Ltd.	Nil	77 30 648
5	Mr.RAJEEV BHANDARI	VP - INVESTMENT	PERMANENT	B.E.(Mech)	26	01.07.2009	-	51	16.12.1959	Reliance Global Management Services Ltd.	Nil	74 67 882

For Urban Infrastructure Venture Capital Limited

Mumbai
Date 24.05.2011

Sd/-
Anand Jain

SANGITA JOSHI & ASSOCIATES
Company Secretaries

202,Sai-Ashish-2, Veer Savarkar Nagar, Near Nancy Colony, Borivali (E), Mumbai – 400 066, India
Telefax: +91 22 28972571; Mobile: +91 9987015644; E-mail:sangitajoshi@gmail.com

SECRETARIAL COMPLIANCE CERTIFICATE

Registration No. of the Company: 11 – 158049

Authorised Capital: Rs. 1,00,00,000/-

Paid up Capital: Rs. 1,00,00,000/-

To,
The Members
Urban Infrastructure Venture Capital Limited

We have examined the registers, books and papers of **M/s Urban Infrastructure Venture Capital Limited** (the Company) as required to be maintained under The Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum & Articles of Association of the Company for the financial year ended **31st March, 2011**. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we 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 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, except as stated otherwise.
3. the Company being a public limited Company, has a paid-up Capital of Rs. 1,00,00,000/-.
4. the Board of Directors duly met 5 times on 12.05.2010, 24.06.2010, 03.09.2010, 20.10.2010 and 05.01.2011 in respect of which meetings proper notices were given and signed in the minutes book maintained for the purpose.
5. the Company had closed its Register of Members in order to comply with the provisions of Section 154 of the Act.
6. the Annual General Meeting for the financial year ended on 31.03.2010 was held on 31.08.2010 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the minutes book maintained for the purpose.
7. one extra-ordinary general meeting of the members of the Company was held during the Financial Year after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the minutes book maintained for the purpose.
8. the Company has not advanced loans to persons or firms or Companies referred to under Section 295 of the Act.

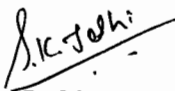


9. the Company has not entered into any Contracts specified in Section 297 of the Act.
10. the Company has made necessary entries in the register maintained under Section 301 of the Act
11. as there were no instances during the year falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, Members or Central Government.
12. the Company has not issued any duplicate share certificates during the financial year.
13. the Company has: -
 - i) Delivered all the certificates on lodgment thereof for transfer in accordance with the provisions of the Act.
 - ii) Not declared any dividend during the year.
 - iii) Has not paid any interim dividend during the year.
 - iv) Duly complied with the requirements of Section 217 of the Act.
14. the Board of Directors of the Company is duly constituted and no appointment or cessation of directors was done during the financial year.
15. the Company has paid remuneration to its Directors after complying all the provisions of Sections 198 and 269 of the Act read with Schedule XIII to the Companies Act, 1956.
16. the Company has not appointed any sole-selling agents during the financial year.
17. the Company was required to obtain approvals of the Central Government, Company Law Board, Regional Director, Registrar of Companies and/or such authorities prescribed under the various provisions of the Act during the financial year.
18. the Directors have disclosed their interest in other firms, Companies to the Board of Directors pursuant to the provisions of the Act and rules made there under.
19. the Company has not allotted any shares during the financial year.
20. the Company has not bought back any Shares during the financial year.
21. there was no redemption of preference shares or debentures outstanding during the financial year.
22. there were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. as explained to us, the Company has not invited / accepted any deposits including any unsecured loans falling within the purview of Section 58A during the financial year.
24. the Company has not borrowed from its Banks during the financial year ended 31st March, 2011 as per the provisions of Section 293 (1) (d) of the Act.
25. the Company has given advances to other bodies corporate and consequently entries have been made in the register kept for the purpose.



26. the Company has not altered the provisions of the Memorandum with respect to the situation of the Company's registered office from one state to another during the year under scrutiny.
27. the Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
28. the Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
29. the Company has not altered the provisions of the Memorandum with respect to share capital of the Company for the year under scrutiny.
30. the Company has not altered its Articles of Association during the financial year.
31. as informed to us, there was no prosecution initiated against the Company and no fines or penalties or any other punishment was imposed on the Company during the financial year for offence under the Act.
32. the Company has not received any money as security from its employees during the financial year.
33. as explained to us, the Company has deducted contribution towards Provident Fund during the financial year.

**For Sangita Joshi & Associates
Company Secretaries**


Sangita Joshi
Proprietor
CP No.: 7950



Place: Mumbai
Date: 24th May, 2011

Annexure A – Secretarial Compliance Certificate

Name of the Company : Urban Infrastructure Venture Capital Limited

Registration Number : 11 – 158049

Registers as maintained by the Company

Statutory Register

Sr. No.	Under Section	Name of Register
1	143	Register of Charges
2	150	Register of Members
3	193	Minutes of all meetings of Board of Directors
4	193(1)	Minutes of General Body Meetings
5	209	Books of Accounts
6	301	Register of Particulars of Contracts in which Directors are interested
7	303	Register of Directors
8	307	Register of Directors' Shareholding
9	-	Register of Deposits



Annexure B – Secretarial Compliance Certificate

Name of the Company : Urban Infrastructure Venture Capital Limited
Registration Number : 11 – 158049

Returns / Documents / Forms filed with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ended March 31st, 2009

FOR THE YEAR 2010-2011 (01.04.2010 TO 31.03.2011)
REGISTRAR OF COMPANIES

Sr. No.	Form No.	Relevant Section	Description	Date of Filing	Whether filed Within prescribed time Yes / No	If delay in filing, whether requisite additional fee paid Yes / No
1	8	125	Particulars of creation of charge	14.05.2010	No	Yes
2	32	-	Appointment of CS Mr. Satish Maheshwari w.e.f. 15.03.2010 and resignation of Mr. Ashok Jhangir w.e.f 15.03.2010	15.05.2010	No	Yes
3	23	192	Registration of Special Resolutions passed at EGM held on 18 th March, 2010	20.05.2010	No	Yes
4	23	192	Registration of Special Resolutions passed at EGM held on 28 th June, 2010	13.08.2010	No	Yes
5	-	220(1)	Balance Sheet as on 31.03.2010	29.09.2010	Yes	NA
6	-	159(1)	Annual Return (Schedule V) made up to 31.08.2010	12.10.2010	Yes	NA
7	22B	187C	Transfer of 1 share to Bittal Singhi jointly with Jai Corporation Ltd. as he does not hold beneficial interest in it.	04.02.2011	Yes	NA
8	32		Resignation of CS Mr. Satish Maheshwari w.e.f. 19 th January, 2011	01.04.2011	Yes	NA



AUDITORS' REPORT

**To,
The Members of Urban Infrastructure Venture Capital Ltd.**

We have audited the attached Balance Sheet of '**Urban Infrastructure Venture Capital Limited**' ("the Company"), as at 31st March 2011, 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 test basis, evidence supporting the amounts and disclosures in 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 of India in terms of Sub-Section (4A) of Section 227 of the Companies Act, 1956, we give in the Annexure a statement on the matters specified in 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 and 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 Section 211(3C) of the Companies Act, 1956;
 - e) On the basis of the written representations received from the directors as on 31st March, 2011 and taken on record by the Board of Directors, we report that none of the directors are disqualified as on 31st March, 2011 from being appointed as a director in terms of Clause (g) of sub-Section (1) of Section 274 of the Companies Act 1956;

- 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 Significant Accounting Policies and other 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: -
- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011;
 - (ii) in the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date; and
 - (iii) In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For CHATURVEDI & SHAH
(Firm Registration No. 101720W)
Chartered Accountants

Sd/-
R. KORIA
Partner
Membership No. 35629

Place: Mumbai
Date: 24.05.2011

ANNEXURE TO AUDITOR'S REPORT

Re: Urban Infrastructure Venture Capital Ltd.

Referred to in paragraph 2 of our report of even date

- i. In respect of its fixed assets:
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. As explained to us, the fixed assets have been physically verified by the management in accordance with a phased programme of verification, which in our opinion is reasonable, considering the size and nature of its assets. No discrepancies were noticed on such verification as compared with the available records.
 - c. In our opinion and according to the information & explanations given to us, the Company has not disposed off substantial part of fixed assets during the year and the going concern status of it is not affected.
- 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 to the Company.
- 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, firm or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, provisions of Clause 4 (iii) of the 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 for the purchase of fixed assets and for sale of services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in such internal controls system.
- v. In respect of contracts or arrangements entered in the Register maintained in pursuance of Section 301 of the Companies Act, 1956, to the best of our knowledge and belief and according to the information and explanations given to us:
 - a) The particulars of contracts or arrangements referred to in Section 301 that needed to be entered in the Register maintained under the said Section have been so entered.

- b) In our opinion and according to the information and explanations given to us, the transactions made during the year in pursuance of such contracts or arrangements exceeding value of Rupees five lakhs for each party, have been made at prices which are prima facie reasonable having regard to the prevailing market price at the relevant time.
- 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 Sections 58A, and 58AA of the Companies Act, 1956 and rules framed there under are not applicable for the year under audit.
- vii. In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business.
- 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 to the Company.
- ix. According to the information & 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 other material statutory dues as applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid statutory dues were outstanding, as at 31st March 2011 for a period of more than six months from the date they became payable, except Rs. 7,500 in respect of the professional tax, which since has been paid. Further, since the Central Government has till date not prescribed the amount of cess payable under Section 441 A 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. The disputed statutory dues aggregating Rs. 23,42,299 as at 31.03.2011, that have not been deposited on account of matter pending before appropriate authorities, is as under:

Name of the Statue	Nature of the Dues	Amount	Period to which the amount relates	Forum where dispute is pending
Income Tax Act	Income Tax	23 42 299*	A.Y. 08-09	Commissioner of Income Tax(Appeals)

*Net of amount Rs. 30,00,000 deposited under protest

- 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. Based on our audit procedures and on the basis of information and explanations given by the management, we are of the opinion that the Company has not defaulted in the repayment of dues to banks. During the year the Company has no dues to financial institutions and debenture holders.
- xii. According to the information and explanations given to us, the Company has not granted any 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. The Company has maintained proper records of transactions and contracts in respect of shares and other securities and timely entries have been made therein. All shares and other 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 and financial institutions.
- xvi. According to the information & explanations given to us, term loan were prima facie applied for the purpose for which the loan were obtained.
- xvii. According to the information and explanations given to us and on the basis of review of utilization of funds, which is based on overall examination of the Balance sheet as at 31st March 2011 of the Company, related information as made available to us and as represented to us, by the management, there are no funds raised on short term basis used for long term investment.
- xviii. During the year the Company has not made any preferential allotment of 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. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financials statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For CHATURVEDI & SHAH
(Firm Registration No. 101720W)
Chartered Accountants

Sd/-

R. KORIA
Partner
Membership No. 35629

Place: Mumbai
Date: 24.05.2011

Urban Infrastructure Venture Capital Limited

Balance Sheet as at 31st March 2011

		(Amount in Rs.)	
		As at 31.03.2011	As at 31.03.2010
	Schedule		
SOURCES OF FUNDS			
Shareholder's Fund			
Share Capital	A	1 00 00 000	1 00 00 000
Reserve and Surplus	B	91 70 41 707	56 66 21 005
Secured Loans	C	25 21 58 329	25 02 15 342
TOTAL		<u>1 17 92 00 036</u>	<u>82 68 36 347</u>
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	D	1 82 85 875	1 55 82 872
Less: Depreciation		<u>48 68 518</u>	<u>36 27 300</u>
Net Block		1 34 17 357	1 19 55 572
Investments	E	10 15 66 102	16 07 25 839
Deferred Tax Asset (Refer note no.5 of Schedule N)		21 25 329	19 57 171
Current Assets, Loans & Advances			
Sundry Debtors	F	2 71 84 358	2 33 46 217
Cash and Bank Balance		4 06 67 294	15 49 044
Loans & Advances		<u>1 19 88 79 750</u>	<u>64 42 52 403</u>
		<u>1 26 67 31 402</u>	<u>66 91 47 663</u>
Less : Current Liabilities & Provisions	G		
Current Liabilities		1 16 69 842	90 09 862
Provisions		<u>19 29 70 312</u>	<u>79 40 037</u>
		<u>20 46 40 154</u>	<u>1 69 49 899</u>
Net Current Assets		1 06 20 91 248	65 21 97 764
TOTAL		<u>1 17 92 00 036</u>	<u>82 68 36 347</u>
Significant Accounting Policies	M		
Notes on Accounts	N		

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

For and on behalf of the Board of Directors

Sd/-
R. Koria
Partner

Sd/-
Anand Jain
Chairman

Sd/-
Parag Parekh
Managing Director & CEO

Sd/-
S S Thakur
Director

Sd/-
P.Krishnamurthy
Director

Place: Mumbai
Date :24 May 2011

Urban Infrastructure Venture Capital Limited

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

		(Amount in Rs.)	
	Schedule	2010-11	2009-10
INCOME			
Income from Operations	H	64 94 31 899	64 33 38 147
Less: Service Tax Recovered		5 10 21 717	5 19 63 855
Net		<u>59 84 10 182</u>	<u>59 13 74 292</u>
Other Income	I	16 19 86 824	7 73 67 514
Total		<u>76 03 97 006</u>	<u>66 87 41 806</u>
EXPENDITURE			
Employees Remuneration, Amenities & Benefits	J	10 50 03 408	12 98 86 458
Administrative & Other Expenses	K	10 00 04 753	9 92 75 946
Interest & Finance Charges	L	1 79 06 965	12 30 352
Depreciation		13 48 607	12 25 461
Total		<u>22 42 63 733</u>	<u>23 16 18 217</u>
PROFIT BEFORE TAX		53 61 33 273	43 71 23 589
Less : Provision For Tax			
Current Tax		18 00 00 000	12 60 00 000
Income Tax for earlier year		-	1 50 665
Deferred Tax (Credit)		(1 68 158)	(2 99 495)
Fringe Benefit Tax		-	-
PROFIT AFTER TAX		<u>35 63 01 431</u>	<u>31 12 72 419</u>
Prior period expenditures		(10 000)	-
Gratuity for earlier years		(23 84 054)	-
Balance brought forward from previous year		31 66 21 005	25 82 63 805
Reduction in liability on account of transitional liability for employees benefits under AS-15.		-	-
PROFIT AVAILABLE FOR APPROPRIATION		<u>67 05 28 382</u>	<u>56 95 36 224</u>
Appropriations			
Transfer to General Reserve		25 00 00 000	25 00 00 000
Proposed Dividend on Equity shares		30 00 000	25 00 000
Tax on proposed dividend		4 86 675	4 15 219
SURPLUS CARRIED TO BALANCE SHEET		<u><u>41 70 41 707</u></u>	<u><u>31 66 21 005</u></u>
Basic and Diluted earning per equity share of Rs. 10 each		356.29	311.27
(Refer note no. 7 of schedule N)			
Significant Accounting Policies	M		
Notes on Accounts	N		

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

For and on behalf of the Board of Directors

Sd/-
R. Koria
Partner

Sd/-
Anand Jain
Chairman

Sd/-
Parag Parekh
Managing Director & CEO

Sd/-
S S Thakur
Director

Sd/-
P.Krishnamurthy
Director

Place: Mumbai
Date :24 May 2011

Urban Infrastructure Venture Capital Limited

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

	For the year ended 31.03.2011	For the year ended 31.03.2010
Cash flow from operating Activities		
Profit before tax as per Profit & Loss Account	53 61 33 273	43 71 23 589
Prior Period Expenditure	(10 000)	-
	<u>53 61 23 273</u>	<u>43 71 23 589</u>
Adjustments for :		
Depreciation	13 48 607	12 25 461
Dividend from Current Investments	(13 33 924)	(18 88 700)
Interest on Inter Corporate Deposit	(12 14 29 634)	(76 68 295)
Interest and Finance charges	1 77 09 983	12 15 342
Dividend from Long Term Investment	(1 430)	(610)
Loss / (Profit) on Sale / Redemption of Current Investments (net)	(3 65 57 310)	(2 24 14 240)
Loss / (Profit) on Equity Derivatives (net)	(24 89 888)	6 61 793
Loss / (Profit) on sale of fixed assets	5 46 174	43 594
(Reversal) / Provision for Diminution in value of Current Investments (Net)	3 33 41 614	(4 49 93 015)
Operating profit before working capital changes	<u>42 72 57 465</u>	<u>36 33 04 919</u>
Trade Receivable	(79 73 003)	46 99 741
Trade Payable	71 18 799	37 86 206
Cash generated from operations	<u>42 64 03 261</u>	<u>37 17 90 866</u>
Less: Taxes Paid	(18 48 87 998)	(13 34 19 343)
Gratuity for earlier years	(23 84 054)	()
Net Cash from operating activities (A)	<u>23 91 31 209</u>	<u>23 83 71 523</u>
Cash flow from Investing Activities		
Purchase of fixed assets	(34 48 286)	(3 23 778)
Sale of Fixed Assets	91 720	63 805
Purchase of Investments	(29 80 00 543)	(261 03 53 553)
Sale / Redemption of Investments	36 28 65 862	273 16 91 526
Movement in loans	(26 89 71 885)	(62 07 00 000)
Interest Received	2 47 97 035	65 41 249
Dividend Received	13 35 354	18 89 310
Net Cash (used in) investing activities (B)	<u>(18 13 30 743)</u>	<u>(49 11 91 441)</u>
Cash flow from Financing Activities		
Short term loan	-	25 00 00 000
Dividend paid	(29 15 219)	-
Interest & Finance charges paid	(1 57 66 997)	(10 00 000)
Cash from / (used in) financing activities (C)	<u>(1 86 82 216)</u>	<u>24 90 00 000</u>
Net increase / (Decrease) in cash and cash equivalents (A+B+C)	<u><u>3 91 18 250</u></u>	<u><u>(38 19 918)</u></u>
Opening Balance of cash and cash equivalents*	15 49 044	53 68 962
Closing Balance of cash and cash equivalents*	4 06 67 294	15 49 044

*For components refer Schedule "F".

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 in Companies (Accounting Standard) Rules, 2006.
2. The previous year's figures have been regrouped and reworked wherever necessary.
3. Figures in "()" indicates Cash outflow.

As per our report of even date

For Chaturvedi & Shah

Chartered Accountants

For and on behalf of the Board of Directors

Sd/-

R. Koria

Partner

Sd/-

Anand Jain

Chairman

Sd/-

Parag Parekh

Managing Director & CEO

Sd/-

S S Thakur

Director

Sd/-

P.Krishnamurthy

Director

Place: Mumbai

Date: 24 May 2011

Urban Infrastructure Venture Capital Limited

Schedules forming part of the Balance Sheet

(Amount in Rs.)

As at
31.03.2011

As at
31.03.2010

Schedule "A"

SHARE CAPITAL

Authorised :

10 00 000 (Previous year 10 00 000) Equity Shares of Rs 10 each

1 00 00 000

1 00 00 000

Issued, Subscribed & Paid up :

10 00 000 (Previous year 10 00 000) Equity Shares of Rs 10 each fully paid up

1 00 00 000

1 00 00 000

Total

1 00 00 000

1 00 00 000

Of the above Equity Shares :

9 99 994 Shares are held by Jai Corp Limited, the holding Company

& 6 Shares are jointly held by Jai Corp Limited and its nominees.

Schedule "B"

RESERVES AND SURPLUS

General Reserve

Balance as per last Balance sheet

25 00 00 000

-

Add: Transfer during the year

25 00 00 000

25 00 00 000

Closing Balance

50 00 00 000

25 00 00 000

Profit & Loss Account

Balance from Profit & Loss Account

41 70 41 707

31 66 21 005

Total

91 70 41 707

56 66 21 005

Schedule "C"

Secured Loans

Short Term Loan from a Bank

25 00 00 000

25 00 00 000

Interest Accrued & due on above

21 58 329

2 15 342

Total

25 21 58 329

25 02 15 342

The above Loan is secured by hypothecation of Present & Future receivables.

Urban Infrastructure Venture Capital Limited

Schedules forming part of the Balance Sheet

Schedule 'D'

Fixed Assets

(Amount in Rs.)

Description	Gross Block			Depreciation					Net Block	
	As at 01.04.2010	Additions	Deductions	As at 31.03.2011	Upto 31.03.2010	For the Year	Deductions	Upto 31.03.2011	As at 31.03.2011	As at 31.03.2010
Computer	36 59 143	7 99 490	-	44 58 633	15 61 401	6 69 873	-	22 31 274	22 27 359	20 97 742
Furniture & Fixture	65 51 863	1 48 500	-	67 00 363	14 39 255	3 98 500	-	18 37 755	48 62 608	51 12 608
Office Equipment	53 71 866	3 03 540	7 45 283	49 30 123	6 26 644	2 28 204	1 07 389	7 47 459	41 82 664	47 45 222
Vehicles	-	21 96 756	-	21 96 756	-	52 030	-	52 030	21 44 726	-
Total	1 55 82 872	34 48 286	7 45 283	1 82 85 875	36 27 300	13 48 607	1 07 389	48 68 518	1 34 17 357	1 19 55 572
As at 31.03.2010	1 53 79 913	3 23 778	1 20 819	1 55 82 872	24 15 259	12 25 461	13 420	36 27 300	1 19 55 572	

Urban Infrastructure Venture Capital Limited

Schedules forming part of the Balance Sheet

		(Amount in Rs.)	
		As at	As at
		31.03.2011	31.03.2010
Schedule "E"			
INVESTMENTS			
A) LONG TERM INVESTMENTS			
Trade Investments			
In Equity Shares of Subsidiary Company - Unquoted fully paid up			
21 00 000	UI Wealth Advisors Limited of Rs. 10 each	2 10 00 000	2 10 00 000
(21 00 000)			
Other Investments			
In Equity Shares - Quoted fully paid up			
10	Akruti City Ltd of Rs. 10 each	4 238	4 238
(10)			
1	Ajmera Realty & Infra India Ltd. of Rs.10 each	135	134
(1)			
1	Alpine Industries Ltd of Rs.10 each	26	26
(1)			
5	Anant Raj Industries Ltd of Rs 2 each	1 323	1 323
(5)			
100	Ansal Buildwell Ltd of Rs 10 each	17 341	17 341
(100)			
100	Ansal Housing & Construction Ltd. of Rs. 10 each	34 675	34 675
(100)			
1	Ansal Properties & Infrastructure Ltd.of Rs 5 each	278	278
(1)			
1	Arihant Foundation & Housing Ltd of Rs 10 each	308	308
(1)			
3	Ashiana Housing Ltd. of Rs 10 each	190	190
(3)			
1	Asahi Infrastructure & Projects Ltd of Rs.1 each	2	2
(1)			
1	Asian Hotels Ltd.of Rs.10 each	313	313
(1)			
10	BL Kashyap & Sons Ltd of Rs.1 each(Previous year Rs.5 each)	352	352
(1)			
10	BSEL Infrastructure Realty Ltd of Rs 10 each	704	704
(10)			
10	D.S.Kulkarni Developers Ltd of Rs. 10 each	2 429	2 429
(10)			
1	DLF Ltd of Rs. 2 each	634	634
(1)			
1	DB Realty Ltd of Rs.10 each	419	-
(-)			
1	Diwan Housing and Finance Ltd. of Rs. 10 each	70	70
(1)			
1	DMC International Ltd of Rs.5 each	8	8
(1)			
1	EIH Ltd of Rs.2 each	134	134
(1)			
1	EIH Associated Hotels Ltd of Rs.10 each	98	98
(1)			
1	Eldeco Housing & Industries Ltd of Rs.10 each	113	113
(1)			
5	ERA Infra Engineering Limited of Rs.2 each	362	362
(5)			
1	Ganesh Housing Corporation Ltd of Rs 10 each	420	420
(1)			
1	GIC Housing Finance Ltd of Rs. 10 each	54	54
(1)			
1	Gruh Finance Ltd of Rs. 10 each.	180	180
(1)			
1	HB Estate Developers Ltd of Rs.10 each	32	32
(1)			

Urban Infrastructure Venture Capital Limited

Schedules forming part of the Balance Sheet

		(Amount in Rs.)	
		As at	As at
		31.03.2011	31.03.2010
1	Hotel Leela Venture Ltd of Rs.2 each	32	32
(1)	5 Housing Development Finance Corporation Limited of Rs. 2 each (Previous year Rs.10 each)	2 534	2 534
10	Hindusthan Construction Company Ltd of Rs 1 each	576	576
(5)			
1	Housing Development & Infrastructure Ltd of Rs.10 each	536	536
(1)			
1	Indiabulls Real Estate Ltd of Rs. 2 each	648	648
(1)			
1	Indo-Asian Projects Ltd of Rs.10 each	39	39
(1)			
1	IVRCL Assets & HoldingsLtd of Rs. 10 each	380	380
(1)			
2	IVRCL Infrastructure & Project Ltd of Rs 2 each	362	362
(1)			
1	Jaypee Infratech Ltd of Rs.10 each	84	-
(-)			
5	Kadamb Constructions Ltd of Rs.2 each	38	38
(5)			
1	Kamawala Housing Constructions .Ltd of Rs.10 each	29	29
(1)			
1	Kolte Patil Developers Ltd of Rs.10 each	45	45
(1)			
11	KSL & Industries Ltd of Rs.4 each	577	577
(11)			
10	Lanco Infratech Ltd Rs. 10 each	294	294
(10)			
1	Lancor Holdings Ltd of Rs.2 each	42	42
(1)			
5	LIC Housing Finance Ltd of Rs. 2 each (Previous year Rs.10 each)	235	235
(1)			
5	Lok Housing & Construction Ltd of Rs 10 each	749	749
(5)			
100	Mahendra Lifespace Developers Ltd of Rs. 10 each	89 399	89 399
(100)			
1	Marg Ltd of Rs.10 each	102	102
(1)			
1	Narendra Properties Ltd of Rs.10 each	23	23
(1)			
1	Nila Infrastructure Ltd of Rs.1 each	2	2
(1)			
1	Nitesh Estate of Rs.10 each	39	-
(-)			
450	Omaxe Ltd of Rs 10 each	1 39 500	1 39 500
(450)			
10	Orbit Corporation Ltd of Rs 10 each	1 269	1 269
(5)			
1	Brigade Enterprises Ltd of Rs.10 each	117	117
(1)			
1	The Ruby Mills Ltd of Rs.10 each	725	725
(1)			

Urban Infrastructure Venture Capital Limited

Schedules forming part of the Balance Sheet

		(Amount in Rs.)	
		As at 31.03.2011	As at 31.03.2010
1	Pantaloon Retail (India) Ltd of Rs 2 each	452	452
(1)			
200	Parsvnath Developers Ltd. of Rs.5 each (previous year Rs.10each)	46 570	46 570
(100)			
10	Peninsula Land Ltd of Rs 2 each	1 019	1 019
(10)			
5	Prajay engineers Syndicate Ltd of Rs 10 each	1 252	1 252
(5)			
1	Prime Property Development Corp.Ltd of Rs.5 each	113	113
(1)			
5	Provogue (India) Ltd of Rs 2 each	488	488
(5)			
1	Purvankara Projects Ltd of Rs.5 each	375	375
(1)			
100	Radhe Developers (India) Ltd of Rs 10 each	157	157
(100)			
1	Regaliaa Realty Ltd of Rs.10 each	8	8
(1)			
1	Rainbow Foundations Ltd of Rs.10 each	10	10
(1)			
1	Rajeswari Foundations Ltd of Rs.10 each	16	16
(1)			
1	SAAG RR Infra Ltd of Rs.10 each	22	22
(1)			
2	Shopper's Stop Ltd of Rs 5 each (previous year Rs.10 each)	598	598
(1)			
1	Simplex Realty Ltd of Rs.10 each	164	164
(1)			
10	Sobha Developers Ltd. of Rs. 10 each	7 928	7 928
(10)			
5	Sunteck Realty Ltd of Rs.2 each	1 986	1 986
(5)			
1	Taj GVK Hotels & Resorts Ltd of Rs.2 each	80	80
(1)			
5	The Phoenix Mills Ltd of Rs. 2 each	2 108	2 108
(5)			
1	Trent Ltd of Rs 10 each	708	708
(1)			
5	Tribhuvan Housing Ltd of Rs.1 each (previous year Rs.5 each)	14	14
(1)			
200	Unitech Ltd of Rs. 2 each	48 861	48 861
(200)			
1	Vijay Shanti Builders Ltd of Rs.10 each	27	27
(1)			
10	Vipul Ltd of Rs 1 each (previous year Rs.2 each)	806	806
(5)			
In units - Unquoted Fully Paid up			
20 000	Urban Infrastructure Venture Capital Fund - Class B	20 00 000	20 00 000
(20 000)	Face Value of Rs. 100 each		
Sub total (A)		2 34 16 976	2 34 16 432

Urban Infrastructure Venture Capital Limited

Schedules forming part of the Balance Sheet

B) CURRENT INVESTMENTS		(Amount in Rs.)	
In Equity Shares - Quoted fully paid up		As at	As at
		31.03.2011	31.03.2010
7 62 608	Ansal Properties & Infrastructure Ltd.of Rs 5 each	2 85 97 560	5 42 59 559
(7 62 608)			
4 500	Bajaj Holdings & Investment Ltd. of Rs. 10 each	35 80 875	27 33 525
(4 500)			
35 200	Bombay Dyeing & Mfg.Co. Ltd of Rs. 10 each	1 29 09 600	1 93 84 641
(35 200)			
7 815	Cinemax India Ltd. of Rs. 10 each	3 28 621	4 97 815
(7 815)			
2 500	Electrotherm (India) Ltd. of Rs. 10 each	5 14 625	8 21 500
(2 500)			
43 494	Essar Shipping Ltd of Rs. 10 each	17 43 968	17 84 065
(44 494)			
-	Pipavav Shipyard Ltd of Rs.10 each	-	19 11 390
(32 955)			
1 94 532	The Indian Hotels Company Ltd of Rs. 1 each	1 40 85 227	1 40 85 227
(1 94 532)			
-	State Bank of India of Rs. 10 each	-	2 10 63 661
(17 248)*			
58 700	Tata Communication Ltd of Rs. 10 each	1 40 29 300	1 64 59 480
(58 700)			
-	Bajaj Auto Limited of Rs. 10 each	-	28 03 519
(4500)			
4 500	Bajaj Finserve Limited of Rs 5 each	23 59 350	15 05 025
(4500)			
Sub total (B)		7 81 49 126	13 73 09 407
Total (A+B)		10 15 66 102	16 07 25 839

Note:		(Amount in Rs.)			
		As at 31.03.2011		As at 31.03.2010	
		Book Value	Market Value	Book Value	Market Value
1	Aggregate value of Investment				
	Quoted Investment	7 85 66 100	8 28 96 722	13 77 25 839	16 61 98 339
	Unquoted Investment	2 30 00 000	-	2 30 00 000	-
2	Movements during the year				
	Investment purchased & sold during the year				
	Mutual Fund Units	Face Value	No. of units	Cost	
	ICICI Prudential Flexible Income Premium - Growth	10	16 95 808	29 80 00 000	
3	The Current Investments are net of provision for diminution in value of Rs.7 45 96 739/- (Previous year Rs. 4 12 55 125/-).				
4	* Includes Nil (Previous year 5248) Equity Shares of State Bank of India Ltd. pledged as security a broker				

Urban Infrastructure Venture Capital Limited

Schedules forming part of the Balance Sheet

		(Amount in Rs.)	
		As at	As at
		31.03.2011	31.03.2010
Schedule "F"			
CURRENT ASSETS, LOANS & ADVANCES			
Current Assets			
Sundry Debtors			
(Unsecured, Considered Good unless otherwise stated)			
Due for a period exceeding six months			
Considered Doubtful	-		-
Less: Provision for Doubtful Debts	-	-	-
	-----		-----
			-
For a period of more than six months		-	-
Others, considered good		2 71 84 358	2 33 46 217
Cash & Bank Balances			
Cash on hand	1 95 545		22 654
In current accounts with scheduled banks	4 04 71 749	4 06 67 294	15 26 390

Loans & Advances			
(Unsecured & considered good)			
Advances Recoverable in cash or in kind or for value to be received*	1 11 92 987		67 24 876
Taxes Paid & Tax Deducted at Source (Net of provisions)	19 38 50 448		89 62 450
Balance with Service Tax authority	15 68 235		19 01 481
Intercorporate Deposits	98 74 31 530		62 18 27 046
(Includes Interest of Rs.9 77 59 645/- (previous year Rs.12 78 245/-) accrued there on)			
Deposit	48 36 550		48 36 550
	-----		-----
		119 88 79 750	64 42 52 403
Total		126 67 31 402	66 91 47 664
		-----	-----

* Advance Recoverable in cash or kind includes Rs. Nil (previous year Rs 4 50 000/-) due from the Manager / Officer. Maximum balance outstanding at any time during the year Rs.4 50 000/- (previous year Rs.7 50 000/-)

Schedule "G"

CURRENT LIABILITIES & PROVISIONS

Current Liabilities

Sundry Creditors*	90 61 317		4 51 831
Others Liabilities	26 08 525		85 58 031
	-----		-----
		1 16 69 842	90 09 862
Provisions			
Taxation	18 00 00 000		
Compensated Absences	33 44 871		20 81 930
Gratuity	61 38 766		29 42 888
Proposed Dividend on Equity Shares	30 00 000		25 00 000
Tax on Proposed Dividend	4 86 675		4 15 219
	-----		-----
		19 29 70 312	79 40 037
Total		20 46 40 154	1 69 49 899
		-----	-----

*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 Venture Capital Limited

Schedules forming part of the Profit & Loss Account

	(Amount in Rs.)	
	2010-11	2009-10
Schedule "H"		
INCOME FROM OPERATIONS		
Investment Management Fees	53 81 13 835	54 95 49 217
Advisory Fees	11 13 18 064	9 37 88 930
Total	64 94 31 899	64 33 38 147
Schedule "I"		
OTHER INCOME		
Profit on Sale / Redemption of Current Investments (Net)	3 65 57 310	2 24 14 240
Profit /(Loss) on Equity Derivatives (Net)	24 89 888	-
Dividend from Current Investment	13 33 924	18 88 700
Dividend from Long Term Investment	1 430	610
Reversal of Provision for Diminution in the value of Current Investments (Net)	-	4 49 93 015
Exchange Difference (Net)	-	-
Interest (Tax Deducted at Source Rs.1 21 42 967/- Previous Year Rs.7 66 831/-)	12 14 36 456	77 14 888
Miscellaneous Income	1 67 816	1 31 044
Balance written back	-	2 25 017
Total	16 19 86 824	7 73 67 514
Schedule "J"		
EMPLOYEES REMUNERATION, AMENITIES & BENEFITS		
Salaries and Perquisites	9 66 96 540	12 14 51 525
Contribution to provident fund, superannuation fund and pension scheme	57 02 927	63 93 316
Gratuity	11 21 628	1 53 615
Employees Welfare & Amenities	14 82 313	18 88 002
Total	10 50 03 408	12 98 86 458
Schedule "K"		
ADMINISTRATIVE AND OTHER EXPENSES*		
Rent (Under cancelable operating lease)	1 90 80 000	2 81 36 800
Rates & Taxes	13 703	6 98 247
Repairs & Maintenance		
Building	5 40 723	33 16 924
Other	4 99 181	7 38 612
Legal & Professional	3 47 30 531	4 89 00 091
Traveling & Conveyance	7 40 221	19 27 088
Insurance	-	38 409
Telephone Expenses	7 69 216	11 30 610
Business Promotion	11 93 713	19 66 613
Electricity Expenses	12 27 064	22 25 987
Director Sitting Fees	2 00 000	1 80 000
Auditor's Remuneration	5 85 000	5 00 000
Donation	-	-
Provision for Diminution in the value of Current Investments (Net)	3 33 41 614	-
Provision for Doubtful debts	-	-
Bad debts written off		
For the year	18 13 776	-
Less: Adjusted against provision for doubtful debt	18 13 776	-
Foreign Exchange Rate Difference	1 07 356	24 01 040
Loss on sale of Fixed Assets (Net)	5 46 174	43 594
Loss on sale / Redemption of Current Investments (Net)	-	-
Loss on Equity Derivatives (Net)	-	6 61 793
Other Expenses	64 30 257	64 10 138
Total	10 00 04 753	9 92 75 946

*Net of recovery

Schedule "L"

INTEREST & FINANCE CHARGES

Interest on Fixed loans	1 77 09 983	2 15 342
Interest (other than fixed loans)	1 86 965	11,001
Bank Charges	10 016	4 009
Finance Charges	-	10 00 000
Total	1 79 06 965	12 30 352

Urban Infrastructure Venture Capital Limited
Schedules forming part of the Balance Sheet and Profit & Loss Account

Schedule 'N'
NOTES ON ACCOUNTS

1. The previous year's figures have been regrouped, reworked, rearranged and reclassified wherever considered necessary.

2. Payment to Auditor

Particulars	(Amount in Rs)	
	2010-11	2009-10
Audit Fees	4 00 000	4 00 000
Tax Audit Fees	1 00 000	1 00 000
Taxation and Related Matters	85 000	-
Total	5 85 000	5 00 000

3. As per Accounting Standard 15 "Employee Benefits", the disclosures of Employee benefits as defined in the Accounting Standard are given below:

Defined Contribution Plan

Particulars	2010-11	2009-10
Contribution to Defined Contribution Plan, recognised as an expense as under:		
Employer's Contribution to Provident Fund	40 99 405	47 85 758
Employer's Contribution to Superannuation Fund	8 99 633	7 51 198
Employer's Contribution to Pension Scheme	2 84 585	3 55 413

Defined Benefit Plan

The present value of gratuity obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognize each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up final obligation.

i. Reconciliation of opening and closing balance of Defined Benefit Obligation:

	Gratuity (Unfunded)	
	2010-11	2009-10
Defined Benefit obligation at Beginning of the year	29 42 888	27 89 273
Current Service Cost	7 13 062	9 40 949
Interest Cost	2 68 758	2 55 799
Actuarial (gain) / loss	1 39 808	(10 43 133)
Benefits paid	(3 09 804)	-
Past Service Cost	23 84 054	-
Defined Benefit obligation at the year end	61 38 766	29 42 888

ii. Amount to be recognized in Balance Sheet:

	2010-11	2009-10
Present Value of obligation	61 38 766	29 42 888
Amount recognized in Balance Sheet	61 38 766	29 42 888

iii. Expense recognized during the year (Under the head "Employee Remuneration, amenities and benefits")

Refer Schedule 'J'

	2010-11	2009-10
Current Service Cost	7 13 062	9 40 949
Interest Cost	2 68 758	2 55 799
Actuarial (gain)/loss	1 39 808	(10 43 133)
	11 21 628	1 53 615

iv. Experience Adjustments

	Period Ended				
	2010-11	2009-10	2008-09	2007-08	2006-07
Defined Benefit Obligation	61 38 766	29 42 888	27 89 273	11 42 102	2 49 577
Plan Assets	-	-	-	-	-
Surplus / (Deficit)	(61 38 766)	(29 42 888)	(27 89 273)	(11 42 102)	(2 49 577)
Exp.Adj.on Plan Liabilities	2 76 274	(9 40 023)	8 77 865	3 98 644	-
Exp.Adj.on Plan Assets	-	-	-	-	-

v. Actuarial Assumptions

	2010-11	2009-10
Mortality Table (LIC)	1994-96	1994-96
Discount Rate (per annum)	7.90%	7.45%

Rate of escalation in salary (per annum)

10% for first year & 6% thereafter 10% for first 2 years & 6% thereafter

The estimates of rate of escalation in salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

4. Managerial Remuneration

(a). The Company is of the opinion that the computation of net profit for the purpose of managerial remuneration under section 349 of the Companies Act, 1956 need not to be enumerated since no commission by way of percentage of profit is payable for the year to any of the directors of the company. Fixed monthly remuneration has been paid to the director.

(b) Managerial Remuneration by way of :

Particulars	(Amount in Rs)	
	2010-11	2009-10
i) Salary	1 22 36 100	1 36 15 400
ii) Contribution to Provident Fund	25 05 600	12 52 800
iii) Leave Salary / Encashment	-	-
Total	1 47 41 700	1 48 68 200

Note: The above remuneration does not include provision for gratuity and provision for leave encashment, since these have been provided for all the employees

separately.

5. The components of deferred tax are as follows:

Particulars	2010-11	2009-10
i) Deferred Tax Liabilities		
Related to Fixed Assets	(9 50 015)	(9 53 145)
ii) Deferred Tax Assets		
Disallowance under the Income Tax Act, 1961	30 75 344	29 10 316
Net deferred tax Assets	21 25 329	19 57 171

6. As per Accounting Standard-18 on Related Party disclosure as notified by Companies (Accounting Standards) Rules, 2006, the disclosure 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 Fund	Associate
3	Urban Infrastructure Venture Capital Fund II	Associate
4	Urban Infrastructure Venture Capital Fund III	Associate
5	Urban Infrastructure Trustees Limited	Fellow Subsidiary Company
7	NMSEZ Development company Pvt. Ltd.	Significant Influence
8	Free Press House Ltd.	Significant Influence
8	Manali Trading & Holding Pvt. Ltd.	Significant Influence
6	Urban Infrastructure Capital Advisor, Mauritius	Significant Influence
6	UI Wealth Advisors Limited	Subsidiary Company
7	Mr. Anand Jain	Key Management Personnel
8	Mr. Parag Parekh	Key Management Personnel
9	Mr. Satyapal Jain	Relative of Mr. Anand Jain
10	Ms. Rina Jain	Relative of Mr. Anand Jain

Transactions during the year with related parties:

Sr. No	Particulars	2010-11	2009-10
1	Jai Corp Limited		
	Equity Shares		
	Closing balance as at 31st March	1 00 00 000	1 00 00 000
	Income		
	Advisory Fees (including Service Tax)	82 64 356	69 18 078
	Sundry Debtors		
	Closing balance as at 31st March	19 42 195	15 35 244
2	Urban Infrastructure Venture Capital Fund		
	Investment Management Fees (Including Service Tax)	53 81 13 835	54 95 49 217
	Reimbursement received of Expenses	53 47 926	66 13 339
	Advance Recoverable in cash or kind or for value to be received		
6	NMSEZ Development company Pvt. Ltd.		
	Reimbursement of Expenses		25 829
	Closing Balance as at 31.03.2007		3 228
7	Free Press House Ltd.		
	Office Maintenance Charges Payable		86 563
	Closing balance as at 31.03.07		
8	Manali Trading & Holding Pvt. Ltd.		
	Fees and other charges		1 908
	Closing balance as at 31.03.07		
8	Urban Infrastructure Capital Advisor, Mauritius		
	Expenses Recoverable		76 64 826
	Closing balance as at 31.03.07		
	Closing balance as at 31st March	10 94 495	12 10 648

(Amount in Rs.)

	2010-11	2009-10
3 Urban Infrastructure Venture Capital Fund II Trust Formation expenses Advance Recoverable in cash or in kind or for value to be received Closing balance as at 31st March	1 00 000	1 00 000
4 UI Wealth Advisors Limited Investment in Equity Shares Closing Balance as at 31st March Reimbursement of manpower charges Closing Balance as at 31st March	2 10 00 000 - -	2 10 00 000 - -
5 Mr. Anand Jain Rent	70 35 000	70 35 000
6 Mr. Parag Parekh Remuneration	1 47 41 700	1 48 68 200
7 Mr. Satyapal Jain Rent	66 75 000	66 75 000
8 Ms. Rina Jain Rent	53 40 000	53 40 000

7. Basic and Diluted earnings per share

Particulars		
(a) Profit after Tax as per profit and loss account	35 63 01 431	31 12 72 419
(b) Less: Prior period items	10 000	-
(c) Profit attributable to Equity share holders	35 62 91 431	31 12 72 419
(d) Weighted average number of equity shares used as denominator for calculating EPS	10 00 000	10 00 000
(e) Basic and diluted EPS of face value of Rs. 10 each	356.29	311.27

8. Expenditure in Foreign Currency

Particulars		
Traveling & conveyance	-	-
Conference Participation	-	-
Professional Fees (Net of Recovery)	-	-
Subscription	-	-
Books & Periodicals	19 349	1 208

9. Earning in Foreign Currency

Advisory Fees	10 30 53 708	8 69 34 373
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10. Disclosure on Financial Instruments

Unhedged foreign currency exposure as on 31st March is as under Receivable	2 52 42 163	2 11 09 450
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11. Details of Open Interest in Stock Futures - 29.04.10 series contract

Name of Stock Future	2010-11	2009-10
	No. of Contracts & Units Long	No. of Contracts & Units Long
State Bank of India	-	6
	-	792

12. Contingent Liability - Claims against the company but not acknowledged as debt.

The Income - Tax assessments of the Company have been completed up to Assessment Year 2008-09. The disputed demand outstanding up to the said Assessment Year is Rs. 53,42,299/- (Previous year Rs.Nil). Based on the decisions of the Appellate authorities and the interpretations of other relevant provisions, the company has been advised that the demand is likely to be either deleted or substantially reduced and accordingly no provision has been made.

13. Segment Reporting

Segment information as per Accounting Standard - 17 on Segment Reporting for the year ended 31st March 2011

(Amount in Rs.)

1) Information about primary segments.

Particulars	Asset Management		Finance & Financial Activity		Unallocated		Total	
	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
Segment Revenue								
External Revenue	64 95 99 715	64 34 69 191	16 18 19 008	7 70 11 453	-	2 25 017	81 14 18 723	72 07 05 661
Intersegment Revenue	-	-	-	-	-	-	-	-
Gross Revenue	64 95 99 715	64 34 69 191	16 18 19 008	7 70 11 453	-	2 25 017	81 14 18 723	72 07 05 661
Less: Service Tax Recovered	5 10 21 717	5 19 63 855	-	-	-	-	5 10 21 717	5 19 63 855
Net Revenue	59 85 77 998	59 15 05 336	16 18 19 008	7 70 11 453	-	2 25 017	76 03 97 006	66 87 41 806
Results								
Segment Results	42 62 04 274	36 31 65 788	11 07 38 999	7 44 35 448	-	-	53 69 43 273	43 76 01 237
Unallocated Corporate Income (Net)	-	-	-	-	(8 10 000)	(4 77 648)	(8 10 000)	(4 77 648)
Operating Profit/ (Loss)	42 62 04 274	36 31 65 788	11 07 38 999	7 44 35 448	(8 10 000)	(4 77 648)	53 61 33 273	43 71 23 589
Provision for Income Tax	-	-	-	-	17 98 31 842	12 58 51 170	17 98 31 842	12 58 51 170
Net Profit/ (Loss)	42 62 04 274	36 31 65 788	11 07 38 999	7 44 35 448	(18 06 41 842)	(12 63 28 818)	35 63 01 431	31 12 72 419
Other Information								
Segment Assets	5 81 99 487	4 80 63 223	108 89 97 632	78 32 54 358	-	-	114 71 97 119	83 13 17 581
Unallocated Corporate Assets	-	-	-	-	23 66 43 071	1 24 68 665	23 66 43 071	1 24 68 665
Total Assets	5 81 99 487	4 80 63 223	108 89 97 632	78 32 54 358	23 66 43 071	1 24 68 665	138 38 40 189	84 37 86 246
Segment Liabilities	2 06 32 312	1 34 72 928	25 21 58 329	25 02 58 245	-	-	27 27 90 641	26 37 31 173
Unallocated Corporate Liabilities	-	-	-	-	18 40 07 842	34 34 069	18 40 07 842	34 34 069
Total Liabilities	2 06 32 312	1 34 72 928	25 21 58 329	25 02 58 245	18 40 07 842	34 34 069	45 67 98 483	26 71 65 242
Capital Expenditure	34 48 286	3 23 778	-	-	-	-	34 48 286	3 23 778
Depreciation	13 48 607	12 25 462	-	-	-	-	13 48 607	12 25 462

Notes:

(a) Segments have been identified and reported taking into account, the differing risks and returns, the organisation structure and the internal reporting system based on business segment.

Asset Management :

The Assets Management activity Segment includes Investment Advisory Services.

Finance & Financial Activity :

Investments in Mutual Fund, Derivatives, Shares and Intercorporate Deposits.

Unallocated :

Consists of expenses incurred at Corporate level which relates to the company as a whole, Income from miscellaneous sources.

(Amount in Rs.)

(b) Secondary Segment Information (Geographical Segment)

	2010-11	2009-10
Segment Revenue - External Revenue		
-Within India	65 73 43 298	58 15 82 416
-Outside India	10 30 53 708	8 69 34 373
Total Revenue	<u>76 03 97 006</u>	<u>66 85 16 789</u>
Segment Assets		
-Within India	112 19 54 956	81 02 08 131
-Outside India	2 52 42 163	2 11 09 450
Total Assets	<u>114 71 97 119</u>	<u>83 13 17 581</u>
Segment Liability		
-Within India	27 27 90 641	26 37 31 173
-Outside India	-	-
Total Liability	<u>27 27 90 641</u>	<u>26 37 31 173</u>

As per our report of even date

For and on behalf of the Board of Directors

For Chaturvedi & Shah

Chartered Accountants

Sd/-
Anand Jain
Chairman

Sd/-
Parag Parekh
Managing Director & CEO

Sd/-
S S Thakur
Director

Sd/-
P.Krishnakurthy
Director

Sd/-
R. Koria
Partner

Place: Mumbai
Date : 24 May 2011

Urban Infrastructure Venture Capital Limited

Balance sheet abstract and Company's general business profile

Rs in '000

I Registration details

Registration No. State Code
 Balance Sheet date
 Date Month Year

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

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

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

Total liabilities	<input type="text" value="11 79 200"/>	Total assets	<input type="text" value="11 79 200"/>
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Sources of funds

Paid-up capital	<input type="text" value="10 000"/>	Reserve and Surplus	<input type="text" value="9 17 042"/>
Secured loans	<input type="text" value="2 52 158"/>	Unsecured loans/ Deferred Tax	<input type="text" value="-"/>

Application of funds

Net fixed assets	<input type="text" value="13 417"/>	Investments	<input type="text" value="1 01 566"/>
Deferred Tax Asset	<input type="text" value="2 125"/>	Net Current Assets	<input type="text" value="10 62 091"/>

IV Performance of the Company (Rs. In thousand)

Turnover & other income	<input type="text" value="7 60 397"/>	Total expenditure	<input type="text" value="2 24 264"/>
Profit/ (loss) before tax	<input type="text" value="5 36 133"/>	Profit/ (loss) after tax	<input type="text" value="3 56 301"/>
Earnings per share (Basic & Diluted) in Rs	<input type="text" value="356.29"/>	Dividend	<input type="text" value="-"/>

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

Item Code no (ITC code)
 Product description

For and on behalf of the Board of Directors

Sd/- Anand Jain Chairman	Sd/- Parag Parekh Managing Director & CEO	Sd/- S S Thakur Director	Sd/- P.Krishnamurthy Director
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Place: Mumbai
 Date : 24 May 2011