

Kshitij Property Solutions Private Limited

Annual Report

2010 - 11

DIRECTOR'S REPORT

Dear Members,

Your Directors have pleasure to present their Fifth Annual Report together with the Audited Statement of Accounts for the year ended 31st March 2011.

FINANCIAL RESULTS:

Particulars	(Rs.)	
	Year ended 31 st March 2011	Year ended 31 st March 2010
Total Income	10,632,031	7,646,169
Total Expenditure	7,293,295	9,390,285
Profit/ (Loss) before tax	3,338,736	(1,744,116)
Less : Provision for tax		
Current Tax	191,563	-
Deferred Tax (Net)	-	-
Fringe Benefit Tax	-	-
Net Profit/ (Loss) after tax	3,147,173	(1,744,116)
Balance brought forward from previous period	(45,150,490)	(43,406,374)
Balance carried to Balance Sheet	(42,003,317)	(45,150,490)

YEAR UNDER REVIEW

Your Company has completed the fifth year of its operations and successfully manages over 9,97,633 square feet of malls all over India namely, Gulmohar Park Mall, Ahmedabad, Centre Square Mall, Baroda, Indore Central Mall, Indore and Pink Square Mall, Jaipur alongwith pre-operation of Town Centre Mall, Pune.

During the year under review, the Company has made a net profit after tax of Rs.31.47 Lakh, as compared to the loss of Rs. 17.44 Lakh during the previous year.

INDUSTRY OVERVIEW & OUTLOOK:

Mall management has been identified as a critical factor for the success of malls and the retail industry across the world. With the significant increase in the number of malls all across the urban landscape, and many more in the pipeline, the mall management has become a pressing need of the hour.

Currently in India, organised retail is still in its nascent phase and has immense potential in terms of opportunities being a few mall management companies operational at present.



KSHITIJ
PROPERTY SOLUTIONS PVT. LTD.

This present industry scenario and growth of the retail sector offers considerable business opportunities for the Company to cater to the increasing number of malls in the country.

DIVIDEND:

Your Directors do not recommend the payment of dividend during the year under review.

CORPORATE GOVERNANCE:-

Your Company believes in transparency and has always maintained high level of Corporate Governance. Your Board has a primary role of trusteeship to protect and enhance stakeholder value through strategic supervision of the Company by providing direction and exercising appropriate controls. In addition to the basic governance issues, your Board lays strong emphasis on transparency, accountability and integrity.

The Company is a 100% subsidiary of Future Capital Holdings Limited and complies with the relevant provisions of the Listing Agreements which are applicable to a subsidiary of a listed company. These include, accounting disclosures, review by Future Capital Holdings Limited of the Company's financial statements, significant transactions and arrangements, board meeting minutes.

PARTICULARS OF DEPOSITS:-

The Company has not accepted any deposits from the public as contemplated under section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, 1975.

PARTICULARS OF EMPLOYEES:-

In accordance with the provisions of section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Amendment Rules, 2011, no employees were in receipt of remuneration exceeding Rs.60,00,000/- per annum if employed throughout the year or Rs.5,00,000/- per month of employed for part of the year.

DIRECTORS:

Your Board comprises of three non-executive directors, Mr. Shishir Baijal, Mr. Ashok Shinkar and Mr. A. F Thomas.

Mr. Ashok Shinkar was appointed as an Additional Director of the Company by the Board of Directors on 2nd November 2010. As per Section 260 of the Companies Act, 1956, he holds office up to the date of forthcoming Annual General Meeting. Your Directors recommend his appointment as the Director of the Company whose office shall be liable to be determined by retirement by rotation.

Mr. N. Shridhar ceased to be Director of the Company with effect from 5th November, 2010. The Board takes this opportunity to place on record its recognition and appreciation of the valuable contributions made by Mr. N. Shridhar as Director of the Company.



KSHITIJ
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Mr. Shishir Bajjal, Director of the Company is liable to retire by rotation and being eligible, offers themselves for reappointment at the ensuing Annual General Meeting of the Company. The Board recommends the re-appointment of Mr. Shishir Bajjal as a Director.

DIRECTORS RESPONSIBILITY STATEMENT:

The Directors confirm:

- a) That in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures from the same;
- b) That the selected accounting policies were applied consistently and made based on 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 as at 31st March 2011 and of the Loss of the Company for the period ended on that date;
- c) That proper and sufficient care has been taken 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;
- d) That the accounts have been prepared on a going concern basis.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

As the Company does not carry on any manufacturing activity, the particulars relating to conservation of energy & technology absorption as required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 are not stated. The Company is taking all possible steps to make the most conserve and efficient use of electricity and adopt latest technology in its business.

There were no foreign exchange earnings and outgo during the year under review.

COMPLIANCE CERTIFICATE:

M/s. Mehta & Mehta, Company Secretaries have conducted secretarial audit and have issued Compliance Certificate under Section 383A of the Companies Act, 1956 for the period ended 31st March 2011. The Compliance Certificate certifying that the Company has complied with all the relevant provisions of the Companies Act, 1956 is enclosed and forms part of this Report.

AUDITORS:

M/s. S.R. Batliboi & Co., Chartered Accountants, retire as Statutory Auditors at the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. The Company has received a letter from the retiring Auditors to the

effect that their appointment as Statutory Auditors, if made, will be within the limits prescribed under Section 224(1B) of the Companies Act, 1956. The Board recommends the re-appointment of M/s. S.R. Batliboi & Co., as Statutory Auditors of the Company for the year ended 31st March 2011.

ACKNOWLEDGEMENT:

The Board takes this opportunity to record its sincere appreciation for the dedicated services rendered by employees at all levels. We would like to express our grateful appreciation for the assistance and support extended by all government authorities, stakeholders, financial institutions, banks, suppliers, consultants, auditors, Kshitij Venture Capital Fund, Everstone Capital Advisors Private Limited and other business associates.

BY THE ORDER OF THE BOARD

Sd/-

**SHISHIR BAIJAL
DIRECTOR**

Sd/-

**ASHOK SHINKAR
DIRECTOR**

Mumbai, 20th June 2011

Mehta & Mehta

COMPANY SECRETARIES

NAVJIVAN SOCIETY BLDG. NO. 3, 12TH FLOOR, OFFICE No. 9, LAMINGTON ROAD, MUMBAI - 400 008.
TEL. : 022-6611 9696 □ FAX : 022-6611 9644 □ E-mail : dipti@mehta-mehta.com

AUTHORISED AGENTS FOR TRADEMARK, COPYRIGHT AND PATENT

SECRETARIAL COMPLIANCE CERTIFICATE

Under Section 383A of The Companies Act, 1956 & Rule 3 of the Companies
(Compliance Certificate) Rules, 2001

To,
The Members

KSHITIJ PROPERTY SOLUTIONS PRIVATE LIMITED
(Wholly Owned Subsidiary of Future Capital Holdings Limited)

We have examined the registers, records, books and papers of **KSHITIJ PROPERTY SOLUTIONS PRIVATE 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 and Articles of Association of the Company for the period 1st April, 2010 to 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 of the Act 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. No forms and returns were filed with Regional Director, Central Government and Company Law Board as it was not required.

3. the Company being a Private Limited Company has the minimum prescribed paid-up capital and its maximum number of members during the said financial year was 2 (Two) excluding its present and past employees and the company during the year under scrutiny:

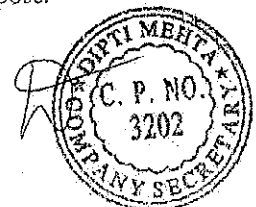
(i) has not invited public to subscribe for its shares or debentures; and

(ii) has not invited or accepted any deposits from persons other than its members, directors or their relatives.

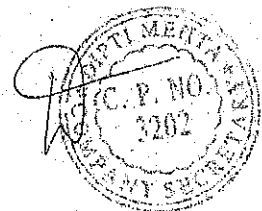
4. the Board of Directors duly met FOUR times on 24th May 2010, 4th August 2010, 2nd November 2010 and 2nd February 2011 during the financial year ended 31st March 2011 in respect of which the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.

5. the Company was not required to close its Register of Members during the financial year.

6. the Annual General Meeting of the Company for the financial year ended on 31st March 2010 was held on 24th June 2010 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.




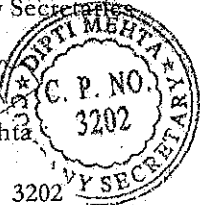
7. no Extra Ordinary General Meeting was held during the financial year under scrutiny.
8. there are no instances during the financial year, falling within the purview of Section 295 of the Companies Act, 1956.
9. the Company has entered into contracts falling within the purview of Section 297 of the Act and the Company has duly complied with the provisions of the Act.
10. the Company has not entered into contract attracting the provisions of Section 299 of the Act during the financial year under review. The Company has made entries in the register maintained under section 301 for the contracts entered into under Section 297 of the Act.
11. there were no instances falling within the purview of Section 314 of the Act.
12. the Company has not issued duplicate share certificates during the financial year under review.
13. the Company:
 - i) has made transfer of one Equity share of face value of Rs. 10/- during the financial year under scrutiny and has delivered the certificate on lodgement thereof for transfer in accordance with the provisions of the Act.
 - ii) has not declared any dividend and hence it was not required to deposit the dividend amount in a separate bank account;
 - iii) was not required to post dividend warrants to any member of the Company, as no dividend was declared during the financial year under scrutiny;
 - iv) there being no transaction necessitating transfer, the Company has not transferred the 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) has duly complied with the requirements of Section 217 of the Act.
14. the Board of Directors of the Company is duly constituted and appointment of Director has been duly made.
15. the Company has the paid up capital of less than Rs. 5 Crores, thus provisions of the Act with regard to appointment of Managing Director/whole - time Director/Manager, are not applicable.
16. the Company has not appointed any sole-selling agent during the financial year.
17. the Company was not required to obtain any approval of the Central Government, Company Law Board, Regional Director, Registrar or such other authorities as may be 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 any shares/debentures/other securities during the financial year.
20. the Company has not bought back any shares during the financial year.



21. the Company has not issued preference shares / debentures and hence has not redeemed any preference shares/debentures during the financial year.
22. there was no transaction necessitating the Company to keep in abeyance rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. the Company has not invited/accepted any deposits from the public and hence was not required to comply with the provisions of Sections 58A and 58AA read with Companies (Acceptance of Deposits) Rules, 1975/ the applicable directions issued by the Reserve Bank of India/ any other authority in respect of deposits.
24. the provisions of Section 293(1)(d) of the Act were not attracted by the Company during the financial year under review.
25. the Company has not made loans or given guarantee or provided securities to other bodies corporate or made investments during the financial year attracting the provisions of section 372A of the Act and hence no 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 situation of the Company's registered office during the year under scrutiny.
27. the Company has not altered the provisions of the Memorandum with respect to the Object Clause 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 during the year under scrutiny.
30. the Company has not altered its Articles of Association during the year under scrutiny.
31. there were no prosecutions initiated against or show cause notices received by the Company, during the financial year, for offences under the Act.
32. the Company has not received any money as security from its employees during the year under certification.
33. the Company has deposited both employee's and employer's contribution to Provident Fund with prescribed authorities pursuant to Section 418 of the Act.

for Mehta & Mehta
Company Secretaries


Dipti Mehta
Partner
C. P. No: 3202
FCS No: 3667



Place: Mumbai
Date: 20th June 2011

Annexure A

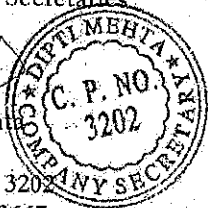
Registers as maintained by the Company :

1. Register of Application and Allotment
2. Register of Transfers
3. Register of Charges u/s 143
4. Register of Members u/s 150 (1)
5. Board Meeting Minutes u/s 193
6. General Meeting Minutes u/s 193/196
7. Register of Disclosure of Interest of Directors u/s 299
8. Register of Contracts in which Directors are interested u/s 301
9. Register of Directors, Managing Director, Manager and Secretary u/s 303(1)
10. Register of Directors Shareholdings u/s 307 (1)

for Mehta & Mehta
Company Secretaries


Dipu Mehta
Partner

C. P. No: 3202
FCS No: 3667

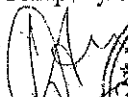


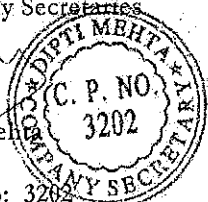
Annexure B

Forms and Returns as filed by the Company with the Registrar of Companies, during the financial year ended 31st March, 2011.

Document	Filed u/s	For	Date of Filing
Form 66	383 A	Filing of Compliance Certificate for Financial Year Ended 31 st March, 2010	Filed on 22 nd July, 2010 with normal fees
Form 23AC & 23ACA	220	Filing of Balance Sheet and Profit & loss Account for Financial Year Ended 31 st March, 2010	Filed on 23 rd July, 2010 with normal fees
Form 20B	159	Filing Annual Return made upto the date of Annual General Meeting held on 24 th June 2010	Filed on 30 th July, 2010 with normal fees
Form 32	303(2)	Cessation of Mr. N. Shridhar as a Director	Filed on 22 nd February, 2011 with additional fees
Form 32	303(2)	Appointment of Mr. Ashok Kumar Shinkar as a Director	Filed on 22 nd February, 2011 with additional fees

for Mehta & Mehta
Company Secretaries


Dipti Mehta
Partner
C. P. No: 3202
FCS No: 3667



Auditors' Report

To
The Members of Kshitij Property Solutions Private Limited

1. We have audited the attached Balance Sheet of Kshitij Property Solutions Private Limited ('the Company') as at March 31, 2011 and also the Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
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 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.
3. As required by the Companies (Auditor's Report) Order, 2003 (as amended) ('the Order') issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 ('the Act'), we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
 - i. 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;
 - ii. 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;
 - iii. The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account;
 - iv. In our opinion, the balance sheet, profit and 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 Act.
 - v. On the basis of the written representations received from the directors, as on March 31, 2011, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.



S.R. BATLIBOI & Co.

Chartered Accountants

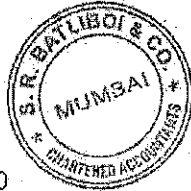
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Audit report of Kshitij Property Solutions Private Limited
For the year ended March 31, 2011

- vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Act, 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 March 31, 2011;
 - b) in the case of the profit and loss account, of the profit for the year ended on that date.
 - c) in the case of cash flow statement, of the cash flows for the year ended on that date.

S.R. Batliboi & Co.
For S.R. Batliboi & Co.
Firm Registration No.: 301003E
Chartered Accountants

Hemal Shah
Per Hemal Shah
Partner
Membership No.: 42650



Place: Mumbai
Date: June 20, 2011

S.R. BATLIBOI & CO.

Chartered Accountants

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Audit report of Kshitij Property Solutions Private Limited
for the year ended March 31, 2011

Annexure referred to in paragraph 3 of our report of even date.

Re: Kshitij Property Solutions Private Limited ('the Company')

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
 - (c) There was no substantial disposal of fixed assets during the year.
- (ii) The Company does not have any inventory and hence clause 4(ii) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has not granted / taken any loans, secured or unsecured to / from companies, firms or other parties covered in the register maintained under section 301 of the Act. Accordingly, the provisions of clause 4(iii) of the Order is not applicable to the Company and hence not commented upon.
- (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 the sale of services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system of the Company.
- (v) (a) According to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Act that need to be entered into the register maintained under section 301 have been so entered.
 - (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements exceeding value of Rupees five lakhs have been entered into during the financial year 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.



S.R. BATLIBOI & CO.

Chartered Accountants

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Audit report of Kshitij Property Solutions Private Limited
For the year ended March 31, 2011

- (viii) To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Act for the services of the Company.
- (ix)(a) Undisputed statutory dues including provident fund, income-tax, investor education and protection fund, service tax, cess have generally been regularly deposited with the appropriate authorities. The provisions relating to employees' state insurance, sales-tax, wealth-tax, customs duty and excise duty are not applicable to the Company.
Further, since the Central Government has till date not prescribed the amount of cess payable under section 441 A of the Act, we are not in a position to comment upon the regularity or otherwise of the Company in depositing the same.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, service tax, cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the information and explanation given to us, there are no dues of income tax, sales-tax, wealth tax, service tax, customs duty, excise duty and cess which have not been deposited on account of any dispute.
- (x) The Company has been registered for a period of less than five years and hence we are not required to comment on whether or not the accumulated losses at the end of the financial year is fifty per cent or more of its net worth and whether it has incurred cash losses in such financial year and in the immediately preceding financial year..
- (xi) The Company neither has any borrowings from a financial institution, banks nor has issued any debentures; therefore default in repayment of dues to debenture holders, financial institution or a bank does not arise.
- (xii) According to the information and explanations given to us and based on the documents and records produced 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 or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Order are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable to the Company.



S.R. BATLIBOI & CO.

Chartered Accountants

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Audit report of Kshitij Property Solutions Private Limited
For the year ended March 31, 2011

- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) The Company did not have any term loans outstanding 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, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Act.
- (xix) The Company did not have any outstanding debentures during the year.
- (xx) The Company has not raised any money through a public issue during the year.
- (xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial 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.

S.R. Batliboi & Co.
For S.R. Batliboi & Co.

Firm Registration No.: 301003E

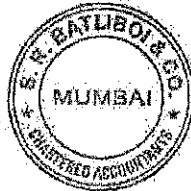
Chartered Accountants

Hemal Shah

per Hemal Shah

Partner

Membership No.: 42650



Place: Mumbai

Date: June 20, 2011

Kshitij Property Solutions Private Limited
(formerly known as Kshitij CapitaLand Mall Management Pvt. Ltd.)

Balance Sheet as at March 31, 2011

	Schedule	March 31, 2011 Rs.	March 31, 2010 Rs.
<u>SOURCES OF FUNDS</u>			
Shareholders' Funds			
Share capital	1	6,840,000	6,840,000
Reserves and Surplus			
Securities Premium	2	43,160,000	43,160,000
		<u>50,000,000</u>	<u>50,000,000</u>
<u>APPLICATION OF FUNDS</u>			
Fixed Assets			
Gross block	3	3,963,310	4,002,965
Less: Depreciation		<u>2,502,606</u>	<u>1,916,367</u>
Net block		1,460,704	2,086,598
Deferred Tax Asset, net (Refer note 5 of Schedule 8)			
Current Assets, Loans and Advances:			
Sundry debtors		1,283,738	1,391,498
Cash and bank balances		4,932,897	1,331,219
Loans and advances		<u>4,861,516</u>	<u>4,853,142</u>
		11,078,151	7,575,859
Less: Current Liabilities and Provisions	5	<u>4,512,172</u>	<u>4,812,947</u>
Net Current Assets		6,535,979	2,762,912
Profit and Loss Account		12,003,317	45,150,190
		<u>50,000,000</u>	<u>50,000,000</u>
Notes to accounts	8		

The schedules referred to above form an integral part of the Balance Sheet

As per our report of even date
For S. R. BATLIBOI & CO.
Firm Registration No.: 301003E
Chartered Accountants

per Hemal Shah
Partner

Membership No. 42650
Place : Mumbai
Date : 20 JUN 2011



For and on behalf of the Board of Directors of
Kshitij Property Solutions Pvt. Ltd.

Director

Director

Place : Mumbai

Date : 20 JUN 2011

Kshitij Property Solutions Private Limited
(formerly known as Kshitij Capitaland Mall Management Pvt. Ltd.)

Profit and Loss Account for the year ended March 31, 2011

	Schedule	Year ended March 31, 2011 Rs.	Year ended March 31, 2010 Rs.
INCOME			
Mall management fees [TDS Rs.13,77,519/- (previous year Rs.9,84,391/-)]		11,648,869	8,408,851
Less: Service tax		1,143,102	788,034
		<u>10,505,767</u>	<u>7,620,817</u>
Other income - Interest Income [TDS Rs. NIL (Previous year Rs. NIL)]		126,264	25,352
		<u>10,632,031</u>	<u>7,646,169</u>
EXPENDITURE			
Personnel expenses	6	5,930,925	4,175,451
Administration and other expenses	7	692,317	3,509,331
Depreciation	3	670,053	722,568
Provision for Doubtful Debts			982,935
		<u>7,293,295</u>	<u>9,390,285</u>
Profit / (Loss) before tax		3,338,736	(1,744,116)
Provision for tax:			
Current tax		191,563	-
Deferred tax			-
Fringe benefit tax			-
Profit / (Loss) after tax		<u>3,147,173</u>	<u>(1,744,116)</u>
Balance brought forward from previous period		45,150,490	43,406,374
Balance carried to Balance Sheet		<u>42,003,317</u>	<u>45,150,490</u>
Earnings per share (Nominal value of shares Rs. 10 each)			
Basic and diluted (Refer Note 6 of Schedule 8)		4.60	(2.55)

Notes to accounts

8

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

As per our report of even date

S.R. Batliboi
For S. R. BATLIBOI & CO.
Firm Registration No.: 301003E
Chartered Accountants

per Hemal Shah
Partner
Membership No. 42650
Place : Mumbai
Date : 20 JUN 2011

For and on behalf of the Board of Directors of
Kshitij Property Solutions Pvt. Ltd.



H. B. J.
Director

Ashok Sharma
Director

Place : Mumbai
Date : 20 JUN 2011

Kshitij Property Solutions Pvt. Ltd.
(formerly known as Kshitij CapitalLand Mall Management Pvt. Ltd.)

Cash Flow Statement for the year ended March 31, 2011

	Year ended March 31, 2011	Year ended March 31, 2010
A. Cash Flow from Operating Activities		
Net Loss/Profit before Tax	3,147,173	(1,744,116)
Depreciation	670,053	722,568
Provision for Leave Encashment & Gratuity	467,338	338,946
Provision for Income tax	191,563	
Operating Profit before working capital changes	4,476,127	(682,602)
Adjusted For:-		
(Increase)/ Decrease in Sundry Debtors	107,760	100,598
(Increase)/ Decrease in Loans and Advances	(8,374)	(1,276,697)
Increase/ (Decrease) in Current Liabilities and provisions	(929,676)	1,663,744
Advance tax paid	-	-
Net Cash generated from Operating Activities (A)	3,645,837	(194,957)
B. Cash Flow from Investing Activities		
(Purchase)/ Sale of Fixed Assets	(44,159)	183,393
Net Cash generated from Investing Activities (B)	(44,159)	183,393
C. Cash flow from Financing Activities		
Net Cash generated from Financing Activities (C)	-	-
Net Increase in Cash and Cash Equivalent during the year (A+B+C)	3,601,678	(11,564)
Cash and Cash Equivalents as at the beginning of the year	1,331,219	1,342,783
Cash and Cash equivalents as on March 31, 2011	4,932,897	1,331,219
Components of cash and cash equivalents		
Balances with banks in current accounts	4,928,996	1,329,199
Cash in hand (including foreign currency)	3,901	2,020
	4,932,897	1,331,219

As per our report of even date

S. R. Batliboi
For S. R. BATLIBOI & CO.
Firm Registration No.: 301003E
Chartered Accountants

per Hemal Shah
Partner
Membership No. 42650
Place : Mumbai
Date : 20 JUN 2011



For and on behalf of the Board of Directors of
Kshitij Property Solutions Pvt. Ltd.

[Signature]
Director

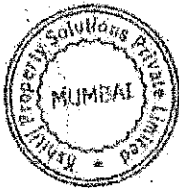
[Signature]
Director

Place : Mumbai
Date : 20 JUN 2011

Kshitij Property Solutions Private Limited
(formerly known as Kshitij Capital Land Mall Management Pvt. Ltd.)

Schedules forming part of the Balance Sheet as at 31st March, 2011

	As at March 31, 2011 Rs.	As at March 31, 2010 Rs.
<u>SCHEDULE 1</u>		
Share Capital		
Authorised		
1,00,00,000 (Previous Year : 1,00,00,000) equity shares of Rs 10/- each	100,000,000	100,000,000
	100,000,000	100,000,000
Issued, Subscribed and Paid-up		
6,84,000 (Previous Year : 6,84,000) equity shares of Rs.10/- each fully paid up	6,840,000	6,840,000
Out of the above 6,84,000 (Previous year 6,84,000) equity shares are held by Future Capital Holding Limited, Holding Co.)		
	6,840,000	6,840,000
<u>SCHEDULE 2</u>		
Reserves and Surplus		
Securities premium	43,160,000	43,160,000
	43,160,000	43,160,000

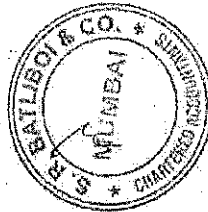


Kshitij Property Solutions Private Limited
(formerly known as Kshitij Capital and Mall Management Pvt. Ltd.)

Schedules forming part of the Balance Sheet as at 31st March, 2011

Schedule 3
Fixed Assets :-

Particulars	GROSS BLOCK				DEPRECIATION			NET BLOCK		(Amount in Rs)
	Balance as on April 1, 2010	Additions during the period	Deductions during the period	Cost as at March 31, 2011	Accumulated depreciation as at April 1, 2010	Additions during the period	Deductions during the period	Accumulated depreciation as at March 31, 2011	Written down value as at March 31, 2011	
Computers	3,590,890	-	-	3,590,890	1,739,675	582,083	-	2,321,758	1,269,132	1,851,215
Office Equipments	138,022	48,400	-	186,422	31,921	7,519	-	39,440	146,982	106,101
Hard Furnishing	274,053	-	88,055	185,998	144,771	80,451	83,814	141,408	44,590	129,282
Total	4,002,965	48,400	88,055	3,963,310	1,916,367	670,053	83,814	2,502,606	1,460,704	2,086,598
Previous year / period	4,483,768	27,289	508,092	4,002,965	1,391,209	722,568	297,410	1,916,367	2,086,598	



Kshitij Property Solutions Private Limited
(formerly known as Kshitij Capital Land Mall Management Pvt. Ltd.)

Schedules forming part of the Balance Sheet as at 31st March, 2011

	As at March 31, 2011 Rs.	As at March 31, 2010 Rs.
SCHEDULE 4		
Current assets, loans and advances		
Current assets		
A Sundry debtors		
(a) Debts due for more than six months :-		
Unsecured, considered good		
Unsecured, considered doubtful	982,935	982,935
(b) Other Debts		
Unsecured, considered good	1,283,738	1,391,498
	<u>2,266,673</u>	<u>2,374,433</u>
	(982,935)	(982,935)
	<u>1,283,738</u>	<u>1,391,498</u>
Less: Provision for doubtful debts		
B Cash and bank balances		
Cash on hand	3,901	2,020
Balance with scheduled banks on :-		
Current account	4,928,996	1,329,199
Deposit account	<u>4,932,897</u>	<u>1,331,219</u>
C Loans and advances		
(Unsecured, considered good, unless otherwise stated)		
Advances recoverable in cash or in kind or for value to be received	739,330	533,783
Advance payment of income tax (net of provisions)	4,112,508	4,309,121
Advance payment of fringe benefit tax (net of provisions)	9,678	10,238
	<u>4,861,516</u>	<u>4,853,142</u>
SCHEDULE 5		
Current liabilities and provisions		
A Current liabilities		
Sundry creditors		
(a) Total outstanding dues of Micro, Medium and Small Enterprises (Refer note no 3 of Schedule 8)		
(b) Total outstanding dues of creditors other than Micro, Medium and Small Enterprises	2,662,272	3,002,917
Other liabilities	<u>1,412,562</u>	<u>1,471,084</u>
	4,074,834	4,474,001
B Provisions		
Gratuity	338,390	222,491
Leave encashment	<u>128,948</u>	<u>116,455</u>
	467,338	338,946
	<u>4,542,172</u>	<u>4,812,947</u>



Kshitij Property Solutions Private Limited
(formerly known as Kshitij CapitaLand Mall Management Pvt. Ltd.)

Schedules forming part of the Profit and Loss account for the year ended, March 31, 2011

	Year ended March 31, 2011	Year ended March 31, 2010
	Rs.	Rs.
<u>SCHEDULE 6</u>		
Personnel expenses		
Salaries, wages and allowances	6,565,438	4,439,072
Contribution to provident fund and other funds	163,062	186,784
Staff welfare expenses	18,820	71,686
	6,747,320	4,697,542
Less:- Reimbursement towards personnel deputation	(816,395)	(522,091)
	5,930,925	4,175,451

<u>SCHEDULE 7</u>		
Administrative and other expenses		
Rent and facilities compensation	63,119	1,613,541
Rates and Taxes	11,429	6,046
Insurance Charges	9,600	11,294
Communication expenses	166,454	115,331
Courier charges	457	-
Conveyance	3,954	371,398
Travelling expenses	-	-
Computer expenses and consumables	84,595	35,542
Printing and stationery	6,026	6,663
Office Expense	41,159	13,568
Auditor's remuneration	178,850	131,600
Legal and Professional charges	1,455,174	1,176,075
Books and periodicals	-	2,298
Bank Charges	800	(977)
Loss on sale of asset	-	37,744
Miscellaneous expenses	-	387
	2,021,617	3,520,510
Less :- Reimbursement towards expenses	(1,329,300)	(11,179)
	692,317	3,509,331



Kshitij Property Solutions Private Limited
(formerly known as Kshitij CapitalLand Mall Management Private Limited)

SCHEDULE 8 : Significant Accounting Policies and Notes to Accounts :-

1. BACKGROUND :-

Satyam Mall Management Company Private Limited ('the Company') was incorporated on 25th April, 2006 under the provisions of Companies Act, 1956. The name of the Company was changed to Kshitij CapitalLand Mall Management Private Limited on 26th April, 2007 and to Kshitij Property Solutions Private Limited w.e.f 7th May, 2008. The Company is mainly engaged in providing mall management service.

The Company provides property management and leasing services and assists in managing client relations and promotional activities to malls. The Company's management has planned to increase the client base specifically targeting retail properties in which Horizon or the Kshitij fund have invested. Future Capital Holdings Limited, the holding company, has committed to provide continuing financial and operational support to the Company for its continued operations in the foreseeable future. Accordingly, the financial statements have been prepared under the going concern basis.

2. SIGNIFICANT ACCOUNTING POLICIES :-

(i) Basis of Preparation :-

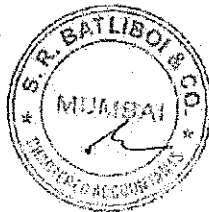
The financial statements have been prepared to comply in all material respects with the Notified accounting standard by Companies Accounting Standards Rules, 2006 and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

(ii) Use of Estimates :-

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

(iii) Fixed assets :-

Fixed assets are stated at cost (or revalued amounts, as the case may be), less accumulated depreciation and impairment losses if any. Cost comprises of the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.



Kshitij Property Solutions Private Limited
(formerly known as Kshitij Capital Land Mall Management Private Limited)

(iii) Depreciation :-

Depreciation is provided using the Straight Line Method as per the useful lives of the assets estimated by the management, or at the rates prescribed under schedule XIV of the Companies Act, 1956 whichever is higher.

	Rates (SLM) As per Management Estimate	Schedule XIV Rates (SLM)
1) Office Equipment	4.75%	4.75%
2) Computers	16.21%	16.21%
3) <u>Hard Furnishings</u>		
Computers	31.67%	16.21%
Office Equipment	31.67%	4.75%
Furniture	31.67%	4.75%

Fixed assets purchased costing less than Rs. 5,000/- or less individually are fully depreciated in the year of purchase.

(iv) Impairment :-

The carrying amounts of assets are reviewed at each balance sheet date to see whether there is any indication of impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

(v) Revenue recognition :-

Mall Management Fees is recognized in accordance with arrangements entered into with the customer.



Kshitij Property Solutions Private Limited
(formerly known as Kshitij Capital Land Mall Management Private Limited)

(vi) Retirement benefits :-

The retirement benefits in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the Profit and Loss account for the year when the contributions to the respective funds are due. There are no other obligation other than the obligation payable to the respective trusts.

Gratuity liability is defined benefit obligation and is provided for on the basis of actuarial valuation made at the end of each financial year.

Encashable short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per the projected unit credit method.

Actuarial gains and losses are immediately taken to profit and loss account and are not deferred.

(vii) Foreign currency translation :-

Foreign currency transactions:

(i) Initial recognition :-

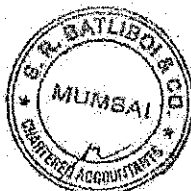
Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion :-

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

(iii) Exchange differences :-

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.



Kshitij Property Solutions Private Limited
(formerly known as Kshitij CapitalLand Mall Management Private Limited)

(viii) Preliminary expenditure :-

Preliminary expenses are charged to profit and loss account in the year in which it is incurred.

(ix) Income Taxes :-

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available

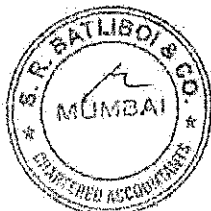
(x) Provisions :-

A provision is recognized when the enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

(xi) Earnings Per Share :-

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.



Kshitij Property Solutions Private Limited
(formerly known as Kshitij CapitalLand Mall Management Private Limited)

3. DUE TO SMALL SCALE INDUSTRIAL UNDERTAKING :-

The Company did not have any transactions with Small, Micro and Medium Enterprises as defined under "Micro, Small and Medium Enterprises Development Act, 2006" and hence there are no amounts due to such undertakings.

4. RELATED PARTY DISCLOSURE :-

Names of Related Parties where control exists irrespective of whether transactions have occurred or not:-

<u>Relationship</u>	<u>Name of the Party</u>
Holding Company	Future Capital Holdings Limited
Ultimate Holding Company.	Pantaloon Retail India Limited (Holding Company of Future Capital Holdings Limited)
Enterprises under common control of the Holding Co.	Kshitij Investment Advisory Company Limited
Key Management Personnel	Mr. Shishir Bajjal (Director) and Mr. N. Shridhar (Director upto 05/11/2010).

Refer Annexure 1 for the transactions with related parties.

5. DEFERRED TAX ASSETS / LIABILITIES :-

In view of the significant carried forward loss, no net deferred tax asset has been created by the Company. Following are the components of the deferred tax assets and liabilities.

	As at March 31, 2011 Rs	As at March 31, 2010 Rs.
<u>Deferred tax liability</u>		
Depreciation	3,51,742/-	5,13,783/-
<u>Deferred tax assets</u>		
On expenses disallowed u/s. 43B of Income Tax Act, 1961.	1,58,848/-	1,15,208/-
On Preliminary Expenditure	NIL	807/-
On Unabsorbed Depreciation	13,87,635/-	13,21,924/-
Deferred tax (Assets) / Liability (net)	NIL	NIL



Kshitij Property Solutions Private Limited
(formerly known as Kshitij CapitalLand Mall Management Private Limited)

6. EARNINGS PER SHARE :-

Basic earnings per share (EPS) is calculated by dividing the Net Profit / (Loss) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. There are no dilutive potential equity shares outstanding during the period.

	For the Year ended March 31, 2011	For the period ended March 31, 2010
Net profit / (loss) after tax (Rs)	31,47,173	(17,44,116)
Weighted average number of shares	6,84,000	6,84,000
Nominal value per share (Rs)	10	10
Earnings per share (Rs)	4.60	(2.55)

7. OPERATING LEASES :-

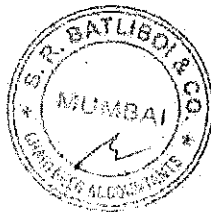
The Company had not taken office premises on lease during the year.

Particulars	Year Ended March 31, 2011	Year Ended March 31, 2010
Lease payments for the period (Net)	NIL	16,13,541/-
Future minimum lease payment :		
Not later than one year	NIL	16,98,888/-
Later than one year but not later than 5 years	NIL	NIL
Later than 5 years	NIL	NIL

8. GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS :-

The Company has a defined benefit gratuity and leave encashment plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of services.

The following table summaries the component of net benefit expense recognized in the profit and loss account and amounts recognized in the Balance Sheet for the respective plans.



Kshitij Property Solutions Private Limited
(formerly known as Kshitij CapitaLand Mall Management Private Limited)

(A) Defined Benefit Gratuity Plan :-

Profit and Loss Account :-

Net employee benefit expenses (recognized in Salaries, Wages and Allowances)

Particulars	Gratuity Year ended March 31, 2011	Gratuity Period ended March 31, 2010
Current Service cost	80,953/-	57,335/-
Interest cost on benefit obligation	17,799/-	14,530/-
Expected return on plan assets	NIL	NIL
Net actuarial (gain)/ loss recognized in the period	17,147/-	59,567/-
Past service Cost	NIL	NIL
Net benefit expenses	1,15,899/-	1,31,432/-

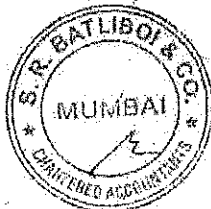
Balance Sheet :-

Details of Provision for Gratuity

Particulars	Gratuity As at March 31, 2011	Gratuity As at March 31, 2010
Defined benefit obligation	(3,38,390/-)	(2,22,491/-)
Fair value of plan assets	NIL	NIL
Less: Unrecognized past service cost	NIL	NIL
Plan Asset/(Liability)	(3,38,390/-)	(2,22,491/-)

Changes in the present value of the defined benefit obligation are as follows:-

Particulars	Gratuity As at March 31, 2011	Gratuity As at March 31, 2010
Opening defined benefit obligation	2,22,491/-	1,81,627/-
Interest Cost	17,799/-	14,530/-
Current Service cost	80,953/-	57,335/-
Benefit paid	NIL	(90,568/-)
Actuarial(gain)/losses on obligation	17,147/-	59,567/-
Closing defined benefit organization	3,38,390/-	2,22,491/-



Kshitij Property Solutions Private Limited
(formerly known as Kshitij CapitaLand Mall Management Private Limited)

Changes in the fair value of plan assets are as follows:-

Particulars	Gratuity As at March 31, 2011	Gratuity As at March 31, 2010
Opening fair value of plan assets	NIL	NIL
Expected return	NIL	NIL
Contribution by employer	NIL	NIL
Benefit paid	NIL	NIL
Actuarial gains/ (losses)	NIL	NIL
Closing fair value of plan assets	NIL	NIL
Total Actuarial Gain/(Loss) to be recognized	NIL	NIL

The principal assumption used in determining gratuity obligations for the Company's plan is shown below:-

Particulars	Gratuity March 31, 2011 in %	Gratuity March 31, 2010 in %
Discount Rate	8.00%	8.00%
Expected rate of return on assets	NIL	NIL
Increase in Compensation cost	6.00%	6.00%
Employee turnover	NIL	NIL

(B) Defined Benefit Leave Encashment Plan :-

Profit and Loss Account:

Net Leave encashment expenses (recognized in Salaries, wages and allowances)

Particulars	Leave Encashment Year ended March 31, 2011	Leave Encashment Year ended March 31, 2010
Current Service cost	38,346/-	33,127/-
Interest cost on benefit obligation	9,316/-	36,231/-
Expected return on plan assets	NIL	NIL
Net actuarial (gain)/ loss recognized in the period	(35,169/-)	(377,957/-)
Past service Cost	NIL	(69,772/-)
Net Benefit expenses	12,493/-	(3,78,372/-)



Kshitij Property Solutions Private Limited
(formerly known as Kshitij CapitaLand Mall Management Private Limited)

Balance Sheet :-

Details of Provision for Leave Encashment

Particulars	Leave Encashment As at March 31, 2011	Leave Encashment As at March 31, 2010
Defined benefit obligation	(1,28,948/-)	(1,16,455/-)
Fair Value of Plan assets	NIL	NIL
Less :- Unrecognized past service cost	NIL	NIL
Plan Asset / (Liability)	(1,28,948/-)	(1,16,455/-)

Changes in present value of the defined benefit obligation are as follows:-

Particulars	Leave Encashment As at March 31, 2011	Leave Encashment As at March 31, 2010
Opening defined benefit obligation	1,16,455/-	4,52,883/-
Interest Cost	9,316/-	36,231/-
Current Service cost	38,346/-	33,127/-
Benefit paid	NIL	(27,828/-)
Actuarial(gain)/losses on obligation	(35,169/-)	(3,77,958/-)
Closing defined benefit organization	1,28,948/-	1,16,455/-

Changes in the fair value of plan assets are as follows:-

Particulars	Leave Encashment As at March 31, 2011	Leave Encashment As at March 31, 2010
Opening fair value of plan assets	NIL	NIL
Expected return	NIL	NIL
Contribution by employer	NIL	NIL
Benefit paid	NIL	NIL
Actuarial gains/ (losses)	NIL	NIL
Closing fair value of plan assets	NIL	NIL
Total Actuarial Gain/(Loss) to be recognized	NIL	NIL



Kshitij Property Solutions Private Limited
(formerly known as Kshitij Capital and Mall Management Private Limited)

The principal assumption used in determining gratuity obligations for the Company's plan are shown below:-

Particulars	Leave Encashment As at March 31, 2011	Leave Encashment As at March 31, 2010
Discount Rate	8.00%	8.00%
Expected rate of return on assets	NIL	NIL
Increase in Compensation cost	6.00%	6.00%
Employee turnover	NIL	NIL

The estimate of figure salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Since the Company has not funded its gratuity liability fund, there are no return on the planned assets.

9. AUDITOR'S REMUNERATION :-

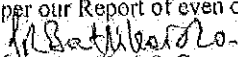
The company has incurred the following expenditure towards auditors remuneration:-

	(Amount in Rs.)	
	Year ended March 31, 2011	Year ended March 31, 2010
Audit Fees	1,75,000/-	1,25,000/-
Out of Pocket expenses	3,850/-	6,600/-
Total	1,78,850/-	1,31,600/-

10. EXPENDITURE IN FOREIGN CURRENCY :-

The Company has not incurred any expenditure in foreign currency.

11. The figures for the previous period have been re-grouped/re-arranged wherever necessary.

As per our Report of even date

 For S.R. Bathbhoi & Co.
 Firm Registration no. 301003E
 Chartered Accountants

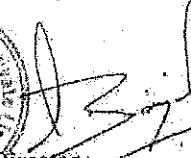
Per Hemal Shah
 Partner
 Membership No. : 42650
 Place : Mumbai
 Date : 20 JUN 2011

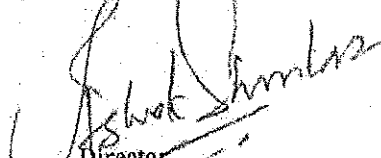


For and on behalf of the Board of Directors
 Kshitij Property Solutions Private Limited



Place : Mumbai
 Date : 20 JUN 2011


 Director


 Director

Kshitij Property Solutions Private Limited
 (formerly known as Kshitij Capital Land Mall Management Private Limited)

Transactions with Related parties

Annexure I of the Note 4 to the Schedule 8 of the Financial statements

Relationship	Period / Year ended	Holding Company	Ultimate Holding Co.	Enterprises under common Control of Holding Co.	Amount in Rupees	
					Key Management Personnel	Total
Operating expenses reimbursed by the company	2010-11	100,000	-	-	-	100,000
	2009-10	17,332	53,300	1,995,591	-	2,066,223
Fixed assets / intangible assets sold	2010-11	-	-	-	-	-
	2009-10	-	-	105,741	-	105,741
<u>Closing Balances :-</u>						
Payable - Current A/c	2010-11	99,270	1,249,953	1,906,661	-	3,255,884
	2009-10	-	1,249,953	1,907,534	-	3,157,487



Kshitij Property Solutions Private Limited
(Formerly known as Kshitij Capital Land Mall Management Private Limited)

Balance Sheet Abstract and Company's General Business Profile.

Registration Details

Registration No.	: U70110MH2006PTC161374
State Code	: 11
Balance sheet Date	: March 31, 2011

II. Capital Raised During the year (Rs. In Thousand)

2010-2011

Public Issue	NIL
Rights Issue	NIL
Bonus Issue	NIL
Private Placement	NIL

III. Position of Mobilisation and Deployment of Funds (Rs in Thousand)

Total Liabilities	50,000
Total Assets	50,000

Sources of Funds

Paid up Capital	6,840
Share application money pending allotment	-
Reserves and Surplus	43,160
Secured Loans	-
Unsecured Loans	-
Deferred Tax Liabilities, net	-
Total	50,000

Application of Funds

Net Fixed Assets including Capital WIP	1,461
Investments	-
Net Current Assets	6,536
Miscellaneous Expenditure	-
Accumulated Losses	42,003
Total	50,000

IV. Performance of Company (Rs. In Thousand)

Turnover	10,632
Total Expenditure	7,293
Profit / (Loss) Before Taxation	3,339
Profit / (Loss) After Taxation	3,147
Earnings per share (annualised)	4.60
Dividend rate %	NIL

V. Generic Names of principal products / services of Company (as per monetary terms)

Item Code No. (ITC Code)	: 70200
Product Description	: Mall Management Service related activities

For and on behalf of the Board of Directors of
Kshitij Property Solutions Private Limited



(Director)

Place: Mumbai
Date: 12 0 JUN 2011

(Signature)
(Director)