CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2011

	Schedule	As at March 31, 2011 (Amount in ₹)
SOURCES OF FUNDS		
Shareholders' Funds		
Share Capital	1	111,709,660
Reserves and Surplus	2	2,527,873,828
		2,639,583,488
Loan Funds		
Secured Loans	3	52,303,759
Unsecured Loans	4	248,512,570
Deferred Tax Liability (Net)		21,184,409
TOTAL		2,961,584,226
APPLICATION OF FUNDS :		
Fixed Assets		
Gross Block	5	2,352,761,822
Less : Depreciation		405,554,871
Net Block		1,947,206,951
Capital work-in-progress		570,607,202
Investments	6	76,857,300
Current Assets, Loans and Advances		
Sundry Debtors	7	271,736,177
Cash and Bank Balances	8	20,784,333
Loans and Advances	9	791,998,574
		1,084,519,083
Less : Current Liabilities and Provisions		
Current Liabilities	10	711,002,945
Provisions	11	6,603,366
		717,606,311
Net Current Assets		366,912,772
TOTAL		2,961,584,226
SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS	15	
The Schedules referred to above form an intergral part of the Balance Sheet		

As per our report of even date attached
For NGS & CO.
Chartered Accountants

For and on behalf of the Board of Directors

Navin T Gupta
Partner
Membership No.40334

Anil Baijal
Chairman

Sumit Dabriwala
Managing Director

Place : Mumbai
Date : May 26, 2011

Naina Hegde
Chief Financial Officer

Anil Cherian
Company Secretary

SCHEDULES TO BALANCE SHEET AS AT MARCH 31, 2011

	As at March 31, 2011 (Amount in ₹)
SCHEDULE 1 : SHARE CAPITAL	
Authorised	
20,000,000 (50,000) Equity Shares of ₹10/ – each	200,000,000
Issued	
11,171,536 (50,000) Equity Share of ₹ 10/ – each.	111,715,360
Subscribed and Paid Up	
1,11,70,966 (50,000) Equity Share of ₹ 10/ – each fully paid up	111,709,660
(11,170,966 Shares were alloted pursuant to the scheme of arrangement.)	
(See Note No. 3(b) of Schedule 15)	
	111,709,660
SCHEDULE 2 : RESERVES & SURPLUS	
Share Premium	
Add : Pursuant to the scheme of arrangement	2,544,917,719
Less : Utilised for Share Issue Expenses	20,770,597
	2,524,147,122
Profit and Loss Account	3,726,706
	2,527,873,828
SCHEDULE 3 : SECURED LOANS	
Share in Jointly Controlled Entity	52,303,759
	52,303,759
SCHEDULE 4: UNSECURED LOANS	
Short Term Loans	
Inter-Corporate Deposit	165,464,648
Other Loan	52,353,823
Share in Jointly Controlled Entity	30,694,099
	248,512,570

Schedule 5 : FIXED ASSETS

(Amount in ₹.)

Description	GROSS BLOCK				DEPRECIATION			NET BLOCK
	As at 01.04.2010	Addition as per Scheme of Arrangement*	Addition	As at 31.03.2011	As per Scheme of Arrangement*	Depreciation for the year	Up to 31.03.2011	As at 31.03.2011
Air Conditioner	–	292,463,061	16,768,503	309,231,564	31,509,177	13,894,074	45,403,252	**263,828,313**
Leasehold improvement	–	797,121,242	649,917	797,771,159	105,545,495	26,614,196	132,159,692	**665,611,467**
Computers & Software	–	16,576,212	6,464,581	23,040,793	7,542,242	2,714,380	10,256,622	**12,784,171**
Electrical Installation	–	366,277,588	28,731,434	395,009,022	58,948,963	17,401,925	76,350,888	**318,658,135**
Furniture & Fittings	–	563,524,921	66,230,617	629,755,537	85,981,856	35,681,476	121,663,332	**508,092,205**
Office & Other Equipment	–	24,928,004	3,639,557	28,567,561	3,194,042	1,185,855	4,379,896	**24,187,665**
Plant & Machinery	–	93,859,933	5,391,516	99,251,448	9,789,021	4,459,041	14,248,062	**85,003,387**
Vehicles	–	26,302	–	26,302	3,751	2,499	6,250	**20,052**
Share in Jointly Controlled Entity	–	35,212	70,073,223	70,108,435	14,358	1,072,521	1,086,878	**69,021,556**
TOTAL	–	**2,154,812,475**	**197,949,347**	**2,352,761,822**	**302,528,905**	**103,025,966**	**405,554,871**	**1,947,206,951**
Previous Year	–	–	–	–	–	–	–	–
Capital Work-In-Progress (Including advances on Capital Account)								**546,677,544**
Share in Jointly Controlled Entitiy								**23,929,658**
Total								**570,607,201**

* See Note No.3 of Schedule.15

	As at March 31, 2011 (Amount in ₹)
SCHEDULE 6 : INVESTMENTS	
LONG TERM INVESTMENT	
UNQUOTED	
Equity	76,857,300
	76,857,300
SCHEDULE 7 : SUNDRY DEBTORS	
(Unsecured)	
(a) Debts due for more than six months	
Considered Doubtful	5,472,545
Less: Provision for Doubtful Debt	5,472,545
	–
Considered Good	99,701,581
(b) Other Debts : Considered Good	171,000,828
Share in Jointly Controlled Entity	1,033,768
	271,736,177
SCHEDULE 8 : CASH AND BANK BALANCES	
Cash in Hand	270,229
Balance with Scheduled Banks :	
In Current Accounts (including in transit)	19,304,963
Share in Jointly Controlled Entity	1,209,141
	20,784,333
SCHEDULE 9: LOANS & ADVANCES	
(Unsecured and Considered good)	
Inter Corporate Deposits	32,764,447
Advances Recoverable in cash or in kind or for value to be received	84,269,086
Deposits	568,955,876
Other Current Assets	9,499,598
Share Application Money	70,086,245
Payments/ Deduction of Income Tax (Net of Provisions)	18,213,519
Share in Jointly Controlled Entity	8,209,803
	791,998,574
SCHEDULE 10:CURRENT LIABILITIES	
Sundry Creditors	617,511,022
Other Liabilities	87,594,241
Share in Jointly Controlled Entity	5,897,682
	711,002,945
SCHEDULE 11:PROVISIONS	
Provision for Leave Encashment / Gratuity	5,709,219
Provision for Income Taxes (Net of deduction/payment of taxes)	893,712
Share in Jointly Controlled Entity	435
	6,603,366

SCHEDULE 15

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2011

1. SIGNIFICANT ACCOUNTING POLICIES :

1.1 BASIS OF ACCOUNTING :

The Consolidated Financial Statements ('CFS') are prepared in accordance with Accounting Standard ('AS') 21 "Consolidated Financial Statements", and AS – 27 "Financial Reporting of Interests in Joint Ventures" notified by the Central Government of India. The financial statements have been prepared under the historical cost convention on an accrual basis and in accordance with applicable accounting standards notified by the Government of India/issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956.

The accounting policies have been consistently applied by the group.

1.2 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. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in current and future periods. Difference between the actual results and estimates is recognised in the period in which the results are known/materialized.

1.3 REVENUE RECOGNITION

Revenue is recognized based on the nature of activity when consideration can be reasonably measured and there exists reasonable certainty of its recovery.

i. Sales of goods is accounted on delivery to customers and in net of returns, discounts and VAT/Sales Tax.

ii. Revenue from services rendered is recognised as the service is performed based on agreements/ arrangement with concerned parties and revenue from end of the last billing to the balance sheet date is recognised as unbilled revenue.

iii. Interest income is recognized on time proportion basis taking into account the amount outstanding and applicable interest rates.

iv. Other items of income are accounted as and when the right to receive arises.

1.4 EMPLOYEE BENEFITS

1.4.1 All employee benefits falling due within twelve months of rendering the services are classified as short term employee benefits. Benefits like salaries, wages, short term compensated absences etc and the expected cost of bonus, ex-gratia are recognized in the period in which the employee renders the related service

1.4.2 Retirement benefits in the form of Provident Fund and Employees State Insurance Scheme are defined contribution schemes and the contributions are charged to the Profit and Loss Account of the period when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.

1.4.3 Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial period.

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

1.4.5 Actuarial gains/losses are recognized immediately in the Profit and Loss Account.

1.5 FIXED ASSETS

Fixed assets are stated at their cost net of tax/duty credits availed, if any, less accumulated depreciation and accumulated amortizations. Costs comprise the purchase price and any attributable costs of bringing the assets to its working condition, for its intended use.

1.6 DEPRECIATION AND AMORTISATION

Depreciation on tangible assets is provided on Straight line method at the rates prescribed under Schedule XIV to the Companies Act, 1956.

Leasehold improvements are depreciated on straight line basis over period of lease agreement.

Fixed assets individually costing less than ₹ 5000/ – are fully depreciated in the year of additions.

1.7 LEASES

Assets acquired on lease where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as Operating leases. Lease rentals are charged to the Profit and Loss Account on accrual basis.

1.8 IMPAIRMENT OF ASSETS

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to Profit & Loss Account in the year in which the asset is impaired and the impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount. For the purpose of assessing impairment, assets are grouped at the lowest level of cash generating units .

1.9 INVESTMENTS

Long term investments are carried at cost, after providing for any diminution in value, if such diminution is of permanent nature. Current investments are carried at lower of cost or market value. Determination of carrying amount of such investments is done on the basis of specific identification.

1.10 BORROWING COSTS

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of such asset till such time as the asset is ready for its intended use or sale.

All other borrowing costs are recognized as an expense in the period in which they are incurred

1.11 FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions are recorded on initial recognition in the reporting currency using the exchange rate at the date of the transaction. At each Balance sheet date, foreign currency monetary items are reported using the closing rate. Exchange differences are recognized as income or expense in the period in which they arise.

1.12 TAXES ON INCOME

Current Taxes

Provision for current income tax is recognized in accordance with the provisions of Indian Income Tax Act, 1961 and is made annually based on the tax liability after taking credit for tax allowances and exemptions.

Deferred Taxes

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

1.13 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Company recognizes a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

2 Principles of Consolidation:

The consolidated financial statements relate to Agre Developers Limited, the holding company, its Subsidiaries and joint Ventures (collectively referred to as Group).

The consolidation of accounts of the Company and its subsidiaries has been prepared in accordance with Accounting Standard (AS-21) "Consolidated Financial Statements". The financial statements of the parent and its subsidiaries are combined on a line-by-line basis and intra group balances, intra group transactions and unrealized profits or losses are fully eliminated.

Investments in Joint Ventures are dealt with in accordance with Accounting Standard (AS-27) "Financial Reporting of Interests in Joint Ventures". The Company's interest in jointly controlled entities are reported using proportionate consolidation, whereby the Company's share of jointly controlled assets and liabilities and the share of income and expenses of the jointly controlled entities are reported as separate line items.

3 Pursuant to the Scheme of Arrangement approved by the Hon'ble High Court of Judicature at Bombay on August 24, 2010, entire assets and liabilities of Mall Management Undertaking and Project Management Undertaking of Pantaloon Retail (India) Limited (PRIL) were transferred to the Company and Mall Asset Management Undertaking and Food Services Undertaking of PRIL were transferred to Future Merchandising Limited (" Now Known as Agre Properties & Services Ltd" (APSL)), a wholly owned subsidiary of the company , effective from April 1, 2010 ("Appointed Date"). The Company had filed the certified copy of the court order approving the Scheme with the Registrar of Companies (ROC), Mumbai on August 28, 2010 as required under applicable provisions of the Companies Act, 1956. Accordingly, the said scheme became effective from the Appointed Date on August 28, 2010 ("Effective Date").

Salient features of the Scheme are as under:

(a) With effect from the 1st day of April, 2010 ("Appointed Date"), Mall Management Undertaking and Project Management Undertaking of PRIL were transferred and vested into the Company and Mall Asset Management Undertaking and Food Services Undertaking of PRIL were transferred and vested into APSL.

(b) In consideration of the demerger of the said undertakings to the Company and APSL, the Company issued shares to the shareholders of PRIL in following ratio:

i) 1 fully paid Equity Share of ₹10/ – each of the Company issued and allotted for every 20 Equity Shares of ₹ 2 each held in PRIL.

ii) 1 fully paid Equity Share of ₹10/ – each of the Company issued and allotted for every 20 Class B (Series 1) shares of ₹ 2 each held in PRIL.

iii) 1 fully paid up Equity Share of ₹10/ – each of the Company issued and allotted for every 20 compulsory convertible preference shares of ₹100 each held in PRIL.

Fractional shares entitlement were consolidated in the hands of a person nominated by Board of Directors and equity shares were issued and allotted to such person and the said shares to be sold by him at a suitable time. The sale proceeds of these shares will be proportionately distributed to shareholders who were entitled to such fractional shares.

570 Equity shares of the Company are kept in abeyance and the said shares will be allotted subsequent to completion of legal formalities to allot the original shares in the demerged entity in the Scheme which are currently held in abeyance.

50,000 Equity shares held by PRIL prior to the scheme of arrangement has been cancelled pursuant to the scheme. Registrar of Companies, Maharashtra issued necessary certificates confirming reduction of capital vide certificate dated 15th December 2010.

(c) Accounting (As per the approved scheme)

a. All assets and liabilities pertaining to the Mall Management Undertaking and Project Management Undertaking vested in pursuant to the scheme were recorded at the respective book values, if any, appearing in the books of PRIL at the close of the business on the day immediately preceding the appointment date.

b. Investment of PRIL in the company prior to the scheme has been cancelled.

c. The company has credited its share capital to the extent of the amount of shares issued as per scheme.

d. The amount of net assets of Mall Asset Management Undertaking & Food Services Undertaking being transferred to Agre Properties & Services Limited pursuant to the Scheme were treated as the company's investments in Agre Properties & Services Limited and to that extent, the value of the company's holding in APSL stands enhanced.

e. The excess of the book value of assets transferred over the book value of liabilities has been adjusted against the balance in the Securities Premium Account of the Company.

4. Information on subsidiaries and joint ventures:

(a) Subsidiary companies considered in the consolidated financial statements are:

Sr. No.	Name of the Company	Country of Incorporation	Proportion of ownership Interest as on 31st March 2011	Financial year Ends on
1	Agre Properties and Services Limited	India	100 %	March 31, 2011
2	Precision Realty Developers Private Limited	India	100 %	March 31, 2011

(b) Interests in Joint Ventures: (As required by AS-27 "Financial Reporting of Interest in Joint Venture")

Sr. No.	Name of the Company	Description of interest	Country of Incorporation	Proportion of ownership Interest as on 31st March 2011	Financial Period Ends on
1	Suhani Mall Management Company Private Limited	Equity	India	25.00%	March 31, 2011

Under the Demerger scheme, Agre Properties and Services Limited had acquired 20 % in Gupta Infrastructure (India) Private Limited. This investment is intended to be held for temporary period with an intention to sell in the near future. Hence the financial statement of Gupta Infrastructure (India) Private Limited has not been consolidated for the year ended March 31, 2011 with the Group's consolidated financial statements.

5 Contingent Liabilities not provided for:

Claims against the company not acknowledged as debts Service Tax ₹ 4,53,073.

6. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) ₹ 3,79,07,328.

7. In respect of operating lease taken by the company, the future minimum lease rental obligation under non – cancellable operating leases in respect of these assets is ₹ 5,26,16,24,447:

(Amount in ₹)

		2010-11
i)	Lease rentals recognised in Profit and Loss Account	61,14,80,046
ii)	Lease rentals payable not later than one year	94,63,07,668
iii)	Lease rentals payable later than one year and not later than five years	2,99,04,41,783
iv)	Lease rentals payable later than five years	1,32,48,74,997

8. In respect of operating lease given by the company, the future minimum lease rental receivable under non – cancellable operating leases is as follows:

(Amount in ₹)

		2010-11
i)	Gross block of assets let out on operating lease	2,24,10,30,962
ii)	Accumulated depreciation as at March 31, 2011	3,967,88,742
iii)	Depreciation charged during the year to the Profit and Loss Account	9,98,28,073
iv)	Lease rentals recognised in Profit and Loss Account	65,91,27,003
v)	Lease rentals receivable not later than one year	42,93,29,924

vi)	Lease rentals receivable later than one year and not later than five years	159,61,39,071
vii)	Lease rentals receivable later than five years	24,10,05,189

9. Related Party Disclosure:

Disclosures as required by the Accounting Standard 18 "Related Party Disclosure" is given below:

Key Management Personnel

Mr. Sumit Dabriwala

Relatives of Key Management Personnel

Ms. Priyanka Dabriwala

Transaction with related Parties

(Amount in ₹)

Nature of transactions	Key Management Personnel & Relatives
Managerial remuneration & Commission	72,33,417
Rent paid to Priyanka Dabriwala	1,68,000

10. Joint Venture Information:

Company's share of Assets, Liabilities, Income and Expenditure with respect to jointly controlled entities are as follows:

(Amount in ₹)

Particulars	As at March 31, 2011
Assets	10,34,03,926
Liabilities	8,97,68,467
Income	44,14,709
Expenditure	61,63,349

11. Segment Report:

The Company operates in a single business and geographical segment. Hence information required under Accounting Standard 17, 'Segment Reporting', issued by the Council of the Institute of Chartered Accountants of India, has not been given.

12. Earning Per Share

The calculation of Earning Per Share (EPS) as disclosed in the Balance Sheet Abstract has been made in accordance with Accounting Standard (AS-20) on Earning Per Share issued by the Institute of Chartered Accountants of India. A statement on calculation of diluted EPS is as under:

(Amount in ₹)

Particulars	2010-11
Profit after tax	40,63,051
The Weighted average number of Ordinary Shares for Basic and Diluted EPS	1,11,70,966
The Nominal Value per Share (Ordinary and Class 'B' Shares)	10.00
Share of Profit for Orinary Shares for Basic and Diluted EPS	1,11,70,966
Earning per Ordinary share (Basic and Diluted)	0.36

13. Deferred Tax Liability :

As per accounting Standard (AS – 22) on Accounting for Taxes on Income issued by the Institute of Chartered Accountants of India (ICAI), the deferred tax liability (DTL) comprises of the following :

(Amount in ₹)

Item	2010-11
Deferred Tax Liability	
Related to Fixed Assets	4,71,01,308
Deferred Tax Asset	
Disallowance under the Income Tax Act, 1961	3,24,512
Carry Forward of Losses and Unabsorbed Depreciation	2,29,74,912
Provision for Deferred Tax (Assets)/ Liability	**2,38,01,884**

14. Figures pertaining to the subsidiary companies and joint ventures have been reclassified wherever necessary to bring them in line with the group financial statements.

15. Since this is the first year of consolidated accounts, previous year figures are not applicable.

16. The Group has raised invoices on various tenants/licensees for rent/licence fee and service tax thereon, in accordance with the terms of the agreements with the tenants/licensees, which provide that the tenants / licensees are liable to pay the service tax on the rent/licence fees. The matter of levy of service tax on rent has been the subject matter of litigation in various courts and various courts have passed orders in connection with the same. In cases where the Group has received the service tax amount on the rent/ licence fees from the tenants / licensees, the same has been deposited with the Government Treasury, in accordance with the provisions of Finance Act, 1994. However, in the cases where the tenants/licensees have protested levy of service tax and contended that they are covered by the judgements of various courts, the Group has not received service tax on the rent/licence fee from the tenants/licensees and accordingly, same has not been deposited with Government Treasury. As at March 31, 2011, the amount of such service tax (excluding interest and penalty) not received from the tenants is ₹ 10,76,77,821. The amount of sundry debtors is net of the said service tax amount.

As per our report of even date attached
For NGS & CO.
Chartered Accountants

For and on behalf of the Board of Directors

Navin T Gupta
Partner
Membership No.40334

Anil Baijal
Chairman

Sumit Dabriwala
Managing Director

Place : Mumbai
Date : May 26, 2011

Naina Hegde
Chief Financial Officer

Anil Cherian
Company Secretary