

Golden Palm



Express Park View - I



Express Park View - II



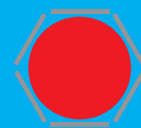
Hyde Park



Palm Village



18th  
Annual  
Report  
2011-12



**IITL GROUP**

**IITL PROJECTS LIMITED**

(ISO 9001 : 2008)

**Board of Directors**

Mr. T. M. Nagarajan – Chairman  
 Dr. B. Samal  
 Mr. Bipin Agarwal  
 Mr. R. S. Loona

Mr. D. P. Goyal – Managing Director  
 Mr. R. K. Mittal  
 Mr. Venkatesan Narayanan

**Company Secretary & Compliance Officer**

Ms. Simmi Singh Bisht

**Registered Office**

Rajabhadur Mansion, 2<sup>nd</sup> Floor, 28, Bombay Samachar Marg, Fort, Mumbai -400 001.

**Auditors**

M/s. Deloitte Haskins & Sells, Chartered Accountants

**Registrar & Share Transfer Agent**

Purva Sharegistry (India) Private Limited  
 9, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Opp. Kasturba Hospital, Lower Parel (East), Mumbai -400 011

**Banker**

Axis Bank Limited

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**Investor Helpdesk**

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Email : [iitlprojects@iitlgroup.com](mailto:iitlprojects@iitlgroup.com)  
 Website : <http://iitlprojects.com>

**18<sup>th</sup> Annual General Meeting on Thursday, September 20, 2012 at 12.30 p.m. at M. C. Ghia Hall, 4<sup>th</sup> Floor, Bhogilal Hargovindas Building, 18/20, K. Dubash Marg, Kala Ghoda, Mumbai-400 001**

The Annual Report can be accessed at [www.iitlprojects.com](http://www.iitlprojects.com)

\* Artistic design of our projects on coverage of this Annual Report are subject to modifications.



**NOTICE**

Notice is hereby given that the 18<sup>th</sup> Annual General Meeting of the members of **IITL PROJECTS LTD.** will be held on Thursday, September 20, 2012, at 12.30 p.m. at M. C. Ghia Hall, 4th Floor, Bhogilal Hargovindas Building, 18/20, K. Dubash Marg, Kala Ghoda, Mumbai – 400 001 to transact the following businesses:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2012, the Profit and Loss account for the year ended on that date and the report of Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Dr. B. Samal, who retires by rotation and, being eligible, seeks re-appointment.
3. To appoint a Director in place of Mr. Venkatesan Narayanan, who retires by rotation and, being eligible, seeks re-appointment.
4. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:  
**“RESOLVED** that M/s. Deloitte Haskins & Sells, Chartered Accountants (Firm Registration No 117365W), be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting on such remuneration as may be decided by the Board with the mutual consent of the auditors.”

**SPECIAL BUSSINESS:**

5. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:  
**“RESOLVED** that pursuant to the provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956, (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. T. M. Nagarajan, who was appointed as an Additional Director of the Company under Article 88 of Articles of Association and who under Section 260 of the Companies Act, 1956 holds office only upto the date of this Annual General Meeting and being eligible offers himself for appointment and in respect of whom the Company has received notice in writing from a member pursuant to the provisions of Section 257 of the Companies Act, 1956 signifying his intention to propose the candidature of Mr. T. M. Nagarajan for the office of Director, be and is hereby appointed as a Director of the Company subject to retirement by rotation”.

**By order of the Board of Directors  
For IITL Projects Ltd.**

*Sd/-*

**Simmi Singh Bisht**  
Company Secretary &  
Compliance Officer

**Mumbai, August 9, 2012**

**Regd. Office:**

Rajabhadur Mansion, 2<sup>nd</sup> Floor,  
28, Bombay Samachar Marg,  
Mumbai - 400 001

**NOTES:**

1. **MEMBER WHO IS ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIM AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE VALID MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY SO APPOINTED SHALL NOT HAVE ANY RIGHT TO SPEAK AT THE MEETING AND SHALL BE ENTITLED TO VOTE ONLY UPON A POLL.**
2. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, September 13, 2012 to Thursday, September 20, 2012 (both days inclusive).
3. Members are requested to notify the changes, if any, in their address to the Company's Share Transfer Agent, Purva Sharegistry (India) Private Ltd. immediately, in respect of their physical shares if any, quoting their folio numbers and to their Depository Participants (DPs) in respect of their electronic share accounts.
4. Members / proxies are requested to bring their copies of Annual Report at the Annual General Meeting.
5. Corporate Members are requested to send a duly certified copy of the Board resolution authorising their representatives to attend and vote at the Annual General Meeting.
6. Members/Proxies should fill the Attendance Slip for attending the meeting.
7. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. Members holding shares in the same / identical order of name(s) under different folios are requested to apply for consolidation of such folio and relevant share certificate.
9. Member who hold shares in electronic form are requested to write their Client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the meeting to facilitate identification of membership at the meeting. Members are requested to bring their attendance slip.
10. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all working days, except on Saturday and Sunday between 11.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting.
11. Members desiring any information as regards the accounts are requested to write to the Company atleast 7 days before the date of the meeting, so as to enable the management to keep the information ready.
12. The Equity Shares of the Company are listed at BSE Ltd. and the Company has paid requisite annual listing fees for the year 2012-2013 to the Exchange.
13. IITL Projects Ltd. is concerned about the environment and utilizes natural resources in a sustainable way. The Ministry of Corporate Affairs (MCA), Government of India, through its Circular Nos. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively, has allowed companies to send official documents to their shareholders electronically as part of its '**Green Initiatives In Corporate Governance**'.

Recognizing the spirit of the circular issued by the MCA, we henceforth propose to send documents like the General Meeting Notices including AGM Notice, Audited Financial Statements, Directors' Report, and Auditors' Report etc. to the email address provided by you with your Depositories and Registrar and Share Transfer Agent of the Company.

We request Members holding equity shares of the Company in electronic mode, who have not registered their e-mail address are requested to register their e-mail addresses through their Depository Participant (DPs) and Members holding equity shares in physical form are requested to register their e-mail addresses with M/s Purva Sharegistry (India) Private Ltd., Registrar and Share Transfer Agent (RTA) of the Company, to enable us to send documents through electronic mode in future.

14. Re-appointment of Directors:

**Details of the Directors seeking appointment/ Re-appointment at the forthcoming Annual General Meeting [In pursuance of Clause 49 of the Listing Agreement]**

Name of the Director	Mr. Venkatesan Narayanan	Dr. B. Samal	Mr. T. M. Nagarajan
Date of Birth	27.11.1955	02.03.1943	14.09.1942
Nationality	Indian	Indian	Indian
Date of Appointment/Re-appointment	27.06.2009	27.08.2009	03.02.2012
Qualifications	B.Com	M.Sc. (Ag), Ph.D (Economics), Post Graduate Diploma in Bank Management Conducted by NIBM, Pune	M.Com; CAIIB
Expertise in specific functional areas	He has over 18 years experience in senior management having worked with leading consulting companies and has experience spread over venture management/TEFS/Commercial Due Diligence and also in facilitating financial closure in respect of infrastructure projects, including interacting with funding institutions and banks. He has consulting expertise in the infrastructure arena, having been associated with several projects covering roads and bridges, power, tourism, and urban infrastructure. He has working knowledge and understanding of the nuances of the infrastructure field; he is presently a free-lance consultant and is advising a few Corporates.	He has more than 30 years of experience in the areas of Banking Rural Credit, HRD, and Securities related Market and Industrial Finance. He has served as Chairman and Managing Director of Allahabad Bank and Industrial Investment Bank of India. He was also a Member of Securities Appellate Tribunal (SAT).	He has over three decades of experience in banking and regulation related areas. He has served in RBI, IDBI and SEBI. He retired from IDBI as Dy. Managing Director and from SEBI as a whole-time member.
Directorships held in other companies	1. Industrial Investment Trust Ltd.	1. Surana Industries Ltd. 2. May Fair Hotels and Resorts Ltd. 3. ARSS Infrastructure Projects Ltd. 4. Industrial Investment Trust Ltd. 5. Jaiprakash Associates Ltd. 6. Reliance Capital Ltd. 7. Jaypee Infratech Ltd. 8. Vipul Ltd. 9. IIT Insurance Broking & Risk Management Pvt. Ltd. 10. World Resorts Ltd. 11. Capital Infraprojects Pvt. Ltd. 12. MRG Hotels Pvt. Ltd. 13. T.K.International Ltd.	1. Indbank Merchant Banking Services Ltd. 2. IDBI MF Trustee Company Ltd. 3. Industrial Investment Trust Ltd. 4. IIT Insurance Broking and Risk Management Pvt. Ltd. 5. Capital Infraprojects Ltd. 6. MRG Hotels Pvt. Ltd.



Committee position held in other companies	<b>Audit Committee</b> <i>Chairman</i> - NIL  <i>Member</i> -NIL	<b>Audit Committee</b> <i>Chairman</i> - 1. Surana Industries Ltd. 2. World Resorts Ltd. 3. T.K.International Ltd. <i>Member</i> - 1. May Fair Hotels and Resorts Ltd. 2. ARSS Infrastructure Projects Ltd. 3. Vipul Ltd. 4. Reliance Capital Ltd.	<b>Audit Committee</b> <i>Chairman</i> - 1. Indbank Merchant Banking Services Ltd. 2. IDBI MF Trustee Company Ltd. <i>Member</i> - 1. IIT Insurance Broking and Risk Management Private Ltd. 2. Industrial Investment Trust Ltd.
	<b>Share Transfer &amp; Grievance Committee</b> <i>Chairman</i> - NIL  <i>Member</i> -NIL	<b>Share Transfer &amp; Grievance Committee</b> <i>Chairman</i> - NIL  <i>Member</i> - 1. ARSS Infrastructure Projects Ltd.	<b>Share Transfer &amp; Grievance Committee</b> <i>Chairman</i> - NIL  <i>Member</i> -NIL
Shareholding in the company	NIL	NIL	NIL

**ANNEXURE TO NOTICE:****EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956****ITEM NO. 5:**

Mr. T. M. Nagarajan was appointed as an Additional Director of the Company at the meeting of the Board of Directors held on February 3, 2012 in accordance with the provisions of Section 260 of the Companies Act, 1956 read with Article 88 of the Articles of Association of the Company. He holds office of a Director up to the date of the forthcoming Annual General Meeting. He did his Masters in Commerce and is a Certified Associate of the Indian Institute of Bankers. He started his career with Reserve Bank of India, thereafter joined IDBI and eventually became its Deputy Managing Director. After retiring from IDBI, he became a Whole-time Member of the Securities and Exchange Board of India (SEBI). It is proposed to appoint Mr. T. M. Nagarajan as a Director on the Board of the Company.

Notice under Section 257 of the Companies Act, 1956, proposing the appointment of Mr. T. M. Nagarajan as a Director has been duly received by the Company along with a deposit of Rs 500 in cash.

Your Directors, therefore recommend the resolution for your approval.

None of the Directors of the Company except Mr. T. M. Nagarajan, is concerned or interested in this Resolution.

**By order of the Board of Directors  
For IITL Projects Ltd.**

**Mumbai, August 9, 2012**

**Regd. Office:**

Rajabhadur Mansion, 2<sup>nd</sup> Floor,  
28, Bombay Samachar Marg, Mumbai - 400 001.

*Sd/-*  
**Simmi Singh Bisht**  
Company Secretary &  
Compliance Officer

DIRECTORS' REPORT

To  
The Members,

Your Directors have pleasure in presenting the Eighteenth Annual Report of the Company together with the Audited Accounts for the year ended March 31, 2012.

COMPANY PERFORMANCE:

A) Financial Highlights

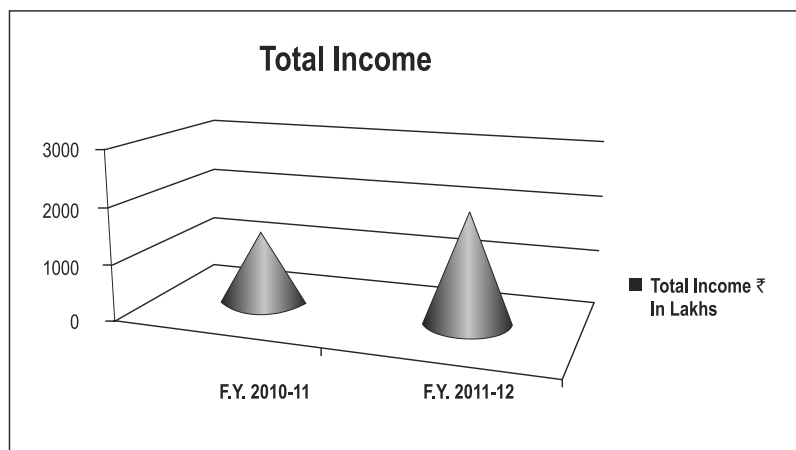
The salient features of the Company's financial results for the year under review are as follows:

(₹ Lakhs)

Particulars	For the year ended March 31, 2012	For the year ended March 31, 2011
<b>Total Income</b>	<b>2049.03</b>	<b>1328.49</b>
<b>Profit/(Loss) before Depreciation &amp; Tax</b>	<b>(126.95)</b>	<b>(13.51)</b>
Less: Depreciation	1.65	1.45
<b>Profit/(Loss) before tax</b>	<b>(128.60)</b>	<b>(14.96)</b>
Less: Provision for Tax	(0.82)	0.40
Income tax adjustment for prior years	-	(0.39)
<b>Profit/(Loss) after tax</b>	<b>(127.78)</b>	<b>(14.97)</b>
Add: Balance brought forward	93.87	108.84
<b>Amount available for appropriation</b>	<b>(33.91)</b>	<b>93.87</b>
<b>Balance carried to Balance Sheet</b>	<b>(33.91)</b>	<b>93.87</b>

B) Operations

The total income of the Company for the year under review at ₹2049.03 lakhs registered a growth of about 54% over that for the previous year at ₹1328.49 lakhs, on account of considerable progress in the construction of the housing projects and due recognition of the accrued income in accordance with the accounting standards in force. Pending completion of the projects, the operations, however, resulted in pre-tax loss of ₹128.60 lakhs for the year as against the pre-tax loss of ₹14.96 lakhs for the preceding year.



**DIVIDEND:**

In view of the losses incurred by the Company, no dividend has been proposed for the year ended March 31, 2012.

**BUSINESS:**

Your Company is engaged in Real Estate business, construction of residential complexes in the National Capital Region ((NCR). It has acquired plots of land on long term lease, under Builders Residential Scheme (BRS) of the Greater Noida Industrial Development Authority (GNIDA), New Okhala Industrial Development Authority (NOIDA) and Yamuna Expressway Authority (YEA). The Company is in the process of implementing, in all, five projects.

i) The Express Park View

Your Company had been allotted land admeasuring 10043.31 Sq.m. by GNIDA on lease for a period of ninety years for development of residential housing project under the Builder Residential Scheme BRS 01/08-09. A complex of 334 apartments of 2/3 BHK types in 4 high rise buildings, under the name and style of the Express Park View, is under construction. The project marketed jointly with Nimbus Projects Ltd. is scheduled to be completed in 2013. The structural work of the Project is on completion stage.

ii) The Express Park View II

On a land of 52493.16 Sq.m. allotted on ninety years' lease by GNIDA under Builder Residential Scheme 05/2010-2011, a Project envisaging 1592 apartments of varying sizes in high rise buildings is being implemented in consortium with Nimbus Projects Limited and Assotech Limited and through a Special Purpose Partnership Firm 'IITL NIMBUS THE EXPRESS PARK VIEW'. The Project is under implementation and is scheduled to be completed in two phases, the first phase by 2015 and the second by 2016.

It may be mentioned that the above two projects are among the many ongoing housing projects of different builders in NCR. In the wake of certain land acquisition disputes and pursuant to a Court Order, construction works of many projects had to be temporarily suspended, subsequent to close of the year under review, till formal approval of the revised Master Plan 2021. The above two projects of your Company have also been impacted temporarily. It is reported that the plan has since been cleared by the Statutory Committee of the NCR Planning Board and recommended to the Planning Board.

iii) The Hyde Park

In consortium with Nimbus Projects Limited and Supertech Limited, and through a Special Purpose Partnership Firm, 'IITL NIMBUS THE HYDE PARK NOIDA', the company has undertaken a project of construction of 1916 apartments ranging in size from 1BHK to 4BHK, in 23 high rise buildings, on a land of 60348.53 Sq.m. allotted on ninety years lease by NOIDA. It is scheduled to be completed in two phases, first phase by 2013 and the second by 2015. Around 75% of the structural work is complete in Phase I and around 25% in Phase II.

iv) The Palm Village

This project undertaken in consortium with Nimbus Projects Limited and Assotech Limited and through Special Purpose Partnership Firm 'IITL NIMBUS THE PALM VILLAGE' is coming up on the land of 102995.70 Sq.m. allotted on ninety years leasehold basis under the Builders Residential Scheme YEA- GH -02/2011. The Project envisages construction of



affordable residential units and is scheduled to be constructed in seven phases over a period of 10 years. Lease Deed with YEA has been executed and the Layout Plan has been submitted to the Local Body for approval.

v) The Golden Palm

The Golden Palm project comprising of 1276 apartments in 14 high rise buildings, is coming up on a land admeasuring 39999.76 Sq.m. allotted on ninety years' lease by NOIDA. Scheduled to be completed by 2014, this project has been undertaken through equal equity participation by your company and Nimbus Projects Limited in the Capital Infraprojects Private Limited.

**ISO CERTIFICATION 9001:2008:**

Your Directors are determined to ensure that the Company adopts and follows with consistency high standards of operational systems and procedures. It is a matter of satisfaction that your Company has obtained ISO 9001:2000 Certification on October 21, 2011.

**CORPORATE SOCIAL RESPONSIBILITY:**

The Company is conscious of its social responsibility. It would be its earnest endeavor to avoid tree-cutting and undertake tree-planting and rain water harvesting so as to ensure green and healthy environment.

**CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The Company's core activity is Real Estate & Real Estate related activities which are not power intensive. The Company, however, is making every effort to conserve the usage of power. During the year under review, the Company did not earn any foreign exchange and there was no expenditure in foreign exchange. The other information as prescribed under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are not applicable.

**PARTICULARS OF EMPLOYEES**

The Company maintained cordial relation with employees. There are no employees coming under the purview of Section 217 (2A) of the Companies Act, 1956.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

In accordance with the requirements of the Listing Agreement, the Management Discussion and Analysis Report is presented in a separate section of the Annual Report.

**CORPORATE GOVERNANCE:**

A detailed report on Corporate Governance and a certificate from M/s Deloitte Haskins & Sells, Statutory Auditors of the Company, confirming compliance with the Corporate Governance Practices as required under Clause 49 of the Listing Agreement form part of the Annual Report.

**PUBLIC DEPOSITS:**

Your Company has not accepted any deposits from the public during the year under review.

**DIRECTORS:**

In accordance with the Articles of Association of the Company, the Board of Directors appointed Mr. T. M. Nagarajan as an Additional Director on February 3, 2012. The Company has received a notice under Section 257 of the Companies Act along with requisite deposit from a member, proposing the candidature of Mr. T. M. Nagarajan for the office of Director at the forthcoming Annual General Meeting.

In accordance with the Articles of Association of the Company, Dr B. Samal and Mr. Venkatesan Narayanan, Directors retire by rotation at the forthcoming Annual General Meeting of the Company and being eligible, offer themselves for re-appointment.

A brief profile of all these Directors containing the details of their age, qualifications, expertise, other directorships, committee memberships, etc. has been given in the Notice for the ensuring Annual General Meeting.

None of the Directors of the Company are disqualified under section 274(1)g of the Companies Act, 1956.

**DIRECTORS RESPONSIBILITY STATEMENT:**

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Board reports that:

- In the preparation of the annual accounts for the financial year ended March 31, 2012, the applicable accounting standards had been followed along with proper explanation relating to any material departures;
- Such accounting policies had been selected and applied consistently and judgments and estimates, made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for the year under review;
- Proper and sufficient care had 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;
- The annual accounts for the financial year ended March 31, 2012 had been prepared on a 'going concern' basis.

**AUDITORS:**

M/s. Deloitte Haskins & Sells, Chartered Accountants ( Firm Registration No 117365W), Statutory Auditors of the Company will retire on conclusion of the ensuing Annual General Meeting and are eligible for reappointment. They have furnished a certificate to the effect that their reappointment, if made, will be in accordance with the limits specified under section 224(1B) of the Companies Act, 1956. The shareholders' approval will be sought for their reappointment at the AGM.

**ACKNOWLEDGEMENT:**

The Directors wish to acknowledge and place on record their appreciation to all stakeholders - customers, suppliers, business associates, banks, regulatory and governmental authorities for their cooperation, assistance and support. The Directors also thank all their employees for their dedicated services and the shareholders for their sustained confidence.

**For and on behalf of the Board of Directors**

*Sd/-*

**D.P.Goyal**

Managing Director

**Mumbai, August 9, 2012**

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

IITL Projects Ltd., engaged in Real Estate Sector, has embarked upon construction of a series of housing projects in the National Capital Region (NCR), either on its own or jointly with other companies. The projects are under various stages of implementation.

### **Industrial Scenario**

The Real Estate industry has significant linkages with several other sectors of the economy; its growth would have a multiplier effect. Being the second largest employer next only to agriculture, the sector is a significant contributor to the Gross Domestic Product of the nation.

### **National Capital Region (NCR)**

Planned development of infrastructure facilities, availability of land on public auction by Governmental authorities and pent-up demand for housing have all rendered the NCR, particularly Noida and Greater Noida, an attractive location for commercial/residential complexes. A number of builders have launched large projects in the region. IITL Projects Ltd is one of them. A sizable part of the ongoing projects in the region are poised for completion in the years to come. Temporary suspension of construction activities in certain areas of the Region pending formal/final approval of revised Master Plan has not made any significant dent in the sustained demand. The temporary problems being faced by the industry in the region due to land-acquisition related issues are expected to be satisfactorily resolved early.

### **Environmental factors**

The declining Nation's economic growth rate is a matter of concern for all industries. The temporary setback in the project construction in the NCR is likely to cause some delay in the project completion. This together with inflationary pressures may lead to cost escalation. However, with the proactive measures contemplated by the Government, the growth decline is expected to be transitory. Based on its experience, the company is confident of the customers' sustained interest. With the minimum resort to bank finance and effective cost control measures, the impact of cost escalation can be minimized.

### **Project Management**

The day to day management and monitoring the projects is being handled by the Key Managerial Personnel of your Company, under the leadership of the Managing Director who is well experienced in the construction business. Architects and Contractors of repute are engaged to ensure quality and timely completion of the assignment.

### **Financial Review**

The total income of the Company for the year 2011-12 registered a significant growth (about 54%) over that of the previous year. This was on account of due recognition of income based on the percentage of progress in the construction of the projects, in accordance with the accounting standards but the operations resulted in higher pre-tax loss.

### **Risk Management**

Your Company has put in place a risk management framework, on a comprehensive review of the risks inherent in its business. The framework covers appropriate control and safety measures to mitigate the risks.

**Internal Control:**

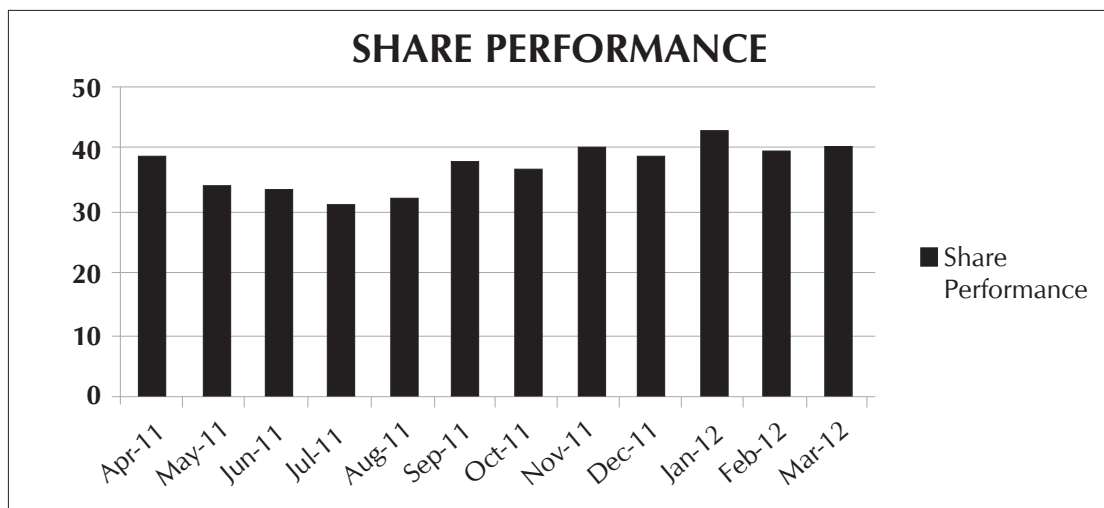
A system of internal control is in place to ensure proper checks and balances in the operations of the Company and to safeguard its assets and interests. There are clear demarcation of roles and responsibilities at various levels of operations. An internal audit firm has been engaged to conduct internal audit of transactions regularly and submit their reports to the management. All audit observations are discussed by the Management with the Auditors for follow-up action and for improvement in the process. The Audit Committee and the Board regularly review the same.

**Human Resources**

As in any organization, human capital forms a significant part of the Company’s operations. The Company has put in place policies and practices to ensure employee satisfaction and to encourage efficiency, honesty and loyalty.

**Market Capitalization:**

A bar-chart of month-wise Market prices of the Company’s equity shares during the year April 1, 2011- March 31, 2012 is given below.



**Secretarial:**

The Corporate Secretarial department functions as a facilitator for good Corporate Governance practices in the Company.

**Cautionary Statement**

The Statements made in ‘Management Discussion and Analysis report’ relating to the Company’s objectives, projections, outlook, expectations, estimates and others may constitute ‘forward looking statements’ within the meaning of applicable laws and regulations. Actual results may differ from such expectations, projections and so on whether express or implied. Several factors that could make significant difference to the Company’s operations would include those affecting demand and supply, government regulations and taxation, natural calamities and such factors beyond the Company’s control.



REPORT OF THE DIRECTORS ON CORPORATE GOVERNANCE

**I. COMPANY'S PHILOSOPHY:**

The Company's philosophy on Corporate Governance hinges on transparency, fairness and prudence in all its functions, consistent with market dynamics, while endeavoring towards maximisation of the shareholders' value and protection of all the stakeholders' interests.

**II. BOARD OF DIRECTORS:**

The Board consists of experienced professionals drawn from diverse fields. The Board as on March 31, 2012 consists of 7 members out of which 3 are Independent Directors. The composition is in conformity with the listing requirement.

- a) **The names and categories of the Directors on the Board, their attendance at the Board Meetings during the year 2011-12 and at last Annual General Meeting and also the number of Directorship and Committee Membership/Chairmanship held by them in various companies are given below:**

**FY 2011-12**

Name of the Director	Category	Attendance Particulars		No. of <sup>1</sup> other Directorships and <sup>2</sup> Committee Membership/Chairmanship		
		Board Meeting	Last AGM	Other Directorships	Committee Memberships	Committee Chairmanships
Mr. T. M. Nagarajan*	NI/NEC**	4	No	3	2	2
Dr. B. Samal	NI/NE	6	Yes	10	5	3
Mr. Bipin Agarwal	NI/NE Promoter	6	Yes	8	1	1
Mr. R. S. Loona	I/NE	6	Yes	4	4	-
Mr. R. K. Mittal	I/NE	6	Yes	4	2	4
Mr. Venkatesan Narayanan	I/NE	6	Yes	1	-	-
Mr. D.P.Goyal	Managing Director	4	Yes	-	-	-

NE - Non Executive Director

NI - Non Independent Director

I- Independent Director

NEC – Non Executive Chairman

\* Resigned on August 8, 2011 and joined on February 3, 2012.

\*\* Non Executive Chairman upto August 8, 2011.

<sup>1</sup>Excludes Alternate Directorships and Directorships in Foreign Companies, Companies registered under section 25 of Companies Act, 1956 and Private Limited Companies.

<sup>2</sup>As required under Clause 49 of Listing Agreement, disclosure includes Membership or Chairmanship of Audit Committee

and the Shareholders'/Investors' Grievance & Share Transfer Committee in Indian Public Companies (Listed and Unlisted excluding of the Company).

b) During the year, information as mentioned in Annexure IA to Clause 49 of the Listing Agreement has been placed before the Board for its consideration.

c) Meetings of the Board of Directors:

During the Financial year 2011-12, Six (6) Board Meetings were held on the following dates:

May 20, 2011, May 30, 2011, July 27, 2011, September 10, 2011, October 20, 2011, and February 3, 2012.

### III. AUDIT COMMITTEE:

The Audit Committee was constituted on June 30, 2001. It was last reconstituted on February 3, 2012. The Audit Committee comprises of three Independent Directors and one Non-Independent Director. Each Member of the Committee has the relevant experience in the field of accounts and finance, with the chairman of the Committee being a Chartered Accountant.

Ms. Simmi Singh Bisht is the Secretary to the Audit Committee.

The terms of reference to the Committee includes, *inter alia*, overseeing financial reporting processes, reviewing the financial statements, quarterly, half yearly/annual financial results and adequacy of internal control/audit systems, discussion with the Auditors on any significant findings etc.

During the year under review, Five (5) meetings of the Audit Committee were held, the dates being May 20, 2011, May 30, 2011, July 27, 2011, October 20, 2011 and February 3, 2012.

**The composition and attendance of members at the Audit Committee Meetings are as follows:**

Audit Committee Members	Status	No. of Audit Committee Meetings Attended
Mr. R. K. Mittal	Chairman	5
Mr. T. M. Nagarajan*	Member	Nil
Mr. R. S. Loona	Member	5
Mr. Venkatesan Narayanan	Member	5

\* w.e.f February 3, 2012.

### IV. REMUNERATION COMMITTEE (Non Mandatory):

The Remuneration Committee was constituted on December 16, 2002. It was last reconstituted on June 27, 2009. The Remuneration Committee comprises three Non-Executive Directors.

Main functions of the Committee includes recommendation to the Board of Directors for the appointment of Managing Director / Whole-time Director and the salary, perquisites, allowances, commission and retirement benefits and finalization package payable to them.

During the year under review, No meetings were held of Remuneration Committee.

**The Composition of the Remuneration Committee is as follows:**

Remuneration Committee Members	Status
Mr. R. S. Loona	Chairman
Mr. R. K. Mittal	Member
Mr. Venkatesan Narayanan	Member

**Remuneration paid to the Managing Director during the year 2011-12**

Mr. D. P. Goyal, Managing Director of the Company was paid remuneration during the financial year as per the recommendation of the Remuneration Committee at its meeting held on July 3, 2010 and approval by the Members at the Annual General Meeting held on September 16, 2010. The tenure of office of the Managing Director is for a period of 3 years w.e.f. July 5, 2010. The service contract of Mr. D. P. Goyal may be terminated by either party, by giving three month's notice in writing. There are no severance fees fixed by the Company in case of early termination of service contract.

Apart from fixed components set by Remuneration Committee, no performance linked incentives are paid to Mr. D. P. Goyal. The details of the remuneration as per the Company's rules paid to Mr. D. P. Goyal during the financial year 2011-12 is given below:

(₹)

Salary	24,00,000
Contribution to the provident fund	Nil

**Details of sitting fees to Non-Executive Directors for the year 2011-2012 are given below:**

Name	Board Meetings ₹	Committee Meetings ₹	Total ₹
Mr. T.M. Nagarajan	40,000	Nil	40,000
Dr. B. Samal	60,000	Nil	60,000
Mr. Bipin Agarwal	60,000	Nil	60,000
Mr. R. S. Loona	60,000	30,000	90,000
Mr. R. K. Mittal	60,000	30,000	90,000
Mr. Venkatesan Narayanan	60,000	30,000	90,000

During the year, the Non-Executive Directors are paid sitting fee at the rate of ₹10,000/- for attending each meeting of the Board and ₹ 5,000/- for attending each Committee meeting thereof.

None of the directors held any equity shares in the company as on March 31, 2012.

**Stock Options:**

Presently the Company does not have any practice of granting stock options.

**V. SHAREHOLDERS'/INVESTORS' GRIEVANCE & SHARE TRANSFER COMMITTEE:**

The Shareholders'/Investors' Grievance & Share Transfer Committee was constituted on December 16, 2002. It was last reconstituted on March 18, 2011. All the members of the Committee are Non Executive and Independent Directors.

**The Committee:**

- 1) approves and monitors transfers, transmissions, splitting and consolidation of shares and the issue of duplicate certificates; and
- 2) looks into various issues relating to share holders, including redressing of complaints received from shareholders, relating to transfer of shares, non-receipt of annual reports, dividends etc.

During the year under review, one (1) meeting of the Shareholders'/Investors' Grievance & Share Transfer Committee was held on May 30, 2011.

**The Composition and attendance of the members at the Shareholders'/Investors' Grievance & Share Transfer Committee Meeting are as follows:**

Shareholders'/Investors' Grievance & Share Transfer Committee Members	Status	No. of Shareholders'/Investors' Grievance & Share Transfer Committee Meetings Attended
Mr. R.S.Loona	Chairman	1
Mr. R. K. Mittal	Member	1
Mr. Venkatesan Narayanan	Member	1

**Name and designation of Compliance Officer:** Ms. Simmi Singh Bisht - Company Secretary.

Shareholders/Investors Complaints	Complaint Nos.
Complaints as on April 1, 2011	Nil
Complaints received during 2011-12	1
Complaints disposed off during 2011- 2012	1
Complaints remaining unresolved as on March 31, 2012	Nil

The Company attends to investor & shareholders grievances within 10 days from the date of receipt of the same.



**VI. GENERAL BODY MEETINGS:**

Details of the last three Annual General Meetings of the Company and Special Resolutions passed there at are as under:

<b>Financial Year</b>	<b>AGM</b>	<b>Day,Date &amp; Time</b>	<b>Venue</b>	<b>Special Resolution Passed</b>
2008- 2009	15 <sup>th</sup> AGM	Thursday, August 27, 2009 at 4.30 p.m.	Registered Office (Rajabhadur Mansion, 2nd Floor, 28, Bombay Samachar Marg, Fort, Mumbai 400 001.)	1. Alteration in Articles of Association pursuant to increase in authorized share capital 2. Issue of shares on Rights Basis 3. Appointment of Mr. T.M. Nagarajan as Executive Chairman and approval of remuneration paid to him.
2009-2010	16 <sup>th</sup> AGM	Thursday, September 16, 2010 at 11.00 a.m.	Registered Office (Rajabhadur Mansion, 2 <sup>nd</sup> Floor, 28, Bombay Samachar Marg, Fort, Mumbai 400 001.)	1. Appointment of Mr. D.P.Goyal as Managing Director 2. Change of name of Company
2010-2011	17 <sup>th</sup> AGM	Saturday, September 10, 2011 at 12.00 p.m.	M.C.Ghia Hall, 2 <sup>nd</sup> Floor, Bhogilal Hargovindas Building, 18/20, K. Dubash Marg, Kala Ghoda, Mumbai- 400 001.	No special Resolution was passed

Details of the Extra Ordinary General Meetings of last three years and Special Resolutions passed thereat are as under:

<b>Financial Year</b>	<b>Day, Date &amp; Time</b>	<b>Venue</b>	<b>Special Resolution Passed</b>
2008-09	Friday, December 5, 2008 at 3.00 p.m.	Registered Office (Rajabhadur Mansion, 2 <sup>nd</sup> Floor, 28, Bombay Samachar Marg, Fort, Mumbai 400 001.)	Authority to issue Non-Convertible Cumulative Redeemable Preference Shares

**Special Resolution Passed through Postal Ballot and Voting Pattern for the Same.**

No special resolution was passed through Postal Ballot during 2011-2012.

**VII. DISCLOSURES:**

- a) There are no materially significant related party transactions made by the Company with its Promoters, Directors or Management, their relatives, its joint ventures etc. that may have potential conflict with the interests of the Company at large. Transactions with related parties during the period are disclosed in the Annual Report, in accordance with the requirements of Accounting Standard AS-18.
- b) During the last three years there were no strictures or penalties imposed by either SEBI or the Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital markets.
- c) There are no inter-se relationships between Directors of the Company.

**VIII. COMPLIANCE WITH OTHER MANDATORY REQUIREMENTS:**

- a) **Management Discussion and Analysis:** A Management Discussion and Analysis Report forms part of the Annual Report and includes discussions on various matters specified under clause 49(IV)(F) of the Listing Agreement.
- b) **Related Party transactions:** A statement in summary form of transactions with related parties is periodically placed before the Audit Committee.
- d) **Disclosure of Accounting Treatment:** The Company has followed Accounting Standards laid down by The Companies (Accounting Standards) Rules, 2006 in preparation of financial statements.
- e) **Disclosure on Risk Management:** The Company has framed a Risk Management Policy which is periodically reviewed by the Board.
- f) **Code of Conduct:** As required by the revised clause 49 of the Listing Agreement, the Board of Directors of the Company have adopted a Code of Conduct for all Board Members and Senior Management of the Company. The members of the Board of Directors and Senior Management have affirmed compliance of the said Code during the period under review. A declaration to this effect signed by the Managing Director of the Company is given elsewhere in the Annual Report.
- g) **CEO/CFO Certification:** A Certificate from Mr. D. P. Goyal, Managing Director of the Company on the financial statements of the Company was placed before the Board.
- h) **Note on appointment or re-appointment of Directors:** Particulars of Directors who need to be appointed/re-appointed at the ensuing Annual General Meeting are given under the Notice no.2, 3 & 5 of the Notice convening the meeting.

**IX. MEANS OF COMMUNICATION:**

- a) The quarterly / annual results are communicated to the BSE Limited where the Company's shares are listed and published in Free Press Journal (English) and Navshakti (Marathi).
- b) The Company has not made any presentation to any institutional investors or to any analysts during the year.
- c) The Annual General Meeting of the Company is the principal forum for face-to-face communication with the Shareholders.

- d) All items required to be covered in the Management Discussion and Analysis Report has been included in the Directors' Report to Members.
- e) The website of the Company [www.iitlprojects.com](http://www.iitlprojects.com) contains a separate dedicated section 'Investor Relations', which provides comprehensive information of interest to our investors and the Annual Report of the Company in a user-friendly and downloadable form. The quarterly/half-yearly results are also available on the Company's website and website of BSE Limited where the shares of the Company are listed.

**X. GENERAL SHAREHOLDERS INFORMATION:**

<b>Company Registration Details</b>	The Company is registered in the state of Maharashtra. The Corporate Identification Number (CIN) allotted to the Company by Ministry of Corporate Affairs (MCA) is L01110MH1994PLC082421.
<b>AGM : Date and Time Venue</b>	September 20, 2012 at 12.30 p.m.at M.C. Ghia Hall, 4th Floor, Bhogilal Hargovindas Building,18/20, Dubash Marg, Kala Ghoda, Mumbai- 400 001.
<b>Financial Calendar</b>	<b>(Tentative)</b>
Financial Year ending	March 31, 2013
<u>Results for Quarter ending :</u>	
June 30, 2012	On or before August 14, 2012
September 30, 2012	On or before November 14, 2012
December 31, 2012	On or before February 14, 2013
March 31, 2013 (Audited)	On or before May 30, 2013
<b>Date of Book Closure</b>	September 13, 2012 to September 20, 2012 (both days inclusive)
<b>Dividend Payment Date</b>	Not Applicable
<b>Listing on Stock Exchange</b>	BSE Ltd.
<b>Scrip Code</b>	531968
<b>Payment of Listing Fees</b>	Annual listing fee for the year 2012-13 (as applicable) has been paid by the Company to BSE Ltd.



<b>Market price Data : High , Low during each month in the financial year 2011-2012</b>	See point (a) & (b) below
<b>Registrar and Share Transfer Agents</b>	Purva Sharegistry (India) Private Limited, 9, Shiv Shakti Industrial Estate, J.R. Boricha Marg, Opp. Kasturba Hospital, Lower Parel (East), Mumbai -400 011. Tel: (022) 2301 8261/2301 6761
<b>Share Transfer System</b>	Share Transfers are processed and share certificates are returned within a period of 30 days from the date of receipt, if the documents are clear in all respects.
<b>Distribution of shareholding &amp; Summary of Shareholding Pattern</b>	See Point (c) & (d)
<b>Demat ISIN Numbers in NSDL &amp; CDSL for Equity Shares</b>	ISIN: INE786E01018
<b>De-materialization of shares and liquidity</b>	As on March 31, 2012, 86.98% of the Company's total equity shares representing 43,41,185 shares were held in dematerialized form and balance 13.02% representing 6,49,715 shares were held in physical form.
<b>Outstanding GDRS/ADRS/ Warrants or any convertible instruments, conversion date and likely impact on equity</b>	There were no such outstanding instruments as on March 31, 2012
<b>Plant Location</b>	The Company operates from Mumbai and Delhi Office in India and have site offices at all its Projects sites. The Company does not have a manufacturing plant.
<b>Address for correspondence</b>	Registered Office - (Rajabhadur Mansion, 2 <sup>nd</sup> Floor, 28, Bombay Samachar Marg, Mumbai 400 001.) Or Purva Sharegistry (India) Private Limited, 9, Shiv Shakti Industrial Estate, J.R. Boricha Marg, Opp. Kasturba Hospital, Lower Parel (East), Mumbai -400 011.

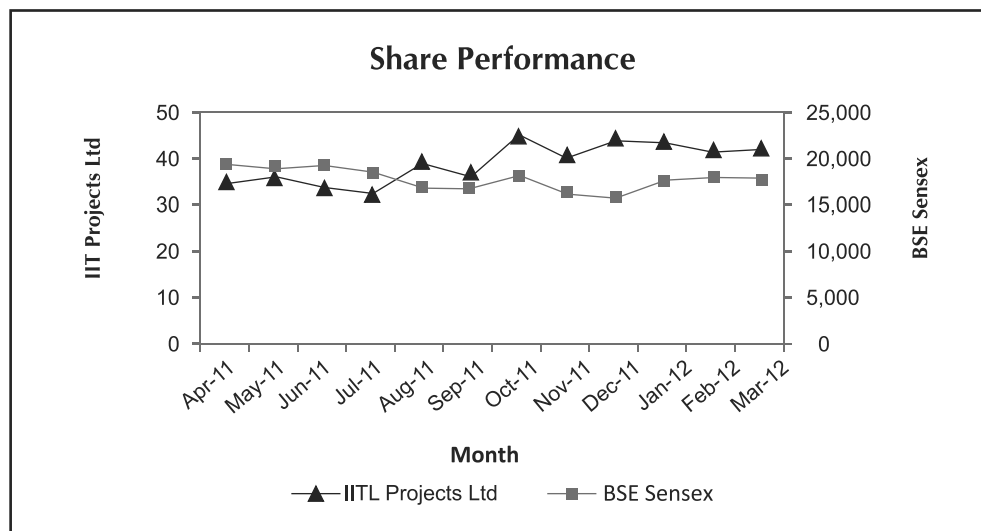


**a) Stock Market Price Data at BSE**

Month	BSE	
	High	Low
April – 2011	41.60	34.00
May – 2011	38.70	32.75
June – 2011	35.00	33.30
July – 2011	33.00	30.20
August- 2011	38.00	27.75
September –2011	40.15	35.00
October –2011	44.00	33.95
November – 2011	43.90	36.25
December – 2011	43.10	37.70
January – 2012	44.00	42.85
February – 2012	40.90	38.90
March – 2012	41.00	41.00

**b) Graph**

**Share Price/BSE (Monthly Closing)**





## c) Distribution of shareholding as on March 31, 2012

Range of equity shares held	No. of Shareholders	% of total shareholders	No. of Shares	% of total shares
upto 5,000	269	69.15	2,93,340	0.59
5,001 to 10,000	30	7.71	2,43,880	0.49
10,001 to 20,000	37	9.51	5,70,990	1.14
20,001 to 30,000	8	2.06	2,06,990	0.41
30,001 to 40,000	8	2.06	2,67,620	0.54
40,001 to 50,000	2	0.51	89,630	0.18
50,001 to 1,00,000	13	3.34	10,34,540	2.07
1,00,001 and above	21	5.66	4,72,02,010	94.58
<b>Total</b>	<b>388</b>	<b>100.00</b>	<b>4,99,09,000</b>	<b>100.00</b>

## d) Summary of Shareholding Pattern as on March 31, 2012

Category	No. of Shareholders	No. of Shares held	% of total shares
Promoters	1	35,80,347	71.74
Bodies Corporate	28	2,69,036	5.39
Indian Public:			
a) Individual Shareholders holding nominal share capital up to ₹ 1 lakh.	334	2,31,548	4.64
b) Individual Shareholders holding nominal in excess of ₹ 1 lakh.	16	8,93,664	17.90
NRIs	3	2,568	0.05
HUF	6	13,737	0.28
Clearing Member	-	-	-
<b>Total</b>	<b>388</b>	<b>49,90,900</b>	<b>100.00</b>

**Auditors' Certificate on Corporate Governance**

The Auditors' Certificate on compliance with Clause 49 of the Listing Agreement relating to Corporate Governance is published as an annexure to this Report.

**Declaration on compliance with Code of Conduct**

It is hereby affirmed that all the Directors and the senior management personnel have complied with the Code of Conduct framed by the Company and a confirmation to that effect has been obtained from the Directors and Senior Management.

**On behalf of the Board of Directors**

**Mumbai, August 9, 2012**

**D. P.Goyal**  
Managing Director

**AUDITORS' CERTIFICATE  
TO THE MEMBERS OF IITL PROJECTS LIMITED**

We have examined the compliance of the conditions of corporate governance by **IITL PROJECTS LIMITED** ("the Company") for the year ended on 31<sup>st</sup> March, 2012 as stipulated in Clause 49 of the Listing Agreement of the Company with the BSE Limited (hereinafter referred to as Clause 49).

The compliance of the conditions of corporate governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied, in all material respects, with the conditions of corporate governance as stipulated in Clause 49.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **DELOITTE HASKINS & SELLS**  
Chartered Accountants  
(Registration No.117365W)

Z. F. Billimoria  
Partner  
(Membership No. 42791)

**Mumbai, August 9, 2012**



To,

The Board of Directors of IITL Projects Limited

**Sub: CEO Certification on Financial Statement, etc.**

I have reviewed the financial statements as well as the cash flow statement (hereafter referred to as “statements” of IITL Projects Limited) for the year ended March 31, 2012 and certify that to the best of my knowledge and belief:

- a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- b) These statements together present a true and fair view of the company’s affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- c) There are no transactions entered into by the company which are fraudulent, illegal or violative of the company’s code of conduct.
- d) I accept responsibility for establishing and maintaining internal controls and have evaluated the effectiveness of internal control systems of the company, and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- e) During the year 2011-12, there were no instances of significant fraud that involved management or employees, having a significant role in the company’s internal controls systems over financial reporting; and
- f) I have indicated to the auditors and the Audit committee and in the notes on account that there were no significant changes in internal control and/or of accounting policies during the year.

**Mumbai, May 23, 2012**

**D.P.Goyal**  
Managing Director



## AUDITORS' REPORT

### TO THE MEMBERS OF IITL PROJECTS LIMITED

1. We have audited the attached Balance Sheet of IITL PROJECTS LIMITED ("the Company") as at 31<sup>st</sup> March, 2012, the Statement of Profit and Loss and the Cash Flow Statement of the Company for the year ended on that date, both 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 the 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 misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. Without qualifying our opinion, we invite attention to Notes 2.9 and 2.19 regarding balances in current account and share of profits (net) in joint venture partnership firms audited by other auditors whose report have been furnished to us by the Management of the Company and our opinion is based solely on such audited financial statements.
4. As required by the Companies (Auditor's Report) Order, 2003 (CARO) issued by the Central Government in terms of Section 227 (4A) 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.
5. Further to our comments in the Annexure referred to in paragraph 4 above and read with paragraph 3 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 purpose of our audit;
  - (ii) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (iii) the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - (iv) in our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in compliance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956;
  - (v) 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 Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
    - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2012;
    - (b) in the case of the Statement of Profit and Loss, of the loss of the Company for the year ended on that date; and
    - (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.
6. On the basis of the written representations received from the Directors as on 31<sup>st</sup> March, 2012 taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31<sup>st</sup> March, 2012 from being appointed as a director in terms of Section 274(1)(g) of the Companies Act, 1956.

For **DELOITTE HASKINS & SELLS**  
Chartered Accountants  
(Registration No. 117365W)

Z. F. Billimoria  
Partner  
(Membership No. 42791)

Mumbai, May 23, 2012

**ANNEXURE TO THE AUDITORS' REPORT  
(Referred to in paragraph 4 of our report of even date)**

- (i) Having regard to the nature of the Company's business/activities/result, transactions etc., clauses (i)(c), (vi), (xi), (xii), (xiii), (xiv), (xv), (xvi), (xviii), (xix) and (xx) of CARO are not applicable.
- (ii) In respect of its fixed assets:
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
- (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (iii) In respect of its inventory:
- (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals.
- (b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iv) The Company has not granted any loan, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Secti on 301 of the Companies Act, 1956.

In respect of loans, secured or unsecured, taken by the Company from companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956, according to the information and explanations given to us:

- (a) The Company has taken loan of Rs.117,000, 000 from the holding company during the year. At the year-end, the outstanding balance of such loan taken is Rs. 70,000, 000 and the maximum amount involved during the year was Rs.115,000,000.
- (b) The rate of interest and other terms and conditions of such loan are, in our opinion, *prima facie* not prejudicial to the interests of the Company.
- (c) The payments of principal amounts and interest in respect of such loans are regular/ as per stipulations.
- (v) 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 with regard to purchases of inventory and fixed assets and the sale of goods and services. During the course of our audit, we have not observed any major weakness in such internal control system.
- (vi) To the best of our knowledge and according to the information and explanations given to us, there are no contracts or arrangements referred to in Section 301 of the Companies Act, 1956 exceeding Rs. 5 lakhs during the year, that needed to

be entered in the Register maintained under the said Section.

- (vii) In our opinion, the internal audit functions carried out during the year by a firm of Chartered Accountants appointed by the Management have been commensurate with size of the Company and the nature of its business.
- (vii) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that *prima facie* the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine they are accurate or complete.
- (ix) According to the information and explanations given to us in respect of statutory dues:
- The Company has been generally regular in depositing undisputed dues, including Provident Fund, Income-tax, Sales Tax, Service Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
  - There were no undisputed amounts payable in respect of Income-tax, Sales Tax, Service Tax, Cess and other material statutory dues in arrears as at 31<sup>st</sup> March, 2012 for a period of more than six months from the date they became payable.
  - Details of dues of Income-tax which have not been deposited as on 31<sup>st</sup> March, 2012 on account of disputes are given below:

Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount involved (Rs.)
The Income-Tax Act, 1961	Income-Tax	Income-Tax Appellate Tribunal	A.Y 2006-07	167,267

- (x) The accumulated losses of the Company at the end of financial year are less than fifty percent of its net worth. However, the Company has incurred cash losses during the financial year under audit as well as in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us and on an overall examination on the Balance Sheet, we report that funds raised on short-term basis have not been used during the year for long-term investment.
- (xii) To the best of our knowledge and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For **DELOITTE HASKINS & SELLS**  
Chartered Accountants  
(Registration No. 117365W)

Z. F. Billimoria  
Partner

(Membership No. 42791)

Mumbai, May 23, 2012

**BALANCE SHEET AS AT 31ST MARCH, 2012**

Particulars	Note No.	As at 31st March, 2012 ₹	As at 31st March, 2011 ₹
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	2.1	50,079,000	50,079,000
Reserves and surplus	2.2	<u>(3,391,067)</u>	<u>9,386,705</u>
		<b>46,687,933</b>	<b>59,465,705</b>
<b>Non-current liabilities</b>			
Other long-term liabilities	2.3	<u>62,418,466</u>	<u>78,653,534</u>
		<b>62,418,466</b>	<b>78,653,534</b>
<b>Current liabilities</b>			
Short-term borrowings	2.4	70,000,000	55,500,000
Trade payables	2.5	29,005,056	26,409,834
Other current liabilities	2.6	70,477,088	75,305,191
Short-term provisions	2.7	360,589	114,916
		<u>169,842,733</u>	<u>157,329,941</u>
<b>Total</b>		<b><u>278,949,132</u></b>	<b><u>295,449,180</u></b>
<b>II. ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets - Tangible	2.8	515,214	513,365
Non-current investments	2.9	44,200,732	46,693,506
Deferred tax assets (net)	2.10	153,631	71,552
Long-term loans and advances	2.11	125,050	1,006,515
Other non-current assets	2.12	<u>50,000</u>	<u>8,510,400</u>
		<b>45,044,627</b>	<b>56,795,338</b>
<b>Current assets</b>			
Inventories	2.13	152,349,244	141,972,093
Trade receivables	2.14	18,523,665	37,585,897
Cash and cash equivalents	2.15	18,068,275	13,237,706
Short-term loans and advances	2.16	15,117,813	45,487,227
Other current assets	2.17	<u>29,845,508</u>	<u>370,919</u>
		<b>233,904,505</b>	<b>238,653,842</b>
<b>Total</b>		<b><u>278,949,132</u></b>	<b><u>295,449,180</u></b>

See accompanying notes (1 and 2.1 to 2.30) forming part of the financial statements

In terms of our report attached.

**For Deloitte Haskins & Sells**  
Chartered Accountants

**Z. F. BILLIMORIA**  
Partner  
Mumbai, May 23, 2012

For and on behalf of the Board of Directors

**BIPIN AGARWAL**  
Director

**D P GOYAL**  
Managing Director

**SIMMI SINGH BISHT**  
Company Secretary  
Mumbai, May 23, 2012

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2012**

Particulars	Note No.	Year ended 31st March, 2012 ₹	Year ended 31st March, 2011 ₹
<b>I.</b> Revenue from operations	2.18	197,710,838	131,089,645
<b>II.</b> Other income	2.19	7,192,359	1,759,099
<b>III. Total revenue (I + II)</b>		<b>204,903,197</b>	<b>132,848,744</b>
<b>IV. Expenses</b>			
Cost of sales	2.20	186,675,594	101,828,826
Employee benefits expense	2.21	7,173,429	5,928,854
Finance costs	2.22	4,593,402	4,157,869
Depreciation	2.8	164,900	145,342
Other expenses	2.23	19,155,723	22,283,503
<b>Total expenses</b>		<b>217,763,048</b>	<b>134,344,394</b>
<b>V. Loss before tax (III-IV)</b>		<b>(12,859,851)</b>	<b>(1,495,650)</b>
<b>VI. Tax expense</b>			
- Deferred tax	2.10	(82,079)	40,277
- Current tax expense relating to prior years		-	(38,971)
		<b>(82,079)</b>	<b>1,306</b>
<b>VII. Loss for the year (V - VI)</b>		<b>(12,777,772)</b>	<b>(1,496,956)</b>
<b>VIII. Earnings per equity share:</b>	2.25		
Basic and Diluted		(2.56)	(0.30)
Nominal Value per equity share		10.00	10.00

**See accompanying notes (1 and 2.1 to 2.30) forming part of the financial statements**

In terms of our report attached.

**For Deloitte Haskins & Sells**  
Chartered Accountants

**Z. F. BILLIMORIA**  
Partner  
Mumbai, May 23, 2012

**For and on behalf of the Board of Directors**

**BIPIN AGARWAL**  
Director

**D P GOYAL**  
Managing Director

**SIMMI SINGH BISHT**  
Company Secretary  
Mumbai, May 23, 2012

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012**

Particulars	Year ended 31st March, 2012 ₹	Year ended 31st March, 2011 ₹
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Loss before tax	(12,859,851)	(1,495,650)
Adjustments for:		
Depreciation on fixed assets - tangible	164,900	145,342
Interest income	(3,072,077)	(92,443)
Share of profit from joint venture partnership firms (net)	(2,082,226)	(1,643,506)
Finance costs		
- Loan to holding company	4,580,876	4,143,780
- others	-	10,388
Provision for compensated absences	245,673	(105,438)
<b>Operating profit/(loss) before working capital changes</b>	<b>(13,022,705)</b>	<b>962,473</b>
<b><u>Changes in working capital</u></b>		
Adjustments for (increase) / decrease in operating assets:		
Inventories (Refer Footnote)	(6,897,584)	(3,173,540)
Trade receivables	19,062,232	(37,585,897)
Short-term loans and advances	32,372,697	28,409,746
Long-term loans and advances	881,465	(3,348,830)
Other current assets	(28,868,085)	-
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	2,595,222	16,946,984
Other current liabilities	(3,882,142)	59,609,945
Other long-term liabilities	(16,235,068)	(7,876,363)
<b>Cash generated from operations</b>	<b>(13,993,968)</b>	<b>53,944,518</b>
Net income tax paid	(1,982,351)	(6,950,648)
<b>Net cash flow from/(used in) operating activities</b>	<b>(15,976,319)</b>	<b>46,993,870</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Bank balances not considered as cash and cash equivalents - placed	-	(8,460,400)
Purchase of fixed assets	(166,749)	(68,640)
Purchase of long-term investments -Joint ventures	(5,425,000)	(45,050,000)
Purchase of current investments	-	(6,000,000)
Proceeds from sale of current investments	-	6,002,931
Loans given to joint venture partnership firms	(74,987,500)	-
Loans realised from joint venture partnership firms	74,987,500	-
Interest received		
- Joint ventures	3,047,219	-
- Deposits with banks (Refer Footnote)	67,391	47,865
Amounts received from partnership firms	10,000,000	-
<b>Net cash flow from/(used in) investing activities</b>	<b>7,522,861</b>	<b>(53,528,244)</b>



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012 (Contd.)**

Particulars	Year ended 31st March, 2012 ₹	Year ended 31st March, 2011 ₹
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from short-term borrowings	117,000,000	35,000,000
Repayment of short-term borrowings	(102,500,000)	(59,500,000)
Finance cost (Refer Footnote)	(9,676,373)	(4,672,340)
<b>Net cash flow/(used in) financing activities</b>	<b>4,823,627</b>	<b>(29,172,340)</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS (A + B + C)</b>	<b>(3,629,831)</b>	<b>(35,706,714)</b>
<b>D. CASH AND CASH EQUIVALENTS (Refer Note 2.15)</b>		
As at the commencement of the year	13,237,706	48,944,420
As at the end of the year	9,607,875	13,237,706
<b>NET DECREASE AS DISCLOSED ABOVE</b>	<b>(3,629,831)</b>	<b>(35,706,714)</b>

**Note:**

Changes in inventories is after adjusting borrowing costs capitalised. Interest on bank deposits is inclusive of amount netted of from inventories and finance cost is inclusive of amount capitalised under inventories as per Note 2.13(a).

In terms of our report attached.

**For Deloitte Haskins & Sells**  
Chartered Accountants

**Z. F. BILLIMORIA**  
Partner  
Mumbai, May 23, 2012

**For and on behalf of the Board of Directors**

**BIPIN AGARWAL**  
Director

**D P GOYAL**  
Managing Director

**SIMMI SINGH BISHT**  
Company Secretary  
Mumbai, May 23, 2012

## NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2012

### 1 Significant Accounting Policies

#### 1.1 Basis of accounting

The financial statements are prepared under historical cost convention, on an accrual basis and are in accordance with the requirements of the Companies Act, 1956 and comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the said Act. The preparation of financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the reporting period. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates.

#### 1.2 Revenue Recognition

(a) Revenue from real estate projects is recognized on the Percentage of Completion Method. Revenue is recognised in relation to the areas sold, on the basis of percentage of actual costs incurred as against the total estimated cost of the project under execution, subject to such actual costs being 25 percent or more of the total estimated cost. Land costs are not included for the purpose of computing the percentage of completion.

The estimates of saleable area and costs are revised periodically by the Management. The effect of such changes in estimates is recognised in the period such changes are determined.

(b) Fees are accounted as per the terms of contract with the customers.

(c) Interest on fixed deposits and loans is accounted on time proportionate basis.

(d) Dividend income is accounted when the right to receive is established.

(e) Share of profit from the partnership firms, in which the Company is a partner, is as per the financial statements of the partnership firms.

#### 1.3 Fixed Assets

Fixed assets are stated at cost of acquisition less accumulated depreciation. Cost comprises of the purchase price and any other attributable cost of bringing the asset to its working condition for its intended use.

#### 1.4 Depreciation

(a) Depreciation on fixed assets is provided on the written down value basis at the rates prescribed in Schedule XIV to the Companies Act, 1956.

(b) Depreciation on additions to fixed assets is provided for the full year irrespective of the date of addition. No depreciation is provided on deletions to fixed assets in the year of sale.

#### 1.5 Inventories

Inventories are valued at lower of cost and net realisable value. Construction material cost is determined on a First In First Out basis. Construction work in progress comprises premium for development rights and expenditure relating to construction.

#### 1.6 Investments

Long Term Investments are valued at cost unless there is a diminution in value, other than temporary for which provision is made.

#### 1.7 Accounting for Joint Ventures

The Company's investments in jointly controlled entities is reflected as investment and accounted for in accordance with the Company's accounting policy of Investments (Refer Note 1.6 above).

#### 1.8 Provisions

A provision is recognised when an 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 their present values and are determined based on management 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 management estimates.

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2012 (Contd.)

**1 Significant Accounting Policies (Contd.)**

**1.9 Taxation**

Tax expense comprises current and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. Deferred tax 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 rate and tax laws enacted or substantially enacted at the Balance Sheet date.

Deferred tax assets other than on carried forward losses and unabsorbed depreciation 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.

Deferred tax assets on account of carried forward losses and unabsorbed depreciation are recognised only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised.

**1.10 Employee benefits**

(a) Short term employee benefits:

Short term employee benefits are recognised as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

(b) Long term employee benefits:

1. Defined Contribution Plan:

The eligible employees of the Company are entitled to receive post employment benefits in respect of provident and family pension fund, in which both employees and the Company makes monthly contributions at a specified percentage of the employees' eligible salary (currently 12% of employees' eligible salary). The contributions are made to Employees Provident Fund Organisation. Provident Fund and Family Pension Fund are classified as Defined Contribution Plans as the Company has no further obligation beyond making the contribution. The Company's contributions to Defined Contribution Plan are charged to the statement of profit and loss as incurred.

2. Defined Benefit Plan:

i. Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company makes contribution to LIC of India based on an independent actuarial valuation made at the year-end. Actuarial gains and losses are recognised in the statement of profit and loss.

ii. Compensated absences

The Company provides for the encashment of leave or leave with pay subject to certain rules. The Employees are entitled to accumulate leave subject to certain limits for future encashment/availment. The Company makes provision for compensated absences based on an actuarial valuation carried out at the end of the year. Actuarial gains and losses are recognised in the statement of profit and loss.

**1.11 Borrowing Costs**

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised for the period until the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs are recognised as an expense in the period in which they are incurred.

**1.12 Operating Lease**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets, are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

**NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2012 (Contd.)****2.1 Share capital**

Particulars	As at 31st March, 2012 ₹	As at 31st March, 2011 ₹
<b>Authorised</b>		
20,500,000 (previous year 20,500,000) Equity shares of ₹ 10 each	205,000,000	205,000,000
4,500,000 (previous year 4,500,000) Cumulative Non-Convertible Redeemable Preference shares of ₹ 10/- each	45,000,000	45,000,000
	<u>250,000,000</u>	<u>250,000,000</u>
<b>Issued</b>		
5,050,100 (previous year 5,050,100) Equity shares of ₹ 10/- each	50,501,000	50,501,000
	<u>50,501,000</u>	<u>50,501,000</u>
<b>Subscribed</b>		
4,990,900 (previous year 4,990,900) Equity shares of ₹ 10/- each fully paid-up	49,909,000	49,909,000
Add: 59,200 (previous year 59,200) Equity shares forfeited - amount paid	170,000	170,000
<b>Total</b>	<u>50,079,000</u>	<u>50,079,000</u>

**(a) Rights, preferences and restrictions attached to equity shares**

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to the receive remaining assets of the Company, after payment of all claims/liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(b) Shares held by the holding company**

Out of total 4,990,900 (previous year 4,990,900) Equity shares, 3,580,347 (previous year 3,580,347) Equity shares are held by the holding company, Industrial Investment Trust Limited.

**(c) Equity shares held by each shareholder holding more than 5 percent equity shares in the Company are as follows**

Name of Shareholder	As at 31st March 2012		As at 31st March 2011	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Industrial Investment Trust Limited (holding company)	3,580,347	71.74%	3,580,347	71.74%

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2012 (Contd.)

2.2 Reserves and surplus

Particulars	As at 31st March, 2012 ₹	As at 31st March, 2011 ₹
<b>Surplus/ (Deficit) in Statement of Profit and Loss</b>		
Opening balance	9,386,705	10,883,661
Loss for the year	(12,777,772)	(1,496,956)
<b>Closing balance</b>	<b>(3,391,067)</b>	<b>9,386,705</b>
<b>Total</b>	<b>(3,391,067)</b>	<b>9,386,705</b>

2.3 Other long-term liabilities

<b>Trade payables</b>		
Premium for development rights #	62,418,466	76,479,662
Retention money	-	1,200,000
Provision for expenses	-	973,872
<b>Total</b>	<b>62,418,466</b>	<b>78,653,534</b>

# Premium for development rights is payable in half-yearly installments upto 9th March, 2017 to Greater Noida Industrial Development Authority, pursuant to the lease deed. The half-yearly installments payable within next 12 months, amounting to ₹ 14,532,484 (previous year ₹ 10,641,736) are classified as current trade payables under Note 2.5.

2.4 Short-term borrowings (Unsecured)

Loan from holding company (Refer Note 2.26)	70,000,000	55,500,000
<b>Total</b>	<b>70,000,000</b>	<b>55,500,000</b>

2.5 Trade payables

Premium for development rights	14,532,484	10,641,736
Payable to vendors [Refer Note 2.5(a)]	8,370,008	13,250,129
Payable to holding company	37,503	36,209
Retention money	1,672,614	-
Provision for expenses	3,414,235	649,997
Others	978,212	1,831,763
<b>Total</b>	<b>29,005,056</b>	<b>26,409,834</b>

(a) There are no amounts due to the suppliers covered under the Micro, Small and Medium Enterprises Development Act, 2006; this information takes into account only those suppliers who have responded to the enquiries made by the Company for this purpose. This has been relied upon by the auditors.

2.6 Other current liabilities

Advances from holding company (Refer Note 2.26)	-	47,500,000
Advances from customers	69,513,387	25,047,942
Interest accrued and due on loan from holding company	-	945,961
Statutory remittances	963,701	1,811,288
<b>Total</b>	<b>70,477,088</b>	<b>75,305,191</b>



**NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2012 (Contd.)**

Particulars	As at 31st March, 2012 ₹	As at 31st March, 2011 ₹
<b>2.7 Short-term provisions</b>		
Provision for compensated absences	360,589	114,916
<b>Total</b>	<u><u>360,589</u></u>	<u><u>114,916</u></u>

**2.8 Fixed assets - Tangible**

(₹)

Assets	Gross block			Accumulated depreciation			Net block	
	As at 1st April, 2011	Additions	As at 31st March, 2012	As at 1st April, 2011	For the year	As at 31st March, 2012	As at 31st March, 2012	As at 31st March, 2011
Furniture and Fixtures	508,079	-	508,079	207,293	54,443	261,736	246,343	300,786
Office Equipment	147,169	35,649	182,818	36,300	20,380	56,680	126,138	110,869
Vehicles	39,315	-	39,315	17,722	5,590	23,312	16,003	21,593
Computers	237,466	131,100	368,566	157,349	84,487	241,836	126,730	80,117
<b>Total</b>	<b>932,029</b>	<b>166,749</b>	<b>1,098,778</b>	<b>418,664</b>	<b>164,900</b>	<b>583,564</b>	<b>515,214</b>	-
Previous year	863,389	68,640	932,029	273,322	145,342	418,664	-	513,365

Particulars	As at 31st March, 2012 ₹	As at 31st March, 2011 ₹
<b>2.9 Non-current investments</b>		
<b>Trade investments - Unquoted (valued at cost)</b> (Refer Note 2.28)		
<b>Investment in Equity shares of a joint venture company</b>		
500,000 (previous year: 5,000) Equity shares of ₹ 10 each fully paid-up of Capital Infraprojects Private Limited	5,000,000	50,000
<b>Investment in joint venture partnership firms</b> [Refer Notes 2.9(a) to 2.9(c)]		
<u>IITL Nimbus The Hyde Park, Noida</u>		
Capital account	45,000,000	45,000,000
Current account	<u>2,314,107</u>	<u>1,643,506</u>
	<b>47,314,107</b>	<b>46,643,506</b>
<u>IITL Nimbus The Express Park View</u>		
Capital account	237,500	-
Current account	<u>(8,119,269)</u>	<u>-</u>
	<b>(7,881,769)</b>	<b>-</b>
<u>IITL Nimbus The Palm Village</u>		
Capital account	237,500	-
Current account	<u>(469,106)</u>	<u>-</u>
	<b>(231,606)</b>	<b>-</b>
<b>Total</b>	<u><u>44,200,732</u></u>	<u><u>46,693,506</u></u>

**NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2012 (Contd.)**

(a) Details of investment in joint venture partnership firms:

Sr. No.	Name of the firm	As at 31st March, 2012			As at 31st March, 2011		
		Names of partners	Capital ₹	Share of each partner in profits	Names of partners	Capital ₹	Share of each partner in profits
1	IITL Nimbus The Hyde Park, Noida	IITL Projects Limited	45,000,000	45.00%	IITL Projects Limited	45,000,000	45.00%
		Nimbus Projects Limited	45,000,000	45.00%	Nimbus Projects Limited	45,000,000	45.00%
		Supertech Limited	10,000,000	10.00%	Supertech Limited	10,000,000	10.00%
		<b>Total</b>	<b>100,000,000</b>	<b>100.00%</b>	<b>Total</b>	<b>100,000,000</b>	<b>100.00%</b>
2	IITL Nimbus, The Express Park View	IITL Projects Limited	237,500	47.50%	NA	NA	NA
		Nimbus Projects Limited	237,500	47.50%	NA	NA	NA
		Assotech Limited	25,000	5.00%	NA	NA	NA
		<b>Total</b>	<b>500,000</b>	<b>100.00%</b>	<b>Total</b>	<b>NA</b>	<b>NA</b>
3	IITL Nimbus, The Palm Village	IITL Projects Limited	237,500	47.50%	NA	NA	NA
		Nimbus Projects Limited	237,500	47.50%	NA	NA	NA
		Assotech Limited	25,000	5.00%	NA	NA	NA
		<b>Total</b>	<b>500,000</b>	<b>100.00%</b>	<b>Total</b>	<b>NA</b>	<b>NA</b>

(b) In respect of each of the above firms, which are engaged in developing real estate projects, the Company has in terms of the respective partnership deeds agreed to contribute further capital as and when needed for the real estate projects.

(c) The balances in current accounts of the Joint Venture partnership firms are based on the audited accounts of the respective entities for the current and previous year.

**2.10** The break-up of deferred tax assets is as under:

Nature of timing difference	Deferred tax asset as at 31st March, 2011	Credit for the current year	Deferred tax asset as at 31st March, 2012
	₹	₹	₹
Depreciation	34,268	2,370	36,638
Employee benefits	37,284	79,709	116,993
<b>Net Amount</b>	<b>71,552</b>	<b>82,079</b>	<b>153,631</b>

The Company has not recognised deferred tax assets of ₹ 6,340,975 (Previous year ₹ 2,255,155) on account of carry forward business losses and unabsorbed depreciation due to absence of virtual certainty.

Particulars	As at 31st March, 2012 ₹	As at 31st March, 2011 ₹
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**2.11 Long-term loans and advances**

**Unsecured, considered good**

Advances for supply of goods and services	-	1,002,765
Security deposits	3,750	3,750
Amount recoverable from gratuity fund	121,300	-
<b>Total</b>	<b>125,050</b>	<b>1,006,515</b>

**2.12 Other non-current assets**

Bank deposits with more than 12 months maturities (pledge against counter guarantees given by bank)	50,000	8,510,400
<b>Total</b>	<b>50,000</b>	<b>8,510,400</b>



**NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2012 (Contd.)**

Particulars	As at 31st March, 2012 ₹	As at 31st March, 2011 ₹
<b>2.13 Inventories</b>		
Construction materials	3,511,525	892,170
Construction work-in-progress [Refer Note 2.13(a)]	148,837,719	141,079,923
<b>Total</b>	<b><u>152,349,244</u></b>	<b><u>141,972,093</u></b>
(a) Construction work-in-progress includes borrowing costs (interest expenses) capitalised during the year of ₹ 4,149,532 (Previous year : ₹ 1,474,521) and is net of interest and dividend income of ₹ 669,969 (Previous year: ₹ 410,321).		
<b>2.14 Trade receivables</b>		
<b>(Unsecured, considered good)</b>		
Outstanding for a period exceeding six months from the date they are due for payment	14,995,482	-
Others	3,528,183	37,585,897
<b>Total</b>	<b><u>18,523,665</u></b>	<b><u>37,585,897</u></b>
<b>2.15 Cash and cash equivalents</b>		
Cash on hand	20,420	21,461
Balances with banks		
- In current accounts	9,587,455	13,216,245
- In deposit accounts with original maturity of more than 12 months (pledge against counter guarantees given by bank )	8,460,400	-
<b>Total</b>	<b><u>18,068,275</u></b>	<b><u>13,237,706</u></b>
Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statement is	9,607,875	13,237,706
<b>2.16 Short-term loans and advances</b>		
<b>(Unsecured, considered good)</b>		
Advances to related parties (Refer Note 2.26)	-	2,264,225
Advances for supply of goods and services	3,489,086	5,370,855
Contribution to SPV	-	25,237,500
Security deposits	-	367,875
Prepaid expenses	413,772	644,513
Advance payment of income tax [net of provisions ₹ 207,971 (previous year ₹ 207,971)]	11,008,213	9,004,930
Balances with government authorities		
- VAT credit receivable	-	2,591,132
- Service tax receivable	193,265	-
Amount recoverable from gratuity fund	13,477	6,197
<b>Total</b>	<b><u>15,117,813</u></b>	<b><u>45,487,227</u></b>
<b>2.17 Other current assets</b>		
Unbilled revenue	28,868,085	-
Interest accrued on bank deposits	977,423	370,919
<b>Total</b>	<b><u>29,845,508</u></b>	<b><u>370,919</u></b>

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2012 (Contd.)

Particulars	Year ended 31st March, 2012 ₹	Year ended 31st March, 2011 ₹
<b>2.18 Revenue from operations</b>		
Sale of services		
- Sale of flats	195,015,838	120,424,645
- Fees	2,695,000	10,665,000
<b>Total</b>	<b><u>197,710,838</u></b>	<b><u>131,089,645</u></b>
<b>2.19 Other income</b>		
<b>Interest income on</b>		
- Deposits with banks [Refer Note 2.13(a)]	3,926	10,423
- Loans to joint venture partnership firms	3,047,219	-
- Income-tax refund	20,932	82,020
- Others	1,744,876	20,000
Other non-operating income		
- Share of profit in joint venture partnership firms (net) [Refer Note 2.19(a)]	2,082,226	1,643,506
Others	293,180	3,150
<b>Total</b>	<b><u>7,192,359</u></b>	<b><u>1,759,099</u></b>
(a) The net share of profit from joint venture partnership firms is based on the audited accounts of the respective entities for the current and previous year as per details indicated in Note 2.26(ii)(c)(g&h).		
<b>2.20 Cost of sales</b>		
Construction materials and Construction work-in-progress at the beginning of the year	141,972,093	137,734,353
Additions during the year	197,052,745	106,066,566
Construction materials and Construction work-in-progress at the end of the year	(152,349,244)	(141,972,093)
<b>Total</b>	<b><u>186,675,594</u></b>	<b><u>101,828,826</u></b>
<b>2.21 Employee benefits expense</b>		
Salaries and bonus	6,599,051	5,474,990
Contribution to provident and other funds [Refer Note 2.29(a)]	323,247	335,822
Staff welfare expenses	251,131	118,042
<b>Total</b>	<b><u>7,173,429</u></b>	<b><u>5,928,854</u></b>
<b>2.22 Finance costs</b>		
Interest on loan - holding company [Refer Notes 2.13(a) and 2.26]	4,580,876	4,143,780
Others		
- interest on delayed/deferred payment of statutory dues	12,526	14,089
<b>Total</b>	<b><u>4,593,402</u></b>	<b><u>4,157,869</u></b>

**NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2012 (Contd.)**

Particulars	Year ended 31st March, 2012 ₹	Year ended 31st March, 2011 ₹
<b>2.23 Other expenses</b>		
Electricity	146,779	152,617
Rent	935,270	1,066,644
Insurance	295,906	173,998
Repairs and maintenance- others	684,657	13,471
Rates and taxes	2,500	85,136
Brokerage and commission	13,382,686	14,190,228
Travelling and conveyance	875,239	1,124,218
Printing and stationary	201,083	222,095
Communication expenses	222,762	135,368
Membership fees	173,754	34,193
Legal and professional fees	435,304	1,052,398
Payments to the auditors		
- As auditors - Statutory audit	480,000	400,000
- For other services	270,000	1,800,000
- Reimbursement of expenses	13,522	8,689
- Service tax	89,664	227,496
	853,186	2,436,185
Directors' fees	430,000	710,000
Business promotion	53,771	456,054
Miscellaneous	462,826	430,898
<b>Total</b>	<b>19,155,723</b>	<b>22,283,502</b>

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2012 (Contd.)

Particulars	As at 31st March, 2012 ₹	As at 31st March, 2011 ₹
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**2.24 Contingent liabilities and commitments**

(a) Contingent liabilities not provided for in respect of Disputed income-tax matters in appeal	167,267	225,525
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In respect of above items, outflow of resources would depend upon the outcome of the appeal.

(b) Refer to Note 2.9(b) regarding commitments to contribute towards development of real estate projects.

**2.25** Basic earnings per share have been calculated by dividing profit after tax attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The Company has not issued any potential equity shares and accordingly, the basic earnings per share and diluted earnings per share are the same. Values used in calculating earnings per share are as under:

Particulars	Year ended 31st March, 2012 ₹	Year ended 31st March, 2011 ₹
(a) Numerator: Loss after tax (₹)	12,777,772	1,496,956
(b) Denominator: Weighted average number of equity shares	4,990,900	4,990,900
(c) Basic and diluted, earnings per equity share (in ₹)	(2.56)	(0.30)

**2.26 Related party disclosures:**

(i) (a) Names of related parties and nature of related party relationship where control exists are as under:

Holding Company: Industrial Investment Trust Limited

(b) Names of other related parties and nature of relationship where there are transactions with related parties:

Fellow Subsidiaries: IIT Investrust Limited  
IIT Insurance Broking and Risk Management Private Limited

Joint Venture Entities: IITL Nimbus The Hyde Park Noida -a partnership firm (w.e.f 9th April 2010)  
IITL- Nimbus The Express Park View -a partnership firm (w.e.f. 15th April 2011)  
IITL- Nimbus The Palm Village -a partnership firm (w.e.f. 24th June, 2011)  
Capital Infraprojects Private Limited (w.e.f 24th March 2011)

Key Management Personnel: T. M. Nagarajan, Executive Chairman. (upto 3rd July 2010)  
D.P. Goyal, Managing Director (w.e.f 5th July 2010)

Company in which directors have significant influence : Nimbus Projects Limited

(ii) Balances outstanding / transactions with related parties:

(a) Key management personnel:

Sr. No.	Nature of transactions	₹
(I)	Volume of transactions:	
	Remuneration paid to T.M. Nagarajan	-
	Remuneration paid to D P Goyal	(433,549)
		<b>2,400,000</b>
		(1,774,193)

Note: Previous year figures are in brackets.



**NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2012 (Contd.)**

**2.26 Related party disclosures**

(b) Company in which directors have significant influence : (Contd.)

Sr. No.	Nature of transactions	₹
(I)	Rent Paid to Nimbus Projects Limited	<b>297,810</b> (-)

Note: Previous year figures are in brackets.

(c) Other related parties:

(₹)

	Nature of transactions	Holding Company	Fellow Subsidiaries	Joint Venture Entities
<b>(I)</b>	<b><u>Nature and Volume of transactions:</u></b>			
<b>a</b>	<b>Loan taken from</b>			
	Industrial Investment Trust Limited	<b>117,000,000</b> (35,000,000)	- (-)	- (-)
<b>b</b>	<b>Repayment of loan taken from</b>			
	Industrial Investment Trust Limited	<b>102,500,000</b> (59,500,000)	- (-)	- (-)
<b>c</b>	<b>Loans given</b>			
	IITL Nimbus The Express Park View	- (-)	- (-)	<b>25,000,000</b> (N.A.)
	IITL Nimbus The Palm Village	- (-)	- (-)	<b>49,987,500</b> (N.A.)
<b>d</b>	<b>Refund of Loans given</b>			
	IITL Nimbus The Express Park View	- (-)	- (-)	<b>25,000,000</b> (-)
	IITL Nimbus The Palm Village	- (-)	- (-)	<b>49,987,500</b> (-)
<b>e</b>	<b>Advance Received</b>			
	Industrial Investment Trust Limited	-	-	-
	# converted into loan taken during the year	(47,500,000)#	(-)	(-)
<b>f</b>	<b>Contribution towards Partnership firm</b>			
	IITL Nimbus The Hyde Park Noida	- (-)	- (-)	- (45,000,000)
	IITL Nimbus The Express Park View	- (-)	- (-)	237,500 (N.A.)
	IITL Nimbus The Palm Village	- (-)	- (-)	237,500 (N.A.)
<b>g</b>	<b>Share of Profit from Partnership Firm</b>			
	IITL Nimbus The Hyde Park Noida	- (-)	- (-)	<b>10,670,601</b> (1,643,506)

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2012 (Contd.)

	Nature of transactions	Holding Company	Fellow Subsidiaries	Joint Venture Entities
<b>h</b>	<b>Share of Loss from Partnership Firm</b>			
	IITL Nimbus The Express Park View	- (-)	- (-)	<b>8,119,269</b> (N.A.)
	IITL Nimbus The Palm Village	- (-)	- (-)	<b>469,106</b> (N.A.)
<b>i</b>	<b>Subscription of Equity Shares</b>			
	Capital Infraprojects Private Limited	- (-)	- (-)	<b>4,950,000</b> (50,000)
<b>j</b>	<b>Interest Income</b>			
	IITL Nimbus The Express Park View	- (-)	- (-)	<b>1,791,781</b> (N.A.)
	IITL Nimbus The Palm Village	- (-)	- (-)	<b>1,255,438</b> (N.A.)
<b>k</b>	<b>Interest Expense</b>			
	Industrial Investment Trust Limited	<b>8,730,408</b> (5,618,301)	- (-)	- (-)
<b>l</b>	<b>Sale of Construction Material</b>			
	IITL NIMBUS The Hyde Park Noida	- (-)	- (-)	- (2,248,955)
<b>(II)</b>	<b>Balances at year-end</b>			
<b>a</b>	<b>Amounts Payable</b>			
	Industrial Investment Trust Limited			
	- Loan	<b>70,000,000</b> (55,500,000)	- (-)	- (-)
	- Others	<b>37,503</b> (48,482,171)	- (-)	- (-)
<b>b</b>	<b>Amounts Receivable</b>			
	IIT Investrust Limited	- (-)	- (2,528)	- (-)
	IIT Insurance Broking and Risk Management Private Limited	- (-)	- (12,742)	- (-)
	IIT Nimbus The Hyde Park Noida	- (-)	- (-)	- (2,248,955)

Note: Previous year figures are in brackets.

**NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2012 (Contd.)**

2.27 The Company's business activity falls within a single segment viz. "Real Estate development and related activities" and the income there from being in the domestic market, the disclosure requirements of Accounting Standard 17 "Segment Reporting", notified by the Companies (Accounting Standard) Rules, 2006 are not applicable.

2.28 In compliance with the Accounting Standard 27 on 'Financial Reporting of Interests in Joint Ventures' as notified by the Companies (Accounting Standards) Rules, 2006, the Company has interests in the following jointly controlled entities:

Name of Joint Venture	Nature of Project	Ownership Interest	Country of Incorporation
IITL Nimbus The Hyde Park Noida	Real Estate	45.00% (45.00%)	India
Capital Infraprojects Private Limited	Real Estate	50.00% (50.00%)	India
IITL Nimbus The Express Park View	Real Estate	47.50% (N.A.)	India
IITL Nimbus The Palm Village	Real Estate	47.50% (N.A.)	India

Financial interest of the company in jointly controlled entities is as under:

(₹)

Name of Joint Venture	IITL Nimbus The Hyde Park Noida	Capital Infraprojects Private Limited	IITL Nimbus The Express Park View	IITL Nimbus The Palm Village
Assets	<b>945,120,622</b> (889,874,558)	<b>770,027,695</b> (537,376,480)	<b>447,381,879</b> (N.A.)	<b>313,391,048</b> (N.A.)
Liabilities	<b>896,806,515</b> (843,231,052)	<b>820,741,870</b> (537,344,455)	<b>455,263,648</b> (N.A.)	<b>313,622,654</b> (N.A.)
Income	<b>399,988,561</b> (1,792,006)	<b>1,530,821</b> (-)	<b>100,728</b> (N.A.)	- (N.A.)
Expenses	<b>385,571,584</b> (-)	<b>57,207,147</b> (17,975)	<b>8,219,996</b> (N.A.)	<b>469,106</b> (N.A.)
Tax	<b>3,746,376</b> (148,500)	<b>19,874</b> (-)	- (N.A.)	- (N.A.)
Capital and other commitments	- (-)	- (-)	- (N.A.)	- (N.A.)
Contingent liability	3,264,935 (-)	177,320 (-)	- (N.A.)	- (N.A.)

**Notes:**

- The Company's share of assets, liabilities, income and expenditure has been included on the basis of audited financial information of its joint ventures.
- Previous year figures are in brackets.



NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2012 (Contd.)

2.29 Employee Benefits

(a) Defined Contribution Plan

Contribution to defined contribution plan, recognised in the Statement of Profit and Loss under Contribution to provident fund and other funds in note 2.21 for the year are as under:

	31st March, 2012 ₹	31st March, 2011 ₹
Employer's contribution to Regional Provident Fund Commissioner	227,766	272,631
Employer's contribution to Family Pension Fund	66,846	69,388

(b) Defined Benefit Plan

Gratuity (funded)

	31st March, 2012 ₹	31st March, 2011 ₹
<b>i Reconciliation of opening and closing balances of Defined Benefit Obligation</b>		
Present value of Defined Benefit Obligation as at the beginning of the year	75,536	81,733
Interest Cost	6,043	6,539
Current Service Cost	60,752	72,279
Benefits paid	-	-
Net Actuarial Gain	(16,289)	(85,015)
<b>Present value of Defined Benefit Obligation as at the end of the year</b>	<b><u>126,042</u></b>	<b><u>75,536</u></b>

	31st March, 2012 ₹	31st March, 2011 ₹
<b>ii Reconciliation of fair value of Plan Assets</b>		
Fair value of Plan Assets as at the beginning of the year	81,733	-
Expected return on Plan Assets	21,871	-
Net Actuarial Gain / (Loss)	-	-
Employer's Contribution	157,215	81,733
Benefits paid	-	-
<b>Fair value of Plan Assets as at the end of the year</b>	<b><u>260,819</u></b>	<b><u>81,733</u></b>

The Company expects to contribute ₹ 4,500 to its Defined Benefit Gratuity plan during the annual period beginning after the Balance Sheet date.

The major categories of Plan Assets as a percentage of the fair value of total Plan Assets are as follows:

Funds maintained with Life Insurance Corporation of India	100.00%
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Note :The Company is unable to obtain the details of major category of plan assets from the insurance company (Life Insurance Corporation of India) and hence the disclosure thereof is not made.

**iii Net assets / (liabilities) recognised in the Balance Sheet**

Present value of Defined Benefit Obligation	(126,042)	(75,536)
Fair value of Plan Assets	260,819	81,733
<b>Net assets recognised in the Balance Sheet</b>	<b><u>134,777</u></b>	<b><u>6,197</u></b>



## NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2012 (Contd.)

## 2.29 Employee Benefits (contd.)

Gratuity (funded)

	31st March, 2012 ₹	31st March, 2011 ₹
<b>iv Components of Employer's Expenses</b>		
Current Service Cost	60,752	72,279
Interest Cost	6,043	6,539
Expected return on Plan Assets	(21,871)	-
Net Actuarial Gain	(16,289)	(85,015)
<b>Total expense recognised in the Statement of Profit and Loss in Note 2.21 under: 'Contribution to provident and other funds'</b>	<b>28,635</b>	<b>(6,197)</b>
Actual return on Plan Assets	<b>21,871</b>	-

**v Actuarial Assumptions**

Mortality Table	LIC (1994-96) (Ultimate)	
Discount rate	8%	8%
Expected rate of return on Plan Assets	8.39%	N.A
Salary escalation	7%	5%

- vi** a. The estimates of rate of escalation in salary considered in actuarial valuation take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.
- b. The discounting rate is considered based on market yield on government bonds having currency and terms consistent with the currency and terms of the post-employment benefit obligations.
- c. Expected rate of return on assets is determined based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.
- vii** Net assets / (liabilities) recognised in the Balance Sheet as at respective year ends and experience adjustment:

	Gratuity (Funded)		
	31st March, 2012 ₹	31st March, 2011 ₹	31st March, 2010 ₹
1. Present Value of Defined Benefit Obligation	126,042	75,536	81,733
2. Fair Value of Plan Assets	260,819	81,733	-
3. Funded Status [Surplus/(Deficit)]	<b>134,777</b>	<b>6,197</b>	<b>(81,733)</b>
4. Experience adjustment arising on:			
a. Plan Liabilities (Gain)/Loss	16,289	(85,015)	(80,487)
b. Plan Assets (Gain)/Loss	15,332	N.A	N.A

Accounting Standard (AS) 15 (Revised) on Employee Benefits notified by The Companies (Accounting Standards) Rules, 2006 requires the disclosure of the above information for the past four years; however the information is available only since the date of implementing the Standard.

**viii** The above information is as certified by the actuary and relied upon by the auditors.

**2.30** The Revised Schedule VI has become effective from 1st April, 2011 for the preparation of financial statements. This has significantly impacted the disclosure and presentation made in the financial statements. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

**For and on behalf of the Board of Directors**

**BIPIN AGARWAL**  
Director

**D P GOYAL**  
Managing Director

**SIMMI SINGH BISHT**  
Company Secretary  
**Mumbai, May 23, 2012**





IITL GROUP

# IITL Projects Limited

Regd Office: Rajabhadur Mansion, 2<sup>nd</sup> Floor, 28, Bombay Samachar Marg, Mumbai -400 001

## ATTENDANCE SLIP

**TO BE HANDED OVER AT THE ENTRANCE OF THE MEETING HALL**

Full Name of the member attending: .....

Full Name of Proxy .....

(To be filled in if Proxy Form has been duly deposited with the Company)

I hereby record my presence at the 18<sup>th</sup> Annual General Meeting of the Company at M.C. Ghia Hall, 4<sup>th</sup> Floor, Bhogilal Hargovindas Building, 18/20, K. Dubash Marg, Kala Ghoda, Mumbai -400 001 on Thursday, September 20, 2012 at 12.30 p.m.

Full Name of the sole/ first holder.....

DP ID.....

Client Id/Folio No .....

Member's /Proxy's Signature  
(To be signed at the time of handing over this slip)

No of Shares held: .....

**NOTE:** The Copy of the Annual Report may please be brought to the meeting.



IITL GROUP

# IITL Projects Limited

Regd Office: Rajabhadur Mansion, 2<sup>nd</sup> Floor, 28, Bombay Samachar Marg, Mumbai -400 001

## FORM OF PROXY

No of Shares.....

DP. Id: .....

Client Id/Folio No.....

I/We.....

Of ..... in the district of .....

being a member of IITL Projects Limited, hereby appoint.....

members .....of..... in the district of .....

.....or failing him/her .....of.....in the district of .....or failing him/her.....of..... in the district of as my proxy to attend and vote for me on my behalf at the 18<sup>th</sup> Annual General Meeting of the Company to be held on Thursday, September 20, 2012 at 12.30 p.m. and at any adjournment thereof.

Signed this ..... Day of ..... 2012

Place .....

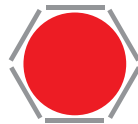
Affix 1  
Rupee  
Revenue  
Stamp

**Signature**

**NOTE:** The Proxy Form duly completed must be deposited at the Registered Office of the Company not less than 48 hours before the Meeting.

Book-Post

*if undelivered, please return to :*



**IITL** GROUP

**IITL Projects Limited**

**Regd. Office :** Rajabhadur Mansion, 2nd Floor,  
28, Bombay Samachar Marg, Fort, Mumbai 400001