

Prudential Housing and Infrastructure Development Limited

Registered Office: No. 227, S.V. Road, Bandra (W), Mumbai – 400 050

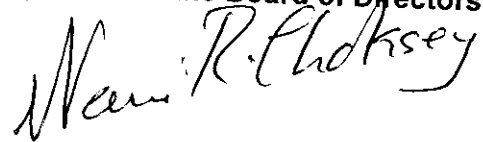
NOTICE

Notice is hereby given that the Annual General Meeting of the members of Prudential Housing and Infrastructure Development Limited will be held on **19.09.2012 @ 10.00 A.M.** at the Registered Office of the Company to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Profit and Loss Account for the year ended **31.03.2012** and the Balance Sheet as at **31.03.2012** and the reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Ashish Puravankara, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint VDSR & Co., Chartered Accountants, the retiring auditors of the Company, as the auditors, who shall hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

By Order of the Board of Directors



Nani R Choksey
Director

Bangalore
15.04.2012

NOTE:

A PERSON ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY INSTEAD OF HIMSELF TO ATTEND AND VOTE AT THE MEETING. A PROXY IN ORDER TO BE VALID SHALL BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

Prudential Housing and Infrastructure Development Limited

Registered Office: No. 227, S.V. Road, Bandra (W), Mumbai – 400 050

DIRECTORS' REPORT

Your Directors present their report for the financial year ended **31.03.2012**.

State of Affairs

During the year the Company did not have any income from the operations. The Company recorded a loss of Rs 306,888 for the financial year ended **31.03.2012**.

Directors' Responsibility Statement

Pursuant to Section 217(2AA) of the Act your directors hereby confirm that:

- i. in preparation of the annual accounts the applicable accounting standards have been followed;
- ii. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the year ended **31.03.2012** and of the loss of the Company for that period;
- iii. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv. the annual accounts of the Company have been prepared on a 'going concern' basis.

Auditors

VDSR & Co., Chartered Accountants, statutory auditors of the Company hold office till the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment.

The Company has received from VDSR & Co., Chartered Accountants, a consent letter to the effect that their appointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956.

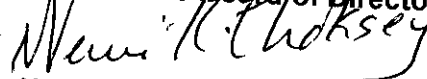
Personnel

The provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, are not applicable to the Company for this financial year.

Energy, Technology Absorption and Foreign Exchange

Information in accordance with the provisions of Section 217(1)(e) of the Companies Act, 1956, read with Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, regarding conservation of energy, technology absorption and foreign exchange earnings and outgo is not applicable to the Company for this financial year.

By Order of the Board of Directors



Nani R Choksey
Director

Bangalore
15.04.2012

V D S R & CO.,
(Formerly Known as KURIEN & CO.,)
CHARTERED ACCOUNTANTS

Head Office:
No. 1-C, Queens Court,
6/102, Montieth Road,
Egmore, Chennai 560 003
Tel: 044-2855447

Branch Office:
No. 337, Karuna Complex
Sampige Road, Malleswaram
Bangalore, 560 003
Tel: 080-23312779

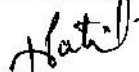
AUDITORS' REPORT

To the Members of
PRUDENTIAL HOUSING & INFRASTRUCTURE DEVELOPMENT LTD.

1. We have audited the attached Balance Sheet of M/s. PRUDENTIAL HOUSING & INFRASTRUCTURE DEVELOPMENT LIMITED ("the Company") as at March 31, 2012, also the Statement of Profit and Loss for the year ended on that date, and the Cash Flow Statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with 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 disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order to the extent applicable to the Company.
4. Further to our comments in the Annexure referred to in paragraph 3 above:
 - a) 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;
 - b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) 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 accounts;
 - d) 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:
 - i in the case of the Balance Sheet, of the state of affairs as at March 31, 2012;
 - ii in the case of the Statement of Profit and Loss, of the loss for the year ended as on that date; and
 - iii in the case of the Cash Flow Statement, of the cash flows for the year ended as on that date.
5. On the basis of the written representations/declarations from the directors, taken on record by the Board of Directors, and according to information and explanation given to us, we report that none of the Director of the Company is disqualified as at 31st March 2012, from being appointed as a Director in terms of clause (g) of subsection (1) of section 274 of the Companies Act, 1956 on the said date.

for V D S R & Co.,
(formerly known as Kurien & Co.)
Chartered Accountants

FRN No.: 001626S



Patil Narahari Laxmanrao
Partner M No: 222219



Place: Bangalore
Date: April 15, 2012

- 10 The net worth of the Company has completely eroded as at the end of the year. The Company has accumulated losses as at March 31, 2012 which exceeds 50% of its net worth as at that date. The Company has incurred cash loss during the year and also preceding financial year.
- 11 In our opinion and the information and explanation given to us the Company has not defaulted in repayment of dues to any financial institution or bank as per the sanction terms of loan.
- 12 In our opinion and according to the information and explanations given to us, during the year, the Company has not granted loans and advances on the basis of security of shares and other securities.
- 13 In our opinion and according to the information and explanations given to us, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- 14 In our opinion and according to the information and explanations given to us, the Company is not a dealer or trader in shares, securities, debentures and other investments.
- 15 In our opinion and according to information and explanation given to us, no guarantees/undertakings were given by the Company for loans / financial assistance taken by others from banks and financial institutions.
- 16 According to the information and explanation given to us, the Company has not taken any term loans during the year. Hence the question of application of funds does not arise.
- 17 On the basis of the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, in our opinion, there are no funds raised on a short-term basis which have been used for long-term investment.
- 18 The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act during the year.
- 19 According to the information and explanations given to us, the Company has not issued any debentures during the year under audit.
- 20 The Company has not raised any money by public issue during the year.
- 21 As per information and explanations given to us and based on our examinations of book and records of the Company carried out in accordance with the generally accepted auditing practice in India, we have neither come across any instances of fraud on or by the Company, nor have we been informed of such cases by the management during the year.

for VDSR & Co.,
(formerly known as Kurien & Co.,)
Chartered Accountants
FRN No.: 001626S

Patil

Patil Narahari Laxmanrao
Partner M No: 222219

Place: Bangalore
Date: April 15, 2012



PRUDENTIAL HOUSING & INFRASTRUCTURE DEVELOPMENT LTD.
Balance sheet as at March 31, 2012

Amount in Rs.

| Particulars | Note No. | As At March 31, 2012 | As At March 31, 2011 |
|------------------------------------|----------|-------------------------|-------------------------|
| I. Equity and liability | | | |
| (1) Shareholders' Funds | | | |
| (a) Share Capital | 2.01 | 500.000 | 500.000 |
| (b) Reserves and Surplus | 2.02 | -12,316.787 | -12,009.899 |
| (2) Non Current Liabilities | | | |
| (a) Long term borrowings | 2.03 | 202,873.602 | 202,345.429 |
| (3) Current liabilities | | | |
| (a) Trade payables | 2.04 | 44,111 | 33,999 |
| (b) Other current liabilities | 2.05 | 60,580 | 60,810 |
| Total | | 191,161,506 | 190,930,339 |
| II. Assets | | | |
| (1) Non-current assets | | | |
| (a) Fixed Assets | | | |
| (i) Tangible Assets | 2.06 | 2,329,364 | 2,623,499 |
| (b) Land held for development | 2.07 | 186,311,590 | 186,270,290 |
| (c) Long term loans and advances | 2.08 | 1,922,301 | 1,387,901 |
| (2) Current Assets | | | |
| (b) Cash and cash equivalents | 2.09 | 568,044 | 602,173 |
| (c) Short term loans and advances | 2.10 | 30,207 | 46,476 |
| | | 191,161,506 | 190,930,339 |

Significant accounting policies and notes on accounts 1 & 2

As per our report attached

for VDSR & Co.,
(formerly known as Kurien & Co.,)
Chartered Accountants
FRN No.: 001626S

Patil

Patil Narahari Laxmanrao
Partner M No: 222219



for and on behalf of the Board of Directors

Mam Phoksey

Director

[Signature]

Director

re: Bangalore
date: April 15, 2012

PRUDENTIAL HOUSING & INFRASTRUCTURE DEVELOPMENT LTD.
Statement of Profit and Loss for the year ending March 2012

| | | Amount in Rs. | |
|--|------------|------------------------------|------------------------------|
| | Note No | Year ended March 31, 2012 | Year ended March 31, 2011 |
| INCOME | | | |
| I Revenue from operation | | | |
| II Other income | 2.11 | - | 5,450 |
| III Total (I + II) | | - | 5,450 |
| EXPENDITURE | | | |
| IV Employee benefit cost | | - | - |
| Other expenses | 2.12 | 12,753 | 44,562 |
| Total (IV) | | 12,753 | 44,562 |
| V Profit/(Loss) before interest, tax, depreciation and prior period items | | (12,753) | (39,112) |
| VI Depreciation and amortization expense | | 294,135 | 294,136 |
| VII Finance expenses | | - | - |
| VIII Profit/(Loss) before tax and prior period items | | (306,888) | (333,248) |
| Tax expense: | | | |
| Current tax | | - | - |
| Deferred tax (Asset) | | - | - |
| IX Profit/(Loss) after tax and before prior period items | | (306,888) | (333,248) |
| X Prior period income (net of tax expense) | | - | - |
| XI Net Profit/(Loss) for the year | | (306,888) | (333,248) |
| XII Earnings per equity share: | | | |
| Basic | | (6.14) | (6.66) |
| Diluted | | (6.14) | (6.66) |
| No. of Equity Shares - Basic | | 50,000 | 50,000 |
| No. of Equity Shares - Diluted | | 50,000 | 50,000 |

Significant accounting policies and notes on accounts 1 & 2

As per our report of even date
for VDSR & Co..
(formerly known as Kurien & Co.)
Chartered Accountants
FRN No.: 001626S

Patil
Patil Narahari Laxmanrao
Partner M No: 222219



Place: Bangalore
Date: April 15, 2012

for and on behalf of Board of Directors

Nam R. Choksey
Director

[Signature]
Director

PRUDENTIAL HOUSING & INFRASTRUCTURE DEVELOPMENT LTD.
Statement of Profit and Loss for the quarter ended and year ending March 2012

| | Quarter ended March 31, 2012 | Quarter ended December 31, 2011 | Quarter ended March 31, 2011 | Year ended March 31, 2012 | Amount in Rs. Year ended March 31, 2011 |
|--|---------------------------------|------------------------------------|---------------------------------|------------------------------|---|
| INCOME | | | | | |
| I Revenue from operation | - | - | - | - | - |
| II Other income | - | - | 5,450 | - | 5,450 |
| III Total (I + II) | - | - | 5,450 | - | 5,450 |
| EXPENDITURE | | | | | |
| IV Employee benefit cost | - | - | - | - | - |
| Other expenses | 11,715 | 950 | 12,252 | 12,753 | 44,562 |
| Total (IV) | 11,715 | 950 | 12,252 | 12,753 | 44,562 |
| V Profit/(Loss) before interest, tax, depreciation and prior period items | (11,715) | (950) | (6,802) | (12,753) | (39,112) |
| VI Depreciation and amortization expense | 73,533 | 73,534 | 73,534 | 294,135 | 294,136 |
| VII Finance expenses | - | - | - | - | - |
| VIII Profit/(Loss) before tax and prior period items | (85,248) | (74,484) | (80,336) | (306,888) | (333,248) |
| Tax expense | - | - | - | - | - |
| Current tax | - | - | - | - | - |
| Deferred tax (Asset) | - | - | - | - | - |
| IX Profit/(Loss) after tax and before prior period items | (85,248) | (74,484) | (80,336) | (306,888) | (333,248) |
| X Prior period income (net of tax expense) | - | - | - | - | - |
| XI Net Profit/(Loss) for the period | (85,248) | (74,484) | (80,336) | (306,888) | (333,248) |
| XII Earnings per equity share: | | | | | |
| Basic | (1.70) | (1.49) | (1.61) | (6.14) | (6.66) |
| Diluted | (1.70) | (1.49) | (1.61) | (6.14) | (6.66) |
| No. of Equity Shares - Basic | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 |
| No. of Equity Shares - Diluted | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 |

Significant accounting policies and notes on accounts 1 & 2

per our report of even date
for VDSR & Co.,
(formerly known as Kurien & Co.,)
Chartered Accountants
FRN No.: 001626S

Hatet

Patil Narahari Laxmanrao
Partner M No: 222219



Place: Bangalore
Date: April 15, 2012

for and on behalf of Board of Directors
Nani R Phoksey
Director
[Signature]
Director

1.00 Significant accounting policies:**1.01 Background:**

The Company was incorporated on October 4, 2004 to carry on the activities of construction and property development. The Company is 100% Subsidiary Company of M/s. Puravankara Projects Limited. The Construction activities at the site are executed by, Holding Company M/s. Puravankara Projects Limited.

Ministry of Corporate Affairs has issued Notification No. S. O. 447 (E) dated February 28, 2011 (as amended by Notification no. F. No. 2/6/2008-CL-V, dated, March 31, 2011) Revised Schedule VI. As per the said notification, all financial statements to be prepared for the financial year commencing on or after April 01, 2011. Hence, the Company financial statements, which are drawn from April 1st, 2011 to March 31, 2012 are drawn under Revised Schedule VI.

All amounts are in Rupees unless otherwise reported.

1.02 Significant Accounting Policies:**a. Basis of preparation of financial statements**

The financial statements are prepared under the historical cost convention in accordance with the Generally Accepted Accounting policies in India and comply with the mandatory accounting standards under section 211 (3C) of the Companies Act, 1956.

b. Use of Estimates:

The preparation of the financial statements in conformity with GAAP requires the management to make estimates and assumption that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and reported amounts of income and expenses during the period.

Contingencies are recorded when it is probable that a liability will be incurred, and the amount can be reasonably estimated. Where no reliable estimate can be made, a disclosure is made as contingent liability. Actual results could differ from those estimates. The differences if any will be dealt accordingly in the period in which the results are known.

c. Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation. The cost of an asset comprises its purchase price and any directly attributable cost of bringing the asset to its present condition for intended use reduced by duty credit availed under Cenvit credit scheme if any.

d. Depreciation

Depreciation on fixed assets is provided on the straight line method, using the rates specified in Schedule XIV to the Companies Act, 1956. Assets individually costing less than Rs 5,000 are fully depreciated in the year of purchase.

e. Borrowing Costs

Borrowings costs that are directly attributable to the acquisition of an inventory that necessarily takes a substantial period of time get ready for its intended use are considered as part of the cost of that asset till the date it is put to use. Other borrowing costs are recognized as an expense in the period in which they are incurred.

f. Inventory and properties held for development

Properties held for development represents land acquired over a period of time with the object of developing the same and is stated at cost of land, registration expenses and other related costs incurred to the properties ready for their intended use.

g. Foreign currency transactions:**(i) Initial recognition:**

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

(ii) Conversion:

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction, and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rate that existed when the values were determined. The resultant loss/gain on account of reinstatement is charged to profit and loss account.

h. Earnings per share:

In determining earnings per share, the Company considers the net profit after tax and includes the post-tax effect of any extraordinary items. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the year.

i. Tax provisions:**• Income tax**

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961, and based on the expected outcome of assessments/appeals.

• Deferred tax

Deferred tax benefits are recognized in the financial statements only when such benefits are reasonably expected to be realizable in the near future. On grounds of prudence and in the absence of virtual certainty, no deferred tax asset is recognized in the accounts as at 31st March 2012.

j. Provisions and Contingencies

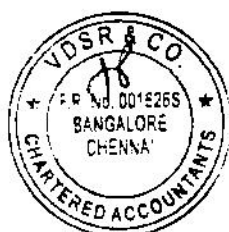
A provision is recognized when the Company has present obligations as a result of past event, it is probable that an outflow of resources will be required to settle the obligations, in respect of which reliable estimate can be made. Provisions are not discounted to its present value and are determined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

All known liabilities wherever material are provided for. Liabilities which are material and whose future outcome cannot be ascertained with reasonable certainty are treated as contingent and disclosed by way of notes to the accounts.

2.00 Notes on accounts for the period ended March 31, 2012**2.01 Share capital:**

As at March 31, 2012

| Particulars | No. of Shares | Par value of share | Amount |
|---|---------------|--------------------|-----------|
| a. Authorised | 1,00,000 | 10 | 10,00,000 |
| b. Issued, subscribed and fully paid up | 50,000 | 10 | 5,00,000 |
| Calls in arrears if any | | | - |
| Share Capital | 50,000 | 10 | 5,00,000 |



| | | | |
|---|--------|----|----------|
| c Reconciliation | | | |
| Shares outstanding at the beginning of the period | 50,000 | 10 | 5,00,000 |
| Add: Allotment of shares during the period | | | |
| Shares outstanding at the end of the reporting date | 50,000 | 10 | 5,00,000 |

d There are no special rights or preferences attached to any shares, and also there are no restrictions including restriction on dividend and repayment of capital if any.

e Share holding pattern as at reporting date: March 31, 2012

| | No. of Shares | Par value of share | Amount |
|------------------------------|---------------|--------------------|----------|
| Puravankara Projects Limited | 49,995 | 10 | 4,99,950 |

f List of shareholder holding over 5% shares as at reporting date:

| | No. of Shares | % held | Par value of share | Amount |
|---|---------------|--------|--------------------|----------|
| Puravankara Projects Limited | 49,995 | 99.99 | 10 | 4,99,950 |
| Balance one share held by Individual on behalf of Company | | | | |

g As on reporting date, Shares reserved for issue under options and contracts/ commitments for the sale of shares/ disinvestment, including terms and amount: Nil

(Company has not reserved any shares for issue under options or otherwise and contracts/ commitments for sale / disinvestment as on reporting date)

h Shares information related to immediately preceding five years from reporting date:
Share allotted as fully paid up pursuant to contract(s) without payment being received in cash

Nil

Share allotted as fully paid up bonus shares
Shares brought back - Aggregate number and amount

Nil

Nil

i Terms of securities convertible in to equity / preference shares as at reporting date.

Nil

j Calls unpaid as at reporting date
Calls unpaid by directors and officers as at reporting date

Nil

k Forfeited shares as at reporting date:

Nil

2.02 Reserves and surplus:

| | As at March 31, 2012 | As at March 31, 2011 |
|------------------------------------|-------------------------|-------------------------|
| a Surplus - Opening Balance | -1,20,09,899 | -1,16,76,650 |
| Add: Transferred during the period | -3,06,888 | -3,33,248 |
| Total | -1,23,16,787 | -1,20,09,899 |

2.03 Long term borrowings

a. Loan From Puravankara Projects Ltd - Holding Company

| | | |
|-------|--------------|--------------|
| | 20,28,73,602 | 20,23,45,429 |
| Total | 20,28,73,602 | 20,23,45,429 |

2.04 Trade payables:

| | As at March 31, 2012 | As at March 31, 2011 |
|--|-------------------------|-------------------------|
| a. Dues to Creditors of Micro, Small and Medium Enterprises | - | - |
| b. Dues to Creditors of other than Micro, Small and Medium Enterprises | | |
| Trade payables | 14,145 | 14,145 |
| Others | 29,966 | 19,851 |
| Total | 44,111 | 33,999 |

2.05 Other current liabilities:

| | As at March 31, 2012 | As at March 31, 2011 |
|-----------------------|-------------------------|-------------------------|
| a. Loan from Director | 60,580 | 60,580 |
| b. Other payables | | |
| - IDS payable | - | 230 |
| Total | 60,580 | 60,810 |

2.07 Properties held for development

| | As at March 31, 2012 | As at March 31, 2011 |
|---------------------------|-------------------------|-------------------------|
| Land held for development | 18,63,11,590 | 18,62,70,290 |

2.08 Long term loans and advances:

| | As at March 31, 2012 | As at March 31, 2011 |
|------------------|-------------------------|-------------------------|
| Advance for Land | 19,22,301 | 13,87,901 |
| Total | 19,22,301 | 13,87,901 |

The above advance is unsecured and considered good as on reporting date



2.09 Cash and Cash equivalents:

| | As at March 31, 2012 | As at March 31, 2011 |
|----------------------|-------------------------|-------------------------|
| Balances with banks | | |
| - on current account | 71,069 | 1,08,198 |
| Cash on hand | 4,93,975 | 4,93,975 |
| Total | 5,68,044 | 6,02,173 |

Balances with banks and cash on hand represent amount in current account free from any encumbrance and lien as on the date of reporting.

2.10 Short term loans and advances:

| | As at March 31, 2012 | As at March 31, 2011 |
|---------------|-------------------------|-------------------------|
| Prepaid Taxes | 30,207 | 46,476 |

Prepaid taxes represent the advance tax paid by the company. As the said amount is utilised within 12 months from the date of reporting classified as current assets.

2.11 Other income

| | | |
|----------------------|---|--------------|
| Miscellaneous income | - | 5,450 |
| | - | 5,450 |

2.12 Other expenses

| | for the year ended March 31, 2012 | for the year ended March 31, 2011 |
|----------------------|--------------------------------------|--------------------------------------|
| Audit Fees | 10,112 | 9,927 |
| Bank Charges | 88 | - |
| Professional Charges | 950 | 800 |
| Financial Expenses | - | 32,805 |
| Rates & Taxes | 1,603 | 1,030 |
| Total | 12,753 | 44,562 |

2.13 Other additional disclosures

| Particulars | Amount |
|---|--------------|
| Work-in-progress representing cost of Land held for development | 18,63,11,590 |

2.14 Other disclosures:

- Expenses in foreign currency Nil
- Value of imports at CIF basis Nil
- Earnings in foreign currency Nil
- Contingent liabilities Nil
- Capital commitment Nil

f. Related party disclosure:

a. Name of Related Parties and nature of relationship:

| Description | Period ended March 31, 2012 |
|--------------------------|-----------------------------|
| Holding Company | Puravankara Projects Ltd |
| Key Managerial Personnel | Mr. Ravi Puravankara |
| | Mr. Nani Ravi Choksey |
| | Mr. Ashish Puravankara |

b. Transactions with related parties referred above in the ordinary course of the business during the period (Amount in bracket represents previous period figure)

| Nature of transactions | Holding Company | Other related parties |
|----------------------------------|-----------------|-----------------------|
| Inter corporate loan repaid | (132,51,68,434) | - |
| Inter corporate loan received | 5,28,173 | (8,26,69,355) |
| Outstanding as at March 31, 2012 | 20,28,73,602 | 60,580 |
| Unsecured loan | 20,28,73,602 | 60,580 |
| Unsecured loan | (20,23,45,429) | (60,580) |

g. Earnings per share:

| Particular | Year ended March 31, 2012 | Year ended March 31, 2011 |
|--|------------------------------|---------------------------|
| Profit/(Loss) after tax | (3,06,888) | (3,33,248) |
| Weighted average number of shares - Basic | 50,000 | 50,000 |
| Earnings per share basic (face value Rs.10 each) | (6.14) | (6.66) |
| Weighted average number of shares - diluted * | 50,000 | 50,000 |
| Earnings per share Diluted (face value Rs.10 each) | (6.14) | (6.66) |

h. Sundry creditors disclosure:

a. Dues to Micro Small and Medium Enterprises

The Principal amount and the interest due thereon remaining unpaid to any supplier as at March 31, 2012: Rs. Nil, PY- Rs Nil.

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. The above information has been relied upon by the auditors.

b. Small Scale Industries

As per the information available with the Company, there are no dues to small scale industries as at March 31, 2012. PY- Rs Nil.

i. Balances in the personal accounts are subject to confirmation

In the opinion of the Board and to the best of its knowledge and belief, the value on realization of current assets, loans and advances will, in the ordinary course of business, not be less than the amounts at which they are stated in the balance sheet.

k. Previous period figures have been regrouped and rearranged wherever considered necessary



PRUDENTIAL HOUSING & INFRASTRUCTURE DEVELOPMENT LTD.
Notes on accounts for the quarter ended March 31, 2012

| | Quarter ended March 31, 2012 | Quarter ended December 31, 2011 | Quarter ended March 31, 2011 | Year ended March 31, 2012 | Year ended March 31, 2011 |
|----------------------------|---------------------------------|------------------------------------|---------------------------------------|---------------------------------|------------------------------|
| 2.11 Other income | | | | | |
| Miscellaneous income | - | - | 5,450 | - | 5,450 |
| | - | - | 5,450 | - | 5,450 |
| 2.12 Other expenses | | | | | |
| Audit Fees | 10,112 | - | 9,927 | 10,112 | 9,927 |
| Bank Charges | - | - | 2,325 | 88 | - |
| Professional Charges | - | 950 | - | 950 | 800 |
| Financial Expenses | - | - | - | - | 32,805 |
| Rates & Taxes | 1,603 | - | - | 1,603 | 1,030 |
| Total | 11,715 | 950 | 12,252 | 12,753 | 44,562 |



2.06 Fixed Assets, Depreciation and amortization expenses:

| Particulars | Gross Block | | Depreciation | | Net block | |
|---------------------------|-------------------|------------------------------|---------------------|--------------|---------------------|---------------------|
| | As at 1-4-2011 | Additions during the year | As at 31-03-2012 | For the year | As at 31-03-2012 | As at 31-03-2011 |
| Tangible Assets: | | | | | | |
| Computer | 148,468 | - | 148,468 | 24,067 | 89,395 | 83,140 |
| Motor car | 1,903,899 | - | 1,903,899 | 180,870 | 723,482 | 1,361,287 |
| Office equipment | 18,623 | - | 18,623 | 885 | 3,160 | 16,348 |
| Furniture's and Interiors | 1,395,162 | - | 1,395,162 | 88,314 | 320,752 | 1,162,724 |
| Intangible assets: | | | | | | |
| Total | 3,466,152 | - | 3,466,152 | 294,135 | 1,136,788 | 2,623,499 |



PRUDENTIAL HOUSING & INFRASTRUCTURE DEVELOPMENT LTD.
Cash Flow Statement for the year ended March 31, 2012

Rupees

| SL.No. | | For the year ended | |
|--------|--|--------------------|----------------------|
| | | March 31, 2012 | March 31, 2011 |
| I | CASH FLOW FROM OPERATING ACTIVITIES | | |
| | Net Profit (loss) After Tax | (306,888) | (333,248) |
| | Add: Adjustment for Depreciation | 294,135 | 294,136 |
| | Operating Profit Before Working Capital changes | (12,753) | (39,112) |
| | Changes in Working Capital | | |
| | (Increase) / Decrease in Inventory | (41,300) | 25,091,210 |
| | (Increase) / Decrease in Short term loans and advances | 16,269 | - |
| | (Increase) / Decrease in Long term loans and advances | (534,400) | 218,079,291 |
| | (Decrease) / Increase in Current Liabilities - Trade Payables | 10,112 | |
| | (Decrease) / Increase in Other current liabilities | (230) | (607,651) |
| | Cash Generated From Operations | (562,302) | 242,523,737 |
| | Net cash flow from operating activities (A) | (562,302) | 242,523,737 |
| II | CASH FLOW FROM INVESTING ACTIVITIES | | |
| | Net cash flow from investing activities (B) | - | - |
| III | CASH FLOW FROM FINANCE ACTIVITIES | | |
| | Secured Borrowings (Repaid) / Received | 528,173 | (242,499,079) |
| | Net cash flow (used in) / from financing activities (C) | 528,173 | (242,499,079) |
| | Net Increase in Cash or Cash Equivalents (A+B+C) | (34,129) | 24,658 |
| | Cash & Cash Equivalents at the Beginning of the year | 602,173 | 577,515 |
| | Cash & Cash Equivalents at the End of the year | 568,044 | 602,173 |
| | Net Increase in Cash or Cash Equivalents | (34,129) | 24,658 |

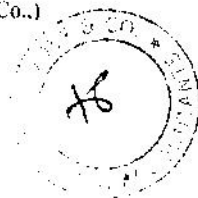
This is the Cash Flow Statement referred to in our report of even date
As per report of even date.

As per our report of even date
for VDSR & Co.,
(formerly known as Kurien & Co.)
Chartered Accountants
FRN No.: 001626S

Patil

Patil Narahari Laxmanrao
Partner M No: 222219

Place: Bangalore
Date: April 15, 2012



for and on behalf of Board

Nani R Phoksey

Director

[Signature]

Director