

ANNUAL REPORT 2011-2012

**DAPHENE INVESTMENT AND
PROPERTIES LIMITED**

NOTICE

NOTICE is hereby given that the 29th Annual General Meeting of the Company shall be held on Thursday, the 28th day of September, 2012 at 11:00 Hours at its Registered Office at 102, Palco House, 2162/T-10, Main Patel Road, New Delhi-110 008 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March 2012 and Profit & Loss Account of the Company for the period commencing from 1st April, 2011 to 31st March 2012 together with the Directors' Report and Auditors' Report thereon.
2. To appoint a Director in place of Mr. Ganesh Ray, who retires by rotation at the ensuing Annual General Meeting and being eligible, seeks re-appointment.
3. To appoint Statutory Auditors of the Company:

"RESOLVED THAT M/s PVR-N & Co., Chartered Accountants, retiring Auditors of the Company be and are hereby re - appointed as the Statutory Auditors of the Company to hold office from the date of conclusion of the ensuing Annual General Meeting till the date of conclusion of the next Annual General Meeting of the Company at a remuneration as may be mutually agreed upon among themselves."

By Order of the Board
For Daphene Investment and Properties Limited

Place: New Delhi
Date: 1st September, 2012



Ganesh Ray
Director

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The proxy form in order to be effective must be deposited with the company not less than 48 hours before the time fixed for commencement of the meeting.
3. The share transfer record of the Company will remain closed from Monday 24th September, 2012 to Friday 28th September, 2012 (both days inclusive) for the year 2011-2012.
4. Corporate Members intending to send their Authorized Representatives are requested to send a duly certified copy of the Board Resolution authorizing the representatives to attend and vote at the General Meeting.
5. The Copies of Memorandum and Article of Association of the Company, and all other documents referred in the Notice etc., shall be open for the inspection at the Registered Office of the Company on any working day between 11:00 Hrs and 14:00 Hours upto the date of Annual General Meeting and also at the venue of Meeting during the meeting.
6. In case of the Joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. Annual Report has been sent to all members and members are requested to bring their copy to the meeting along with duly filled attendance slip (to be handed over at the entrance).

DIRECTORS' REPORT

Dear Shareholders,
Daphene Investment and Properties Limited

Your directors have pleasure in presenting their 29th Annual Report together with the Audited Statement of Accounts for the year ended on 31st March 2012.

1. FINANCIAL RESULTS

(In Rs.)

Particulars		2011-2012	2010-11
	Income	144,423	1,204,248
Less:	Total Expenditure	128,131	11,85,737
	Net Profit/(Loss) before Tax & Depreciation (PBDT)	16,292	18,511
Less:	Depreciation	19,748	5,829
	Net Profit/(Loss) after Depreciation before Tax (PBT)	(3,456)	12,682
Less:	Provision for Income Tax-Current	6,710	3,738
	Profit after Tax	(10,166)	8,944

During the year under review, the Company has incurred a loss of Rs. 10,166/- (Rupees Ten Thousand One Hundred Sixty Six Only).

2. DIVIDEND

During the year under review, the Company did not earn profits and hence your Director expresses their inability to recommend any dividend.

3. PUBLIC DEPOSITS

During the year under review, the Company has not accepted any deposit under Section 58A of the Companies Act, 1956, read with Companies (Acceptance of Deposits) Rules, 1975.

4. DIRECTORS

In terms of the provisions of the Companies Act, 1956, and Articles of Association of the Company, Mr. Ganesh Ray, Director of the Company retires by rotation and being eligible, has offered himself for re-appointment. Your directors recommend his re-appointment as per the provisions of the Companies Act, 1956.

5. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO

The Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 as required under section 217(1) (e) are not applicable to our industry, hence no statement for disclosure has been made. There was no foreign exchange earnings and outgo during the year under review.

6. PARTICULARS OF EMPLOYEES

During the financial year under review, none of the Company's employees was in receipt of remuneration as prescribed under Section 217(2) of the Companies Act, 1956 (Particulars of Employees) Rules, 1975, and hence particular are required to be disclosed in this Report.

7. DIRECTORS' RESPONSIBILITY STATEMENT

In terms of provisions of Section 217 (2AA) of the Companies Act, 1956, and to the best of their knowledge and belief and according to the information and explanation obtained by them and save as mentioned elsewhere in this Report, the attached Annual Accounts and the Auditors' Report thereon, your Directors confirm that:

- a) That in the preparation of the Annual Accounts for the financial year ended on 31st March, 2012, the applicable Accounting Standards had been followed along with proper explanation relating to the material departures.
- b) That the Directors had selected such Accounting policies and applied them consistently and made judgements 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 end of the Financial year and of the losses of the Company for that period.
- c) That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the Assets of the Company and for preventing and detecting fraud or other irregularities.
- d) That the Directors had prepared the Annual Accounts on a going concern basis.

8. AUDITORS' REPORT

The Observations of the Statutory Auditors in their report read together with the Notes on Accounts are self explanatory and therefore, do not call for any further explanation.

9. STATUTORY AUDITORS

M/s PVR-N & Co., Chartered Accountants, the Statutory Auditors hold office until the conclusion of the forthcoming Annual General Meeting and are eligible for re-appointment. The Certificate from the Statutory Auditors has been received to the effect that their re-appointment, if made would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956 and they not disqualified for re-appointment with in the meaning of Section 226 of the said Act.

10. LISTING OF SHARES

The Equity Shares of the Company is listed on the Delhi Stock Exchange. These shares were not traded during the year under review as the trading of Shares was not taking place at the exchange.

11. CORPORATE GOVERNANCE

The Company believes that Corporate Governance report is a key element in improving efficiency, transparency, accountability and growth as well enhancing investor confidence. As per Clause 49 of the Listing Agreement with the Stock Exchange, a separate section on Corporate Governance forms part of the Annual Report.

A Certificate from the Statutory Auditors of the Company confirming compliance with the condition of Corporate Governance as stipulated under clause 49 of the Listing Agreement is given as Annexure to the Corporate Governance Report.


12. ACKNOWLEDGEMENT

Your Directors would like to express their sincere appreciation for the co-operation and assistance received from the Bankers, Regulatory Bodies, stakeholders including Financial Institutions, Distributors, various other Government Departments and its valued business associates who have extended their valuable sustained support and encouragement during the year.

Your Directors take this opportunity to recognize and place on record their gratitude and appreciation for the commitment displayed by all executives, officers and staff at all levels of the Company. We look forward to your continued support in the future.

**By Order of the Board
For Daphene Investment and Properties Limited**




**Ganesh Ray
Director**

Place: New Delhi
Date: 1st September, 2012

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management presents the analysis for the Company for the year 2011-2012 and its outlook for future. This outlook is based on assessment of the current business environment.

Overview

The Company is involved in investment activities during the financial year under review in pursuing of its main object. The graph of the Company's performance has gone up in comparison to the overall growth as witnessed by the finance and investment sector in general. However, the Management of the Company is making sincere efforts for the betterment and expansion of the Business of the Company.

Internal control Systems and their adequacy

Internal control systems are implemented to safeguard the Company's assets from loss or damage, keep constant check on the cost structure, prevent revenue leakages and to provide adequate financial and accounting controls and implement accounting standards.

The Internal Audit department together with an independent firm of Chartered Accountants reviews the effectiveness of the systems and procedures. The internal Auditors evaluate the adequacy of the internal control systems by analyzing and testing controls and make their recommendations to the management to improve controls wherever necessary. The system is improved and modified continuously to meet the changes in business conditions, statutory and accounting requirements.

Human Resources

For Investment services, Company has invested considerable energy and resources in identifying and developing talent. The Company has invested in HR training so that employees are trained.

A major strength for your Company has been its employees and your Company's relationship with its employees continues to be excellent. Over the years the company has taken several initiatives to attract and retain best talent. Being in the service industry, the company places foremost thrust on the continuous upgradation of human resource. A detailed performance evaluation system is in place and remuneration and rewards are strongly linked to performance indicators. To keep the employee excellence at high altitudes, your company continues to maintain its commitment towards providing training to its employees at all levels. Your Company's Staff turnover is very low as compared with the industry levels. Best HR Practices and continuous work environment ensures high motivational levels of the employees.

Cautionary Statement

The statements in the "Management Discussion & Analysis" describe the Company's objectives, projections, estimates, expectations and predications which may be "forward looking statements" within the meaning of applicable laws and regulations.

The annual results can differ materially from those expressed or implied, depending upon the economic and climatic conditions, Government policies and other incidental factors.

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY

Corporate Governance is about promoting fairness, transparency and accountability in the best interest of various stakeholders in a company. It is a system by which business corporation are directed and controlled.

The Company believes that good governance should entail trusteeship, empowerment and accountability of the management while remaining proactive to the Government policies. The Corporate Governance specifies the distribution of rights, responsibilities and powers among different participants in the corporation. All strategic decision regarding investment, diversification, major decisions regarding procurement, commercial and finance are proceeded ahead after approval of the Board. The Corporate Governance philosophy has been scripted as under:

"As a good corporate citizen, the Company is committed to sound corporate practices based on conscience, openness, fairness, professionalism and accountability in building confidence of its various stakeholders in it thereby paving the way for its long term success."

2. BOARD OF DIRECTORS

The Board of Directors provides strategic direction and the thrust to the operations of the Company and accountable at all time to the shareholders of the Company. The Company has a professionally constituted Board of Directors.

During the year under review 2011-2012, Ten (10) Board Meeting were held on the following dates:

27th May, 2011, 30th June, 2011, 31st July, 2011, 12th August, 2012, 7th October, 2011, 30th October, 2011, 14th November, 2011, 30th January, 2012, 6th February, 2012 and 31st March, 2012 respectively.

The intervening period between the Board Meetings were within the maximum time gap prescribed under Companies Act, 1956 and Clause 49 of Listing Agreement.

The last Annual General Meeting of the Company was held on 29th September, 2011.

The details of attendance of Directors at various Board Meetings and at an Annual General Meeting held during the Financial Year 2011-12, are as under:

The following table summarizes the attendance of all the Directors at the said Board Meetings:

Name of Director	Number of Meetings attended	Presence in the AGM dated 30/09/2011	No. of other directorship (Except Pvt. Companies)	Category of Directorship
Mr. Yogesh Kumar Goyal	6	Yes	2	NonExecutive Director
Mr. Nirmal Prakash	6	Yes	4	Independent Director
Mr. Ganesh Ray	5	Yes	2	Independent Director

None of the directors of the Company is member in more than ten Committees and they do not act as Chairman of more than five Committees across all Companies in which they are directors.

The Board has access to the following information / records:

- Annual operating plans and budgets;
- Quarterly results;
- Minutes of the meetings of the Audit Committee, share transfer and shareholders'/investors' grievances Committee;
- Any other items/events of materially important nature.

3. COMMITTEES OF THE BOARD

The Committees appointed by the Board focus on specific areas and take informed decisions within the framework of delegated authority, and make specific recommendations to the Board on matters in their area or purview. All decisions and recommendations of the committees are placed before the Board for information or for approval.

The Company is in compliance with all the requirement of the corporate governance code as enshrined in Clause 49 of the listing agreement. The Company has adopted a code of conduct for its Board and Senior Management Personnel.

The Board has constituted following committees with distinct role, accountability and authority as stipulated under Clause 49 of the Listing Agreement read with relevant provision of the Companies Act, 1956.

3.1 AUDIT COMMITTEE

The Audit Committee has been constituted in terms of Section 292 A of the Companies Act, 1956 in accordance with the provision of Clause 49 of the Listing Agreement with the Stock Exchanges.

Terms of Reference

The terms of reference of the Audit Committee are in conformity with the provisions of Sub- Clause II of Clause 49 of the Listing Agreement with the Stock Exchanges which, inter alia, include the following:

1. Oversight of the Company's financial reporting process.
2. Reviewing with management the quarterly, half-yearly and annual financial results/ statement with special emphasis on accounting policies and practices, compliances with accounting standards and other legal requirement concerning financial statements.
3. Reviewing the adequacy of the Audit and compliance functioning including their policies, procedures, techniques and other regulatory requirements.
4. Reviewing the adequacy of internal control system and significant audit findings.
5. Discussion with statutory and internal auditors regarding nature and scope of audit.
6. Reviewing with management the statement of significant related party transactions.

3.2 SHARE TRANSFER AND SHAREHOLDERS'/ INVESTORS' GRIEVANCES COMMITTEE

In compliance with the requirement of Corporate Governance under, the listing Agreement with the Stock Exchanges, the Company has constituted a "Transfer and Shareholder/Investors Grievance Committee" to look in to issues relating to the shareholders including share transfer.

The Shareholders'/Investors' Grievance Committee of the Board comprised of three Director as at 31st March, 2012

- Mr. Nirmal Prakash

- Mr. Yogesh Kumar Goyal
- Mr. Ganesh Ray

All the complaints of investors are promptly attended by the Company. All Share transfers are dealt with properly.

3.3 REMUNERATION COMMITTEE

The Company does not have Remuneration committee as contemplated under the Listing Agreement, as the Company is not paying any remuneration to its Non-Executive Directors.

4. GENERAL BODY MEETINGS

The details of the last three Annual General Meeting were held as under:

Year	Date	Time	Location
2011	29 th September, 2011	11:00 Hours	102, Palco House, 2162/T-10, Main Patel Road, New Delhi - 110 008
2010	28 th September, 2010	11:30 Hours	102, Palco House, 2162/T-10, Main Patel Road, New Delhi - 110 008
2009	30 th September, 2009	11:00 Hours	102, Palco House, 2162/T-10, Main Patel Road, New Delhi - 110 008

The following table summarizes the details of special resolution passed or not during the last three years:

S. N.	Particulars	Status
1.	Whether any special resolutions were passed at the last three Annual General Meeting	None
2.	Whether special resolutions were put through postal ballot at the last three Annual General Meeting	None
3.	Persons who conducted the postal ballot	N.A.
4.	Procedure for postal ballot	N.A.

5. DISCLOSURES

a)	On materially significant related party transactions i.e. transactions of the Company of material nature with its promoters, Directors or the management, their subsidiaries/relatives that may have potential conflict with the interests of the Company at large.	- None
b)	Details of non-compliance by the Company, penalties, structures imposed on the Company by the Stock Exchanges, or the Securities and Exchange Board of India or any other statutory body/ authority, on any matter related to capital markets during the last three years.	- None

6. MEANS OF COMMUNICATIONS WITH THE INVESTORS/SHAREHOLDERS

The Company regularly intimates unaudited as well as audited financial results to the Stock Exchange(s) immediately after these were taken on record by the Board. The Quarterly/half-yearly/annual financial results are generally published in the English and Hindi Newspapers.

The Annual Report, Quarterly Results and Shareholding Patterns of the Company are regularly filed with the Stock Exchanges in hard copies within the stipulated time.

7. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A Management Discussion and Analysis Report forms part of Annual Report and includes discussion on various matters specified under Clause 49(IV) (F) of the Listing Agreement.

8. GENERAL SHAREHOLDERS INFORMATION:

8.1 Annual General Meeting

Date : 27th September, 2012
 Time : 11:00 Hours,
 Venue : 102, Palco House, 2162/T -10, Main Patel Road, New Delhi – 110 008

8.2 Financial Calendar (tentative):

The financial year of the Company is from April 1 to March 31, each year.

8.3 Quarterly Results For Quarter Ending

30-06-2011 – 1st/2nd week of August, 2011.
 30-09-2011 – 1st/2nd week of November, 2011.
 31-12-2011 – 1st/2nd week of February, 2012.
 31.03.2012 – 4th/5th week of May, 2012.

8.4 Book closure:

Monday, 24th September, 2012 to Friday, 28th September, 2012 (both days inclusive).

8.5 LISTED ON STOCK EXCHANGE(S):

DELHI STOCK EXCHANGE LIMITED,
 DSE House,
 3/1, Asaf Ali Road,
 New Delhi -110 002.

8.6 ADDRESS FOR CORRESPONDENCES

For any query related to Annual Report, transfer of shares and other query related to shares, please contact at the following addresses.

Registered Office of the Company
M/s Daphene Investment and Properties Limited
 102, Palco House,
 2162/T-10, Main Patel Road,
 New Delhi-110008

For and On behalf of Board of directors
Daphene Investment and Properties Limited




Ganesh Ray
 Director

Place: New Delhi
 Date: 1st September, 2012



AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members

M/s Daphene Investment and Properties Limited
102, Palco House, 2162/T-10,
Main Patel Road,
New Delhi-110 008

We have examined the compliance of conditions of the Corporate Governance by Daphene Investment and Properties Limited, for the year ended March 31, 2012 as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges.

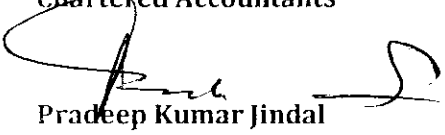
The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression 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, we certify that the Company has complied in all material respects with the conditions of corporate governance as stipulated in the listing agreement entered into by the said company with the stock exchanges.

We certify that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the shareholders/investors' Grievance Committee.

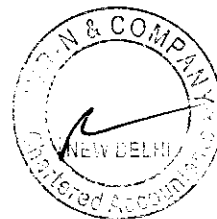
We further certify that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For PVR-N & Company
Chartered Accountants


Pradeep Kumar Jindal
Partner
M. No. 082646
FRN- 004062N

Place: New Delhi
Date: 25th May, 2012

CA Pradeep Kumar Jindal
Chartered Accountants
M. No. 082646





AUDITORS' REPORT

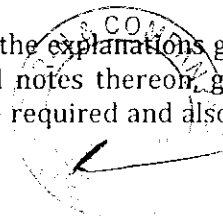
To,
The Members
Daphne Investment & Properties Limited

We have audited the attached Balance Sheet of M/s **Daphne Investment and Properties Limited** as at 31st March 2012, the Profit & Loss Account and Cash Flow Statement 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.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial Statements are free of material 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 reasonable basis for our opinion.

1. 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.
2. Further to our comments in the annexure referred to in paragraphs 1 above, we report that:-
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company, so far as appears from our examination of those books;
 - c) The said Balance Sheet and Profit & Loss Account and Cash Flow Statement are in agreement with the books of accounts;
 - d) In our opinion, the Balance Sheet and the Profit and Loss Account dealt comply with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956;
 - e) On the basis of written representation received from the Directors as on 31st March, 2012 and taken on record by the Board of Directors, we report that none of the director is disqualified as on 31st March, 2012 from being appointed as director under Clause (g) of Sub-section (1) of Section 274 of the Companies Act, 1956.
 - f) In our opinion and to the best of our information and according to the explanations given to us, the accounts read with the significant accounting policies and notes thereon, give the information required by the Companies Act, 1956 in the manner so required and also give a true and fair view.



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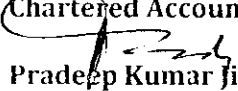
ANNEXURE TO THE AUDITORS' REPORT

Annexure referred to in our Report of even date

- 1.(a) The Company has maintained proper records of Fixed Assets showing full particulars, including Quantitative details and situation of fixed assets.
- (b) The physical verification of the Fixed Assets was conducted by the management at the year end which is in our opinion is reasonable having regard to the size of the Company and nature of its Fixed Assets. No material discrepancies were noticed during the year on such verification.
- (c) There was no disposal of Fixed Assets during the year.
- 2.(a) The inventories including investments have been physically verified during the year by the management. In our opinion frequency of verification is reasonable.
- (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
- (c) On the basis of our examination of the records of inventory, we are of the opinion that the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
3. The Company has not granted / taken unsecured loans to / from Companies, Firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
4. In our opinion and according to explanation given to us, there is adequate internal control procedure commensurate with the size of the company and the nature of its business for purchase of inventory, fixed assets and with regard of the sale of goods. During the course of our audit, no major weakness has been noticed.
5. Based on the audit procedures applied by us and according to information and explanations given to us by the management, we are of the opinion that there was no transaction need to be entered in the register maintained under section 301 of the Companies Act, 1956.
6. The Company has not accepted deposits from public within the meaning of sections 58A and 58AA of the Companies Act, 1956.
7. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
8. The Central Government has not prescribed for the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 to the Company.
- 9.(a) According to the information and explanations given to us by the company, the company is generally regular in depositing undisputed statutory due with the depositing authorities. According to the information and explanations given to us there are no undisputed amounts payable in respect of Income Tax, Wealth tax, Sales Tax, Custom Duty and Excise Duty were outstanding as at 31st March, 2012 for a period of more than six months from the date they become payable.
- (b) The Company doesn't have any disputed dues of Sale Tax, Income Tax, Wealth Tax, Excise Duty and Customs etc. which have not been deposited.

10. The accumulated losses of the company are not more than fifty percent of its net worth. It has not incurred any cash losses during the current financial year and in the immediate financial year.
11. In our opinion and according to the information and explanation given to us by the management we are of the opinion that the Company has not defaulted in the repayment of dues to financial institution or bank.
12. According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute applicable to chit fund and nidhi /mutual benefit fund/societies.
14. The Company is dealing in shares and investments and proper records have been maintained of the transactions and contracts. Timely entries have been made there in. The shares and investments have been held by the company in its own name except to the extent of the exemption granted under section 49 of the Act.
15. According to the information and explanations given to us, the company has not given any guarantee for loan taken by its associates or subsidiaries from bank or financial institutions.
16. According to the information and explanations given to us, the Company did not have any term loan outstanding during the year.
17. On the basis of information received from the management and based on our examination of the Balance Sheet of the Company as at **31st March, 2012** we find that the funds raised on a short term basis have not been used for long term investment and vice versa.
18. On the basis of information received from the management we report that the company has not made preferential allotment of share to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. The Company did not have any outstanding debentures during the year.
20. The Company has not raised monies by way of public issue during the year.
21. 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 PVR-N & Company
Chartered Accountants


Pradeep Kumar Jindal
Partner

M. No. 082646

FRN- 004062N

Place: New Delhi

Date : 25th May, 2012






Pradeep Kumar Jindal
Chartered Accountants

- (i) In the case of the Balance-Sheet, of state of affairs of the Company as at 31st March, 2012;
- (ii) In the case of the Profit & Loss Account, of the Loss for the year ended on that date, and
- (iii) In the case of Cash Flow Statement of the Cash flow for the year ended on that date

**For PVR-N & Company
Chartered Accountants**


Pradeep Kumar Jindal
Partner
M. No. 082646
FRN- 004062N

Place: New Delhi
Date: 25th May, 2012



*CA Pradeep Kumar Jindal
Chartered Accountants
M. No. 082646*


BALANCE SHEET

Name of the Company : Daphne Investment & Properties Limited
Balance Sheet as at 31st March, 2012

(In Rupees)

	Particulars 1	Note No. 2	Figures as at the end of 31.03.2012 3	Figures as at the end of 31.03.2011 4
I.	EQUITY AND LIABILITY			
(1)	Shareholders' Funds			
	(a) Share Capital	1	5,475,000.00	5,475,000.00
	(b) Reserves & Surplus	2	8,707,185.31	8,717,351.31
	(c) Money received against share warrants		-	-
	Share Application Money			
(2)	Pending Allotment		-	-
(3)	Non Current Liabilities			
	(a) Long term borrowings		-	-
	(b) Deferred tax liabilities(Net)		-	-
	(c) Other long-term liabilities		-	-
	(d) Long term provisions		-	-
(4)	Current Liabilities:			
	(a) Short-term borrowings	3	10,500,000.00	10,500,000.00
	(b) Trade payables		-	-
	(c) Other current liabilities		-	-
	(d) Short-term provisions	4	32,928.00	18,738.00
	TOTAL		24,715,113.31	24,711,089.31
II.	ASSETS			
(1)	Non-Current Assets			
	(a) Fixed Assets	5		
	(i) Tangible assets		41,698.27	61,446.27
	(ii) Intangible assets		-	-
	(iii) Capital work-in-progress		-	-
	(iv) Intangible assets under development		-	-
	(b) Non-current Investments	6	8,400,000.00	5,900,000.00
	(c) Deferred tax assets (Net)		-	-
	(d) Long-term loans and advances		-	-
	(e) Other non-current assets		-	-
(2)	Current Assets			
	(a) Current investments		-	-
	(b) Inventories		-	-
	(c) Trade receivables	7	2,443,247.00	2,298,824.00
	(d) Cash and cash equivalents	8	1,411,381.04	1,520,032.04
	(e) Short-term loans and advances	9	12,050,000.00	14,550,000.00
	(f) Other current assets	10	368,787.00	360,787.00
	TOTAL		24,715,113.31	24,711,089.31

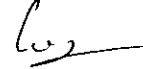
In terms of our report attached.
For PVR-N & Company
Chartered Accountants

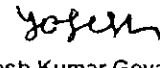

Pradeep Kumar Jindal

Partner
FRN- 004062N
Place : New Delhi
Date : 25.05.2012

CA Pradeep Kumar Jindal
Chartered Accountants
M. No. 082646

For & on behalf of the Board of Directors of
M/s Daphne Investment & Properties Limited


Ganesh Ray
Director


Yogesh Kumar Goyal
Director



PART I
PROFIT AND LOSS ACCOUNT

Name of the Company : Daphene Investment & Properties Limited
Profit and Loss statement for the year ended : 31st March, 2012

(In Rupees)

	Particulars	Note No.	Figures as at the end of 31.03.2012	Figures as at the end of 31.03.2011
i.	Revenue from operations	11	144,423.00	1,200,074.00
ii.	Other income		-	4,174.00
iii.	Total Revenue [I+II]		144,423.00	1,204,248.00
iv.	Expenses			
	Cost of Sale		-	1,065,000.00
	Purchases of Stock-in-Trade		-	-
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade		-	-
	Employee benefits expenses	12	36,000.00	42,000.00
	Finance costs	13	-	287.00
	Depreciation and amortization expenses		19,748.00	5,828.73
	Other expenses	14	92,131.00	78,450.00
	Total Expenses		147,879.00	1,191,565.73
v.	Profit before exceptional and extraordinary items and tax (III- IV)		(3,456.00)	12,682.27
vi.	Exceptional items		-	-
vii.	Profit before extraordinary items and tax (V-VI)		(3,456.00)	12,682.27
viii.	Extraordinary items		-	-
ix.	Profit before Tax (VII-VIII)		(3,456.00)	12,682.27
	Tax expenses:			
	(1) Current tax		6,710.00	3,738.00
	(2) Deferred tax		-	-
x.	Profit(Loss) for the period from continuing operations (IX-X)		(10,166.00)	8,944.27
xii.	Profit /(loss) from discontinuing period		-	-
xiii.	Tax expenses of discontinuing operations		-	-
xiv.	Profit/(loss) from Discontinuing operation (after tax) (XII-XIII)		-	-
xv.	Profit(Loss) for the period (XI+XIV)		(10,166.00)	8,944.27
xvi.	Earning per Equity share:			
	(1) Basic		-	-
	(2) Diluted		-	-

In terms of our report attached.
For PVR-N & Company
Chartered Accountants

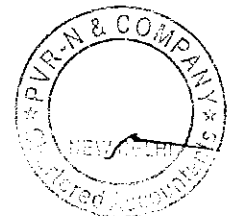
Pradeep Kumar Jindal
Partner
FRN: 004062N
Place: New Delhi
Date: 25.05.2012

CA Pradeep Kumar Jindal
Chartered Accountants
M. No. 082646

For & on behalf of the Board of Directors of
M/s Daphene Investment & Properties Limited

Ganesh Ray
Director

Yogesh Kumar Goyal
Director



NOTE - 1

Disclosure pursuant to Note no. 6(A)(a,b & c) of Part I of Schedule VI to the Companies Act, 1956

Share Capital	As At 31.03.2012	As At 31.03.2011
	Amount	Amount
Authorised		
Preference Share	-	-
Equity Share (1,250,000 Equity Shares of Rs. 10/- each)	12,500,000.00	12,500,000.00
Issued, Subscribed & Paid Up		
Preference Share	-	-
Equity Share (547,500 Equity Shares of Rs. 10/- each)	5,475,000.00	5,475,000.00
TOTAL	5,475,000.00	5,475,000.00

NOTE 1 A

Disclosure pursuant to Note no. 6(A)(d) of Part I of Schedule VI to the Companies Act, 1956

Particulars	Equity Shares	
	Number	Amount
Shares outstanding at the beginning of the year	547500	5,475,000.00
Shares Issued during the year	-	-
Shares bought back during the year	-	-
Shares outstanding at the end of the year	547500	5,475,000.00

NOTE 1 B

Disclosure pursuant to Note no. 6(A)(f) of Part I of Schedule VI to the Companies Act, 1956

No. of Equity Shares are held by the holding company : NA

NOTE 1 C

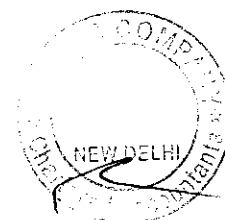
Disclosure pursuant to Note no. 6(A)(g) of Part I of Schedule VI to the Companies Act, 1956 (if more than 5%)

SR. NO.	Name of Shareholder	As At 31.03.2012		As At 31.03.2011	
		No. Of Share	% of Holding	No. Of Share	% of Holding
1	Yogesh Kumar Goyal	75100	13.72	75100	13.72

NOTE 2

Disclosure pursuant to Note no. 6(B) of Part I of Schedule VI to the Companies Act, 1956

Reserves & Surplus	AS AT 31.03.2012	AS AT 31.03.2011
a. Capital Reserves	-	-
b. Capital Redemption Reserve	-	-
c. Securities Premium Account	12,000,000.00	12,000,000.00
d. Debenture Redemption Reserve	-	-
e. Revaluation Reserve	-	-
f. Share Options Outstanding Account	-	-
g. General Reserves	-	-
h. Surplus		
Opening balance	(3,282,648.69)	(3,291,592.96)
(A) Net Profit/(Net Loss) For the current year	(10,166.00)	8,944.27
Closing Balance	(3,292,814.69)	(3,282,648.69)
Total	8,707,185.31	8,717,351.31



NOTE 3

Disclosure pursuant to Note no. 6(F) of Part I of Schedule VI to the Companies Act, 1956

Short Term Borrowings	As At 31.03.2012	As At 31.03.2011
	Amount	Amount
Secured		
(a) Loans repayable on demand	-	-
(b) Loans and advances from related parties	-	-
(c) Deposits	-	-
(d) Other loans and advances (specify nature)	-	-
	-	-
In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (a) (b) & (d)		
1. Period of default	-	-
2. Amount	-	-
Unsecured		
(a) Loans repayable on demand	-	-
(b) Loans and advances from related parties	-	-
(c) Deposits	-	-
(d) Other loans and advances	10,500,000.00	10,500,000.00
	10,500,000.00	10,500,000.00
In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (a) (b) & (d)		
1. Period of default	-	-
2. Amount	-	-
Total	10,500,000.00	10,500,000.00

NOTE 4

Disclosure pursuant to Note no. 6(H) of Part I of Schedule VI to the Companies Act, 1956

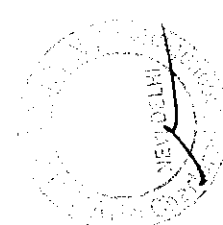
Short Term Provisions	As At 31.03.2012	As At 31.03.2011
	Amount	Amount
Provision for employee benefits	-	-
Others		
Audit Fees Payable	20,618.00	15,000.00
Provision for Tax	6,710.00	3,738.00
Listing Fees Payable	5,515.00	-
Advertisement Exp. Payable	85.00	-
Total	32,928.00	18,738.00



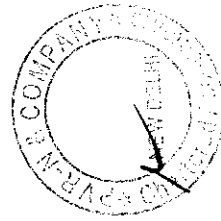
NOTE 5

Disclosure pursuant to Note no. 1 (i), (ii), (iii); Note no. J (f), (ii); Note no. J and Note no. L of Part I of Schedule VI to the Companies Act, 1956

Fixed Assets	Gross Block		Additions/ (Disposals)	Acquired through business combinations		Revaluations/ (Impairments)	As at 31.03.2012		Accumulated Depreciation		Depreciation for the year	Adjustment due to revaluations	On disposals	Net Block As at		
	As at 1.04.2011	Amount		Amount	Amount		Amount	As at 31.03.2011	Amount	As at 31.03.2012				Amount	31.03.2012	Amount
a Assets																
Vehicle	155,000.00	-	-	-	-	-	155,000.00	140,975.42	3,632.00	-	-	-	-	10,392.58	14,024.58	
Computer	54,750.00	-	-	-	-	-	54,750.00	19,765.40	13,992.00	-	-	-	-	20,992.60	34,984.60	
Furniture	15,090.00	-	-	-	-	-	15,090.00	5,775.40	1,688.00	-	-	-	-	7,626.60	9,314.60	
Inventor	11,550.00	-	-	-	-	-	11,550.00	8,427.51	436.00	-	-	-	-	2,686.49	3,122.49	
Total	236,390.00	-	-	-	-	-	236,390.00	174,943.73	19,748.00	-	-	-	-	41,698.27	61,446.27	
b Intangible Assets																
Total	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Work In Progress																
Total	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
c Intangible assets under Development																
Total	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-



Sr. No	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount (₹)		Whether stated at Cost Yes / No	If Answer to Column (9) is 'No' - Basis of Valuation
			2012	2011			2012	2011	2012	2011		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
(a)	Investment Properties											
(b)	Investment in Equity Instruments											
1	Green Open technologies Pvt. Ltd. (Rs. 10/- each)	Others	34000	34000	Unquoted	fully	9.14	9.14	3400000	3400000	Yes	
2	Vishesh Developers Pvt Ltd. (Rs. 10/- each)	Others	15000	-	Unquoted	fully	3.81	3.81	1500000	-		
3	Vishika International Pvt. Ltd. (Rs. 10/- each)	Others	10000	-	Unquoted	fully	1.25	1.25	1000000	-		
4	Vriti Management Systems Pvt. Ltd. (Rs. 10/- each)	Others	25000	25000	Unquoted	fully	7.04	7.04	2500000	2500000		
(c)	Investments in Preference Shares											
(d)	Investments in Government or Trust securities											
(e)	Investments in Debentures or Bonds											
(f)	Investments in Mutual Funds											
(g)	Investments in partnership firms*											
(h)	Other non-current investments (specify nature)											
	Total								8400000	5900000		



NOTE 7

Disclosure pursuant to Note no.P (i), (ii), (iii) and (iv) of Part I of Schedule VI to the Companies Act, 1956

Trade Receivables	As At 31.03.2012	As At 31.03.2011
	Amount	Amount
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Secured, considered good	-	-
Unsecured, considered good	63,303.00	-
Unsecured, considered doubtful	-	-
Less: Provision for doubtful debts	-	-
	63,303.00	-
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Secured, considered good	-	-
Unsecured, considered good	2,379,944.00	2,298,824.00
Unsecured, considered doubtful	-	-
Less: Provision for doubtful debts	-	-
	2,379,944.00	2,298,824.00
Total	2,443,247.00	2,298,824.00

NOTE 8

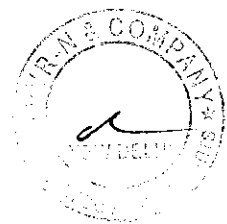
Disclosure pursuant to Note no.Q (i), (ii), (iii), (iv) and (v) of Part I of Schedule VI to the Companies Act, 1956

Cash and cash equivalents	As At 31.03.2012	As At 31.03.2011
	Amount	Amount
a. Balances with banks	9,255.62	49,037.62
b. Cash on hand	1,402,125.42	1,470,994.42
Total	1,411,381.04	1,520,032.04

NOTE 9

Disclosure pursuant to Note no.R (i), (ii) and (iii) of Part I of Schedule VI to the Companies Act, 1956

Short-term loans and advances	As At 31.03.2012	As At 31.03.2011
	Amount	Amount
a. Loans and advances to related parties (refer note 2)		
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
Less: Provision for doubtful loans and advances	-	-
	-	-
b. Others (specify nature)		
Secured, considered good	-	-
Unsecured, considered good	12,050,000.00	14,550,000.00
Doubtful	-	-
Less: Provision for doubtful loans and advances	-	-
	12,050,000.00	14,550,000.00
Total	12,050,000.00	14,550,000.00



CASH FLOW STATEMENT AS AT 31ST MARCH 2012

For the year ended
on 31.03.2012

A CASH FLOW FROM OPERATING ACTIVITIES

Net Profit before Taxation	(3,456.00)
Add: Adjustment For	
1 Depreciation	19,748.00
Operative Profit Before Working Capital Change	16,292.00
Adjustment For	
1 (increase)/decrease in Loans & Advances	2,500,000.00
2 (increase)/decrease in Sundry Debtors	(144,423.00)
3 (increase)/(decrease) in Current Liabilities	14,190.00
4 (increase)/decrease in Other Current Assets	12,000.00
Cash Generated from Operation	2,398,059.00
Less: Income Tax	6,710.00
Net cash Generated from operations	2,391,349.00

B CASH FLOW FROM INVESTING ACTIVITIES

Purchase of Investments	(2,500,000.00)
Net cash used in Investing Activities	(2,500,000.00)

C CASH FLOW FROM FINANCING ACTIVITIES

1 Received against Share Warrants	-
Net cash generate in Financing Activities	-

Net Changes in Cash & Cash Equivalents (A+B+C) (108,651.00)

Opening balance of Cash & Cash Equivalents 1,520,032.04

Closing Balance of Cash & Cash Equivalents 1,411,381.04

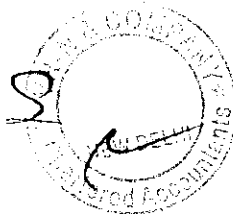
AUDITOR'S CERTIFICATE

We have examined the above Cash Flow Statement of M/s Daphne Investment & Properties Limited for the year ended on 31st March 2012, The Statement has been prepared by the Company in accordance with the requirements of Accounting Standards-3 "Cash Flow Statements" and in agreement with the corresponding Profit & Loss Account and Balance Sheet of the Company covered by our report dated 25.05.2012

In terms of our report attached.

PVR-N & Company
Chartered Accountants

Pradeep Kumar Jindal
Partner
FF.N-004062N
Office : New Delhi
Date : 25.05.2012



For & on behalf of the Board of Directors of
M/s Daphne Investment & Properties Limited

Ganesh Ray
Director

Yogesh Kumar Goyal
Director



CA Pradeep Kumar Jindal
Chartered Accountants
M. No. 082646

NOTE 10

As per Point No. 6S of General Instructions for Preparation of Balance Sheet

Other current assets (specify nature)	As At 31.03.2012	As At 31.03.2011
	Amount	Amount
Income Tax Refund	105,032.00	105,032.00
Tax Deducted At Source	17,918.00	17,918.00
Tax Paid Under Appeal	221,337.00	221,337.00
Prepaid Exp.	-	12,000.00
Misc. Exp. (to the extent not w/off or adjusted)	24,500.00	24,500.00
Total	368,787.00	380,787.00

NOTE 11

Disclosure pursuant to Note no. 2 of Part II of Schedule VI to the Companies Act, 1956

Particulars	As At 31.03.2012	As At 31.03.2011
	Amount	Amount
Sale of Share	-	1,075,000.00
Sale of services	-	-
Other operating revenues	144,423.00	125,074.00
Total	144,423.00	1,200,074.00

NOTE 12

Disclosure pursuant to Note no. 5(i)(a) of Part II of Schedule VI to the Companies Act, 1956

Employee Benefits Expense	As At 31.03.2012	As At 31.03.2011
	Amount	Amount
Salary	36,000.00	42,000.00
Staff welfare expenses	-	-
Total	36,000.00	42,000.00

NOTE 13

Disclosure pursuant to Note no. 3 of Part II of Schedule VI to the Companies Act, 1956

Finance costs	As At 31.03.2012	As At 31.03.2011
	Amount	Amount
Bank Charges	-	287.00
Total	-	287.00

NOTE 14

Other expenses	As At 31.03.2012	As At 31.03.2011
	Amount	Amount
Advertisement	30,367.00	27,645.00
Audit Fees	5,618.00	15,000.00
Board Meeting Exp.	3,267.00	2,800.00
Conveyance Exp.	1,814.00	1,677.00
Filing Fees	1,500.00	2,500.00
Interest on Tax	-	132.00
Legal & Professional Charges	22,500.00	9,795.00
Listing Fees	5,515.00	5,515.00
Misc. Office Exp.	10,579.00	6,695.00
Postage Telegram & Courier	2,048.00	1,395.00
Printing & Stationary	2,097.00	1,404.00
Telephone Exp.	2,840.00	1,365.00
Vehicle Exp.	3,986.00	2,527.00
Total	92,131.00	78,450.00

