

Board of Directors	D.Sudhakara Reddy Viji Joseph D. Deeptha Balraj Vasudevan	-Chairman & Managing Director -Director -Director -Director (Upto 10-06-2011)
Annual General Meeting	23-09-2011	
Venue	No.138, Nungambakkam High Road, Nungambakkam, Chennai – 600 034.	
Compliance Officer	G. Sundaramurthi	
Legal Advisor	Mr. George Cherian, No.16/2, 1 st Floor, Pycrafts Garden Road, Chennai – 600 006.	
Auditors	M/s. B.B.Naidu & Co., Chartered Accountants Parkway, No.36, Marshalls Road, Egmore, Chennai – 600 008.	
Bankers	Indian Bank	
Registered Office	No.10, Tarapore Avenue, Harrington Road, Chetpet, Chennai – 600 031.	
Corporate Office	No. 138, Nungambakkam High Road, Nungambakkam, Chennai – 600 034. Ph : 044 – 28331454 / 55 Fax : 044 – 28331453.	

E – mail	info@regaliaarealty.com
Website	www.regaliaarealty.com
CIN	L70101TN1994PLC028978
Listing of Equity Shares	Bombay Stock Exchange Ltd., No.25, P.J. Towers, Dalal Street, Mumbai – 400 001
	Madras Stock Exchange Ltd P.O. Box No. 183 No.11, Second Line Beach Chennai – 600 001
Stock Code	530807
ISIN No.	INE098H01011
Share Transfer Agent	Cameo Corporate Services Limited, Subramanian Building, No.1, Club House Road, Chennai – 600 002. Phone Number : 044 2846 0390.

NOTICE

NOTICE is hereby given that the Seventeenth Annual General Meeting of the Members of the Company will be held on Friday, the 23rd September 2011 at 10.00 a.m. at No. 138, Nungambakkam High Road, Nungambakkam, Chennai – 600 034 to transact the following business :

ORDINARY BUSINESS:

1. To receive, consider and adopt the Directors' Report and the Audited Profit and Loss Account for the financial year ended 31st March 2011 and the Balance Sheet as on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in the place of Ms. D Deeptha who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint Auditors and fix their remuneration.

For & on behalf of the Board

Place :- Chennai
Date :-28.07.2011

D. Sudhakara Reddy
Chairman & Managing Director

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. A FORM OF PROXY IS ENCLOSED.
2. The Register of Members and the Transfer Books will remain closed from 18-09-2011 to 23-09-2011 (both days inclusive).
3. As per the provisions of the Companies Act, 1956 facility for making nominations is now available for shareholders in respect of shares held by them. Nomination forms can be obtained from the Corporate Office/Share Transfer Agents of the Company.
4. Members/Proxies should bring the Attendance Slip sent herewith duly filled in for attending the meeting. ONLY MEMBERS/PROXIES WILL BE ADMITTED INTO THE HALL FOR THE MEETING.
5. Members desiring any information on accounts are requested to write to the Compliance Officer at an early date so as to enable the Management to reply.
6. Members are requested to intimate the Company regarding any change of address, if any. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General meeting. Shareholders are requested to kindly bring their copies to the meeting.
7. The shares of the Company can also be held in DEMAT Form with NSDL & CDSL. Any shareholder who is desirous of availing the facility, can contact the Registrar and Transfer Agents of the Company, M/s. Cameo Corporate Services Limited at No.1, Subramaniam Building, Club House Road, Chennai- 600002.
8. Pursuant to Clause 49 of the Listing Agreement, the particulars of Directors seeking appointment / reappointment at the meeting are annexed.
9. The Company has implemented the "Green Initiative" as per circular nos. 17/2011 dated April 21, 2011 and 18/2011 dated April 29,2011 issued by the Ministry of Corporate Affairs to enable electronic delivery of notices/ documents and annual reports to shareholders. Henceforth, the email addresses indicating in your respective Depository Participant (DP) accounts will be deemed to be your registered email address for serving notices/ documents including those covered under Section 219 of the Companies Act, 1956.

ANNEXURE TO NOTICE:**Details of Directors seeking re-appointment at the forthcoming Annual General Meeting of the Company (pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges)**

Name of the Director	Ms. D. Deeptha
Date of Birth	09-09-1978
Date of Appointment	24-01-2007
Expertise in specific functional areas	Real estate
Qualifications	Completed Graduation in a. Hotel Restaurant & Institutional Management. b. Marketing Management from University of Minnesota, U.S.A.
Details of shares held in the Company	2,84,460 Shares (7.90%)
List of Companies in which outside Directorship held as on 31.03.2011 (including private and foreign companies)	Nil

DIRECTORS' REPORT

Your Directors have pleasure in presenting the 17th Annual Report of the Company together with the audited statement of accounts for the year ending 31st March 2011.

FINANCIAL HIGHLIGHTS:

	31.03.2011	31.03.2010
	(` in lakhs)	
Profit / Loss before depreciation & Interest	167.17	213.27
Depreciation	26.80	8.63
Interest	23.21	6.49
Provision for Tax	24.00	35.00
Deferred Tax Asset / Liability	(1.76)	(3.66)
Profit / (Loss) After Tax	94.91	159.49
Balance carried forward	123.74	28.83
Earnings per share	2.59	0.80

OPERATIONS:

The turnover of the Company has slightly increased to 11,94,15,525/- from 11,07,64,623/- Profit before tax at 1,67,17,303/- and profit after tax at 94,91,292/- were lower than that of the previous year due to increased depreciation and interest costs.

PROPERTY DEVELOPMENT DIVISION

Our Company is currently working on two projects namely "THE FERNS" and "EKANTHA". The short description of the property development plans of the Company are briefed below:

OPERATIONS:

THE FERNS – Villa Project in Thiruvadanthai – Off: ECR, out of 29 villas consisting of Phase I, the Company has completed 10 Villas in the previous year and 9 Villas during the year under consideration and the revenue has been accounted for during the last quarter of 2010 – 11.

The construction of the remaining 10 Villas are in various stages of completion. The Company has obtained approval for Phase II of The Ferns Project from all statutory authorities and has paid the required fee. It is proposed to take up construction of Phase II after Phase I is completed in all respects and handed over.

EKANTHA – Apartment Project at Perungudi - The Company has completed the construction of this Project and is in the process of handing over to the customers.

HOSPITALITY DIVISION:

HOMCOURT – Nungambakkam High Road is doing well and has achieved an occupancy rate of 66%.

The occupancy during the first four months of this year has been 85% and it is estimated that this level of occupancy can be maintained throughout the year.

PRODUCT & SERVICE

The leading Corporates, Consultancies, Firms, FIT's have been using our facilities on a continuous basis and the feed- back from guests has been quite good. The Company intends to increase the inventory by adding five additional rooms during the third quarter.

HOMCOURT - Jubilee Hills, Hyderabad

The project is completed in all respects and the product and services have been received very well. Further, due to the ongoing disturbances in Hyderabad for the formation of the separate Telangana State, the occupancy has not been encouraging and is improving at a slow pace.

DIVIDEND:

To conserve resources of the Company, no provision has been made for dividend for the year ended 31st March 2011.

FIXED DEPOSITS:

Liability on account of Fixed Deposit held by the Company as on 31st March 2011 is 48,60,000/-. The Company has not accepted any Fixed Deposits during the year under review.

LISTING:

The Equity shares of your Company are listed on the Bombay Stock Exchange Ltd., Mumbai and Madras Stock Exchange Ltd. Listing fees for the year 2010-11 has been paid to the stock exchanges. The Board would like to inform the shareholders that the shares of the company are also available in DEMAT form and shareholders are requested to make use of this opportunity.

DIRECTORS:

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Ms. D Deeptha retires by rotation and being eligible offers herself for re-appointment. Mr. G Sundaramoorthy who was appointed as Alternate Director for Ms. Deeptha ceases to be a director as Ms. Deeptha has attended the Board Meetings of the Company.

During the year, Mr. Balraj Vasudevan resigned from the Board due to his personal commitments on 10th June 2011. The Directors wish to place on record their appreciation for the excellent services rendered by him during his tenure as Director.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors, based on the representations received from the Operating Management, confirm.

- a. That in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures.
- b. That they 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 end of the financial year and of the profit of the Company for that period.
- c. That they have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d. That they have prepared the annual accounts on a going concern basis.

AUDITORS:

The Auditors M/s. B.B. Naidu & Co., Chartered Accountants retire at the forthcoming Annual General Meeting and have confirmed that they are eligible for reappointment. Your Directors recommend the re-appointment of M/s. B.B. Naidu & Co., Chartered Accountants, as statutory Auditors to hold office until the conclusion of the next Annual General Meeting of the Company. The members are requested to authorize the Board to fix their remuneration.

ENERGY CONSERVATION, TECHNOLOGY TRANSFER AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information required under 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 is furnished hereunder:

- A. Details of Conservation of Energy: The Company tries to conserve energy wherever possible. The activity of the Company is not covered under the list of specified industries in the Schedule and rules as stated above.
- B. Research and Development: The Company has not undertaken any R&D activity in any specific area during the year under review and hence no cost has been incurred towards the same.
- C. Technology Absorption: Nil
- D. Foreign Exchange Earnings and Outgo:

Foreign Exchange Earnings – 832,810/- & Outgo – 139,175/-.

SECRETARIAL COMPLIANCE CERTIFICATE:

The Company has obtained a Secretarial Compliance Certificate as required under Section 383A of the Companies Act, 1956 from a Practicing Company Secretary.

PARTICULARS OF EMPLOYEES:

The provisions under Section 217(2A) of the Companies Act, 1956 and the rules framed there under are not applicable since none of the employees were in receipt of remuneration in excess of the limits prescribed therein.

CORPORATE GOVERNANCE:

As required by Clause 49 of the Listing Agreement with the Stock Exchanges, the report on Management Discussion and Analysis, Corporate Governance as well as the Auditor's certificate on the compliance of Corporate Governance, form part of the Annual Report.

ACKNOWLEDGEMENTS:

Your Directors thank the Company's Customers, Vendors and Investors for their continued support during the year. Your Directors place on record their appreciation of the excellent contribution made by employees at all levels.

For and on behalf of the Board of Directors

Place: Chennai
Date : 28-07-2011

D. Sudhakara Reddy
Chairman and Managing Director

Annexure to the Directors' Report

MANAGEMENT DISCUSSION & ANALYSIS

This discussion covers the financial results for the financial year 2010 -2011 taking into account the recent few months and the likely economic growth in both global and Indian economy.

Global & Indian Economy:

The global economy seems to be recovering after the recent economic shock. The Indian economy, however, was hit in the latter part of the global recession and the real economic growth has witnessed a sharp fall, followed by lower exports, lower capital outflow and corporate restructuring. The global economies are expected to continue to sustain themselves in the short-term, as the effect of stimulus programs is yet to bear fruit and tax cuts are working their way through the system in 2010. Due to the strong position of liquidity in the market, large corporations now have access to capital in the corporate credit markets. The Global and Indian Economy continues to enjoy broad-based growth in both domestic and external sectors. The current regional GDP forecast this year is significantly higher than the global forecast of 6.3% last year.

Fiscal Year 2010-11 was a mixed year for the Indian Economy. The GDP grew by 9% in the first quarter which dropped to 7.8% in the last quarter. GDP in Indian Economy is estimated both by the Ministry of Finance & RBI and in fact IMF has forecasted a higher growth of 9% for the current financial year.

Indian Economy has been growing at a steady pace and most of the sectors excepting agriculture have shown a rapid growth during the year 2010 – 2011. The forecast for the year 2011 – 2012 is looking even better when looking into the current market position or little deficient in some of the Regions of the country.

The Company's operations being limited to only the city of Chennai for its Real Estate Division and there being a healthy growth in the Manufacturing & Services sector, the market is expected to be quite vibrant.

Realty Industry:

The real estate sector in India involves the development of residential housing, commercial buildings and office space, industrial facilities, warehouses, hotels and other commercial spaces, purchase and sale of land and its development rights. Historically, the real estate sector in India has been highly unorganized and characterized by various factors that impeded organized dealing such as, an absence of centralized title registry providing title guarantee, lack of uniformity in local laws, non-availability of bank finance, high interest rates and taxes, lack of transparency in transactions etc. In recent years, however, the real estate sector has exhibited greater maturity and value due to economic compulsions, regulatory reforms and active consumerism. This trend has made it possible for the sector to obtain organized investments by both private and public financial institutions thus improving its liquidity and planned investments. Demand for residential, commercial and retail real estate increased throughout India until first half of 2008, accompanied by an increased demand for hotels and infrastructure projects. Thereafter, there was a lull in the market due to the ill effects of the worst ever recession. The demand started picking up again in the course of 2010 but remains flat during the 2011. The growth witnessed in real estate business in India has essentially been due to high GDP growth in the economy, increased urbanization, increasing number of nuclear families, higher disposable family income, good growth in sectors such as IT, ITES, retail, consumer durables, automobiles, telecommunication, infrastructure, banking, insurance, tourism, entertainment and hospitality. Indian real estate has always been one of the mainstays of our country's economy. Construction sector is also the second largest employer after agriculture, employing about 25 million people.

As per Cushman & Wakefield research, the pan India cumulative residential demand is estimated to stand at approximately 4.25 million units, a CAGR of 15% by 2014. About 60% of estimated demand is expected to be spread across the top 7 cities of NCR, Mumbai, Pune, Bengaluru, Chennai, Hyderabad & Kolkata, with metropolitan cities of NCR and Mumbai accounting for 40% of total demand. Across the major seven cities, the high-end segment is expected to witness a demand supply gap of approximately 1.5 times. As per the said research, the pan India cumulative office space demand over the next 5 years (2010-2014) is estimated to be approximately 241 m.s.f. of which the top 3 cities of NCR, Mumbai and Bengaluru comprise 46% of the total demand signifying their continued predominance. Cities such as Kolkata and Chennai are likely to generate demand at a faster pace at a CAGR of approximately 22% and 17% respectively. Bengaluru is expected to note the highest cumulative demand of 42 m.s.f. during the period under review, followed by Mumbai. However, the overall demand for commercial office space remains subdued in comparison to supply, implying caution and the need for quality supply at the right price.

As per the said research, cumulative retail demand for retail space in malls across India is expected to reach approximately 55 m.s.f. by 2014. Presently, there are over 200 malls across India with a total retail space of approximately 56 m.s.f. Of these, NCR itself accounts for approximately 30% of mall supply in the country. The top 7 cities of NCR, Mumbai, Bengaluru, Hyderabad, Chennai, Pune and Kolkata are expected to witness about 53% of the total demand for retail space in malls across India. NCR, Mumbai & Bengaluru are expected to account for about 37% of the total demand.

Industry's contribution to GDP's growth is around 2-3 percentage points.

The following factors generally affect demand and supply in real estate sector:

- *Economic growth*

IMF projects a positive growth for the Indian economy and it is expected to be faster than the advanced and the developing economies.

- *Demographic profile of the population*

The earning population of India (persons in the age group of 20-59) is expected to increase in the overall population creating more demand for housing

- *Interest rates and availability of bank finance*

The lowering of interest rates for value housing is expected to increase the new house purchases since large portions of housing needs are met through bank financing.

- *Government policies and tax incentives*

Foreign Direct Investment (FDI) Policy and other liberalization initiatives of the Government will help channelize more investments into real estate sector. Extension of Tax benefits for investments in self occupied and let out properties will also help improve the demand. This is not to say that construction industry is unaffected by a few issues such as:

- Highly fragmented markets
- Dominance of unorganized regional players
- High interest, inflation and transaction costs
- Vexed local laws and bureaucracy
- Lack of Industry status and limited finance

- Multiple taxation

In order to reduce the ill-effects of recession and to support sustainable growth, Government has been taking several initiatives but the progress has been somewhat tardy. Most important among these are:

- Repeal of Urban Land Ceiling Act (introduced in 1976)
- Amendments to Rent Control Act
- Rationalization of stamp duties and other property taxes
- Conversion of land records in electronic form
- Liberal FDI inflows into the real estate sector
- Initiative towards Real Estate Investment Trusts (REIT) and Real Estate Mutual Funds (REMF).

Hospitality Industry:

The hospitality industry is poised for a fast-paced growth in the coming year with multinational firms planning huge investments across the country. The Hospitality Industry is growing at a steady 10% growth rate and there has been a substantial increase in the domestic travel during the year 2010–11. The Hospitality Sector is one of the biggest contributors for employment generation both directly and indirectly in our country. The Government of India is making an all out effort in promoting tourism in our country.

Between 2004 and 2014, the Hospitality industry is expected to add 17 percent in wage and salary employment. Within the industry, wage and salary jobs in food services and drinking places are expected to increase by 16 percent between 2004-14, compared to 14 percent growth projected for wage and salary employment in all industries combined.

Opportunities:

The Company sees better opportunities in the Hospitality Sector and is focusing its efforts in expanding its brand into more locations in the cities where it is present now and into new cities. Hospitality in India is based on the Sanskrit adage 'Atithi Devo Bhava' or 'guest is god'. The concept was adapted by the Ministry of Tourism, Government of India which aims at creating awareness about rich variety of tourism in India. India is currently ranked 12th in the Asia Pacific region and 68th overall in the list of the world's attractive

destinations, according to the Travel and Tourism Competitiveness Report 2011 by the World Economic Forum (WEF).

According to the Tourism Satellite Accounting (TSA) research, released by World Travel and Tourism Council (WTTC) and its research partner Oxford Economics in March 2011:

- The direct contribution of travel and tourism to GDP is expected to grow by 8.1 per cent per annum (pa) to US\$ 76.65 billion (2 per cent of GDP) for 2011-2021 period, while the total contribution is expected to be US\$ 82.61 billion in 2011 (4.5 per cent of GDP). It is forecasted to rise by 8.8 per cent pa for 2011-21, accounting for 4.9 per cent of GDP.
- Travel and tourism is expected to generate 24.93 million jobs directly in 2011 (5 per cent of total employment). This includes employment by hotels, travel agents, airlines and other passenger transportation services. By 2021 industry will account for 30.44 million jobs directly, an increase of 5.51 million (22.1 per cent) over the next ten years.
- The industry is expected to attract capital investment of US\$ 27.67 billion rising by 8.7 per cent pa to US\$ 63.47 billion.

Visitor exports are expected to total US\$ 15.23 billion in 2011, rising to US\$ 30.18 billion in 2021.

Threats:

The business of the Company is impacted by, inter alia, regulatory and monetary policies and investment outlook. The Company's operations and its ability for future development has to be viewed in light of the above and resultant factors. There are certain key challenges and threats that need to be actively addressed and mitigation steps to be taken as and when required. These challenges can be summarized as follows:

- Increasing input material costs resulting into mounting cost of construction.
- Hardening of interest rates for both developers and buyers with a potential risk of lower demand, delay in getting project funding and higher interest cost for the company.
- Increasing labour cost and shortage of skilled and technically qualified manpower
- Land prices still continue to be high
- Lack of desirable progress in development of infrastructure specifically in the areas of roads, water and sewage systems, power, etc.

- Absence of industry status and institutional financing for land procurement
- Bureaucracy and lack of transparency in land dealings

Risk Management:

The Company has in place a risk management policy which lays down a vigorous and active process for identification and mitigation for risks. The Policy has been adopted by the Board of Directors of the Company and the Audit Committee reviews the risk management on the mitigation plan from time to time.

Internal Control System:

The Company has an appropriate internal control system for the business processes, with regard to the efficiency of operations, financial reporting, compliance with applicable laws and regulations. Clearly defined roles and responsibilities for all the managerial persons have been established. The Company practises quality management system for design, planning and construction that complies with International quality standards. All operating parameters are periodically monitored and well controlled. Concurrent internal audits and checks ensure that responsibilities are executed effectively. The Audit Committee of the Board of Directors reviews the effectiveness of internal controls and suggests improvements for strengthening it, whenever required.

Financial Performance & Operational Performance:

The operational performance of the Company has gone in sync with the performance of the industry which is experiencing downtrend. This aspect is discussed in the section “Financial Status” of the Directors Report.

Human Resources & Industrial Relations:

Employees of the Company are one of its most valuable assets and the Company is committed to providing a conducive work environment. Continuous learning, updating HR systems in line with best practices and aligning rewards and recognition with performance have enabled the Company to sustain its reputation of a performance driven organisation. Today, the Company employs a team of 72 employees (as of 31st March, 2011) as compared to 85 in the previous year.

REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2010-11**1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:**

The Company is committed to enhance the shareholders value by adopting transparent practices and through prudent business decisions.

2. BOARD OF DIRECTORS:

a. Composition and category of Directors

Name of the Director	Category	No. of Board meetings attended during 2010/11	Whether attended last AGM on 09-09-2010	No. of Directorships in other Companies		No. of Audit / Investor Grievance Committee positions held in other Public Companies	
				Indian	Foreign	Chairman	Member
Mr.D.Sudhakara Reddy	Promoter, Chairman & Managing Director	4	YES	3	3	1	-
Mr.Balraj Vasudevan (Resigned on 10-06-2011)	Independent Director	3	YES	3	-	-	4
Mr.Viji Joseph	Independent Director	4	YES	-	-	-	-
Ms.D Deeptha	Promoter Director	4	YES	-	-	-	-

b. Board Meetings:

During the year under review, the Board of Directors of the Company met four times on the following dates:

No.	Date of Meeting	For the Quarter
1	29 th May 2010	April to June
2	29 th July 2010	July to September
3	29 th October 2010	October to December
4	29 th January 2011	January to March

3. AUDIT COMMITTEE:Constitution:

The Committee consists of 3 Directors

1. Mr. Viji Joseph - Chairman
2. Mr. D. Sudhakara Reddy - Director
3. Mr. Balraj Vasudevan* - Director

The Committee is chaired by Mr. Viji Joseph.

Terms of Reference

The charter of the Committee is as prescribed under Clause 49 of the listing agreement with the Stock Exchanges.

Meetings & Attendance

During the year under review four meetings of the Audit Committee were held on 29-05-2010, 29-07-2010 29-10-2010 & 29-01-2011. Necessary quorum was present for all the meetings.

Name of the Member	Category	No. of meetings attended
Mr. Viji Joseph	Independent	4
Mr. D Sudhakara Reddy	Promoter	4
Mr. Balraj Vasudevan*	Independent	3

*Mr. Balaraj Vasudevan was on the Board of the Company till 10.06.2011

4. REMUNERATION COMMITTEE:

- i. The Listing Agreement with the Stock Exchanges provides that a Company may appoint a Committee for recommending managerial remuneration payable to the Directors. The Company has in place a Remuneration Committee for the said purpose.
- ii. The Remuneration Committee constituted as per the requirements of the Listing Agreement and the provisions of the Companies Act, 1956, determines the remuneration payable to the Managing Director, with agreed terms of reference and reviews the Company's policy on specific remuneration packages for Managing Director which may include pension rights and compensation payments, on behalf of the Board of Directors and the shareholders of the Company.
- iii. The Chairman of the Remuneration Committee was present at the last Annual General Meeting of the Company. The composition of the Remuneration Committee and particulars of meetings attended by Members of the Committee are as under :

Members	Category	Whether attended the Meetings held on 29-05-2010 & 29-10-2010.
Mr.Balraj Vasudevan*	Independent	Yes
Mr.D.Sudhakara Reddy	Promoter	Yes
Mr.Viji Joseph	Independent Director	Yes

*Mr. Balaraj Vasudevan was on the Board of the Company till 10.06.2011

Remuneration to Mr.D.Sudhakara Reddy, Chairman & Managing Director: During the year 2010-11 Mr. D Sudhakara Reddy was paid a consolidated salary of ` 18,00,000/-.

Remuneration to Non-executive Directors:

Name of the Director	Sitting Fees Paid
Mr. Balraj vasudevan	12,000.00
Mr. Viji Joseph	16,000.00
Total	28,000.00

5. INVESTOR'S GRIEVANCE COMMITTEE:Constitution:

The Committee consists of 2 directors:

1. Mr. Balraj Vasudevan* - Chairman
2. Mr. D. Sudhakara Reddy - Director

*Mr. Balaraj Vasudevan was on the Board of the Company till 10.06.2011

Terms of Reference

The Committee has the required powers to carry out the handing of shareholders'/investors' grievances. The brief terms of reference of the Committee include redressing of complaints of shareholders and investors relating to transfer of shares, non-receipt of Annual Report, dividends etc.

Meetings & Attendance

During the year under review the Committee met on 29-10-2010. The composition and the attendance of members of the Committee at the meeting is given below:

Name of the Member	Category	Whether attended the Meeting held on 29-10-2010
Mr. Balraj Vasudevan	Independent	Yes
Mr. D Sudhakara Reddy	Promoter	Yes

The status of complaints received from shareholders during the year 2010-11 is as under:

Complaints outstanding at the beginning of the year	Complaints received during the year	Complaints disposed off during the year	Complaints unresolved at the end of the year
Nil	1	1	Nil

As per the provisions of Section 205A read with Section 205C of the Companies Act, 1956 the Company is required to transfer dividends and matured deposits that remain unclaimed for a period of seven years from the date of declaration and from the due date for repayment respectively, to the Investor Education and Protection Fund (IEPF) established and administered by the Government of India.

Contact details of Compliance Officer:

Mr.G.Sundaramurthi, Director – Finance & Admn.

Regaliaa Realty Limited

No. 138, Nungambakkam High Road,

Nungambakkam,

Chennai – 600 034

Phone: (044) 28331454

Fax: (044) 28331453

Email id: info@regaliaarealty.com

Email id designated for investor complaints : info@regaliaarealty.com

Pending Share Transfers: There are no pending share transfers as on 31st March 2011.

All the shares received from the Share Holders are processed, transferred and despatched by the Share Transfer Agent - M/s. Cameo Corporate Services Ltd., within one month from the date of receipt.

6. GENERAL BODY MEETINGS:

The last three Annual General Meetings of the Company were held at the date, time and location metioned below:

	Date & Time	Location
1)	24 th September 2008 10.00 A.M.	138, Nungambakkam High Road Nungambakkam Chennai – 600 034
2)	11 th September 2009 09.30 A.M.	138, Nungambakkam High Road Nungambakkam Chennai – 600 034
3)	9 th September 2010 09.30 A.M.	138, Nungambakkam High Road Nungambakkam Chennai – 600 034

Mr. D Sudhakara Reddy, Chairman and Managing Director chaired the last Annual General Meeting held on 09th September 2010.

7. DISCLOSURES

a) **Related Party Transaction:**

There have been no materially significant related party transactions with the Company's Promoters, Directors, and the Management, the subsidiaries or relatives which may have potential conflict with the interest of the Company at large.

b) **Compliances of the Company:**

There have been no instances of non compliance by the Company on any matters related to the capital markets nor have any penalty/strictures been imposed on the Company by the Stock Exchange or SEBI or any other statutory authority on such matters.

c) **Whistle Blower Policy:**

The Company is yet to establish a mechanism for Whistle Blower Policy which is a non-mandatory requirement.

d) **Access to Audit Committee:**

No person has been denied access to the audit committee on any matter related to the Company.

e) **Non-mandatory requirements:**

- i. **The Board:** The Company has an Executive Chairman. The composition of the Board of Directors and Committees of the Board are in line with the provisions of the Companies Act, 1956, Listing Agreement and other applicable provisions.
- ii. **Remuneration Committee:** The Company has set up a Remuneration Committee with specific terms of reference.
- iii. **Shareholder rights :** The quarterly / annual financial results of the Company are published in one English and one Tamil newspaper. Hence half-yearly financial performance of the Company is not sent individually to the household of shareholders.
- iv. **Audit qualifications :** During the period under review there are no audit qualifications.

- v. Training of Board members and Mechanism for evaluating non-executive Board members : The Directors on the Board are from diverse fields and have long standing experience and expertise in their respective fields.

8. COMMUNICATION:

The Board of Directors of the Company approves and takes on record the un-audited/audited financial results and accounts in the proforma prescribed by the Listing Agreement with Stock Exchanges after the financial results were reviewed by the Audit Committee and thereafter, announces forthwith the results to all the Stock Exchanges where the shares of the Company are listed. The financial results are published in the 'News today' and 'Maalaichudar'.

9. GENERAL SHAREHOLDER INFORMATION

Annual General Meeting

Date : 23-09-2011

Time : 10:00 A.M.

Venue : No.138, Nungambakkam High Road,
Nungambakkam, Chennai 600 034

Financial year: 1st April to 31st March

Book Closure Date: 18-09-2011 to 23-09-2011 (both days included)

Stock Code (BSE): 530807

ISIN No. INE098H01011

CIN : L70101TN1994PLC028978

Registered Office:

No. 10, Tarapore Avenue,
Harrington Road,
Chennai : 600 031

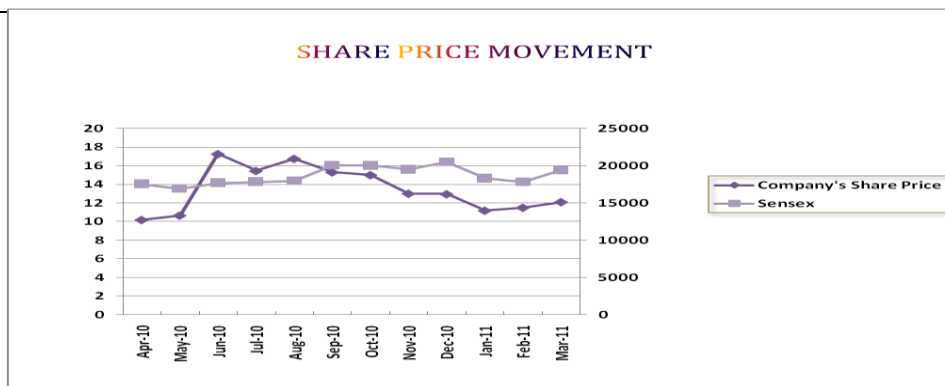
Corporate Office:

No.138, Nungambakkam High Road,
Nungambakkam,
Chennai 600 034
Phone No.: 044 - 28331454
Fax No.: 044 - 28331453

Registrar and Share Transfer Agent:
 Cameo Corporate Services Limited,
 Subramanian Building,
 No.1, Club House Road,
 Chennai – 600 002.
 Phone Number : 044 2846 0390

STOCK MARKET DATA

MONTH	SENSEX		COMPANY	
	HIGH	LOW	HIGH	LOW
Apr 10	18,047.86	17,276.80	10.18	9.25
May 10	17,536.86	15,960.15	10.67	10.59
Jun 10	17,919.62	16,318.39	20.00	11.18
Jul 10	18,237.56	17,395.58	20.00	15.45
Aug 10	18,475.27	17,819.99	17.15	13.55
Sep 10	20,267.98	18,027.12	18.70	15.30
Oct 10	20,854.55	19,768.96	15.85	13.50
Nov 10	21,108.64	18,954.82	16.50	13.00
Dec 10	20,552.03	19,074.57	14.33	12.00
Jan 11	20,664.80	18,038.48	13.00	10.65
Feb 11	18,690.97	17,295.62	11.73	11.00
March 11	19,575.16	17,792.17	13.02	11.50



LISTING

Name and address of Stock Exchange

1. Bombay Stock Exchange Ltd., P.J. Towers, Dalal Street, Mumbai – 400 001
2. Madras Stock Exchange Ltd., 11, Second Line Beach, Chennai – 600001

DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH 2011

Category	No. of Holders	% of Holders	No. of Shares	% of Shares
Upto 100	376.00	32.84	28,601	0.79
101 - 500	522.00	45.59	161,419.00	4.48
501 - 1000	105.00	9.17	88,269.00	2.45
1001 - 2000	58.00	5.07	92,123.00	2.56
2001 - 3000	19.00	1.66	50,075.00	1.39
3001 - 4000	6.00	0.52	20,700.00	0.58
4001 - 5000	18.00	1.57	89,414.00	2.48
5001 - 10000	20.00	1.75	161,842.00	4.50
10001 & above	21.00	1.83	2,907,557.00	80.77
Total	1,145.00	100.00	3,600,000.00	100.00

SHAREHOLDING PATTERN AS ON 31ST MARCH 2011:

Shares Held by	No. of Shares	Percentage
Promoters	2000100	55.56
Banks	3400	0.09
Bodies Corporate	208195	5.78
NRI	62300	1.73
Public	1326005	36.84
Total	36,00,000	100.00

Dematerialisation of Shares:

As on 31st March 2011, a total number of 2774500 shares, representing 77.07% are in dematerialised form as compared to 2760600 equity shares 76.68% in the previous year.

Investor Correspondence:

For any queries, shareholders are requested to either write to the Corporate Office of the Company or to the Company's Registrar and Transfer Agents, M/s Cameo Corporate Services Limited.

Report on Corporate Governance

The Company regularly submits to the Stock Exchanges, within the prescribed period, quarterly reports on Corporate Governance. A Certificate from the Statutory Auditors of the Company on Corporate Governance is attached as an annexure to this Report.

DECLARATION REGARDING COMPLIANCE WITH CODE OF CONDUCT:

All the members of the Board of Directors and Senior Management have affirmed compliance with the code of conduct, laid down by the Board, for the financial year ended 31st March 2011.

For REGALIAA REALTY LTD

Place: Chennai
Date: 28.07.2011

D. Sudhakara Reddy
Chairman & Managing Director

**CERTIFICATE OF COMPLIANCE FROM AUDITORS AS STIPULATED UNDER
CLAUSE 49 OF THE LISTING AGREEMENT OF THE STOCK EXCHANGES IN INDIA**

C E R T I F I C A T E

To
The Members
Regaliaa Realty Limited

We have examined the compliance of conditions of Corporate Governance by **M/s. Regaliaa Realty Limited** for the year ended on 31st March 2011, as stipulated in Clause 49 of the Listing Agreement of the said company with Stock Exchange in India.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementations 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 with the conditions of Corporate Governance as stipulated in above mentioned Listing Agreement.

We state that in respect of investor grievances received during the year ended 31st March 2011, no investor grievances are pending against the Company as per the records maintained by the Company and presented to the Investor Services Committee.

We further 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 M/s. B.B. Naidu & Co.
Chartered Accountants

Chennai
Date: 30/05/2011

(A. Sandeep Thiru)
Partner
M.No: 201168

AUDITORS' REPORT

To

The Members,
Regaliaa Realty Limited.

1. We have audited the attached Balance Sheet of **M/s. Regaliaa Realty Limited** as at 31st March 2011, the Profit and Loss account and the Cash Flow Statement for the period 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 misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies, (Auditor's Report) (Amendment) Order 2004 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanation given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
 - (iii) The balance sheet and profit and loss account dealt with by this report are in agreement with the books of account;

- (iv) In our opinion, the balance sheet and profit and loss account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
- (v) On the basis of written representations received from the directors, as on 31st March 2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the 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 31st March 2011;
 - b) in the case of the profit and loss account, of the profit for the year ended on that date; and
 - c) in the case of cash flow statement, of the cash flows for the year ended on that date;

For M/s. B.B. Naidu & Co.
Chartered Accountants
FRN. 002291S

Chennai
Date: 30-05-2011

(A. Sandeep Thiru)
Partner
M.No: 201168

ANNEXURE TO THE AUDITORS' REPORT

The Annexure referred to in paragraph 3 of our report of even date:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) All the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) During the year, the company has not disposed off a major part of the plant and machinery.
2. During the year the Company has not taken any loans, secured or unsecured, from parties listed in the register maintained under section 301 of the Companies Act, 1956 and the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
3. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, no major weakness has been noticed in the internal controls.
4. (a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 have been so entered.

(b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the registers maintained under Section 301 and exceeding the value of five lakh rupees in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
5. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 58A and 58AA of the Companies

Act 1956 and the companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public.

6. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
7. The Central Government has not prescribed maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 for the company.
8. (a) According to the records of the company, the company has been by and large regular in depositing the provident fund dues with the appropriate authorities.

(b) According to the records of the company, there are no dues of sale tax, income-tax, customs tax/wealth-tax, excise duty/cess which have not been deposited on account of any dispute.

(c) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, customs duty and excise duty were outstanding, as at 31st March 2010 for a period of more than six months from the date they became payable.
9. The Company does not have accumulated losses. The Company has not incurred cash loss during the financial year covered by our audit, but has not incurred cash loss in the immediately preceding financial year.
10. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to financial institutions, banks and debenture holders, in accordance with freshly negotiated terms and conditions of borrowings.
11. The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
12. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, clause 4(xiii) of the Companies (Auditors' Report) Order 2003 is not applicable to the Company.
13. In our opinion and according to the information and explanations given by the management, the company is not dealing or trading in securities.

14. According to the information and explanations given by the management, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
15. The company has obtained term loan during the year and according to the information and explanations given by the management, the Company has put to use the loan for the purpose for which it was taken.
16. In our opinion, the funds raised on short-term basis have not been used for long-term investment and vice-versa.
17. 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.
18. During the period covered by our audit report, the Company has not issued any debentures.
19. The company has not raised any money by way of public issues during the year.
20. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.
21. In our opinion, clause (ii) of para 4 of the Companies (Auditors' Report) Order 2003 are not applicable to the Company at present.

Chennai
Date: 30-05-2011

For M/s. B.B. Naidu & Co.
Chartered Accountants

(A. Sandeep Thiru)
Partner
M.No: 201168

Regaliaa Realty Limited
Balance Sheet as on 31st March 2011

	Sch No:	As at 31-03-2011 (Rs.)	As at 31-03-2010 (Rs.)
<u>Sources of Funds</u>			
<u>Shareholders' Funds</u>			
Share Capital	1	36000000	36000000
Reserves & Surplus	2	17019381	7528089
		53019381	43528089
<u>Loan Funds</u>			
Secured Loan	3	40687793	892272
Unsecured Loan		4860000	5790000
		98567174	50210361
<u>Application of Funds</u>			
<u>Fixed Assets</u>			
Gross Block	4	26792794	12437270
Less: Depreciation		9285234	6605046
Net Block		17507560	5832224
Deferred Tax Asset		6203871	6027721
<u>Current Assets, Loans & Advances</u>			
Property Development Projects in Progress	5	105877600	125464998
Sundry Debtors	6	19482706	20823416
Cash & Bank Balances	7	1874991	11537571
Loans & Advances	8	31513183	4345610
Other Current Assets	9	600000	27540870
		159348479	189712465
Less: Current Liabilities & Provisions	10	84492736	151362048
		74855743	38350416
Miscellaneous Expenditure (to the extent not written off or adjusted)		-	-
Profit & Loss Account		-	-
		98567174	50210361
Notes on Accounts	14		

Schedule 1 to 10 & 14 form an integral part of this Balance Sheet

For & on behalf of the Board

Director Director

Place: Chennai
Date : 30/05/2011

This is the Balance Sheet referred to in our report of even date.

For M/s B. B. Naidu & Co.
Chartered Accountants
Firm Reg No: 002291S

(A. Sandeep Thiru)
Partner
MLNo.201168

Regaliaa Realty Limited
Profit & Loss Account for the year ended 31st March 2011

	Sch No	As at 31-03-2011 (Rs.)	As at 31-03-2010 (Rs.)
<u>Income</u>			
Revenue from Property Development Division		107748175	103367775
Revenue from Hospitality Division		11667350	6161238
Revenue from Food Outlet		-	1085610
Other Income		-	150000
		119415525	110764623
<u>Expenditure</u>			
Construction Cost		60844250	63382353
Hospitality Division Expenses	11	20464042	7485894
Food Outlet Expenses		-	959120
Administrative Expenses	12	12234042	6663269
Employee Cost	13	9155888	10947279
		102698222	89437914
Profit / Loss before Interest, Depreciation & Tax		16717303	21326708
Interest		2321973	649237
Depreciation		2680188	862502
Profit before Tax		11715142	19814969
Income Tax		2400000	3500000
Deferred Tax Asset / (Liability)		(176150)	(365711)
Profit after Tax		9491292	15949258
Balance b/f from Previous Year		2882889	(15435620)
Add :- Forefeiture of Margin Money		-	2369250
		12374181	2882889
Basic & Diluted Earnings Per Share		2.59	0.80

Notes on Accounts
*Schedule 11 to 14 form an
integral part of this Profit & Loss Account*

14

*This is the Profit & Loss Account
referred to in our report of even date.*

For & on behalf of the Board

For M/s B.B. Naidu & Co
Chartered Accounts
Firm Reg No: 002291S

Director Director

(A. Sandeep Thiru)
Partner
M.No.201168

Place: Chennai
Date : 30/05/2011

Regaliaa Realty Limited

	As at 31-03-2011 (Rs.)	As at 31-03-2010 (Rs.)
Schedule - 1		
Shareholders Funds		
Share Capital :		
Authorised		
72,00,000 Equity Shares of Rs.10/- each	72000000	72000000
3,60,000 Preference Shares of Rs. 100/- each	36000000	36000000
	<u>108000000</u>	<u>108000000</u>
Issued, Subscribed & Paid up		
36,00,000 Equity Shares of Rs. 10/- each	36000000	36000000
	<u>36000000</u>	<u>36000000</u>
Schedule - 2		
Reserves & Surplus		
Profit & Loss Account	12374181	2882889
Share Premium	745200	745200
General Reserve	3900000	3900000
	<u>17019381</u>	<u>7528089</u>
Schedule - 3		
Secured Loan		
HDFC Bank Car Loan	687793	892272
Karvy Financial Services Ltd	4000000	0
	<u>4687793</u>	<u>892272</u>

Schedule - 4**Schedule for Fixed Assets**

S.No.	Particulars	Depn. Rate %	GROSS BLOCK			DEPRECIATION BLOCK				NET BLOCK		
			Cost as on 1-Apr-2010	Additions	Deletions	Cost as on 31-Mar-2011	Upto 1-Apr-2010	For the year	Adj.	Upto 31-Mar-2011	W.D.V. as on 31-Mar-2011	W.D.V. as on 31-Mar-2010
1	Land	0	0	2869000.00	0	2869000.00	0.00	0.00	0.00	0.00	2869000.00	0.00
2	Buildings	5.00	2857709.00	2786200.00	0.00	5643909.00	1470156.88	69377.61	0.00	1539534.49	4104374.51	1387552.12
3	Plant & Machinery	13.91	3548989.95	2180503.25	0.00	5729493.20	2012553.33	512213.33	0.00	2524766.66	3204726.54	1536436.62
4	Office Equipment(Old)	18.1	1858746.00	0.00	0.00	1858746.00	1744012.35	20766.79	0.00	1764779.14	93966.86	114733.65
5	Office Equipment(New)	13.91	0.00	2232359.00	0.00	2232359.00	0.00	279398.00	0.00	279398.00	1952961.00	0.00
6	Electrical Fittings	13.91	1107037.93	249232.70	0.00	1356270.63	297687.52	144100.64	0.00	441788.16	914482.47	809350.41
7	Furniture & Fittings (HC)	25.88	609693.37	3735650.00	0.00	4345343.37	233865.97	97264.13	0.00	331130.10	4014213.27	375827.40
8	Furniture & Fittings (RRL)	18.1	409402.00	0.00	0.00	409402.00	227649.06	998861.28	0.00	1226510.34	-817108.34	181752.94
9	Computers & Softwares	40	1098264.60	302579.00	0.00	1400843.60	586540.99	321352.44	0.00	907893.43	492950.17	511723.61
10	Vehicle	25.89	947427.00	0.00	0.00	947427.00	32580.01	236853.89	0.00	269433.90	677993.10	914846.99
			12437269.85	14355523.95	0.00	26792793.80	6605046.11	2680188.12	0.00	9285234.23	17507559.57	5832223.74

Regaliaa Realty Limited

	As at 31-03-2011 (Rs.)	As at 31-03-2010 (Rs.)
<u>Current Assets, Loans & Advances</u>		
<u>Schedule - 5</u>		
Development Projects in Progress	105877600	125464998
	<u>105877600</u>	<u>125464998</u>
<u>Schedule - 6</u>		
<u>Sundry Debtors</u>		
Secured & Considered good	19482706	20823416
	<u>19482706</u>	<u>20823416</u>
<u>Schedule - 7</u>		
<u>Cash & Bank Balances</u>		
<u>Balances with Scheduled Banks</u>		
Current Account	1072510	11375363
Cash on hand	802481	162208
	<u>1874991</u>	<u>11537571</u>
<u>Schedule - 8</u>		
<u>Loans & Advances and Deposits (Unsecured, considered good)</u>		
Deposits with Govt. Depts.	9500	7500
Other Deposits	11340000	4302885
TDS Receivable	4346403	-
Staff Advance	18500	35225
Loans & Advances - others	15798780	-
	<u>31513183</u>	<u>4345610</u>
<u>Schedule - 9</u>		
<u>Other Current Assets</u>		
Hyderabad Service Apartment Project	-	18043203
Bengaluru Service Apartment Project	-	8297668
Office Interior	600000	1200000
	<u>600000</u>	<u>27540870</u>
<u>Schedule - 10</u>		
<u>Current Liabilities & Provisions</u>		
Sundry Creditors	67676855	44822805
Others Liabilities	10915881	103039243
Provision for Tax (MAT)	5900000	3500000
	<u>84492736</u>	<u>151362048</u>

Regaliaa Realty Limited

	As at 31-03-2011 (Rs.)	As at 31-03-2010 (Rs.)
Schedules forming part of Profit & Loss Account		
<u>Schedule - 11</u>		
<u>Hospitality Divn - Expenses</u>		
<u>Homcourt - Chennai</u>		
HC - Bonus & Exgratia	33783	-
Salary - HC	1069603	713557
HC- AMC Charges	8500	-
HC - Advertisement	129834	212255
HC - Bank Charges	65896	68253
HC - Books & Periodicals	12672	20224
HC - Conveyance	4490	-
HC - Electricity Charges	495518	510692
HC - Housekeeping	89396	304749
HC - Kitchen Consumables	571211	632343
HC - Laundry Expenses	201140	64839
HC - Postage & Courier	12430	535
HC - Printing & Stationery	34458	79356
HC - Professional Charges	49633	171975
HC - Rates & Taxes	2662	4841
HC - Repairs & Maintenance	101052	328487
Staff Welfare	-	32111
Uniform Expenses	-	35270
HC -Tata Sky recharge Expenses	40905	-
HC - Telephone Charges	69225	49527
HC - Travelling Exp	12396	22190
Rent	3068490	2922045
Misc & other Expenses	-	85649
Expenses W/off	-	1226996
	(A) 6073291	7485894

Regaliaa Realty Limited

	As at 31-03-2011 (Rs.)	As at 31-03-2010 (Rs.)
<u>Homcourt - Hyderabad</u>		
HC-Hyderabad-Bonus & Exgratia	93808	-
HC.-Hyderabad-Salary	2302047	-
HC.Hyderabad Staff Welfare	19212	-
HC.-Hyderabad-Uniforms & Shoes	6785	-
Hyd - Brokerage & Commission	8200	-
HC.-Hyderabad-Advt. & Sales Promotion	91142	-
HC-Hyderabad-Bank Charges	32989	-
HC.-Hyderabad Cable TV	129275	-
HC - Hyderabad Carpentry Works	444124	-
HC-Hyderabad Clearing & Forwarding	180000	-
HC.-Hyderabad Conveyance	11845	-
HC.Hyderabad-Electricity Charges	383374	-
HC-Hyderabad Freight & Cartage	99100	-
HC.Hyderabad Fuel Cost	29260	-
Hc-Hyderabad-Hire Charges	4362	-
HC.-Hyderabad-House Keeping	24059	-
HC-Hyderabad Interior Works / Furnishing	800000	-
HC.-Hyderabad-Kitchen Consumables	559735	-
HC-Hyderabad Kitchen Utensils	188887	-
HC-Hyderabad Labour Charges	267866	-
Hc-Hyderabad-Laundry Expenses	52742	-
HC.Hyderabad-Liaisoning Charges	20000	-
HC.Hyderabad-Pooja Expenses	6647	-
HC.Hyderabad-Postage & Courier	10205	-
HC.-Hyderabad-Printing & Stationery	57302	-
HC-Hyderabad Professional Charges	396963	-
HC- Hyderabad -Rates & taxes	1000	-
HC.Hyderabad-Repairs & Maintenance	528352	-
HC.Hyderabad-Security Charges	176991	-
HC- Hyderabad Tata Sky recharge Expenses	30000	-
HC.-Hyderabad Service Charges	1500	-
HC.Hyderabad-Telephone Charges	109873	-
HC.Hyderabad-Transportation Chgs.	7020	-
HC.-Hyderabad Travelling Expenses	180126	-
HC.-Hyderabad-Water Charges	27895	-
HC - Hyderabad Rent	7108065	-
	(B) <u>14390751</u>	<u>-</u>
Total	(A+B) <u>20464042</u>	<u>7485894</u>

Regaliaa Realty Limited

	As at 31-03-2011 (Rs.)	As at 31-03-2010 (Rs.)
Schedule - 12		
Administrative & Other Expenses		
Advertisement	124754	170060
AMC Charges	8500	0
Auditors Remuneration	57356	55150
Bank Charges	10506	22985
Books & Periodicals	3794	190
Brokerage	3600	91790
Conveyance	164481	173831
Electricity Charges	670455	524666
Filing Fee	10385	8030
Freight & Cartage	1500	13236
Insurance Premium	752	7797
Listing Fee	38164	23630
Managerial Remuneration	1800000	900000
Office Interior Written Off	600000	608130
Parking / Toll Charges	6256	5564
Pooja Expenses	27859	19732
Postage & Courier	17636	17001
Printing & Stationery	111102	172441
Professional Charges	140035	414893
Rates & Taxes	239213	26500
Repairs & Maintenance	338449	344309
Security Charges	205064	184125
Service Charges	26472	83802
Sitting Fee	28000	24000
Subscription, Membership & Regn. Fees	77707	47433
Telephone Charges	430646	393485
Travelling Expenses	504413	298928
Rent	2337577	2031561
Processing fees	441200	-
Loss from Bangalore Project	3808168	-
	<u>12234042</u>	<u>6663269</u>
Schedule - 13		
Employee Cost		
Staff Welfare	185727	112787
ESI Contribution	977764	64068
PF Contribution	575768	288834
Salary	7298228	10379495
Bonus & Exgratia	118401	102095
	<u>9155888</u>	<u>10947279</u>

Regaliaa Realty Limited**Schedule - 14****Notes on Accounts****I Significant Accounting Policies:**

- 1 The accounts are presented on accrual basis and in accordance with the Accounting Standards specified in Sub (3e) of Sec 211 of the Companies Act, 1956.
- 2 Fixed Assets are Stated at Cost.
- 3 Depreciation of Fixed Assets is provided in accordance with Schedule XIV of the Companies Act, 1956, on the Written Down Value of the individual Assets.
- 4 Development of Projects in Progress are valued at cost.

II Notes

- 1 Dues to Micro, Small and Medium Enterprises to the extent identified - Rs.Nil (Previous Yr.-Nil).
No Interest has been paid/payable on such outstanding if any during the year. (Previous Yr.-Nil).
- 2 **Basis & Diluted Earnings per share**

	<u>31-03-2011</u>	<u>31-03-2010</u>
Share Capital	36000000	36000000
Profit after Tax	9315142	2882889
Share Premium	745200	745200
General Reserve	3900000	3900000
	<u>49960342</u>	<u>43528089</u>
Weighted average No. of Equity Shares during the year	3600000	3600000
Basic & Diluted Earnings per share	2.59	0.80
- 3 Figures of previous period have been regrouped wherever necessary.
- 4 **Related Parties Disclosure :-**
Name of the Key Management Personnel
Mr.D.Sudhakara Reddy - Chairman and Managing Director
Managerial Remuneration Paid during the Year - Rs.18,00,000/- (Previous Yr.- 900,000/-)
- 5 **Deferred Taxation**
Deferred Tax resulting from timing difference that are temporary in nature being the difference between the depreciation under Companies Act and Income Tax Act, has been made. As the depreciation under the Companies Act is more than the one under Income Tax Act, Deferred Tax Assets has been made and included with the existing deferred tax assets in the Balance Sheet.
- 6 **Provision for Taxation**
Income Tax provision for the Current year has been made on the basis that , all the outstanding dues as on Balance Sheet Date to be remitted before the filing of the Return of Income.
- 7 **Break up of Audit Fees**

	<u>FY 2010-11</u>	<u>FY 2009 -10</u>
Statutory Audit Fees	50,000	50,000
Certification Fees	2,000	-
Service Tax	5,356	5,150
	<u>57,356</u>	<u>55,150</u>
- 8 Loss on Bengaluru project represents amounts irrecoverable by the Company on investments made towards hospitality division at Bengaluru.

REGALIAA REALTY LIMITED

**CASH FLOW STATEMENT ANNEXED TO BALANCE SHEET
FOR THE YEAR ENDED 31ST MARCH 2011**

	31/03/2011 Rs. (in lakhs)	31/03/2010 Rs. (in lakhs)
(A) Cash Flow from Operating Activities		
Net profit before Tax as per Profit & loss Account	117.15	198.15
<u>Adjusted for :</u>		
Depreciation	26.80	8.63
Interest Expenses	23.22	6.49
Forefeiture of Margin Money	0.00	23.69
	<u>50.02</u>	<u>38.81</u>
Operating Profit before Working Capital Changes	167.17	236.96
<u>Adjustment for Working Capital Changes</u>		
Trade and Other Receivables	(62.39)	260.59
Other Current Assets	269.41	(115.62)
Trade Paybles	<u>(692.69)</u>	<u>(465.31)</u>
Net Cash Used in Operating Activities	<u>(485.68)</u> (318.51)	<u>(320.34)</u> (83.38)
(B) Cash Flow from Investing Activities		
Purchase of Fixed Assets	<u>(143.56)</u>	<u>(16.66)</u>
Net Cash Used in Investing Activities	(143.56)	(16.66)
(C) Cash Flow from Financing Activities		
<u>Proceedings From</u>		
Secured Loan	397.96	8.92
Unsecured Loan	(9.30)	(10.00)
Interest Paid	<u>(23.22)</u>	<u>(6.49)</u>
Net Cash From/(used) financing Activities	<u>365.44</u>	<u>(7.57)</u>
Net Increase/decrease in Cash & Cash Equivalents (A + B + C)	(96.63)	(107.61)
Cash & Cash Equivalents as on 01.04.2010	115.38	222.99
Cash & Cash Equivalents as on 31.03.2011	<u>18.75</u>	<u>115.38</u>

Director

Director

We have verified the above cash flow statement of REGALIAA REALTY LIMITED prepared in accordance with clause 32 of the listing agreement with stock exchange and is derived from the audited financial statements of the Company for the period ended 31.03.2011 and found the same in-agreement therewith.

Place : Chennai
Date 30/05/2011

As per our report even date
For M/s. B.B.Naidu & Co.
Chartered Accountants
Firm Reg. No : 002291S

A. Sandeep Thiru
Partner
[M.No.201168]

Part IV - Balance Sheet Abstract and General Business Profile

I. Registration details

State Code

1	8
---	---

Registration No.

0	2	8	9	7	8
---	---	---	---	---	---

Balance Sheet Date

3	1
---	---

0	3
---	---

2	0	1	1
---	---	---	---

Date Month Year

II. Capital raised during the year (Amount in Rs.Thousands)

Public Issue

		N	I	L		
--	--	---	---	---	--	--

Rights Issue

		N	I	L		
--	--	---	---	---	--	--

Bonus Issue

		N	I	L		
--	--	---	---	---	--	--

Private Placement

		N	I	L		
--	--	---	---	---	--	--

III. Position of Mobilisation and deployment of funds.

Total Liabilities

		9	8	5	6	7
--	--	---	---	---	---	---

Total Assets

		9	8	5	6	7
--	--	---	---	---	---	---

Sources of Funds
Paid-up Capital

		3	6	0	0	0
--	--	---	---	---	---	---

Reserves & Surplus

		1	7	0	1	9
--	--	---	---	---	---	---

Secured Loans

		4	0	6	8	7
--	--	---	---	---	---	---

Unsecured Loans

				4	8	6	0
--	--	--	--	---	---	---	---

Application of Funds
Net Fixed Assets

		1	7	5	0	7
--	--	---	---	---	---	---

Investments

						0
--	--	--	--	--	--	---

Net Current Assets

		7	4	8	5	5
--	--	---	---	---	---	---

Misc.Expenditure

						0
--	--	--	--	--	--	---

Accumulated Losses

				N	I	L
--	--	--	--	---	---	---

IV. Performance of Company (Amount in Rs. Thousands)

Income

		1	1	9	4	1	5
--	--	---	---	---	---	---	---

Total Expenditure

		1	0	7	7	0	0
--	--	---	---	---	---	---	---

Profit / Loss before Tax

+			1	1	7	1	5
---	--	--	---	---	---	---	---

Profit / Loss after Tax

+				9	4	9	1
---	--	--	--	---	---	---	---

Earning per Share in Rs.

			2	.	5	9
--	--	--	---	---	---	---

Dividend Rate %

			-				
--	--	--	---	--	--	--	--

V. Generic names of three principal products / Services of company (as per monetary terms)

Item Code No.
Product Description

C	O	N	S	T	R	U	C	T	I	O	N	&								
P	R	O	P	E	R	T	Y		D	E	V	E	L	O	P	M	E	N	T	

For and on behalf of the Board,

Director

Director

REGALIAA REALTY LTD

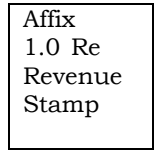
Regd. Office: 10, Tarapore Avenue, Harrington Road, Chennai - 600 031.

PROXY FORM

I/We.....
of in the District of
..... being the Member(s) of Regaliaa Realty Ltd., hereby appoint
Mr./Ms.....of in the District of
as my/our Proxy to attend and vote for me/us, on my/our behalf at the 17th Annual General Meeting
of the Company to be held on 23-09-2011 at 10.00 am at "Ameen Manor", No.138, Nungambakkam
High Road, Nungambakkam, Chennai – 600 034 and at any adjournment thereof.

Signed this

The instrument appointing a Proxy must be deposited at the
the Company not less than Forty Eight hours before the time
Meeting.



Registered Office of
of holding the

REGALIAA REALTY LTD

Regd. Office: 10, Tarapore Avenue, Harrington Road, Chennai - 600 031.

ATTENDANCE SLIP

(To be handed over at the entrance of the Meeting Hall)

Full Name of the Member attending (in Block Letters)

Full Name of the First Joint-holder

(To be filled-in if first named joint-holder does not attend the Meeting)

Name of the Proxy

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

I hereby record my presence at the 17th Annual General Meeting of the Company on
23-09-2011 at 10.00 am at "Ameen Manor", No.138, Nungambakkam High Road, Nungambakkam,
Chennai – 600 034.

Regd. Folio No.....

No. of Shares held

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