

**ANNUAL REPORT
OF**

VICTORIA ENTERPRISES LTD.

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FOR THE FINANCIAL YEAR 2009

CERTIFIED TRUE COPY

For Victoria Enterprises Ltd.

Kwshy
Director

VICTORIA ENTERPRISES LTD.

(Formerly known as Down Town Trading & Investments Limited)

NOTICE

NOTICE IS HEREBY GIVEN THAT THE ANNUAL GENERAL MEETING OF THE MEMBERS OF VICTORIA ENTERPRISES LIMITED (FORMERLY KNOWN AS DOWN TOWN TRADING AND INVESTMENTS LIMITED) WILL BE HELD ON 29th SEPTEMBER, 2009 AT 5.00 P.M. AT THE REGISTERED OFFICE OF THE COMPANY AT VAIBHAV CHAMBERS, OPP. INCOME TAX OFFICE, BANDRA-KURLA COMPLEX, BANDRA (EAST), MUMBAI - 400 051, TO TRANSACT THE FOLLOWING BUSINESS :

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit & Loss Account and the Balance Sheet as on 31st March 2009 together with the Reports of the Directors' and Auditors' thereon.
2. To appoint a director in place of Mrs. Sangeeta Pittie who retires by rotation and being eligible offers herself for re-appointment.

"RESOLVED that Mrs. Sangeeta Pittie be and is hereby reappointed as Director of the Company."

3. To reappoint auditors of the company,

To Consider and if thought fit, to pass the following resolution, with or without modification(s), as an Ordinary Resolution

"RESOLVED THAT M/s. Ravindra Chaturvedi & Co., Chartered Accountants, Mumbai be and hereby reappointed as the Statutory Auditors of the Company, Mumbai to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting, on a remuneration as may be mutually agreed upon between the Board of Directors in addition to reimbursement of all out-of-pocket expenses in connection with the audit of accounts of the company."

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 1956 and the listing agreement with the Stock Exchange, the consent of members of the Company be and is accorded for the payment of sitting fees, as per the table given below, to the non-executive directors of the Company for attending meetings

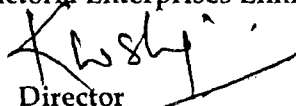


VICTORIA ENTERPRISES LTD.

of the Board of Directors of the Company and meeting of the Committee of the Board of Directors of the Company:

Type of Meeting	Amount of sitting fees per meeting per director
Board Meeting	Rs.500
Audit Committee Meeting	Rs.500
Shareholders' Committee Meeting	Rs.500

By Order of the Board of Directors
For Victoria Enterprises Limited


Director

Mumbai, June 30, 2009

Regd. Office

Vaibhav Chambers, Opp. Income Tax Office,
Bandra-Kurla Complex, Bandra(E),
Mumbai - 400 051.

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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 and such proxy need not be a member of the company.
2. The instrument appointing a proxy should be deposited at the registered office of the company not less than 48 hours before the commencement of this meeting.
3. Member and proxies should bring the attendance slip duly filed in for attending the meeting.
4. Members are requested to bring their copies of annual report to the meeting.
5. The register of members and above transfer books of the company will remain closed from 25th September, 2009 to 29th September, 2009 (both days inclusive)
6. An Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of the business under item nos. 3 set out above is annexed hereto.



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Details of the Directors seeking re-appointment in the ensuing Annual General Meeting

Name of Director	Mrs. Sangeeta Pittie
Date of Birth	01/11/1960
Date of Appointment	23/05/2005
Expertise in specific functional area	Business Promotion and Marketing
Qualification	B.A.
No. Equity Shares held	57500
List of outside Company Directorship held	1. Victoria Utility Services Private Limited 2. Victoria Entertainment Private Limited
Chairman/Member of committee of the Board of Directors of the Company	--
Chairman/Member of Committees of Director of other Companies in which he/she is a Director	--
a) Audit Committee	
b) Shareholders/Investors Grievance Committee/Share Transfer Committee	--

VICTORIA ENTERPRISES LTD.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

Item No. 4

Securities and Exchange Board of India has vide its Circular No. SEBI/DIL/CG/1/2004/12/10 dated October 29, 2004 amended the listing agreement with the stock exchanges, by substituting the existing clause 49 of the listing agreement with a new clause 49. The said amendment was initially made effective from April 1, 2005.

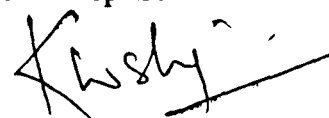
According to clause 1(B) of the new clause 49, all fees/compensation to non-executive directors shall be fixed by the Board of Directors and shall require previous approval of Shareholders in the general meeting.

The Sitting fees paid to non-executive directors has been fixed by the Board of Directors in terms of section 309 of the Companies Act, 1956. In terms of the above new clause 49, payment of sitting fees will also require the prior approval of shareholders.

The following directors, viz Mr. Hasmukh Shah and Mr. Satish Sharma are concerned or interested in the resolution to the extent of sitting fees that they will receive for attending the meetings of the Board of Directors of the Company/Committees of the Board of Directors of the Company.

The Board of Directors recommends the passing of the resolution as set out in the item No.4 of the Notice

**By Order of the Board of Directors
For Victoria Enterprises Limited**



Director

Mumbai, June 30, 2009
Regd. Office
Vaibhav Chambers,
Opp. Income Tax Office,
Bandra-Kurla Complex,
Bandra (E), Mumbai - 400 051



VICTORIA ENTERPRISES LTD.
(Formerly known as Down Town Trading & Investments Limited)

DIRECTOR'S REPORT AND MANAGEMENT DISCUSSION & ANALYSIS

To,
The Members of,
VICTORIA ENTERPRISES LTD.
(Formerly known as DOWN TOWN TRADING AND INVESTMENTS LTD.)

The Directors have pleasure in submitting their 27th Annual Report together with the audited statement of accounts for the year ended 31st March, 2009.

1. **FINANCIAL HIGHLIGHTS :**

(Rs. In Lacs)

Particulars	2008 - 09	2007 - 08
Turnover for the period (Including Increase/(Decrease) in Work in Progress)	514.17	5024.73
Other Incomes	0.44	Nil
Total Income	514.61	5024.73
Profit before Depreciation & Tax	29.73	223.17
Depreciation	25.92	22.58
Profit before Tax	3.81	200.59
Profit after Tax	0.93	123.87

2. **OPERATIONS :**

The Company is engaged in the business of real estate development. Presently the following three real estate development projects of the Company are under development:

- ⇒ Victoria Elegance, Mumbai – Residential cum Commercial.
- ⇒ Pittie Chambers, Mumbai – Commercial.
- ⇒ Pittie Plaza, Jodhpur, Rajasthan – Commercial.

Development of the said projects is going on in full swing and the Company is positively targeting the above projects in the coming financial year.

Details of the projects under development are as under:

- a) **Victoria Elegance:** Located at Shivaji Park, Dadar, Mumbai 400 028. A 12 storied residential cum commercial complex in one of the prime commercial cum residential area of Mumbai city. The project is expected to complete on or before March, 2011.
- b) **Pittie Chambers:** Located at Bandra Kurla Link Road, Bandra (East), Mumbai – 400 051, a prime business and commercial area of Mumbai city.



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The company will construct ground + 7 storey commercial building, which is expected to complete on or before March 2010.

- c) **Pittie Plaza:** Located at Manji Ka Hatta, Main Mandore Road, Near P & T Office, Paota, Jodhpur (Rajasthan), second largest and developed city of the State of Rajasthan, after Jaipur. The Company will construct Basement + Ground + 7 Story commercial complex and expected to complete on or before March, 2011.

The Company is also in the process to acquire some more real estate development projects in Mumbai as well as outside Mumbai. The Company is concentrating on development of quality commercial as well as residential projects/spaces.

Presently the real estate development industry is doing well in India, although there are some pressures on the industry as a whole due to various market circumstances/conditions, particularly on the financial front. But the said circumstance would not affect the operation and growths of the Company to a larger extent since all of the projects, which are under development, are financially closed. The management of the Company is positive to crystallize the opportunities of the market with the rich experience of the promoters in the real estate development. The Management is expecting good growth of this business segment of the Company in the near future.

Quality, punctuality in giving possession to the customers, proper guidance to the customers and foresight in selection of land for the projects are the basic parameters to get success in the real estate and development industry. The Company is following the same standards and philosophy in the business.

3. MANAGEMENT DISCUSSION & ANALYSIS:

The Indian Economy

India is the world's largest democracy by population size and one of the fastest growing economies in the world. According to the CIA World Factbook, India's estimated population was approximately 1.16 billion people as of July 2009. India had an estimated GDP on a purchasing power parity basis of approximately US\$ 3.297 trillion in 2008, making it the fifth largest economy in the world after the European Union, USA, China and Japan. (Source: CIA World Factbook).

In the past, India has experienced rapid economic growth, with GDP growing at an average growth rate of 8.8% between fiscal 2003 to fiscal 2008. This high growth trajectory was impeded in fiscal 2009 with the growth rate of India's GDP



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decelerating to 6.7%, compared to 9.0% in fiscal 2008, as a result of the global economic downturn. (Source: RBI, *Macroeconomic and Monetary Developments: First*)

However, despite the global economic decline in fiscal 2008, India continues to be one of the fastest growing countries in the world and is showing positive signs of recovery following the global financial downturn.

India's ability to recover from the global slowdown (and its own domestic liquidity crunch) has been driven by the country's large domestic savings and corporate retained earnings, which have been used to finance investment. Similarly, although urban consumption has slowed as a result of a recent decline in the labor market and job losses, low export dependence, large rural consumption and employment have all helped India to sustain consumption. Finally, fiscal policy, primarily in the form of reduced interest rates and Government intervention, has helped to maintain private demand, liquidity and short-term rates, thereby reducing the risk of loan losses.

Impact of the Global Financial Crisis

Economic activity in the high-income as well as developing countries fell abruptly in the second half of calendar year 2008 and in the first quarter of calendar year 2009. The financial crisis resulted in a broad liquidation of investments, substantial loss in wealth worldwide, a tightening of credit conditions and a widespread increase in economic uncertainty. During the global financial crisis, domestic growth in India remained subdued and decreased in the second half of the financial year 2009. In the financial year 2009, GDP grew at 6.7%, which was lower than the average GDP growth of 8.6% over the past five financial years. (Source: Reserve Bank of India, *Macroeconomic and Monetary Developments: First Quarter Review 2009-10*).

It is estimated that real GDP growth will range from 5.1% to 7.2% for the financial year 2010. (Source: Reserve Bank of India, *Macroeconomic and Monetary Developments: Second Quarter Review 2009-10*).

During the global financial crisis, there was also extreme volatility in stock prices, exchange rates and inflation levels. According to the RBI, India's structural growth opportunities continue to remain strong, given the high domestic savings rate, sound financial system and macroeconomic policy environment. Domestic deceleration in demand and persistent uncertainty in the global conditions, however, remain the major impediment to a quicker economic recovery.

To mitigate the impact of the global financial crisis on the Indian economy, the Government has provided tax relief, which may boost demand, and increased public spending. As a result, India's fiscal deficit increased to 6.2% of GDP for the financial



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year 2009 from 2.7% of GDP for the financial year 2008. (Source: *Economic Survey 2008-2009, Ministry of Finance, Government of India*).

The Real Estate Sector in India

The real estate sector in India comprises the development of residential housing, commercial buildings, hotels, restaurants, cinemas, retail outlets and the purchase and sale of land and development rights. The real estate and construction sectors play an important role in the overall development of India's core infrastructure.

Historically, the real estate sector in India was unorganised and characterised by various factors that impeded organised dealing, factors such as the absence of a centralised title registry providing title guarantee, lack of uniformity in local laws affecting real estate and their application, the unavailability of bank financing, high interest rates and transfer taxes and the lack of transparency in transaction values led to inefficiencies in the sector.

However, in recent years, the real estate sector in India has exhibited a trend towards greater efficiency and transparency due to the various laws and regulatory reforms that have been implemented to govern the sector.

This trend has contributed to the development of more reliable indicators of value and has triggered investment in the real estate sector by domestic and international financial institutions. These developments and factors such as higher disposable income, an increase in globalization and the introduction of new real estate products and services have also led to a rise in consumer expectations.

The growth in the Indian economy has stimulated demand for land and developed real estate. Although weakened by the global financial crisis, demand for residential, commercial and retail real estate has been increasing throughout India in recent years, accompanied by increased demand for hotel accommodation and improved infrastructure.

A number of RBI initiatives have helped developers to benefit from financing from banks. The Government in March 2005 amended existing legislation to allow 100% FDI in the construction business. It is expected that the increased FDI will help meet the demand of the commercial and residential real estate sectors.

The following table shows that the foreign investment in the housing and real estate sector was second only to the services sector during the two most recent fiscal years:



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Sector	2007-08 (Rs. in crore)	2008-09 (Rs. in crore)	Change (in %) in 2008-09
Services	26,589	28,411	6.9
Computer Software and Hardware	5,623	7,329	30.3
Telecommunications	5,103	11,727	129.8
Housing and Real Estate	8,749	12,621	44.3
Construction Activities*	6,989	8,792	25.8
Power	3,875	4,382	13.1
Automobiles	2,697	5,212	93.3
Metallurgical Industries	4,686	4,157	-11.3
Petroleum and Natural Gas	5,729	1,931	-66.3
Chemicals**	920	3,427	272.5

(Source: Department of Industrial Policy and Promotion)

* Including roads and highways

** Excluding fertilizers

The real estate industry is closely associated with the macroeconomic condition of a country or region. The following factors have a significant impact on demand and supply within the industry:

- Economic growth.
- Demographic profile.
- Interest rates and credit take-off.
- Government policies.

The trend towards greater organisation and transparency has contributed to the development of reliable indicators of value and organised investment in the real estate sector by domestic and international financial institutions and has also resulted in the greater availability of financing for real estate developments. Regulatory changes permitting foreign investment are expected to further increase investment in the Indian real estate sector. The nature of demand is also changing, with heightened consumer expectations that are influenced by higher disposable incomes, easy availability of credit, increased globalisation and the introduction of new real estate products and services.

These trends have been reinforced by the substantial recent growth in the Indian economy, which has stimulated demand for land and developed real estate across our business lines. Demand for residential, commercial and retail real estate is rising throughout India, accompanied by increased demand for improved infrastructure. In addition, tax and other benefits applicable to special economic zones are expected to result in a new source of demand.