

# LONG LASTING PARTNERSHIP. AT WORK.

ANNUAL REPORT 2016

THE NEW FACE OF AN  
EVER-EVOLVING MUMBAI.

## CEO'S LETTER



Dear Shareholders,

It gives me great pleasure to share with you the latest accomplishments of DB Realty. The year 2015-2016 has seen a number of salient developments.

Construction on DB Crown is progressing at an impressive pace as the slabs of each building have recently achieved an 8 to 9 day cycle, allowing for much faster construction than has been achieved before in this project. Towers A and B of DB Crown have also been branded with “DB Crown” and “DB Realty” signs, making the towers clearly visible from both, the Bandra Worli Sea Link and the Elphinstone Flyover. Please do keep an eye out for them the next time you are in the vicinity.

This past year has also seen the launch and speedy progress of Ten BKC, a DB Realty project in partnership with Radius Developers. Following the pre-launch in October, the project saw an impressive number of sales. Work on the Ten BKC Sales Gallery and Sample Flat has been completed and is ready to welcome prospective customers. Work on site has also progressed well, with the piling, basement excavation, and foundation work having been completed.

At your suburban projects, like DB Skypark in Andheri East, construction is speedily progressing. Additionally, your company has received development permission on a 20 acre plot in Malad East. This will release an approximate 30 lakh sq.ft. of saleable area for the company.

DB Realty has also commenced work on a JV with Man Infra Construction Ltd. for its 14.5 acre site at Mira Road. This project is expected to be launched by Diwali this year and has a total saleable area of approximately 2.75 million sq.ft.

Over the past year your company has joined hands with some of the finest names in the business and we look forward to bringing you a number of new developments in the coming year.

A handwritten signature in blue ink that reads "Vipul Bansal". The signature is written in a cursive, flowing style.

Vipul Bansal

## About DB Realty

DB Realty Ltd. founded in 2007 has been redefining the Mumbai skyline by transforming spaces into landmarks. Emerging as one of India's preferred real estate developers, at DB Realty we focus on designing and creating aesthetically pleasing and functionally brilliant residential and commercial spaces, keeping in mind the evolving needs and lifestyles of our customers and stakeholders.

Today, the company boast of an expanding portfolio of over 100 million ft<sup>2</sup> of prime real estate across 35 projects. Majority of these projects are based in and around Mumbai and are under various stages of planning and construction. However, the companies sense of achievement stems from those 20,000 families who live, and will build a lifetime of memories, in homes built by DB Realty Ltd.

With a notable and consistent track record of growth, customer satisfaction and innovation the company is able to execute challenging projects with efficiency, speed and confidence. The strength of the company comes from the support of a highly-experienced team of experts and professionals from diverse fields of work.

Considering a strong heritage of delivering excellent projects, the company always strives to be an industry leader. We focus on delivering to our customers, projects which fundamentally enhance their lifestyle whilst also being significant icons for the city.

For more information on DB Realty, visit [www.dbrealty.co.in](http://www.dbrealty.co.in)



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## CORPORATE INFORMATION

### Board of Directors as on March 31, 2016

**Mr. Vinod Goenka**

(Chairman, Managing Director,  
Non-Independent Director)

Chief Executive Officer

**Mr. Vipul Bansal**

**Mr. Shahid Balwa**

(Vice Chairman, Managing Director,  
Non-Independent Director)

Chief Finance Officer

**Mr. N. M. Gattu**

**Mr. Mahesh Gandhi**

(Independent Director)

Company Secretary and Compliance Officer

**Mr. S.A.K. Narayanan**

**Mr. Jagat Killawala**

(Independent Director)

Statutory Auditors

**M/s. Haribhakti & Co.**

Chartered Accountants

**Mr. Janak Desai**

(Independent Director)

General Counsel

**M/s. Negandhi Shah & Himayatullah**

Advocates & Solicitors

**Mr. N.M. Rafique**

(Independent Director)

**Mr. Salim Balwa**

(Non-Independent Director)

**Mr. Jayvardhan Goenka**

(Non-Independent Director)

Registered Office

DB House, Gen. A.K.Vaidya Marg,  
Goregaon (East), Mumbai – 400 063

Tel: +91 22 4077 8600

Fax: +91 22 2842 2444

**Ms. Sunita Goenka**

(Non-Independent Director)

Website: [www.dbrealty.co.in](http://www.dbrealty.co.in)

**Mr. Omprakash Agrawal**

(Independent Director)

CIN: L70200MH2007PLC166818

## **CORPORATE INFORMATION**

### **Board Committees: As on March 31, 2016**

#### **Audit Committee:**

Mr. Mahesh Gandhi  
Mr. Shahid Balwa  
Mr. N. M. Rafique  
Mr. Omprakash Agrawal  
(appointed w.e.f 08.08.2015)  
Mr. Janak Desai  
(ceased to be member w.e.f 08.08.2015)

#### **Bankers:**

Oriental Bank of Commerce  
Yes Bank Limited  
HDFC Limited

#### **Finance & Investment Committee:**

Mr. Mahesh Gandhi  
Mr. Vinod Goenka  
Mr. Jagat Killawala

#### **Registrar & Share Transfer agent:**

Link Intime India Private Limited  
C-13, Pannalal Silk Mill Compound,  
L.B.S. Marg, Bhandup (West),  
Mumbai – 400 078  
SEBI Registration No. INR000004058  
Tel: +91 22 2596 3838  
Fax: +91 22 2594 6969  
Website: [www.linkintime.co.in](http://www.linkintime.co.in)  
CIN: U67190MH1999PTC118368

#### **Nomination & Remuneration Committee:**

Mr. Mahesh Gandhi  
Mr. Jagat Killawala  
Mr. Janak Desai

#### **Stakeholders Relationship Committee:**

Mr. Janak Desai  
Mr. Jagat Killawala  
Mr. Shahid Balwa

#### **CSR Committee:**

Mr. Mahesh Gandhi  
Mr. N. M. Rafique  
Mr. Jayvardhan Goenka

## NOTICE

NOTICE is hereby given that the 10<sup>th</sup> Annual General Meeting of the Members of the Company will be held on Thursday, the 29<sup>th</sup> September, 2016 at 3.00 p.m at Lakshdham High School Auditorium, Lakshdham High School, Gokuldham, Goregaon (East), Mumbai 400 063 to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited financial statements (including audited consolidated financial statements) for the Financial Year ended 31<sup>st</sup> March, 2016 and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Shahid Balwa (DIN: 00016839), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Jayvardhan Goenka (DIN:03546392), who retires by rotation and being eligible, offers himself for re-appointment.
4. To re- appoint M/s. Haribhakti & Co.LLP, Chartered Accountants, Mumbai (Firm Registration No. 103523W) as Statutory Auditor for the second term of 5 consecutive years commencing from the conclusion of this ensuing Annual General Meeting (AGM) till the conclusion of the 15<sup>th</sup> AGM to be held in the year 2021 subject to ratification by the members at every AGM and to fix their remuneration for the financial year ending 31<sup>st</sup> March, 2017.

### **SPECIAL BUSINESS:**

5. To consider and if thought fit, to pass with or without modification (s) the following resolution as an Ordinary Resolution  
**“RESOLVED THAT** pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies ( Audit and Auditors ) Rules, 2014 ( including any statutory modification (s) or re-enactment thereof for time being in force) M/s. Joshi, Apte & Associates, Cost Accountants (Firm Registration Number 00240) being the Cost Auditor appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year March 31, 2017, be paid the remuneration of ₹ 71,000/- (Rupees Seventy One Thousand only) plus service tax as applicable and reimbursement of out of pocket expenses, if any.”

By Order of the Board  
For **D B Realty Limited**  
**(S.A.K Narayanan)**  
Company Secretary

May 27, 2016

Registered Office:  
DB House  
Gen. A.K. Vaidya Marg  
Goregaon (E), Mumbai- 400063  
CIN: L70200MH2007PLC166818  
Tel No: 91-22-40778600  
FAX No: 91-22-2841 5550/ 28421687  
E Mail: [investors@dbg.co.in](mailto:investors@dbg.co.in)  
Web Site: [www.dbrealty.co.in](http://www.dbrealty.co.in)

### **NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.  
The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.
2. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of special businesses to be transacted at the meeting, is hereto annexed.
3. The particulars of Mr. Shahid Balwa & Mr. Jayvardhan Goenka proposed to be re-appointed as required under Regulation 36(3) of the SEBI (Listing Obligation & Disclosure Requirement) Regulation, 2015 and Secretarial Standard is annexed hereto
4. In case of joint holders attending the meeting, only joint holder who is higher in the order of names will be entitled to vote.

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5. Corporate members intending to send authorized representatives to attend the Meeting are requested to send a duly certified copy of the resolution authorizing their representatives to attend and vote at the meeting.
6. Members desirous of having any information regarding Accounts are requested to address their queries to the Company at least seven days before the date of the Meeting.
7. As per the provision of the Companies, Act, 2013, facility for making nomination is available to the members in respect of the shares held by them. Nomination form can be obtained from the Company's Registrar and Transfer Agents by Members holding shares in physical form. Members holding shares in electronic form may obtain Nomination form from their respective Depository Participant.
8. The Register of Members and Share Transfer Books of the Company will remain closed from 22<sup>nd</sup> September, 2016 to 29<sup>th</sup> September, 2016 (both days inclusive) for the purpose of the Annual General Meeting of the Company.
9. All the Documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Company's Office at DB House, Gen. A. K. Vaidya Marg, Goregaon (E), Mumbai - 400063 on all working days of the Company between 10.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting.
10. Members/Proxies and Authorised Representatives are requested to bring to the meeting, the Attendance Slip enclosed herewith, duly completed and signed, mentioning therein details of their DP ID and Client ID / Folio No.
11. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their depository participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, Link Intime India Private Limited (LIPL) to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to LIPL.  

The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to LIPL.
12. As an austerity measure, copies of Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies to the meeting.
13. In accordance with the Companies Act, 2013 read with the Rules, the Annual Reports are sent by electronic mode to those members whose shareholding is in dematerialized format and whose E Mail IDs are registered with the Depository for communication purposes. The members holding shares in physical form and who have not registered their email ID are requested to register their email ID addresses with the Company's Registrar and Transfer Agent.
14. To support the 'Green Initiative', the Members who have not registered their E Mail addresses are requested to register the same with Depositories.
15. Trading in the Company's shares through stock exchanges is permitted only in dematerialized/electronic form. The equity shares of the Company have been inducted in both NSDL as well as CDSL to enable shareholders to hold and trade the shares in dematerialized/electronic form. In view of the numerous advantages offered by the depository system, Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease in portfolio management.
16. Pursuant to the Initial Public offer of Equity shares, the Company had, in respect of certain shares allotted therein, in view of mismatch in particulars of those allottees, parked the same in a demat suspense account. The details of the unclaimed shares outstanding in the suspense account are as under:

| Particulars                                                                                                                  | No of Shareholders | No of Shares |
|------------------------------------------------------------------------------------------------------------------------------|--------------------|--------------|
| Outstanding Shares as on 1 <sup>st</sup> April, 2015                                                                         | 9                  | 686          |
| Investors who have approached the Company / Registrar and Share Transfer Agent for transfer of shares to their demat account | 0                  | 0            |
| Investors to whom shares were transferred from the unclaimed account                                                         | 0                  | 0            |
| Outstanding Shares in the unclaimed Suspense account as on 31 <sup>st</sup> March, 2016                                      | 9                  | 686          |

17. Details of unclaimed Refunds:

Post Initial Public Offer (IPO) in February, 2010, the Company transferred a sum of ₹ 553.05 crores to the refund account, excluding the ASBA amounts unblocked. Refunds were made through ECS / direct credit /RTGS / issue of physical warrants. The Registrar and Transfer Agents had sent reminders to the shareholders / investors to furnish the correct bank account details to enable the refund of the unclaimed share application amount. The balance in the Refund account, as on 31<sup>st</sup> March, 2016 was ₹ 6,132/- The details are as under:

| Particulars                                                                                | No of unrealized refund orders | Amount (₹) |
|--------------------------------------------------------------------------------------------|--------------------------------|------------|
| Outstanding Physical Warrants as on 1 <sup>st</sup> April, 2015                            | 10                             | 6,132      |
| Investors who have approached the Company / Registrar and Share Transfer Agent for refunds | -                              | -          |
| Investors to whom refunds were made from the unclaimed account                             | -                              | -          |
| Outstanding amount in the unclaimed Refund account as on 31 <sup>st</sup> March, 2016      | 10                             | 6,132      |

18. The route map showing directions to reach the venue of the tenth AGM is annexed.
19. The facility for voting through polling paper shall also be made available at the AGM and the Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right to vote at the AGM.
20. Mr Vicky Kundaliya, Practicing Company Secretary (FCS 7716/COP NO 10989) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
21. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote by electronic means on the resolutions proposed to be passed in the Meeting through E-voting Services provided by National Securities Depository Limited (NSDL). The members may cast their votes using the electronic voting system from a place other than the venue of the meeting ("remote e-voting").
22. The instructions for remote e-voting are as under:
- A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/ Depository Participants(s)]:
- Open email and open PDF file viz; "D B Realty Limited e- voting pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
  - Launch internet browser by typing the following URL in the address bar: [www.evoting.nsdl.com](http://www.evoting.nsdl.com)
  - Click on Shareholder – Login
  - Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
  - Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note the new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - Home page of remote e-voting opens. Click on "e-Voting" icon and select "Active Voting Cycles"
  - Select "EVEN" of "D B Realty Limited".
  - Now you are ready for remote e-voting as Cast Vote page opens.
  - Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
  - Upon confirmation, the message "Vote cast successfully" will be displayed.
  - Once you have voted on the resolution, you will not be allowed to modify your vote.
  - Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail : [vickyscrutinizer@gmail.com](mailto:vickyscrutinizer@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) and [investors@dbg.co.in](mailto:investors@dbg.co.in)
- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :
- Initial password is provided as below/at the bottom of the Attendance Slip for the AGM :

| EVEN<br>(Remote E Voting Event Number) | USER ID | PASSWORD/PIN |
|----------------------------------------|---------|--------------|
|----------------------------------------|---------|--------------|

- Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- C. Other Instructions
- In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no:1800-222-990.
  - You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

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- iii) The remote e-voting period commences on 26<sup>th</sup> September, 2016 (9:00 am IST) and ends on 28<sup>th</sup> September, 2016 (5.00 P.M. IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22<sup>nd</sup> September, 2016, may cast their vote electronically. The remote voting will not be allowed beyond the aforesaid time and date and the e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- iv) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on 22<sup>nd</sup> September, 2016 and as per the Register of Members of the Company.
- v) Members who have acquired shares and become member of the Company after the dispatch of the Annual Report and holding shares as of the cut off date i.e 22<sup>nd</sup> September, 2016 may obtain the user ID and Password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)  
  
However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password/PIN for casting your vote. If you have forgotten your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no. 1800-222-990.
- vi) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Poling Paper" for all those members who are present at the AGM but have not cast their votes by availing the e-voting facility.
- vii) The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- viii) The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.dbrealty.co.in](http://www.dbrealty.co.in) and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com) within two days of the passing of the resolutions at the tenth AGM of the Company on 29<sup>th</sup> September, 2016 and communicated to BSE Limited and National Stock Exchange of India Limited where the shares of the Company are listed.

### **Explanatory Statement pursuant to Section 102 of the Companies Act, 2013**

#### **Item No. 5:**

In pursuance of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, read with Companies (Cost Records and Audit) Rules, 2014, the Board of Directors of the Company, upon recommendation of Audit Committee, is required to appoint an individual who is a Cost Accountant in practice or a firm of Cost Accountants in practice as cost auditor. The remuneration of the cost auditor is required to be recommended by Audit Committee, approved by the Board of Directors and ratified by the members.

On recommendation of Audit Committee at its meeting held on May 27, 2016, the Board has considered and approved appointment of M/s. Joshi, Apte & Associates, (FRN: 00240) for conducting the audit of the Company's cost records for financial year 2016-17 at a remuneration of ₹ 71,000/- (Rupees Seventy One Thousand only) plus service tax as applicable and reimbursement of out of pocket expenses, if any.

The resolution at Item no. 5 of the Notice is set out as an ordinary resolution for approval and ratification by the members in terms of Section 148 of the Companies Act, 2013.

None of the Promoters, Directors, Key Managerial Personnel of the Company and none of their relatives are deemed to be concerned or interested financially or otherwise in the said resolution.

By Order of the Board  
For **D B Realty Limited**  
**(S.A.K Narayanan)**  
Company Secretary

May 27, 2016

Registered Office:

DB House

Gen A.K.Vaidya Marg

Goregaon (E), Mumbai- 400063

CIN: L70200MH2007PLC166818

Tel No: 91-22-40778600

FAX No: 91-22-2841 5550/ 28421687

E Mail: [investors@dbg.co.in](mailto:investors@dbg.co.in)

Web Site: [www.dbrealty.co.in](http://www.dbrealty.co.in)

## Annexure

### Details of Directors proposed for re-appointment at the forthcoming Annual General Meeting

#### Mr. Shahid Balwa

|                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|-----------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Date of Birth                                                                                                   | 04/01/1974                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Age                                                                                                             | 42 years                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Date of appointment on the Board                                                                                | 10/12/2011                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Qualification                                                                                                   | Under Graduate                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Expertise in specific functional areas                                                                          | Finance & Projects                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Terms and conditions of appointment                                                                             | As approved by the Members in the Annual General Meeting held on 22 <sup>nd</sup> September, 2012                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Remuneration sought to be paid                                                                                  | Nil                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Remuneration last drawn                                                                                         | Nil                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Brief Biography                                                                                                 | Mr. Shahid Balwa is the Vice-Chairman & Managing Director and a Promoter of our Company. He has been on the Board of our Company since December 10, 2011. Mr. Shahid Balwa has more than a decade of experience in hospitality and real estate /construction industry. He led the family's business foray into hospitality by taking charge of construction, implementation and operation of the five star deluxe hotel, Le Royal Meridian, Mumbai. He has contributed to the group's expansion and growth in construction of several buildings and acquisition of properties. He contributed to the group's foray into the conceptualization of five star deluxe Hotel at Marine Lines, Mumbai. |
| List of other Companies in which he holds Directorship as on 31/03/2016                                         | 1. Majestic Infracon Pvt. Ltd.<br>2. Perfect Spacecon Pvt. Ltd.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Chairman/ member of Committees of the Board of the other companies in which he is a Director (as on 31/03/2016) | Mr. Shahid U. Balwa is a Member of Audit Committee and Shareholders / Investors Grievances Committee of the Company.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| No.of Meetings attended during FY 2015-16                                                                       | 5                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Relationship with other Director/s, Manager and Key Managerial Personnel                                        | Mr. Shahid Balwa is brother of Mr. Salim Balwa, Director of the Company (Promoter Group)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Equity Shares held in the Company (as on 31/03/2016)                                                            | Nil                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |

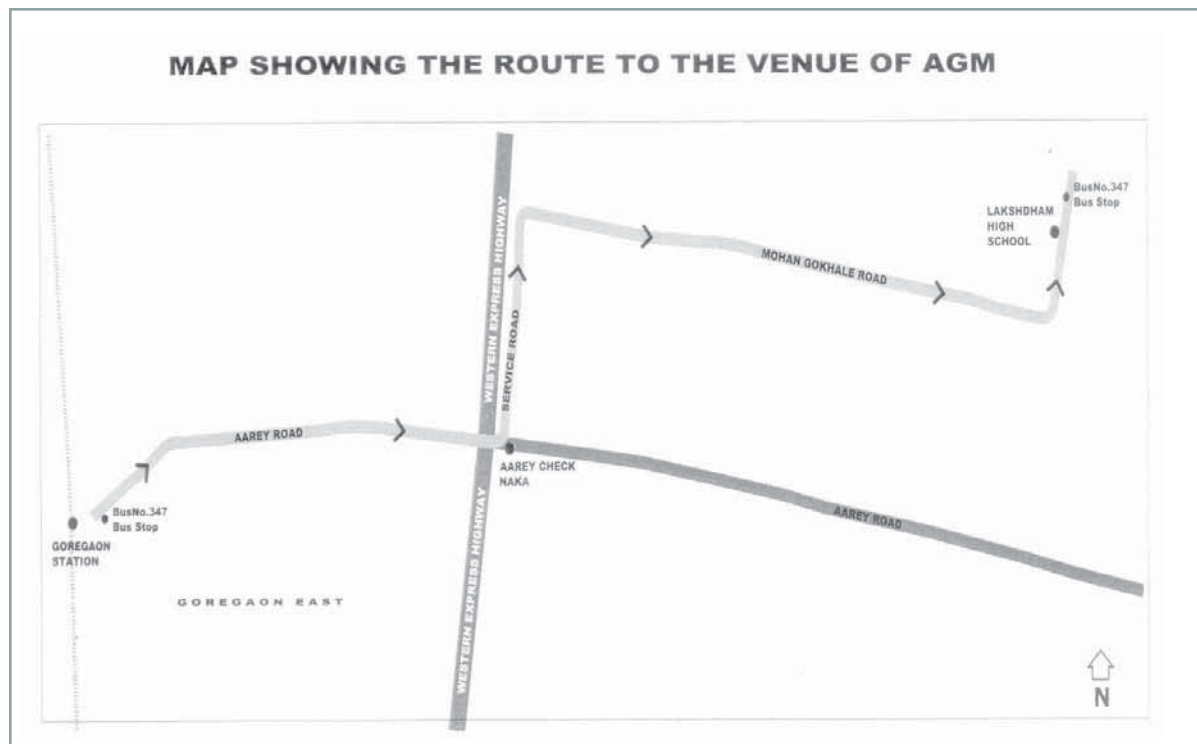
#### Mr. Jayvardhan Goenka

|                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|----------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Date of Birth                          | 13/07/1990                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Age                                    | 26 years                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Date of appointment on the Board       | 10/12/2011                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Qualification                          | Graduate from London School of Economics with Economics and Philosophy as his major                                                                                                                                                                                                                                                                                                                                                                                           |
| Expertise in specific functional areas | Project & Finance                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Terms and conditions of appointment    | As approved by the Members in the Annual General Meeting held on 22 <sup>nd</sup> September, 2012                                                                                                                                                                                                                                                                                                                                                                             |
| Remuneration sought to be paid         | Nil                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Remuneration last drawn                | Nil                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Brief Biography                        | Mr. Jayvardhan Goenka is a Non Executive & Non-Independent Director of our Company. He has been on our Board (Non-Independent and Non-executive Director) w.e.f.10 <sup>th</sup> December, 2011.He hails from promoter family and is the son of Mr. Vinod Goenka, promoter and also Executive Chairman of the Company. He has been inducted into the business and has been rendering assistance to the Executive Chairman from time to time in the management of the Company. |

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|                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|-----------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| List of other Companies in which he holds Directorship as on 31/03/2016                                         | <ol style="list-style-type: none"> <li>1. Siddhivinayak Realities Pvt. Ltd.</li> <li>2. Modern Hi-Tech Developers Pvt. Ltd.</li> <li>3. Real Gem Buildtech Pvt. Ltd.</li> <li>4. Goan Hotels and Clubs Pvt. Ltd.</li> <li>5. Conwood Agencies Pvt. Ltd.</li> <li>6. Akshay Sthapatya Pvt. Ltd.</li> <li>7. Kalpataru Plaza Pvt. Ltd.</li> <li>8. Eversmile Properties Pvt. Ltd.</li> <li>9. TopGrow Agro and Infrastructure Pvt. Ltd.</li> <li>10. Conwood Construction &amp; Developers Pvt. Ltd.</li> <li>11. Earthen Agro &amp; Infrastructure Pvt. Ltd.</li> <li>12. V S Erectors &amp; Builders Pvt. Ltd.</li> <li>13. Agrimony Agro &amp; Infrastructure Pvt. Ltd.</li> <li>14. Goan Real Estate and Construction Pvt. Ltd.</li> <li>15. Dynamix Clubs And Resorts Pvt. Ltd.</li> <li>16. Birya Star Limited.</li> <li>17. Superjet Leasing Pvt. Ltd.</li> <li>18. Top Notch Builcon LLP.</li> </ol> |
| Chairman/ member of Committees of the Board of the other companies in which he is a Director (as on 31/03/2016) | Mr. Jayvardhan V. Goenka is a Member of CSR Committee of the Company and also Chairman of Audit Committee of Real Gem Buildtech Pvt. Ltd., a subsidiary of the Company.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| No.of Meetings attended during FY 2015-16                                                                       | 2                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Relationship with other Director/s, Manager and Key Managerial Personnel                                        | Mr. Jayvardhan Goenka is son of Mr. Vinod Goenka, Chairman & Managing Director of the Company (Promoter Group).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Equity Shares held in the Company (as on 31/03/2016)                                                            | Nil                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |



## DIRECTORS' REPORT

To  
The Members  
D B REALTY LIMITED

Your Directors have pleasure in presenting the 10<sup>th</sup> Annual Report on the business and operations of the Company along with the audited financial statements for the financial year ended 31<sup>st</sup> March, 2016.

### Financial Highlights

(Amount ₹)

| Particulars                                     | Standalone            |                       | Consolidated          |                       |
|-------------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|                                                 | F.Y.2015-16           | F.Y.2014-15           | F.Y.2015-16           | F.Y.2014-15           |
| Gross sales and other receipts                  | 1,677,457,986         | 359,819,826           | 2,341,699,533         | 2,860,987,958         |
| EBIDTA                                          | 604,423,525           | 142,890,062           | 325,413,455           | 391,805,981           |
| Interest and Finance Charges                    | 480,951,296           | 411,252,026           | 525,991,951           | 528,273,678           |
| Depreciation and amortization                   | 50,687,147            | 54,839,043            | 85,324,982            | 143,194,757           |
| <b>Operating Profit</b>                         | 72,785,082            | (323,201,007)         | (285,903,478)         | (279,662,454)         |
| Exceptional Items                               | 75,000,000            | (47,679,636)          | 75,000,000            | (70,515,083)          |
| Prior year items                                | (3,057,934)           | (4,318,432)           | 3,368,201             | (4,317,780)           |
| Provision for Tax                               | (18,021,627)          | (5,263,486)           | (62,250,135)          | (238,669,867)         |
| Prior period tax Adjustment                     | 11,971,293            | (30,200,000)          | 555,476               | -                     |
| Less: Minority Interest                         | -                     | -                     | 46,754,897            | (69,281,707)          |
| Add: Share of Profit/(Loss) in Associates (Net) | -                     | -                     | 108,971               | 49,756,527            |
| <b>Profit after taxation</b>                    | 3,835,416             | (240,057,885)         | (248,976,750)         | 5,679,536             |
| <b><u>Surplus brought forward</u></b>           |                       |                       |                       |                       |
| Balance brought forward                         | 7,230,611,817         | 7,474,988,133         | 7,425,952,122         | 7,420,272,586         |
| Adjustment due to Merger                        | 767,355,012           | -                     | (315,460,279)         | -                     |
| Net Profit/ ( Loss )                            | 777,482               | (244,376,317)         | (248,976,750)         | 5,679,536             |
| Amount available for appropriation              | 7,998,744,311         | 7,230,611,817         | 6,861,515,093         | 7,425,952,122         |
| <b>Net Worth</b>                                | <b>35,496,811,168</b> | <b>33,506,489,830</b> | <b>34,373,081,950</b> | <b>34,115,330,134</b> |

### **Amalgamation of a Subsidiary Company with the Company and Accounting Treatment**

During the year under review, pursuant to the Scheme of Amalgamation between the Company's subsidiary namely Gokuldham Real Estate Development Company Pvt. Ltd. (Transferor Company) and Company approved by Hon. Bombay High Court on 16<sup>th</sup> October, 2015 and 27<sup>th</sup> October, 2015, the Transferor Company have been amalgamated with the Company with effect from April 1, 2013 (the Appointed Date). The High Court order was filed with the Registrar of Companies who had taken the same on record on 23<sup>rd</sup> December, 2015 (the Effective Date). As per the approved Scheme of Amalgamation, the Company issued and allotted 71,755,740 8% Redeemable Preference shares of ₹ 10/- each fully paid up in the ratio of 574 Preference shares for every one equity share of ₹ 100/- each held by the three shareholders (other than Company, the holding Company) in the Amalgamating Company.

Further, as per the Scheme of Amalgamation approved by the Hon. Bombay High Court, the new Preference Shares are to be listed on both BSE Limited and National Stock Exchange of India Limited. In this context, the Company has received in principle approvals for listing of the said Preference Shares from BSE Limited and National Stock Exchange of India Limited and is awaiting final approval from SEBI.

The aforesaid amalgamation was accounted as 'amalgamation in the nature of merger' in accordance with the approved Scheme and consequently the pooling of interest method was used as per AS 14 accounting of amalgamation. The Company has created a Capital Reserve of ₹ 504,631,445/- on account of the aforesaid amalgamation. The appointed date of the amalgamation being April 1, 2013, the net profit from the Transferor Company during the financial year 2013-14 and 2014-15 aggregating ₹ 767,355,012/- has been transferred to the Surplus in the statement of Profit and Loss in the Books of the Company upon amalgamation. The details of Capital Reserve created consequent to the amalgamation are appearing in Note no.37 of the Standalone Financial Statements.

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### **Status of Projects of the Company / its subsidiaries**

Pursuant to full Occupation Certificate received last year for “DB Woods”, the work of handing over of possession to flat buyers in respect of Tower A, B and C has been substantially completed. Out of total 630 flats in the said Project, 554 flats have been handed over to flat buyers and the balance 76 flats are under process of handing over to them. This project was undertaken by the Company's subsidiary namely Gokuldharm Real Estate Development Company Pvt. Ltd., which has been amalgamated with the Company pursuant to Hon. Bombay High Court Order passed during the year.

“DB Crown” at Prabhadevi is a residential project offering luxury of amplexness of space and an endless view of the sea. The construction work of the said project is progressing with an impressive pace as per revised plans.

“X BKC” at Bandra, near Bandra Kurla Complex is attracting the attention of many potential flat buyers due to its strategic location. It is an iconic residential project that offers variety of spacious residential apartments ranging from 1 BHK to 6 BHK (Duplex). The project is spread over 5 acres of land, one of the largest integrated residential complex in upscale Bandra East in Mumbai Suburbs. The construction work of the said project, which is being developed in a joint venture with Vishwaroop Estates and Developers Private Limited (Radius Group), is witnessing good progress as per approved plans.

“DB Ozone” at Dahisar is a large residential project and the civil structure work for sale and rental Building has been completed and finishing work in the Project is in progress.

“DB Heights” at Mahalaxmi is a residential tower offering the luxury of size and space along with an unmatched view of the Arabian Sea as well as the Golf Course. With respect to approvals, the Commencement Certificate (CC) has been issued by MCGM in respect of Sale Towers (upto 15th Floor) of A Wing and upto plinth level of B Wing in the said project.

“DB Skypark” near international airport, Andheri is being developed in through a joint venture on approx. 1.5 acres of land with 6 wings. The project site is at very strategic location and is well connected by way of Metro, road network and railways. The construction work is ongoing at an accelerated pace as per approved plans.

Another residential housing project is on the verge of implementation at Dahisar, revenue village, Mahajanwadi, Dist. Thane on the outskirts of Mumbai, with the induction of an entity, in which Man Infraconstructions Ltd. has substantial stake in Conwood DB JV, of which your Company is a member. The JV will share revenue with the said entity, which has undertaken the development of the said project.

“Solitaire Business Hub” in Yerwade Pune- The construction on this project is fast paced with the completion of the RCC structure and the ongoing progress of the project is satisfactory.

The Turf Estate project in Mumbai is awaiting certain approvals and is one of the largest projects of the Company, which will offer substantial revenue potential in future. Two project sites at (i) Bandra Reclamation, in which your Company has substantial stake through a wholly owned subsidiary company which is a partner in the firm, Om Metal Corporation and (ii) Marine Lines through another company viz. Marine Drive Hospitality & Realty Pvt. Ltd., in which your Company has considerable economic interest have been awaiting certain approvals for launching. The Project “Orchid Centre” a commercial venture and a residential project at Pune is being executed by a subsidiary of the said Marine Drive Hospitality & Realty Pvt. Ltd.

Marine Drive Hospitality & Realty Pvt. Ltd., a Company in which your Company has considerable economic interest has through one of its WOS is developing a Convention Centre and Hotel project at Aerocity near New Delhi International Airport.

### **Audit Report:**

The Auditors have qualified their report on certain matters. The details of such qualifications as mentioned in their Report with your Directors' response thereon are as under:

- (i) Para 4 in the Standalone Financial Statements (SFS) and Para 4(b) (Note No. 28(c)(i) in the Consolidated Financial Statements (CFS) refers to share of profit of ₹ 1.92 Lacs from an investment in a Limited Liability Partnership ('LLP') and the unaudited financial results of such LLP approved by only three partners representing the Company out of the total six partners of the LLP. Your Directors have to state that the Company has been taking steps to complete the process and its impact on the Company's financial statements are not significant or material.
- (ii) Para 4(a) of CFS (Note No. 28(a)(i) to the CFS) refers to unaudited financial results of a subsidiary included in the financial results of the Company but which are unapproved by its Board of a subsidiary company, your Directors are of the view that there would not be any material impact on the financial statements arising out of its adoption at a later point in time and the process of adoption shall be completed in due course.
- (iii) Para 4(c) of CFS [Note No. 33(B)(iv)] and Para 4(d) of CFS (Note No. 52) refers to one of the subsidiaries not having accounted for its share of profit/loss in a Partnership Firm for FY 2015-16 and hence the CFS of the Company have not taken into consideration these results of the said Firm in the consolidation. Your Directors have to state that the said subsidiary is taking steps to obtain the final statement of accounts of the said firm and the impact thereof on the Company's CFS is not material in the opinion of the Directors.

The Statutory Auditors in their Report have drawn attention of the members to certain notes to the Financial Statements, as a matter of emphasis. While the said notes are self explanatory, your Directors offer the following clarifications and further explanations on the same;

1. Para (i) (Note No. 11.3) of SFS and Para (i) (Note No. 11.3) of CFS refers to cost incurred on the beautification of the Bandra Worli Sea Link project and is self explanatory.
2. Para (ii) (Note No. 12.4) of SFS and Para (ii) (Note No. 12.2) of CFS: The Auditors have referred to certain investments made in the Preference Share Capital of an entity for an amount of ₹ 142769.61 lacs, and ₹ 146212.88 lacs respectively, appearing in the SFS and CFS. This relates to investments made in the Preference Share Capital of Marine Drive Hospitality & Realty Pvt. Ltd. both in the form of Redeemable Compulsorily Convertible Preference Share, Optionally Convertible Cumulative Preference Shares and Compulsorily Redeemable Convertible Preference Shares, which bear specified rates of dividend, by your Company. This Company is proposing to implement the project in real estate including commercial, and residential activities and also hospitality segment and hence these investment is considered as strategic and in the long term interests of your Company. Your Directors keep the overall economic interests of the Company while making such investments.
3. Para (iii) (Note 14.2) of SFS and Para (iii) [Note No. 13.2] of CFS: Attention has been drawn to payments made to several related parties towards security deposits of ₹ 35,755.16 lacs for acquisition of development rights. As stated in the said note, your Company is in the process of obtaining necessary approvals for the development of the said properties which have significantly higher current market values than the carrying costs and would reap adequate profitability on substantial completion of the respective projects.
4. Para (iv) [Note 17(1)] of SFS and Para (iv) [Note No. 16(1)] of CFS: Auditors have referred to the costs incurred on various projects reflected in the financial statements under the head Inventories at lower of the actual costs incurred or the realizable value, as reported by the Management. All these projects are under initial stage of development and are capable of fetching higher net realizable value greater than the cost.
5. Para (v) [Note No. 30(B)] of SFS and Para (viii) [Note No. 30(B)] of CFS refers to the guarantees and Securities amounting to ₹ 3894.43 crores and ₹ 2406.79 crores given / provided by the Company/ Group respectively for loans taken by the subsidiary and associate companies and also promoter group companies and few other entities while the Company was a private limited company. All these companies are honouring the commitments in respect of servicing and/or repayments and the outstanding exposure has substantially been reduced on account of repayments by these entities. The above Guarantees are substantially secured and supported by counter guarantees of the promoters in favour of the Company and are adequately secured by the promoters of the Company and these are not expected to result into any financial liability on the Company.
6. Para (vi)(a) and (b) [Note Nos. 31(A)(iii)(1) and (iii)(2)] of SFS and Para (xi)(a) and (b) [Note Nos. 33 (A)(i)(b) and 33(A)(iii)] of CFS refers to disclosures in the audited financial statements of the firm Dynamix Realty regarding outstanding receivables which is good for recovery and the allegations in the 2G Spectrum case which is sub-judice. These notes are self-explanatory.
7. Para (vii) (Note Nos. 32 to 36A) of SFS and Para (ix) [Notes Nos. 31, 32(a), 33(B)(viii), (ix) and (x)] of CFS refer to loans/ advances and investments in subsidiary/associate company and there are ongoing litigation in respect of their projects and matters are sub-judice. These notes are self explanatory.
8. Para (viii) (Note No. 36b) of SFS and Para (x) [Note No. 32(b)] of CFS refer to no adjustment having been made by the Company in the value of inventory, pending outcome of the matter referred by the Company to Hon. Supreme Court. As detailed in the said Notes, this is in respect of a project under development having a value of ₹ 3,513.39 lacs (forming part of inventory). The Bombay High Court has ordered payment of money under the award as and by way of compensation of ₹ 728.88 lacs towards land acquisition. The Company has moved Supreme Court against such order of the High Court seeking further compensation of ₹ 2168.13 lacs. Your Directors also expect to recover amounts paid to other parties towards the project. Pending outcome of the matter, no adjustments have been made in the accounts in this regard.
9. Para (ix) ( Note No 38) of SFS and Para (xxii) (Note no. 40B) of CFS refer to MAT credit entitlement of ₹ 358 Lacs, which is based on future performance of the Company and will be availed for set off in future years.
10. Para (x) of SFS (Note No. 39) and Para (xxi) (Note No. 34) of CFS: This relates to investments in the shares / capital of the subsidiaries / associates / firms etc and also project advances from time to time towards their projects for various activities. These entities are having negative net worth, since they are in the early stage of real estate development. These investments are strategic in nature and long term. Your Directors are of the firm view that these projects which are of medium to long term nature would fetch results in the future to justify the initial investments and also yield reasonable and adequate return on these investments and deployment of funds.
11. Para (xi) (Note No. 40) of SFS and Para (xxv) (Note No. 47) of CFS refer to the fact that the Company was in receipt of Summons from Special Court for Prevention of Money Laundering Act (PMLA), Mumbai as one of the accused in connection with a complaint filed by Enforcement Directorate. The Hon'ble Court has also summoned one of the KMPs of the Company as one of the accused as per the said complaint. The matter in relation to the Company and the KMP involves certain advances given by the Company in ordinary course of its business to another Company which was subsequently refunded upon cancellation of the undertaking. The matter is sub-judice and the Company does not expect any financial liability.
12. Para (xii) (Note No. 43) of SFS and Para (xxiii) (Note No. 42) of the CFS: With regard to the provisional attachment upheld by the Enforcement Directorate (ED), involving bank balance, two flats belonging to the Company and loans given to a subsidiary company of Marine Drive Hospitality & Realty Pvt. Ltd. (Formerly D B Hospitality Private Limited), these relates to the 2G case in which the Managing Directors of the Company and two of its Key Management Personnel have been charged with

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commission of offences based on the investigation by CBI. The Adjudicating authority has taken over the bank balance of ₹ 68.92 Lakhs and has been given ROCCP shares of Marine Drive Hospitality & Realty Pvt. Ltd., in the name of the Company for ₹ 50.40 crores. The attachment order is contested by the company in the Appellate tribunal. The matter is sub-judice. The Company is confident that the outcome of the cases will have no adverse impact on the Company and its functioning.

13. Para (xiii) (Note No. 49) of SFS: This note is self explanatory. The AOPs in which your company is a member have projects for execution on which expenses have been incurred by the said AOPs. Pending the triggering of the threshold limits and recognition of income in the said projects, the expenses incurred on the projects have been carried to their balance sheets as losses and have not been apportioned to the members of the AOP. These projects would fetch adequate profits to wipe out the losses in the AOP and would be apportioned to the members of the AOP at a later date when incomes are recognized.
14. Para (v) (Note No. 19.3) of CFS refers to the loans and advances by one of the subsidiaries to a contractor which has been confirmed by them and is good for recovery as stated in its financial statements.
15. Para (vi) (Note No. 28(b)(i) of CFS refers to financials of Turf Estate JV, an Association of Persons (AOP), where the Company is one of the two partners. Such financial statements of the AOP are yet to be approved by the other partner, as the proposal to change profit/loss arrangement to area sharing framework in the said AOP is under negotiation with the other partner.
16. Para (vii) [Note No. 29(i)] of CFS refers to the notice received by the associate company from one of the land owners for cancellation of Development Agreement and the said company is in process of taking legal opinion and replying to the said notice. The amount which can be forfeited is ₹ 1,85,367/-.
17. Para (xii) [Note no. 33(A)(v)] of CFS refers to the classification of amount of ₹ 23.70 crores advanced by a jointly controlled entity (JCE) to few parties for acquisition of the occupancy rights on its behalf, which would be transferred to the JCE. The said note is self explanatory.
18. Para (xiii) [Note no. 33(A)(vi)] of CFS refers to status of redemption / non conversion of the Preference Shares (ROCCPS) issued by the jointly controlled entity. The matter is under discussion with the shareholders of the said shares and would be acted upon on reaching finality with them.
19. Para (xiv) [Note no. 33(A)(vii)] of CFS and Para (xv) [Note no. 33(A)(viii)] of CFS refer to compensation to occupants and accounting of compensation by one of the joint ventures of the Company, which are self explanatory.
20. Para (xvi) [Note no. 33(B)(i)] of CFS refers to loan of ₹ 8.14 crores granted by one of the subsidiary to a company, whose debts amount to ₹ 22.81 crores have been acquired from Yes Bank Ltd. Your Directors are of the opinion that the loan outstanding as of year end though subject to confirmation is good for recovery.
21. Para (xvii) [Note no. 33(B)(ii)] of CFS refers to certain debts and all the right, title and interest in and to the said debts along with the underlying security interest acquired by one of the subsidiary companies by way of assignment from Yes Bank Ltd. by executing Deed of Assignments. Your Directors believe that the said debts are adequately secured with the underlying security interest (including certain immovable properties) and the same debts are good for recovery though the balances are subject to confirmation and creation of underlying security interest in favour of the said subsidiary company is in process.
22. Para (xviii) [Note no. 33(B)(iii)] of CFS refers to the status of amounts due to Housing Development Infrastructure Ltd. (HDIL), which is self explanatory.
23. Para (xix) [Note no. 33(B)(v)] of CFS refers to a writ petition filed against the Company and government authorities by Jijamata Nagar Sankalp Co-Op. Housing Society and the matter is detailed in the said note. The Company is constantly observing the changes and progress to the Draft DP 2034 and is confident that the Final Plan would remove all the anomalies.
24. Para (xx) [Note no. 33(B)(xiii)] of CFS refers to the litigation on salt pan land owned by the Company. The note is self explanatory. As stated, the Company will defend its title.

### **Transfer to Reserve**

It is not proposed to transfer any amount to reserves out of the profits earned during FY 2015-16.

### **Dividend**

With a view to conserve resources to meet the fund requirements for Company's projects, your Directors have not recommended any dividend for the year 2015-16.

### **Change in Share Capital of the Company**

Pursuant to the Scheme of Amalgamation between Gokuldharm Real Estate Development Company Pvt. Ltd. and Company as mentioned in para of amalgamation above, the following changes have happened in the capital structure of the Company during the year under review:

- (i) the Authorised Capital of the Company has been increased from ₹ 3,000,000,000/- divided into 298,500,000 equity Shares of ₹ 10/- each and 1,500,000 Preference Shares of ₹ 10/- each to ₹ 3,450,000,000/- divided into 270,000,000 Equity Shares of ₹ 10/- each and 75,000,000 Redeemable Preference Shares of Rs 10/- each.
- (ii) the issued, subscribed and paid-up equity share capital has been increased from ₹ 2,432,587,820/- divided into 243,258,782 equity shares of ₹ 10/- each to ₹ 3,150,145,220/- divided into 243,258,782 equity shares of ₹ 10/- each and 71,755,740 Preference Shares of ₹ 10/- each.

### **Subsidiaries, Associate Companies and Joint ventures:**

During the year under review, your Company has ceased to be Partner (with 50% share in profit/loss) in 6 Limited Liability Partnerships namely Daund Warehousing Developers & Builders LLP, Saswad Warehousing Developers & Builders LLP, Ahmednagar Warehousing Developers & Builders LLP, Solapur Warehousing Developers & Builders LLP, Latur Warehousing Developers & Builders LLP and Aurangabad Warehousing Developers & Builders LLP with effect from 30<sup>th</sup> June, 2015, as there was no business activity undertaken/to be undertaken in near future by the said LLPs. Further, as mentioned above Gokuldham Real Estate Development Company Private Limited, an erstwhile subsidiary company has ceased to be Subsidiary of the Company by virtue of its amalgamation with the Company.

The details of Subsidiary/Associate companies are provided in extract of Annual Return (Form No. MGT 9), which forms part of this Directors' Report (Annexure A).

The Consolidated financial statements have been prepared pursuant to the applicable Accounting Standards, SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and includes the financial information of its subsidiaries/associates and joint venture entities / partnership firms in which your Company holds stake. The financial statements of the subsidiary companies will also be available for inspection by any member at the registered office of the company and at the Company's website [www.dbrealty.co.in](http://www.dbrealty.co.in). Copies of the audited financial statements of the subsidiaries can be sought by any member by making a written request in this regard.

In accordance with the provisions of Section 129(3) of the Act read with the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of the Company's subsidiaries, associates and joint ventures in Form AOC-1 is attached to the consolidated financial statements of the Company. The statement also provides the details of performance and financial positions of each of the subsidiaries.

### **Management Discussion and Analysis Report:**

The Management Discussion and Analysis Report for the year under review as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is presented in a separate section forming part of this Annual Report (Annexure B).

### **Corporate Governance and Shareholders Information:**

In compliance with the Listing Regulations, a separate report on Corporate Governance along with a certificate from the Auditors on its compliance, forms an integral part of this report. (Annexure C)

### **Fixed Deposits**

During the year under review, your Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force).

### **Directors and Key Managerial Personnel (KMPs)**

#### **1. Directors retiring by rotation**

In terms of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Shahid Balwa and Mr. Jayvardhan Goenka, Directors who are liable to retire by rotation at the forthcoming Annual General Meeting and, being eligible, offer themselves for reappointment.

#### **2. Cessation of Independent Director**

Mr. Omprakash Agrawal Independent Director of the Company has resigned from the office of the Director with effect from the closing of business hours on 27<sup>th</sup> May, 2016 due to his other pre-occupations.

The Board places on record its appreciation for the valuable services rendered by Mr. Omprakash Agrawal during his tenure as Independent Director of the Company.

#### **3. Independent Directors Statement:**

All independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149 of the Companies Act, 2013 and Regulation 16 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and were placed at the Board Meeting held on May 27, 2016.

#### **4. Key Managerial Personnel**

Mr. Vinod Goenka, Chairman and Managing Director and Mr. Shahid Balwa, Vice Chairman and Managing Director, Mr. Vipul Bansal, Chief Executive officer; Mr. Nagamallesh Gattu, Chief Financial Officer and Mr. S.A.K. Narayanan, Company Secretary of the Company are Key Managerial Personnel as per the provisions of the Companies Act, 2013 and were already in office before the commencement of the Companies Act, 2013.

### **Performance Evaluation of the Directors, Committee and Board**

The performance of the Directors is evaluated on the basis of their contributions at the meetings, strategic inputs for the performance and growth of the Company among others. The Directors have carried out performance evaluation on annual basis of Directors,

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Committee and the Board. The Nomination and Remuneration Committee of the Board has laid down the performance evaluation framework under which performance of every Director is evaluated. The framework also provides the manner in which the Directors as a collective unit in the form of Board Committees and the Board function and perform.

### **Particulars of Loans, Guarantees or Investments**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements. However, the Company, being a company engaged in the business of providing infrastructural facilities is exempt from the applicability of the relevant provisions of the Companies Act, 2013.

### **Contracts or Arrangements with Related Parties**

All related party contracts/arrangements/transaction of the nature as specified in Sec 188(1) of the Companies Act, 2013 entered during the financial year were in the ordinary course of the business of the Company and were on arm's length basis. There were no materially significant related party transactions entered by the Company with Promoters, Directors, Key Managerial Personnel or other persons which may have a potential conflict with the interest of the Company. In accordance with Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014, the particulars of contract or arrangement entered into by the Company with related parties (for which the company has obtained shareholders' approval by passing resolution(s) through postal ballot) referred to in Section 188(1) is provided in Form AOC-2 (Annexure D).

All such Related Party Transactions are periodically placed before the Audit Committee for approval, whenever applicable. The details of the contracts or arrangements with related parties for the financial year under review are given in the notes to the financial statements.

The policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions as approved by the Audit Committee and the Board of Directors is uploaded on the website of the Company and the link for the same is <http://www.dbrealty.co.in/investor.html#policy>.

### **Internal Financial Control Systems and their Adequacy**

The Company has adequate system of internal control to safeguard and protect from loss, unauthorized use or disposal of its assets. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements. The Company continues to ensure proper and adequate systems and procedures commensurate with its size and nature of its business. Your Directors have also appointed a professional firm to examine the adequacy of these controls and the work of designing controls, documenting risks control matrix for each area of business operation and implementation thereof.

During the year under review no material or serious observations has been received from Statutory and Internal Auditors of the Company on the inefficiency or inadequacy of such controls. The Internal Financial Control with reference to financial statements as designed and implemented by the Company are adequate and the Auditors Report on the Internal Financial Control over financial reporting under clause (i) of sub section 3 of section 143 of the Companies Act, 2013 is given in Annexure 2 to the Auditor's Report.

### **Committees of the Board:**

The composition of the various committees of the Board of Directors is stated in the Corporate Governance Report annexed to this Report.

### **Remuneration Policy**

The Nomination and Remuneration Policy provides for appropriate composition of Executive, Non-Executive and Independent Directors on the Board of Directors of your Company along with criteria for appointment and remuneration including determination of qualifications, positive attributes, independence of Directors and other matters as provided under sub-section (3) of Section 178 of the Companies Act, 2013. The remuneration paid by the Company is as per the terms laid out in the Nomination and Remuneration Policy of your Company.

### **Vigil mechanism:**

Pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The policy comprehensively provides an opportunity for any employees and Directors to raise any issue concerning breaches of law, accounting policies or any act resulting in financial or reputation loss and misuse of office or suspected or actual fraud. The policy provides for a mechanism to report such concerns to the Audit Committee through specified channel. The Vigil Mechanism Policy has been uploaded on the website of the Company at [www.dbrealty.co.in/investor.html#policy](http://www.dbrealty.co.in/investor.html#policy)

### **Risk Management Policy**

The Board of Directors reviews the risk management policy from time to time and the said policy aims at enhancing shareholders' value and providing an optimum risk-reward trade off. The risk management approach is based on a clear understanding of the variety of risks that the organization faces, disciplined risk monitoring and measurement and continuous risk assessment and mitigation measures.

### **Corporate Social Responsibility Committee**

As per the provisions of Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) Committee constituted by the Board of Directors exists.

For details of the composition of the Committee, the CSR policy and other relevant details that are required to be disclosed under the provisions of Section 134(3)(o) of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, kindly refer Annexure E thereto, which forms part of this report.

### **Extracts of Annual Return**

Pursuant to sub-section 3(a) of Section 134 and sub-section (3) of Section 92 of the Companies Act 2013, read with Rule 12 of the Companies (Management and Administration) Rules, 2014 the extracts of the Annual Return as at March 31, 2016 is annexed and forms part of this report. (Annexure A)

### **Number of Board Meetings during 2015-16**

The Board met five times during the financial year 2015-16 and the details are mentioned in the Corporate Governance Report which is annexed to the Directors Report.

### **Directors' Responsibility Statement**

In terms of provisions of Section 134(5) of the Companies Act, 2013, your Directors confirm that:

- a) In the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2016, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) 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 as on 31<sup>st</sup> March, 2016 and of the loss of the Company for the year ended on that date;
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts on a going concern basis.
- e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **Statutory Auditors**

The first term of M/s Haribhakti & Co LLP, Chartered Accountants consisting of 5 consecutive years (including 3 years prior to implementation of the new Companies Act 2013) as Statutory Auditors shall expire on the conclusion of the ensuing Annual General Meeting of the Company.

It is therefore necessary to re-appoint M/s Haribhakti & Co LLP, Chartered Accountants (Firm Registration No.103523W), as Statutory Auditor for the second term of 5 consecutive years commencing from the conclusion of the ensuing Annual General Meeting till the conclusion of the 15<sup>th</sup> AGM to be held in the year 2021. However, their appointment as Statutory Auditors of the Company shall be subject to ratification by the members at every AGM. The Company has received a certificate from the said Auditors that they are eligible to hold office as the Auditors of the Company and are not disqualified for being so appointed.

### **Cost Auditors**

The Board of Directors of your Company, on the recommendations made by the Audit Committee at its meeting held on 27<sup>th</sup> May, 2016 has approved the appointment of M/s. Joshi, Apte & Associates Cost Accountants, (Firm Registration No. 00240) as the Cost Auditor of your Company to conduct the audit of cost records for the financial year 2016-17. The necessary resolution for such appointment is included in the notice of the ensuing Annual General Meeting.

### **Secretarial Auditors and Secretarial Audit Report**

Pursuant to Section 204 of the Companies Act 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 your Company had appointed M/s Vicky Kundaliya & Associates, Practicing Company Secretaries, Mumbai as its Secretarial Auditors to conduct the secretarial audit of the Company for the FY 2015-16 The Company has provided all assistance and facilities to the Secretarial Auditor for conducting their audit. The Report of Secretarial Auditor for the FY 2015-16 is annexed to this report. (Annexure F).

The said report does not contain any qualification or adverse remark except the following:

- i) The Company has passed circular resolution on 10.03.2016 after slight delay beyond specified days from the date of circulation as per the Secretarial Standards. As already mentioned in the report, your Directors have to state that though the resolution was approved by majority of Directors within stipulated time, as a matter of good corporate governance, the

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Company passed the resolution after tendering the necessary clarification sought by one of the independent Director and after receipt of approval by the said Independent Director.

- ii) The Company has complied with the provisions regarding closure of trading window as per SEBI (Prohibition of Insider Trading Regulation), 2015 in all Board Meetings except i.e. one Board meeting wherein the Company has closed the Trading window and duly intimated to all the insiders but inadvertently missed the intimation to the Stock Exchange. In this regard, your Directors have to state that this was only an inadvertent lapse on account of human error and the Company will take extra care for all future filings in this connection.
- iii) The Company has nominal unspent amount of ₹ 2.45 lacs during the year towards corporate Social Responsibility for which the Company has considered certain expenditures being incurred and proposed to be incurred but the accounting effects thereof are yet to be given in the financial statements in the coming years which is self explanatory.

### **Statutory Disclosures**

#### **1. Conservation of Energy, Technological Absorption, Foreign Exchange Earnings and Outgo**

Your Company is not covered by the schedule of industries which are required to furnish the information pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule (8) of the Companies (Accounts) Rules, 2014

The Company has not imported any technology or carried out any business of export or import and therefore the disclosure requirement against technology absorption are not applicable. The details of Foreign Exchange outgo are as under:

Expenditure in Foreign Currency:

Stand alone Amounts.

| PARTICULARS       | Fiscal 2016 (₹) | Fiscal 2015 (₹) |
|-------------------|-----------------|-----------------|
| Professional Fees | NIL             | 271,589         |

#### **2. Particulars of Employees:**

In accordance with the provisions of Section 197 (12) of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of the Managerial Personnel) Rules, 2014, the names and other particulars of the employees are to be set out in the Directors' Report as an addendum. However, in line with the provisions of Section 136 (1) of the Act, the Report and Accounts herein are being sent to all the members excluding the above information. Those interested in obtaining a copy of the said statement may write to the Company Secretary at the Registered Office of the Company. The other remuneration details of Directors / KMPs / Employees are disclosed in Annexure G attached with this Directors' Report.

### **Other Disclosures**

Your Company has not issued any shares with differential voting rights.

Your Company has not issued any sweat equity shares.

There was no revision in the financial statements.

There were no material changes or commitments affecting the financial position of the Company between the financial year end and date of this report.

There were no shares held by trustees for the benefit of employees and hence no disclosure under Rule 16(4) of the Companies (Share Capital and Debentures) Rules, 2014 has been furnished.

The Company has not received any complaints under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

No significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

### **Acknowledgement**

Your Directors wish to place on record their appreciation to the Banks, Financial Institutions, Government Authorities, customers and other business associates for their support and co-operation and wish to place on record their gratitude to the shareholders and the investors for their trust, support and confidence in the Company. The Board also places on record its appreciation for the dedication displayed by employees at all levels.

On behalf of the Board of Directors

**For D B Realty Limited**

Mumbai,  
27<sup>th</sup> May, 2016

**Vinod K. Goenka**  
Chairman & Managing Director

**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**

**As on financial year ended on 31.03.2016**

**Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.**

**I. REGISTRATION & OTHER DETAILS:**

|    |                                                                            |                                                                                                                                                                    |
|----|----------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. | CIN                                                                        | L70200MH2007PLC166818                                                                                                                                              |
| 2. | Registration Date                                                          | 08/01/2007                                                                                                                                                         |
| 3. | Name of the Company                                                        | D B Realty Limited                                                                                                                                                 |
| 4. | Category/Sub-category of the Company                                       | Public Limited Company, limited by shares and having share capital                                                                                                 |
| 5. | Address of the Registered office & contact details                         | DB House, Gen. A. K. Vaidya Marg,<br>Goregaon (East), Mumbai 400063<br>Tel: +91 22 4077 8600, Fax: + 91 22 2842 2444                                               |
| 6. | Whether listed company                                                     | Yes                                                                                                                                                                |
| 7. | Name, Address & contact details of the Registrar & Transfer Agent, if any. | Link Intime India Private Limited,<br>G13, Pannalal Silk Mills Compound, L.B.S. Marg,<br>Bhandup West, Mumbai 400078<br>Tel: +91 22 2596 3838 Fax: +91 22 25946969 |

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY** (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

| S. No. | Name and Description of main products / services | NIC Code of the Product/ service | % to total turnover of the company |
|--------|--------------------------------------------------|----------------------------------|------------------------------------|
| 1      | Real Estate Development and Construction         | 4100                             | 100                                |

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -**

| Sl. No. | Name and Address of the Company              | CIN / GLN             | Holding/ Subsidiary/ Associate | % of shares held | Applicable Section |
|---------|----------------------------------------------|-----------------------|--------------------------------|------------------|--------------------|
| 1       | Neelkamal Realtors Suburban Pvt. Ltd.        | U70100MH2005PTC154506 | Subsidiary                     | 66               | 2(87)              |
| 2       | Real Gem Buildtech Pvt. Ltd.                 | U45202MH2009PTC193816 | Subsidiary                     | 100              | 2(87)              |
| 3       | Neelkamal Shantinagar Properties Pvt. Ltd.   | U45200MH2005PTC155150 | Subsidiary                     | 100              | 2(87)              |
| 4       | Esteem Properties Pvt. Ltd.                  | U99999MH1995PTC086668 | Subsidiary                     | 100              | 2(87)              |
| 5       | DB View Infracon Pvt. Ltd.                   | U45202MH2009PTC194183 | Subsidiary                     | 100              | 2(87)              |
| 6       | MIG (Bandra) Realtors and Builders Pvt. Ltd. | U45200MH2007PTC172150 | Subsidiary                     | 100              | 2(87)              |
| 7       | Priya Constructions Pvt. Ltd.                | U45200MH1986PTC039169 | Subsidiary                     | 100              | 2(87)              |
| 8       | Goregaon Hotel & Realty Pvt. Ltd.            | U55204MH2012PTC232397 | Subsidiary                     | 100              | 2(87)              |
| 9       | Neelkamal Realtors Tower Pvt. Ltd.           | U70100MH2005PTC158322 | Subsidiary                     | 54.31            | 2(87)              |
| 10      | DB Contractors & Builders Pvt. Ltd.          | U45400MH2007PTC171057 | Subsidiary                     | 100              | 2(87)              |
| 11      | Vanita Infrastructures Pvt. Ltd.             | U45202MH2010PTC199461 | Subsidiary                     | 100              | 2(87)              |
| 12      | N A Estates Pvt. Ltd.                        | U45200MH1996PTC100412 | Subsidiary                     | 100              | 2(87)              |
| 13      | Nine Paradise Erectors Pvt. Ltd.             | U70102MH2008PTC187276 | Subsidiary                     | 100              | 2(87)              |
| 14      | Saifee Bucket Factory Pvt. Ltd.              | U27100MH1960PTC011822 | Subsidiary                     | 100              | 2(87)              |
| 15      | DB Man Realty Ltd.                           | U45400MH2008PLC186121 | Subsidiary                     | 91               | 2(87)              |
| 16      | Royal Netra Constructions Pvt. Ltd.*         | U45202MH2009PTC194430 | Subsidiary                     | 50.40            | 2(87)              |
| 17      | Spacecon Realty Pvt. Ltd.                    | U45203MH2007PTC176104 | Subsidiary                     | 74               | 2(87)              |
| 18      | Sangam City Township Pvt. Ltd.#              | U70101MH1997PTC109824 | Associate                      | 26.67            | 2(6)               |
| 19      | DB Hi-Sky Constructions Pvt. Ltd.            | U45202MH2007PTC175973 | Associate                      | 50               | 2(6)               |
| 20      | Mahal Pictures Pvt. Ltd.**                   | U92100MH1956PTC017616 | Associate                      | 33.33            | 2(6)               |

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| Sl. No. | Name and Address of the Company      | CIN / GLN             | Holding/ Subsidiary/ Associate | % of shares held | Applicable Section |
|---------|--------------------------------------|-----------------------|--------------------------------|------------------|--------------------|
| 21      | Shiva Buildcon Pvt. Ltd.***          | U45201MH2006PTC165576 | Associate                      | 33.75            | 2(6)               |
| 22      | Shiva Multitrade Pvt. Ltd.***        | U51909MH2006PTC165575 | Associate                      | 33.75            | 2(6)               |
| 23      | Shiva Realtors Suburban Pvt. Ltd.*** | U45201MH2006PTC165577 | Associate                      | 33.75            | 2(6)               |
| 24      | DB (BKC) Realtors Pvt. Ltd.          | U70100MH2006PTC159708 | Joint Venture                  | 40.80            | 2(6)               |

All the companies excepts Sr.No.16, 18, 20, 21, 22 and 23 have their registered office at DB House, Gen. A. K. Vaidya Marg, Goregaon (E), Mumbai – 400 063

\* Registered office address: 808, Krushal Commercial Complex, Above Shoppers Stop, G.M. Road, Chembur (West), Mumbai 400 089

# Registered office address: ABIL House, 2, Range Hill Corner, Ganeshkhind Road, Pune – 411 007

\*\* Registered Office Address: Kamal Amrohi Studio, Jogeshwari Vikhroli Link Road, Jogeshwari (East), Mumbai 400060

\*\*\* Registered Office Address: 502, Jai Krishna Complex, Off. New Link Road, Fun Republic Theatre Lane, Andheri (West), Mumbai 400053.

### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

#### Category-wise Share Holding

| Category of Shareholders                                                         | No. of Shares held at the beginning of the year<br>[As on 31-March-2015] |          |           |                   | No. of Shares held at the end of the year<br>[As on 31-March-2016] |          |           |                   | % Change during the year |
|----------------------------------------------------------------------------------|--------------------------------------------------------------------------|----------|-----------|-------------------|--------------------------------------------------------------------|----------|-----------|-------------------|--------------------------|
|                                                                                  | Demat                                                                    | Physical | Total     | % of Total Shares | Demat                                                              | Physical | Total     | % of Total Shares |                          |
| <b>A. Promoters</b>                                                              |                                                                          |          |           |                   |                                                                    |          |           |                   |                          |
| (1) <b>Indian</b>                                                                |                                                                          |          |           |                   |                                                                    |          |           |                   |                          |
| a) Individual/ HUF                                                               | 46186232                                                                 | 0        | 46186232  | 18.99             | 47925246                                                           | 0        | 47925246  | 19.70             | +0.71                    |
| b) Central Govt                                                                  | 0                                                                        | 0        | 0         | 0                 | 0                                                                  | 0        | 0         | 0                 | 0                        |
| c) State Govt(s)                                                                 | 0                                                                        | 0        | 0         | 0                 | 0                                                                  | 0        | 0         | 0                 | 0                        |
| d) Bodies Corp.                                                                  | 104838045                                                                | 0        | 104838045 | 43.09             | 102663078                                                          | 0        | 102663078 | 42.20             | -0.89                    |
| e) Banks / FI                                                                    | 0                                                                        | 0        | 0         | 0                 | 0                                                                  | 0        | 0         | 0                 | 0                        |
| f) Any other                                                                     | 0                                                                        | 0        | 0         | 0                 | 0                                                                  | 0        | 0         | 0                 | 0                        |
| <b>Total shareholding of Promoter (A)</b>                                        | 151024277                                                                | 0        | 151024277 | 62.08             | 150588324                                                          | 0        | 150588324 | 61.90             | -0.18                    |
| <b>B. Public Shareholding</b>                                                    |                                                                          |          |           |                   |                                                                    |          |           |                   |                          |
| 1. <b>Institutions</b>                                                           |                                                                          | 0        |           |                   |                                                                    | 0        |           |                   |                          |
| a) Mutual Funds                                                                  | 1408                                                                     | 0        | 1408      | 0.00              | 887                                                                | 0        | 887       | 0.00              | 0.00                     |
| b) Banks / FI                                                                    | 1588855                                                                  | 0        | 1588855   | 0.65              | 1595788                                                            | 0        | 1595788   | 0.66              | +0.01                    |
| c) Central Govt                                                                  | 0                                                                        | 0        | 0         | 0                 | 0                                                                  | 0        | 0         | 0                 | 0                        |
| d) State Govt(s)                                                                 | 0                                                                        | 0        | 0         | 0                 | 0                                                                  | 0        | 0         | 0                 | 0                        |
| e) Venture Capital Funds                                                         | 1490538                                                                  |          | 1490538   | 0.61              | 1490538                                                            | 0        | 1490538   | 0.61              | 0.00                     |
| f) Insurance Companies                                                           | 0                                                                        | 0        | 0         | 0                 | 0                                                                  | 0        | 0         | 0                 | 0                        |
| g) FIs                                                                           | 23358389                                                                 | 0        | 23358389  | 9.60              | 26860115                                                           | 0        | 26860115  | 11.04             | +1.44                    |
| h) Foreign Venture Capital Funds                                                 | 0                                                                        | 0        | 0         | 0                 | 0                                                                  | 0        | 0         | 0                 | 0                        |
| i) Others (specify)                                                              | 0                                                                        | 0        | 0         | 0                 | 0                                                                  | 0        | 0         | 0                 | 0                        |
| <b>Sub-total (B)(1):-</b>                                                        | 26439190                                                                 | 0        | 26439190  | 10.86             | 29947328                                                           | 0        | 29947328  | 12.31             | +1.45                    |
| 2. <b>Non-Institutions</b>                                                       |                                                                          |          |           |                   |                                                                    |          |           |                   |                          |
| a) Bodies Corp.                                                                  |                                                                          |          |           |                   |                                                                    |          |           |                   |                          |
| i) Indian                                                                        | 10475822                                                                 | 0        | 10475822  | 4.31              | 7851056                                                            | 0        | 7851056   | 3.23              | -1.08                    |
| ii) Overseas                                                                     | 0                                                                        | 0        | 0         | 0                 | 0                                                                  | 0        | 0         | 0                 | 0                        |
| b) Individuals                                                                   |                                                                          |          |           |                   |                                                                    |          |           |                   |                          |
| i) Individual shareholders holding nominal share capital upto ₹ 1 lakh           | 6599735                                                                  | 1        | 6599736   | 2.71              | 7165252                                                            | 1        | 7165253   | 2.95              | +0.23                    |
| ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | 11931692                                                                 | 0        | 11931692  | 4.90              | 12045148                                                           | 0        | 12045148  | 4.95              | +0.05                    |

| Category of Shareholders                               | No. of Shares held at the beginning of the year<br>[As on 31-March-2015] |          |           |                   | No. of Shares held at the end of the year<br>[As on 31-March-2016] |          |           |                   | % Change during the year |
|--------------------------------------------------------|--------------------------------------------------------------------------|----------|-----------|-------------------|--------------------------------------------------------------------|----------|-----------|-------------------|--------------------------|
|                                                        | Demat                                                                    | Physical | Total     | % of Total Shares | Demat                                                              | Physical | Total     | % of Total Shares |                          |
| c) Others (specify)                                    |                                                                          |          |           |                   |                                                                    |          |           |                   |                          |
| Non Resident Indians(Repat)                            | 1979506                                                                  | 0        | 1979506   | 0.81              | 2053129                                                            | 0        | 2053129   | 0.84              | 0.03                     |
| Non Resident Indians(Non Repat)                        | 58194                                                                    | 0        | 58194     | 0.02              | 66483                                                              | 0        | 66483     | 0.03              | 0.01                     |
| Overseas Corporate Bodies                              | 0                                                                        | 0        | 0         |                   | 0                                                                  | 0        | 0         |                   |                          |
| Foreign Nationals                                      | 0                                                                        | 0        | 0         |                   |                                                                    | 0        |           |                   |                          |
| Clearing Members                                       | 567706                                                                   | 0        | 567706    | 0.23              | 451457                                                             | 0        | 451457    | 0.19              | -0.04                    |
| Trusts                                                 | 157500                                                                   | 0        | 157500    | 0.06              | 157500                                                             | 0        | 157500    | 0.06              | 0                        |
| Foreign Bodies - D R (Foreign Companies)               | 34025159                                                                 | 0        | 34025159  | 13.99             | 31236112                                                           | 0        | 31236112  | 12.84             | -1.15                    |
| HUF                                                    | -                                                                        | 0        | -         | -                 | 1696992                                                            | 0        | 1696992   | 0.70              | 0.70                     |
| <b>Sub-total (B)(2):-</b>                              | 65795314                                                                 | 1        | 65795315  | 27.05             | 62723129                                                           | 1        | 62723130  | 25.78             | -1.27                    |
| Total Public Shareholding (B)=(B)(1)+ (B)(2)           | 92234504                                                                 | 1        | 92234505  | 37.92             | 92670457                                                           | 1        | 92670458  | 38.09             | 0.17                     |
| <b>C. Shares held by Custodian for GDRs &amp; ADRs</b> | 0                                                                        | 0        | 0         | 0                 | 0                                                                  | 0        | 0         | 0                 | 0                        |
| <b>Grand Total (A+B+C)</b>                             | 243258781                                                                | 1        | 243258782 | 100               | 243258781                                                          | 1        | 243258782 | 100               | 0                        |

B) Shareholding of Promoter-

| SN | Shareholder's Name                         | Shareholding at the beginning of the year |                                  |                                                 | Shareholding at the end of the year |                                  |                                                  | % change in shareholding during the year |
|----|--------------------------------------------|-------------------------------------------|----------------------------------|-------------------------------------------------|-------------------------------------|----------------------------------|--------------------------------------------------|------------------------------------------|
|    |                                            | No. of Shares                             | % of total Shares of the company | % of Shares Pledged/ encumbered to total shares | No. of Shares                       | % of total Shares of the company | % of Shares Pledged / encumbered to total shares |                                          |
| 1  | Vinod K. Goenka                            | 15364216                                  | 6.32                             | 5.60                                            | 15364216                            | 6.32                             | 5.60                                             | 0                                        |
| 2  | Vinod Goenka HUF                           | 655502                                    | 0.27                             | 0                                               | 1763463                             | 0.72                             | 0                                                | 0.45                                     |
| 3  | Aseela Goenka, Sunita Goenka, Alok Agarwal | 12000000                                  | 4.93                             | 0                                               | 12000000                            | 4.93                             | 0                                                | 0                                        |
| 4  | Aseela Vinod Goenka                        | 6657742                                   | 2.74                             | 1.14                                            | 6657742                             | 2.74                             | 1.14                                             | 0                                        |
| 5  | Sanjana Vinod Goenka                       | 8750000                                   | 3.60                             | 2.88                                            | 8750000                             | 3.60                             | 2.88                                             | 0                                        |
| 6  | Sunita Goenka                              | 1061274                                   | 0.44                             | 0                                               | 1669327                             | 0.69                             | 0                                                | 0.25                                     |
| 7  | Shanita Deepak Jain                        | 182081                                    | 0.07                             | 0                                               | 191081                              | 0.08                             | 0                                                | 0.01                                     |
| 8  | Top Notch Buildcon LLP                     | 273207                                    | 0.11                             | 0                                               | 273207                              | 0.11                             | 0                                                | 0                                        |
| 9  | Karim Gulamali Morani                      | 399643                                    | 0.16                             | 0                                               | 399643                              | 0.16                             | 0                                                | 0                                        |
| 10 | Mohammed Gulamali Morani                   | 380612                                    | 0.16                             | 0                                               | 380612                              | 0.16                             | 0                                                | 0                                        |
| 11 | Ali Gulamali Morani                        | 126276                                    | 0.05                             | 0                                               | 126276                              | 0.05                             | 0                                                | 0                                        |
| 12 | Shabana Balwa                              | 153090                                    | 0.06                             | 0                                               | 153090                              | 0.06                             | 0                                                | 0                                        |
| 13 | Mohammad Salim Balwa                       | 85886                                     | 0.04                             | 0                                               | 90886                               | 0.04                             | 0                                                | 0.00                                     |
| 14 | Wahida Asif Balwa                          | 74445                                     | 0.03                             | 0                                               | 76445                               | 0.03                             | 0                                                | 0.00                                     |
| 15 | Usman Balwa                                | 74445                                     | 0.03                             | 0                                               | 74445                               | 0.03                             | 0                                                | 0                                        |
| 16 | Ishaq Balwa                                | 74340                                     | 0.03                             | 0                                               | 74340                               | 0.03                             | 0                                                | 0                                        |
| 17 | Mohammed Yusuf Balwa                       | 72340                                     | 0.03                             | 0                                               | 72340                               | 0.03                             | 0                                                | 0                                        |
| 18 | Salim Balwa                                | 74340                                     | 0.03                             | 0                                               | 74340                               | 0.03                             | 0                                                | 0                                        |
| 19 | Abdul Hafeez Salim Balwa                   | 0                                         | 0                                | 0                                               | 7000                                | 0.00                             | 0                                                | 0.00                                     |
| 20 | Neelkamal Tower Construction LLP           | 104564838                                 | 42.98                            | 42.98                                           | 102389871                           | 42.09                            | 38.37                                            | -0.90                                    |

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### C) Change in Promoters' Shareholding (please specify, if there is no change)

| SN | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year                                                                                                                                      |                                                                                                                                          |
|----|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|----------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|
|    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | No. of shares                             | % of total shares of the company | No. of shares                                                                                                                                                                | % of total shares of the company                                                                                                         |
|    | At the beginning of the year                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                           |                                  |                                                                                                                                                                              |                                                                                                                                          |
| 1  | Vinod Goenka HUF<br>Acquired 78790 shares on 03.06.2015 & 04.06.2015 from public<br>Acquired 16000 shares on 08.06.2015 & 09.06.2015 from public<br>Acquired 50000 shares on 21.08.2015 from public<br>Acquired 43000 shares on 25.08.2015 from public<br>Acquired 23795 shares on 09.11.2015 & 10.11.2015 from public<br>Acquired 40511 shares on 13.11.2015 & 16.11.2015 from public<br>Acquired 216000 shares on 17.11.2015 from public<br>Acquired 43798 shares on 13.01.2016 & 14.01.2016 from public<br>Acquired 38515 shares on 15.01.2016 to 20.01.2016 from public<br>Acquired 44000 shares on 10.02.2016 from public<br>Acquired 86000 shares on 11.02.2016 from public<br>Acquired 148332 shares on 17.02.2016 to 18.02.2016 from public<br>Acquired 100001 shares on 19.02.2016 to 25.02.2016 from public<br>Acquired 179219 shares on 26.02.2016 to 29.02.2016 from public | 6,55,502                                  | 0.2695                           | 7,34,292<br>7,50,292<br>8,00,292<br>8,43,292<br>8,67,087<br>9,07,598<br>11,23,598<br>11,67,396<br>12,05,911<br>12,49,911<br>13,35,911<br>14,84,243<br>15,84,244<br>17,63,463 | 0.3019<br>0.3084<br>0.3290<br>0.3467<br>0.3564<br>0.3731<br>0.4619<br>0.4799<br>0.4957<br>0.5138<br>0.5492<br>0.0610<br>0.6513<br>0.7249 |
| 2  | Sunita Goenka<br>Acquired 77174 shares on 05.06.2015 from public<br>Acquired 3038 shares on 25.08.2015 from public<br>Acquired 105700 shares on 17.11.2015 from public<br>Acquired 410341 shares on 15.2.2016 to 18.2.2016 from public<br>Acquired 10000 shares on 19.2.2016 from public<br>Acquired 1800 shares on 24.2.2016 from public                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 10,61,274                                 | 0.4363                           | 11,38,448<br>11,41,486<br>12,47,186<br>16,57,527<br>16,67,527<br>16,69,327                                                                                                   | 0.4680<br>0.4692<br>0.5127<br>0.6814<br>0.6855<br>0.6862                                                                                 |
| 3  | Shanita Jain<br>Acquired 9000 shares on 20.8.2015 from public                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 1,82,081                                  | 0.0749                           | 1,91,081                                                                                                                                                                     | 0.0786                                                                                                                                   |
| 4  | Mohammad Salim Balwa<br>Acquired 5000 shares on 01.03.2016 from public                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 85,886                                    | 0.0353                           | 90,886                                                                                                                                                                       | 0.0374                                                                                                                                   |
| 5  | Wahida Asif Balwa, Asif Balwa<br>Acquired 2000 shares on 24.08.2015 from public                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 74,445                                    | 0.0306                           | 76,445                                                                                                                                                                       | 0.0314                                                                                                                                   |
| 6  | Abdul Hafeez Salim Balwa<br>Acquired 7000 shares on 12.02.2016 from public                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 0                                         | 0                                | 7,000                                                                                                                                                                        | 0.0029                                                                                                                                   |
| 7  | Neelkamal Tower Construction LLP<br>Sold (by pledgee) 34741 shares on 16.11.2015 in market<br>Sold (by pledgee) 2140226 shares on 23.11.2015 in market                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 10,45,64,838                              | 42.9850                          | 10,45,30,097<br>10,23,89,871                                                                                                                                                 | 42.9707<br>42.0909                                                                                                                       |
| 10 | Others Promoter Group where there is no change                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 4,44,00,251                               | 18.2523                          | 4,44,00,251                                                                                                                                                                  | 18.2523                                                                                                                                  |
|    | At the end of the year                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 15,10,24,277                              | 62.0838                          | 15,05,88,324                                                                                                                                                                 | 61.9046                                                                                                                                  |

### D) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

| SN | Particulars                                                                                                                                                                                                                                                       | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year                       |                                                |
|----|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|----------------------------------|---------------------------------------------------------------|------------------------------------------------|
|    |                                                                                                                                                                                                                                                                   | No. of shares                             | % of total shares of the company | No. of shares                                                 | % of total shares of the company               |
|    | At the beginning of the year                                                                                                                                                                                                                                      |                                           |                                  |                                                               |                                                |
| 1  | Walkinson Investments Limited                                                                                                                                                                                                                                     | 1,45,82,650                               | 5.9947                           | No Change                                                     |                                                |
| 2  | IIRF Holdings VI Limited                                                                                                                                                                                                                                          | 98,49,462                                 | 4.0490                           | No Change                                                     |                                                |
| 3  | Bollywood Mauritius Holding<br>Sold 817900 shares on 10.04.2015 to public<br>Sold 765811 shares on 17.04.2015 to public<br>Sold 590904 shares on 24.04.2015 to public<br>Sold 303875 shares on 01.05.2015 to public<br>Sold 310557 shares on 08.05.2015 to public | 95,93,047                                 | 3.9436                           | 87,75,147<br>80,09,336<br>74,18,432<br>71,14,557<br>68,04,000 | 3.6073<br>3.2925<br>3.0496<br>2.9247<br>2.7970 |
| 4  | Nomura Singapore Limited                                                                                                                                                                                                                                          | 55,64,582                                 | 2.2875                           | No Change                                                     |                                                |

| SN | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year                                                                                                     |                                                                                                            |
|----|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|----------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------|
|    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | No. of shares                             | % of total shares of the company | No. of shares                                                                                                                               | % of total shares of the company                                                                           |
| 5  | Jhunjunwala Rekha Rakesh                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 50,00,000                                 | 2.0554                           | No Change                                                                                                                                   |                                                                                                            |
| 6  | Alpine Global Premier Properties Fund<br>Acquired 105045 shares on 28.08.2015 from public<br>Acquired 168350 shares on 04.09.2015 from public<br>Acquired 175305 shares on 11.09.2015 from public<br>Acquired 105045 shares on 18.09.2015 from public<br>Acquired 88141 shares on 25.09.2015 from public<br>Acquired 78034 shares on 30.09.2015 from public<br>Acquired 317306 shares on 09.10.2015 from public<br>Acquired 213563 shares on 16.10.2015 from public<br>Acquired 298329 shares on 20.11.2015 from public<br>Acquired 50882 shares on 27.11.2015 from public                                                                                 | 33,73,128                                 | 1.3866                           | 34,78,173<br>36,46,523<br>38,21,828<br>39,26,873<br>40,15,014<br>40,93,048<br>44,10,354<br>46,23,917<br>49,22,246<br>49,73,128              | 1.4298<br>1.4990<br>1.5711<br>1.6143<br>1.6505<br>1.6826<br>1.8130<br>1.9008<br>2.0235<br>2.0444           |
| 7  | Morgan Stanley Asia (Singapore) PTE<br>Acquired 264635 shares on 10.04.2015 from public<br>Acquired 762463 shares on 08.05.2015 from public<br>Acquired 135471 shares on 15.05.2015 from public<br>Acquired 128866 shares on 22.05.2015 from public<br>Acquired 536161 shares on 29.05.2015 from public<br>Acquired 189775 shares on 05.06.2015 from public                                                                                                                                                                                                                                                                                                | 24,72,238                                 | 1.3866                           | 27,36,873<br>34,99,336<br>36,34,807<br>37,63,673<br>42,99,834<br>44,89,609                                                                  | 1.1251<br>1.4385<br>1.4942<br>1.5472<br>1.7676<br>1.8456                                                   |
| 8  | Elara Capital PLC A/C Elara Global Funds-Elara Emerging Markets Fund<br>Acquired 50000 shares on 10.04.2015 from public<br>Acquired 80975 shares on 24.04.2015 from public<br>Acquired 100000 shares on 01.05.2015 from public<br>Acquired 70000 shares on 08.05.2015 from public<br>Acquired 100000 shares on 29.05.2015 from public<br>Acquired 200000 shares on 20.11.2015 from public<br>Acquired 100000 shares on 31.12.2015 from public<br>Acquired 75000 shares on 08.01.2016 from public<br>Acquired 39013 shares on 05.02.2016 from public<br>Acquired 35996 shares on 04.03.2016 from public<br>Acquired 200000 shares on 18.03.2016 from public | 12,07,777                                 | 0.4965                           | 12,57,777<br>13,38,752<br>14,38,752<br>15,08,752<br>16,08,752<br>18,08,752<br>19,08,752<br>19,83,752<br>20,22,765<br>20,58,761<br>22,58,761 | 0.5171<br>0.5503<br>0.5914<br>0.6202<br>0.6613<br>0.7436<br>0.7847<br>0.8155<br>0.8315<br>0.8463<br>0.9285 |
| 9  | Alpine International Real Estate Equity Fund<br>Acquired 45955 shares on 28.08.2015 from public<br>Acquired 73650 shares on 04.09.2015 from public<br>Acquired 76695 shares on 11.09.2015 from public<br>Acquired 45955 shares on 18.09.2015 from public<br>Acquired 38559 shares on 25.09.2015 from public<br>Acquired 34177 shares on 30.09.2015 from public<br>Acquired 138783 shares on 09.10.2015 from public<br>Acquired 93437 shares on 16.10.2015 from public<br>Acquired 130570 shares on 20.11.2015 from public<br>Acquired 22219 shares on 27.11.2015 from public                                                                               | 13,99,872                                 | 0.5755                           | 14,45,827<br>1519477<br>1596172<br>1642127<br>1680686<br>1714863<br>1853646<br>1947083<br>2077653<br>2099872                                | 0.5944<br>0.6246<br>0.6562<br>0.6751<br>0.6909<br>0.7050<br>0.7620<br>0.8004<br>0.8541<br>0.8632           |
| 10 | Nilesh Rameshchandra Pethani                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 16,64,000                                 | 0.6840                           | No Change                                                                                                                                   |                                                                                                            |
| 11 | Goldman Sachs (Singapore) PTE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 16,01,146                                 | 0.6582                           | No Change                                                                                                                                   |                                                                                                            |
| 12 | APMS Investment Fund Ltd<br>Sold 61974 shares on 16.10.2015 to public<br>Sold 44348 shares on 23.10.2015 to public<br>Sold 34177 shares on 30.10.2015 to public<br>Sold 144878 shares on 12.02.2016 to public<br>Sold 268282 shares on 19.02.2016 to public<br>Sold 152000 shares on 26.02.2016 to public<br>Sold 305300 shares on 04.03.2016 to public<br>Sold 30000 shares on 11.03.2016 to public<br>Sold 15000 shares on 18.03.2016 to public                                                                                                                                                                                                          | 17,41,037                                 | 0.7157                           | 16,79,063<br>16,34,715<br>16,00,538<br>14,55,660<br>11,87,378<br>10,35,378<br>7,30,078<br>7,00,078<br>6,85,078                              | 0.6902<br>0.6720<br>0.6580<br>0.5984<br>0.4881<br>0.4256<br>0.3001<br>0.2878<br>0.2816                     |

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### Shareholding of Directors and Key Managerial Personnel

| SN | For Each of the Director and KMP | Shareholding at the beginning of the year |                                  | Shareholding at the end of the year |                                  |
|----|----------------------------------|-------------------------------------------|----------------------------------|-------------------------------------|----------------------------------|
|    |                                  | No .of Shares                             | % of total shares of the Company | No. of Shares                       | % of total shares of the Company |
| 1. | Vinod K. Goenka                  | 15364216                                  | 6.3160                           | 15364216                            | 6.3160                           |
| 2. | Salim Balwa                      | 74340                                     | 0.0306                           | 74340                               | 0.0306                           |
| 3. | Sunita Goenka                    | 1061274                                   | 0.4363                           | 1669327                             | 0.6862                           |

### V. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding / accrued but not due for payment

|                                                            | Secured Loans excluding deposits | Unsecured Loans      | Deposits   | Total Indebtedness   |
|------------------------------------------------------------|----------------------------------|----------------------|------------|----------------------|
| <b>Indebtedness at the beginning of the financial year</b> |                                  |                      |            |                      |
| i) Principal Amount                                        | 1,734,616,510                    | 1,210,854,884        | Nil        | 2,945,471,394        |
| ii) Interest due but not paid                              | 72,007,401                       | 94,579,785           | Nil        | 166,587,186          |
| iii) Interest accrued but not due                          | 2,417,449                        | 3,746,137            | Nil        | 6,163,586            |
| <b>Total (i+ii+iii)</b>                                    | <b>1,809,041,360</b>             | <b>1,309,180,806</b> | <b>Nil</b> | <b>3,118,222,166</b> |
| <b>Change in Indebtedness during the financial year</b>    |                                  |                      |            |                      |
| * Addition                                                 | 2,664,203,131                    | 5,814,594,935        | Nil        | 8,478,798,066        |
| * Reduction                                                | 1,724,839,482                    | 5,735,847,876        | Nil        | 7,460,687,358        |
| <b>Net Change</b>                                          | <b>939,363,649</b>               | <b>78,747,059</b>    | <b>Nil</b> | <b>1,018,110,708</b> |
| <b>Indebtedness at the end of the financial year</b>       |                                  |                      |            |                      |
| i) Principal Amount                                        | 2,632,781,163                    | 1,353,585,219        | Nil        | 3,986,366,382        |
| ii) Interest due but not paid                              | 74,848,248                       | 29,111,918           | Nil        | 103,960,166          |
| iii) Interest accrued but not due                          | 40,775,598                       | 5,230,728            | Nil        | 46,006,326           |
| <b>Total (i+ii+iii)</b>                                    | <b>2,748,405,009</b>             | <b>1,387,927,865</b> | <b>Nil</b> | <b>4,136,332,874</b> |

### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

#### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

| SN. | Particulars of Remuneration                                                         | Name of MD/WT/ Manager                                                                              |                         | Total Amount |
|-----|-------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|-------------------------|--------------|
|     |                                                                                     | Vinod K. Goenka (C M D)                                                                             | Shahid U. Balwa (VCM.D) |              |
| 1   | Gross salary (₹)                                                                    | Nil                                                                                                 | Nil                     | Nil          |
|     | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | Nil                                                                                                 | Nil                     | Nil          |
|     | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961                             | Nil                                                                                                 | Nil                     | Nil          |
|     | (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961             | Nil                                                                                                 | Nil                     | Nil          |
| 2   | Stock Option                                                                        | Nil                                                                                                 | Nil                     | Nil          |
| 3   | Sweat Equity                                                                        | Nil                                                                                                 | Nil                     | Nil          |
| 4   | Commission                                                                          | Nil                                                                                                 | Nil                     | Nil          |
|     | - as % of profit                                                                    |                                                                                                     |                         |              |
|     | - others, specify...                                                                |                                                                                                     |                         |              |
| 5   | Others, please specify                                                              | Nil                                                                                                 | Nil                     | Nil          |
|     | Total (A)                                                                           | Nil                                                                                                 | Nil                     | Nil          |
|     | Ceiling as per the Act                                                              | Minimum Remuneration as per Schedule V of Companies Act,2013 N.A. (due to loss in the current year) |                         |              |

#### B. Remuneration to other directors

| SN. | Particulars of Remuneration                | Name of Directors |                 |             |              |                    | Total Amount |
|-----|--------------------------------------------|-------------------|-----------------|-------------|--------------|--------------------|--------------|
|     |                                            | Mahesh Gandhi     | Jagat Killawala | Janak Desai | N.M. Rafique | Om Prakash Agrawal |              |
| 1   | Independent Directors                      |                   |                 |             |              |                    |              |
|     | Fee for attending board committee meetings | 3,60,000          | 2,00,000        | 1,20,000    | 2,60,000     | 2,00,000           | 11,40,000    |
|     | Commission                                 | Nil               | Nil             | Nil         | Nil          | Nil                |              |
|     | Others, please specify                     | Nil               | Nil             | Nil         | Nil          | Nil                |              |
|     | Total (1)                                  | 3,60,000          | 2,00,000        | 1,20,000    | 2,60,000     | 2,00,000           | 11,40,000    |

|   |                                            |                          |                    |                      |  |  |                                       |
|---|--------------------------------------------|--------------------------|--------------------|----------------------|--|--|---------------------------------------|
| 2 | <b>Other Non-Executive Directors</b>       | <b>Jayvardhan Goenka</b> | <b>Salim Balwa</b> | <b>Sunita Goenka</b> |  |  |                                       |
|   | Fee for attending board committee meetings | 60,000                   | 80,000             | 60,000               |  |  | 2,00,000                              |
|   | Commission                                 | Nil                      | Nil                | Nil                  |  |  |                                       |
|   | Others, please specify                     | Nil                      | Nil                | Nil                  |  |  |                                       |
|   | Total (2)                                  | 60,000                   | 80,000             | 60,000               |  |  | 2,00,000                              |
|   | Total (B)=(1+2)                            |                          |                    |                      |  |  | 13,40,000                             |
|   | Total Managerial Remuneration              |                          |                    |                      |  |  | 13,40,000                             |
|   | Overall Ceiling as per the Act             |                          |                    |                      |  |  | N.A.(due to loss in the current year) |

### C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WT

| SN | Particulars of Remuneration                                                         | Key Managerial Personnel |           |           |             |
|----|-------------------------------------------------------------------------------------|--------------------------|-----------|-----------|-------------|
|    |                                                                                     | CEO                      | CS        | CFO       | Total       |
| 1  | Gross salary                                                                        |                          |           |           |             |
|    | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 3,59,50,635              | 46,57,452 | 69,22,040 | 4,75,30,127 |
|    | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961                             | Nil                      | Nil       | Nil       | 0           |
|    | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961              |                          |           |           |             |
| 2  | Stock Option                                                                        | Nil                      | Nil       | Nil       | 0           |
| 3  | Sweat Equity                                                                        | Nil                      | Nil       | Nil       | 0           |
| 4  | Commission                                                                          |                          |           |           |             |
|    | - as % of profit                                                                    | Nil                      | Nil       | Nil       | 0           |
|    | others, specify...                                                                  | Nil                      | Nil       | Nil       | 0           |
| 5  | Others, please specify                                                              | Nil                      | Nil       | Nil       | 0           |
|    | Total                                                                               | 3,59,50,635              | 46,57,452 | 69,22,040 | 4,75,30,127 |

### VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

| Type                                | Section of the Companies Act | Brief Description | Details of Penalty / Punishment / Compounding fees imposed | Authority [RD / NCLT / Court] | Appeal made, if any (give details) |
|-------------------------------------|------------------------------|-------------------|------------------------------------------------------------|-------------------------------|------------------------------------|
| <b>A. COMPANY</b>                   |                              |                   |                                                            |                               |                                    |
| Penalty                             | Nil                          | N A               | N A                                                        | N A                           | N A                                |
| Punishment                          | Nil                          | N A               | N A                                                        | N A                           | N A                                |
| Compounding                         | Nil                          | N A               | N A                                                        | N A                           | N A                                |
| <b>B. DIRECTORS</b>                 |                              |                   |                                                            |                               |                                    |
| Penalty                             | Nil                          | N A               | N A                                                        | N A                           | N A                                |
| Punishment                          | Nil                          | N A               | N A                                                        | N A                           | N A                                |
| Compounding                         | Nil                          | N A               | N A                                                        | N A                           | N A                                |
| <b>C. OTHER OFFICERS IN DEFAULT</b> |                              |                   |                                                            |                               |                                    |
| Penalty                             | Nil                          | N A               | N A                                                        | N A                           | N A                                |
| Punishment                          | Nil                          | N A               | N A                                                        | N A                           | N A                                |
| Compounding                         | Nil                          | N A               | N A                                                        | N A                           | N A                                |

On behalf of the Board of Directors

**For D B Realty Limited**

Mumbai,  
27<sup>th</sup> May, 2016

**Vinod K. Goenka**  
Chairman & Managing Director

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **ECONOMIC REVIEW**

#### **Global Economy**

A full seven years after the financial crisis that rocked the world's economies, we find ourselves today in an environment where every aftershock — whether set off by a slowing Chinese economy, sovereign debt concerns or geopolitical concerns — is greeted with disturbing headlines that foster more fear that additional shocks are just around the corner.

It's an understandable reaction, given that the financial crisis exposed the interdependent nature of the global financial system — a crash in one part of the world led to a domino effect that has taken years to untangle. Much of the coordination of monetary authorities is principally done. Quantitative easing is more of a country-based initiative and needs to be evaluated as such. While volatility continues to be a feature of our globalized world, it's time to take a more measured view of how specific events affect individual markets. The basic effort to understand submarket-level supply and demand, localized pro-growth initiatives, and employment and demographic trends provides the construct of solid real estate investment strategies.

The point is this: there will be bumps along the road, but as market this year demonstrates, the real estate industry continues on. Fund raising is up, real estate investors are finding a variety of opportunities in markets across the globe (including in some markets that have seen slowdowns). At the same time, the real estate industry is going through a phase of institutionalization as it formalizes processes, outsources noncore activities and takes proactive steps to managing increased regulatory oversight. And, as the industry matures, it builds strength, and its ability to withstand external shocks increases. The most successful real estate investors will be those that are able to stay focused: they must focus on fundamentals and keep one eye on international events and the impact they may have on their local investments. Taking this twin-track approach will help guard against overreaction to aftershocks and promote stability in investment strategy as we move firmly into the new, post-crisis era.

#### **Indian Economy**

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organisation (CSO) and International Monetary Fund (IMF). According to the Economic Survey 2015-16, the Indian economy will continue to grow more than 7 per cent in 2016-17

The improvement in India's economic fundamentals has accelerated in the year 2015 with the combined impact of strong government reforms, RBI's inflation focus supported by benign global commodity prices.

The International Monetary Fund (IMF) and the Moody's Investors Service have forecasted that India will witness a GDP growth rate of 7.5 per cent in 2016, due to improved investor confidence, lower food prices and better policy reforms. Besides, according to mid-year update of United Nations World Economic Situation and Prospects, India is expected to grow at 7.6 per cent in 2015 and at 7.7 per cent in 2016.

As per the latest Global Economic Prospects (GEP) report by World Bank, India is leading The World Bank's growth chart for major economies. The Bank believes India to become the fastest growing major economy, growing at 7.5 per cent.

According to Mr Jayant Sinha, Minister of State for Finance, Indian economy would continue to grow at 7 to 9 per cent and would double in size to US\$ 4-5 trillion in a decade, becoming the third largest economy in absolute terms.

Furthermore, initiatives like Make in India and Digital India will play a vital role in the driving the Indian economy.

#### **Real Estate Industry Review**

India's real estate market is expected to reach US\$ 180 billion by 2020 from US\$ 93.8 billion in 2014. Emergence of nuclear families, rapid urbanisation and rising household income are likely to remain the key drivers for growth in all spheres of real estate, including residential, commercial and retail.

Real estate is currently the fourth-largest sector in the country in terms of Foreign Direct Investment (FDI) inflows. Total FDI in the construction development sector during April 2000-May 2015 stood at around US\$ 24.07 billion.

The Government of India has been supportive to the real estate sector. In August 2015, the Union Cabinet approved 100 Smart City Projects in India. The Government has also raised FDI limits for townships and settlement development projects to 100 per cent. Real estate projects within the Special Economic Zone (SEZ) are also permitted 100 per cent FDI. In Union Budget 2015-16, the government allocated US\$ 3.72 billion for housing and urban development. The government has also released draft guidelines for investments by Real Estate Investment Trusts (REITs) in non-residential segment.

## COMPANY STRENGTHS

D B Realty Ltd is the country's leading real estate development company with operations well spread out across Mumbai region. The company's business focuses on designing, developing and managing high-end and premium residential and commercial properties.

The company has carved a niche for itself in the luxury and ultra luxury segment by differentiating itself in each micro-market through product positioning, brand partnerships and having different reputed channel partners for each product to attract customers. Moreover, the company intends to keep servicing the segment 'A' customers in each micro-market to meet their growing needs and complementing their earnings.

The Company's internal Audit is a multi-disciplinary function which reviews, evaluates and appraises the various systems, procedures/policies of the Company and suggests meaningful and useful improvements. It helps management to accomplish its objectives by bringing a systematic and disciplined approach to improve the effectiveness of risk management towards good corporate governance.

The Company has always maintained the International level Standard in Quality and Safety. The Company has been awarded ISO 9001:2008, ISO 14001:2004 and OHSAS 18001 certification.

The Company has maintained the International safety standard for all the laborers at project sites. D B Realty's green building initiative, strives to balance environmental responsibility and resource efficiency, with the occupants' health and well-being and community sensitivity. Systems are integrated with the design and are constructed, monitored and controlled to operate at maximum efficiency throughout the building's lifetime.

Promoters and senior management focus is on Project Planning and Execution. Activities such as architectural design and construction are outsourced to the best-in-class practices in the Industry for present-day design and quality construction.

The Project management team comprises of experienced, highly qualified experts who had a proven experience in their functional areas. The team drives the organization through their contribution. The organizational framework has been designed to manage the design, engineering, procurement and execution of concurrent, multi site projects keeping a focus on delivery of developments of International standards.

## BUSINESS OVERVIEW

The Company remains committed to timely completion and delivery of projects with quality state-of-art construction. The progress on our key business parameters continues at a reasonable pace. The Company continues to consolidate its steps in the right direction for growth while it will take couple of quarters to gain momentum considering the current market situation.

The project wise development status is as below:

### DB Woods

DB Woods is a lush property located away from the urban chaos of the city next to the only green belt of Mumbai. Spread over an area of 2.38 acres in the suburb of Goregaon, this property offers panoramic views of the scenic hills and picturesque plans that surround the area. DB Woods connects its residents to the heart of Mumbai through the expressway and is an address that redefines the concept of suburban luxury living.

The project has been successfully completed well within the stipulated timeframe and a total 630 units have been constructed.

### DB Ozone

DB Ozone sprawling over 17 acres is located in Dahisar adjoining the Western Express Highway, amidst the scenic and tranquil hills of the National Park.

Total units in project: 3,661

Cumulative units sold: 3,326

Total Sales Value: Rs 9,450 mn, of which Rs 7236 mn has been realized.

### DB Crown

DB Crown is located in the upscale neighborhood of Prabhadevi, South Mumbai. It has luxury of amplexness of space and an endless view of the sea. It offers to its residents state of the art amenities and the added luxury of access to a multitude of prominent shopping areas in the vicinity.

Total units in project: 699

Cumulative units sold: 273

Total Sales Value:Rs 12,706 mn. There is no revenue recognition from this project as the project is yet to reach the requisite threshold limit.

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### Orchid Heights

Orchid Heights is a spectacular residential tower located at Mahalaxmi in Mumbai offering its elite residents the luxury of size and space along with an unmatched view of the Arabian Sea as well as the Golf Course. Spread over 4 acres of prime real estate, the Orchid Heights offers quick access to any part of the city. The Worli sea-link, financial districts of Nariman Point and the Mumbai Airport are all a few minutes drive away from it.

Total units in project: 391

Cumulative units sold: 165

Total Sales Value:Rs 10,936 mn. There is no revenue recognition from this project as the project is yet to reach the requisite threshold limit.

### DB Skypark

DB Skypark is luxury residential project located at Sahar, Andheri opposite to Mumbai International Airport. The project is being developed on ~1.5 acres of land with 6 wings. The project site is at very strategic location near by Andheri MIDC, ITC Grand Maratha and Hilton International and is well connected by way of Metro, road network and railways.

Total units in project: 223

Cumulative units sold: 58

Total Sales Value:Rs 1135 mn. There is no revenue recognition from this project as the project is yet to reach the requisite threshold limit.

### X BKC

The project is located in heart of Business Hub of Suburbs a few minutes' drive to airport, western & eastern expressway. X BKC is an iconic residential address that offers variety of spacious residential apartments ranging from 1 BHK to 6 BHK (Duplex). The project is spread over 5 acre of land, one of largest integrated residential complex in upscale Bandra east in Mumbai Suburbs. It is sea linked and well connected to Mumbai Airport, Nariman Point & Bandra Kurla Complex. It is truly an oasis of convenience, space and luxury with 45,000 sq.ft. clubhouse and Sky Gym on 23rd level. This project is being developed in a joint venture with Vishwaroop Estates and Developers Private Limited.

DB Share units in project: 385

Cumulative units sold: 42

Total Sales Value:Rs 2,042 mn. There is no revenue recognition from this project as the project is yet to reach the requisite threshold limit.

## FINANCIAL PERFORMANCE OVERVIEW

### 1. Balance sheet analysis:

A comparative table showing synopsis of FY 2016 vs. FY 2015 Consolidated Balance Sheet is provided below:

|                               | 2016          | 2015          | Increase /<br>(Decrease) | % Increase /<br>(Decrease) |
|-------------------------------|---------------|---------------|--------------------------|----------------------------|
| <b>EQUITY AND LIABILITIES</b> |               |               |                          |                            |
| <b>Shareholders Fund</b>      |               |               |                          |                            |
| Share capital                 | 3,150         | 2,433         | 717                      | 0%                         |
| Reserves and surplus          | 31,223        | 31,682        | (459)                    | -1%                        |
| <b>Net worth</b>              | <b>34,373</b> | <b>34,115</b> | <b>258</b>               | <b>1%</b>                  |
| Minority interest             | 75            | 773           | -698                     | -90%                       |
| Non- current liabilities      | 14,673        | 6,674         | 7,999                    | 120%                       |
| Current liabilities           | 24,550        | 23,140        | 1,410                    | 6%                         |
| <b>Total</b>                  | <b>73,671</b> | <b>64,702</b> | <b>8,969</b>             | <b>14%</b>                 |
| <b>ASSETS</b>                 |               |               |                          |                            |
| Non-current assets            | 29,807        | 31,491        | -1,684                   | -5%                        |
| Current assets                | 43,864        | 33,211        | 10653                    | 32%                        |
| <b>Total</b>                  | <b>73,671</b> | <b>64,702</b> | <b>8,969</b>             | <b>14%</b>                 |

₹ Mn

₹ Mn

|                                    | 2016          | 2015          | Increase / (Decrease) | % Increase / (Decrease) |
|------------------------------------|---------------|---------------|-----------------------|-------------------------|
| <b>A. Non-Current Liabilities:</b> |               |               |                       |                         |
| Long-term Borrowings               | 10,769        | 6,453         | 4316                  | 67%                     |
| Other Long Term Liabilities        | 3,849         | 168           | 3681                  | -                       |
| Long-term Provisions               | 54            | 53            | 1                     | 2%                      |
| <b>Total</b>                       | <b>14,672</b> | <b>6,674</b>  | <b>7998</b>           | <b>120%</b>             |
| <b>B. Current Liabilities:</b>     |               |               |                       |                         |
| Short-term Borrowings              | 3,284         | 4,220         | -936                  | -22%                    |
| Trade Payables                     | 1,523         | 1,448         | 75                    | 5%                      |
| Other Current Liabilities          | 19,218        | 17,080        | 2,138                 | 13%                     |
| Short-term Provisions              | 525           | 392           | 133                   | 34%                     |
| <b>Total</b>                       | <b>24,550</b> | <b>23,140</b> | <b>1,410</b>          | <b>6%</b>               |
| <b>C. Non-Current Assets:</b>      |               |               |                       |                         |
| Fixed Assets including CWIP        | 2,108         | 2,197         | -89                   | -4%                     |
| Goodwill on Consolidation          | 2,914         | 2,914         | 0                     | 0%                      |
| Non-current Investments            | 17,227        | 17,062        | 165                   | 1%                      |
| Deferred Tax Assets (net)          | 586           | 521           | 65                    | 12%                     |
| Long-term Loans and Advances       | 6,971         | 8,659         | -1,688                | -19%                    |
| Other Non-current Assets           | 1             | 139           | -138                  | -99%                    |
| <b>Total</b>                       | <b>29,807</b> | <b>31,492</b> | <b>-1,685</b>         | <b>-5%</b>              |
| <b>D. Current Assets:</b>          |               |               |                       |                         |
| Current Investments                | 1             | 5             | -4                    | -80%                    |
| Inventories                        | 28,196        | 23,048        | 5,148                 | 22%                     |
| Trade Receivables                  | 1,152         | 1,362         | -210                  | -15%                    |
| Cash and Bank Balances             | 281           | 188           | 93                    | 49%                     |
| Short-term Loans and Advances      | 10,518        | 7,955         | 2563                  | 32%                     |
| Other Current Assets               | 3,716         | 653           | 3063                  | 469%                    |
| <b>Total</b>                       | <b>43,864</b> | <b>33,211</b> | <b>10653</b>          | <b>32%</b>              |

## 2. Profit and Loss analysis:

A comparative table showing synopsis of FY 2016 vs. FY 2015 statement of Profit and Loss is provided below:

₹ Mn

|                                                                                        | 2016         | 2015         | Increase / (Decrease) | % Increase/ (Decrease) |
|----------------------------------------------------------------------------------------|--------------|--------------|-----------------------|------------------------|
| Revenue from Operations                                                                | 2,102        | 2,589        | (487)                 | -19%                   |
| Other Income                                                                           | 240          | 272          | (32)                  | -12%                   |
| <b>Total Revenue</b>                                                                   | <b>2,342</b> | <b>2,861</b> | <b>(519)</b>          | <b>-18%</b>            |
| <b>Total Expenses</b>                                                                  | <b>2,628</b> | <b>3,141</b> | <b>(513)</b>          | <b>-16%</b>            |
| Profit before tax                                                                      | (358)        | (214)        | -                     | -                      |
| Profit after tax and before Minority Interest and Share of Profit/(Loss) in Associates | (296)        | 25           | -                     | -                      |
| Minority Interest                                                                      | 47           | (69)         | -                     | -                      |
| Share of Profit / (Loss) in Associates                                                 | 0            | 50           | (50)                  | -100%                  |
| Profit after tax                                                                       | (249)        | 6            | (255)                 | -                      |
| Basic and diluted EPS (Rs)                                                             | (1.02)       | 0.02         | (1.04)                | -                      |

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₹ Mn

|                                                        | 2016         | 2015         | Increase / (Decrease) | % Increase/ (Decrease) |
|--------------------------------------------------------|--------------|--------------|-----------------------|------------------------|
| <b>A. Revenue from operations:</b>                     |              |              |                       |                        |
| Revenue from Projects                                  | 1,108        | 1,728        | (620.00)              | -36%                   |
| Sale of Transferable Development Rights (TDRs)         | 1,013        | 862          | 151.00                | 18%                    |
| Trading Sales - Transferable Development Rights (TDRs) | 59           | -            | -                     | -                      |
| <b>Total</b>                                           | <b>2,180</b> | <b>2,590</b> | <b>(410.00)</b>       | <b>-16%</b>            |
| <b>B. Expenses:</b>                                    |              |              |                       |                        |
| Operating Costs                                        | 1,127        | 1,789        | (662.00)              | -37%                   |
| Employee Benefits Expenses                             | 219          | 181          | 38.00                 | 21%                    |
| Finance Costs                                          | 526          | 528          | (2.00)                | 0%                     |
| Depreciation and Amortization Expenses                 | 85           | 143          | (58.00)               | -41%                   |
| Exceptional items                                      | 75           | 71           | 4.00                  | 6%                     |
| Prior period items                                     | 3            | (4)          | 7.00                  | -175%                  |
| Other Expenses                                         | 670          | 499          | 171.00                | 34%                    |
| <b>Total</b>                                           | <b>2,705</b> | <b>3,207</b> | <b>(502.00)</b>       | <b>-16%</b>            |

### 3. Cash Flow analysis:

A comparative table of FY 2016 vs. FY 2015 Cash Flows is provided below:

₹ Mn

|                                            | 2016    | 2015    |
|--------------------------------------------|---------|---------|
| Opening Cash and Cash Equivalents          | 90      | 313     |
| Net Cash Inflow from Operating activities  | (2,823) | (5,582) |
| Net Cash Outflow from Investing activities | (1,021) | 362     |
| Net Cash Outflow from Financing activities | 3,937   | 4,997   |
| Closing Cash and Cash Equivalents          | 183     | 90      |

### INTERNAL CONTROL SYSTEMS

D B Realty has a team of professionals including Chartered Accountants, Company Secretaries, Lawyers and MBAs, to ensure systems in place as per applicable laws and regulations. The internal audit of the company is conducted by Deloitte Haskins & Sells. The Audit Committee and the Board of Directors review the internal audit reports. The statutory audit of the company is conducted by BDO Haribhakti. A dedicated team of professionals ensure ISO compliances are adhered to by employees, contractors, suppliers, vendors, and any other person connected to the project operations.

D B Realty Ltd implements a culture of continuous improvement, sponsored by top management and supported by technology excellence and innovation. The company has also focused on upgrading the IT infrastructure both in terms of hardware and software.

The Company has an efficient system of internal controls for achieving the following business objectives of the Company:

- Efficiency of operations by implementation of SAP application in business processes
- Protection of resources
- Accuracy and promptness of financial reporting
- Compliance with the laid down policies and procedures
- Compliance with various laws and regulations

### OUTLOOK GOING FORWARD

India is an underserved economy in terms of real estate requirements. There is a wedge between demand and supply of housing, largely as a result of information asymmetry. However, with increased market transparency, this demand/supply mismatch can offer immense opportunities for developers and investors alike.

The real estate industry is maturing. Until 2014, it was unregulated, fragmented and highly inefficient. Though FY 2017 will bring in regulation, it will remain fragmented and moderately inefficient. We could see it become a well-regulated, consolidated and moderately efficient industry by around 2020. Growth in the Indian economy will definitely see favourable reflection in the real estate sector, as well. Your company will continue to focus to deliver high quality projects along with launch of new project in FY 2017.

**Cautionary Statement:**

The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013 and the Generally Accepted Accounting Principles (GAAP) in India. Readers are advised that this discussion may contain "Forward-Looking Statements" by D B Realty Ltd (DBR) that are not historical in nature. These forward-looking statements, which may include statements relating to future results of operations, financial conditions, business prospects and projects etc, are based on the current assumptions, estimates, expectations about the business, industry and markets in which your Company operates. These statements do not guarantee any future performance and are subject to known and unknown risks, uncertainties and other factors, many of which are beyond DBR's control and difficult to predict, that could cause actual results, performance or achievements to differ materially from those in the forward-looking statements. Such statements are not and should not be construed as a representation of future performance or achievements of DBR nor be regarded as a projection of future performance of DBR. It should be noted that the actual performance or achievements of DBR may vary significantly from such statements and the Company takes no responsibility for any consequences of decisions made which are based on such statements and also holds no obligation to update these in the future. This report should be read in conjunction with the financial statements included herein and the notes thereto.

**CORPORATE GOVERNANCE REPORT 2015-2016 OF D B REALTY LIMITED**

Pursuant to Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), we provide the information of the governance systems and processes of the Company followed for the year ended 31<sup>st</sup> March, 2016:

**I. The Company's Philosophy on code of Corporate Governance**

Following the traditions of good Corporate Governance as a responsible corporate citizen, and with a view to serve the best interests of all the stakeholders, viz., the employees, shareholders, customers, vendors and society, your Company constantly endeavors and is committed to achieving the highest level of standards of Corporate Governance. The Company seeks to achieve this goal by being:

- Transparent in its business dealings by disclosure of all relevant information and by being fair to all stakeholders;
- By ensuring that the Company's activities are managed by an appropriate composition of Board of Directors comprising of Promoter Directors and Independent Directors;
- Comply with all the applicable laws, rules and regulations of the land in which the Company operates; and
- Ensuring the timely and accurate flow of information at various levels within the organization to enable the concerned personnel to discharge their functions effectively.

Good Corporate Governance being a continuing exercise, your Company stands by its commitment to maintain highest standards of Corporate Governance in the overall interest of all the stakeholders.

**II. Board of Directors and its Committees****A] Composition and Category of Directors/Attendance of Meetings/Directorships and Committee Memberships in other companies as on March 31, 2016**

Your Company has the combination of Executive and Non-Executive Directors in conformity with Regulation 17 of the Listing Regulations.

The present strength of the Board of Directors is 10 out of which 5 (five) are Independent Directors. The Chairman of the Board is an Executive Director and belongs to the Promoter group.

As per the declarations received by the Company from each of the Directors, none of them are disqualified under Section 164(2) of the Companies Act, 2013.

The Independent Directors of the Company are in compliance with the provisions of Regulation 16(1)(b) of the Listing Regulations. Further, disclosures have been made by the Directors regarding their Chairmanships/Memberships of the mandatory Committees of the Board and that the same are within the maximum permissible limit as stipulated under Regulation 26(1) of the Listing Regulations.

The present Composition of the Board and category of Directors is as follows :

| <b>No.</b> | <b>Name of the Director</b>                               | <b>Category</b>                                                                                                                                                                                                        |
|------------|-----------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1          | Mr. Vinod K. Goenka,<br>Chairman & Managing Director      | Executive Director (Promoter)                                                                                                                                                                                          |
| 2          | Mr. Shahid U. Balwa,<br>Vice Chairman & Managing Director | Executive Director w.e.f. 10.12.2011 (Promoter)                                                                                                                                                                        |
| 3          | Mr. Mahesh M. Gandhi                                      | Non-Executive, Independent Director w.e.f. 1.11.2010 (appointed w.e.f. 27.09.2014 for a period of five years pursuant to Companies Act 2013 and the Companies (Appointment and Qualification of Directors) Rules 2014) |
| 4          | Mr. Jagat A. Killawala                                    | Non Executive Independent Director w.e.f. 17.5.2011 (appointed w.e.f. 27.09.2014 for a period of five years pursuant to Companies Act 2013 and the Companies (Appointment and Qualification of Directors) Rules 2014)  |
| 5.         | Mr. Janak I. Desai                                        | Non Executive Independent Director w.e.f. 17.5.2011 (appointed w.e.f. 27.09.2014 for a period of five years pursuant to Companies Act 2013 and the Companies (Appointment and Qualification of Directors) Rules 2014)  |

| No. | Name of the Director     | Category                                                                                                                                                                                                               |
|-----|--------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 6.  | Mr. Nasir M. Rafique     | Non Executive Independent Director w.e.f. 17.5.2011 (appointed w.e.f. 27.09.2014 for a period of five years pursuant to Companies Act 2013 and the Companies (Appointment and Qualification of Directors) Rules 2014)  |
| 7.  | Mr. Salim U. Balwa       | Non Executive Non Independent Director (Promoter Group) w.e.f.10.12.2011                                                                                                                                               |
| 8.  | Mr. Jayvardhan V. Goenka | Non Executive Non Independent Director (Promoter Group) w.e.f.10.12.2011                                                                                                                                               |
| 9.  | Ms. Sunita K. Goenka     | Non Executive Non Independent Director (Promoter Group) w.e.f.30.03.2015                                                                                                                                               |
| 10. | Mr. Omprakash H. Agrawal | Non Executive Independent Director w.e.f. 30.03.2015 (appointed w.e.f. 30.03.2015 for a period of five years pursuant to Companies Act 2013 and the Companies (Appointment and Qualification of Directors) Rules 2014) |

**The Composition of Board of Directors as on March 31, 2016 and other relevant details are as under:**

| Name                     | Category                               | Attendance Particulars                |          |          | No. of other Directorships <sup>(A)</sup> and Committee Memberships / Chairmanships including DBRL <sup>(B)</sup> |                                          |                                        |
|--------------------------|----------------------------------------|---------------------------------------|----------|----------|-------------------------------------------------------------------------------------------------------------------|------------------------------------------|----------------------------------------|
|                          |                                        | Number of Board Meetings <sup>1</sup> |          | Last AGM | ^^ Other Directorship <sup>(C) (D)</sup>                                                                          | ^^ Committee Chairmanship <sup>(E)</sup> | ^^ Committee Membership <sup>(E)</sup> |
|                          |                                        | Held                                  | Attended |          |                                                                                                                   |                                          |                                        |
| Mr. Vinod K. Goenka      | ED** Chairman & Managing Director      | 5                                     | 5        | No       | 2                                                                                                                 | Nil                                      | 1                                      |
| Mr. Shahid U. Balwa      | ED** Vice Chairman & Managing Director | 5                                     | 5        | Yes      | Nil                                                                                                               | Nil                                      | 2                                      |
| Mr. Mahesh M. Gandhi     | NE & ID*                               | 5                                     | 5        | Yes      | Nil                                                                                                               | 1                                        | Nil                                    |
| Mr. Jagat A. Killawala   | NE & ID*                               | 5                                     | 4        | No       | 4                                                                                                                 | Nil                                      | 5                                      |
| Mr. Janak I. Desai       | NE & ID*                               | 5                                     | 4        | Yes      | Nil                                                                                                               | 1                                        | Nil                                    |
| Mr. Nasir M Rafique      | NE & ID*                               | 5                                     | 5        | No       | 5                                                                                                                 | Nil                                      | 6                                      |
| Mr. Salim U. Balwa       | NE & NID"                              | 5                                     | 4        | No       | 3                                                                                                                 | Nil                                      | Nil                                    |
| Mr. Jayvardhan V. Goenka | NE & NID"                              | 5                                     | 2        | Yes      | 1                                                                                                                 | 1                                        | Nil                                    |
| Mr. Omprakash H. Agrawal | NE & ID*                               | 5                                     | 5        | No       | 1                                                                                                                 | Nil                                      | 1                                      |
| Ms. Sunita K. Goenka     | NE & NID"                              | 5                                     | 3        | No       | 1                                                                                                                 | Nil                                      | Nil                                    |

1) \* Non-Executive & Independent Director

2) \*\* Executive Director

3) "Non Executive and Non Independent

**Notes:**

1 Excluding separate meetings of Independent Directors, in which non Independent Directors were not eligible to participate.

A Directorships in Foreign Companies, Section 8 Companies and Private Limited Companies, Alternate Directorships and membership in governing councils, chambers, other bodies corporate are not included.

B Mandatory committees are the committees prescribed under the Listing Regulations i.e. Audit Committee and Stakeholders Relationship Committee of public companies.

C Excluding D B Realty Limited.

D Private Company which is a subsidiary of public company is considered as a public company.

E Including D B Realty Limited

As detailed in table above, none of the Directors of the Board is a member in more than 10 Board level Committees of public Companies in which they are Directors and the Chairman of more than five such committees as per regulation 26(1).

Except Mr. Vinod K. Goenka, Mr. Jayvardhan V. Goenka and Ms. Sunita K. Goenka, who are related to one another and Mr. Shahid Balwa and Mr. Salim Balwa who are related to each other, no other Directors are related to each other in terms of the definition of 'relative' given under Companies Act, 2013. Mr. Jayvardhan V. Goenka is son of Mr. Vinod Goenka and Ms. Sunita Goenka is sister of Mr. Vinod Goenka. Mr. Shahid Balwa and Mr. Salim Balwa are brothers.

None of the Independent Directors has any pecuniary relationship, transaction or association with the Company.

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### III. No. of Board Meetings and dates of Board Meetings

The Board oversees the entire functioning of the Company and is involved in strategic decision-making on a collective basis.

Your Board meets at least four times a year and the interval between any such two meetings has not been more than one hundred and twenty days. The Company Secretary under the direction of the Chairman and in consultation with Chief Financial Officer prepares the agenda for the meetings along with the notes thereto and circulates it to the Directors, along with the notice of the meeting. During FY 2015-16, meetings of the Board of Directors were held on:

- May 26, 2015
- July 21, 2015
- August 8, 2015
- November 7, 2015
- February 6, 2016

Additionally four circular resolutions were also passed on 27.07.2015, 30.09.2015, 10.12.2015 and 10.03.2016.

The Independent Directors hold their informal meetings prior the commencement of Board Meeting and hold brief discussion amongst them on agenda items in which non independent Directors and members of the management were not present. The meeting also discusses matters relating to the performance of the non independent Directors, the Board as a whole and Chairman and also the flow of information to the members of the board.

### IV. Procedure of Board/ Committee Meeting

The Notices of the Board and Committee Meetings are circulated to the Directors/Committee Members about 10-15 days in advance through electronic means. The agenda of the Meetings with all relevant papers and notes on the items are circulated seven days in advance to the Directors/Committee Members to enable them to have discussion and take informed decisions.

### V. Shareholding of Directors in the Company as on March 31, 2016

| Name                     | Number of Equity Shares | % of total paid up share capital |
|--------------------------|-------------------------|----------------------------------|
| Mr. Vinod K. Goenka      | 15364216                | 6.32                             |
| Mr. Shahid U. Balwa      | 0                       | 0                                |
| Mr. Mahesh M. Gandhi     | 0                       | 0                                |
| Mr. Jagat A. Killawala   | 0                       | 0                                |
| Mr. Janak I. Desai       | 0                       | 0                                |
| Mr. Nasir M Rafique      | 0                       | 0                                |
| Mr. Salim U. Balwa       | 74340                   | 0.03                             |
| Mr. Jayvardhan V. Goenka | 0                       | 0                                |
| Mr. Omprakash H. Agrawal | 0                       | 0                                |
| Ms. Sunita K. Goenka     | 1669327                 | 0.69                             |

The Company has not issued any convertible securities.

### VI. Familiarization Programme for Independent Directors

The Independent Directors are familiarized, inter alia, with the Company, their rights, roles and responsibilities, the nature of the industry, the business model of the Company. The details of the same can be accessed at [http://www.dbrealty.co.in/pdfs/Familiarisation\\_Programme.pdf](http://www.dbrealty.co.in/pdfs/Familiarisation_Programme.pdf).

### VII. Subsidiary Monitoring Mechanism

The minutes of board meetings of the subsidiary companies are placed before the meeting of Board of Directors of the Company.

The Company had two material non-listed subsidiaries within the meaning of the Listing Regulations, definition in which one of the independent Directors of the Company was nominated as Independent Director. Out of the two material subsidiaries, M/s. Gokuldharm Real Estate Development Company Private Limited has been amalgamated with the Holding Company, pursuant to the order passed by the Hon'ble High Court, Bombay during the year.

The performance and management of the subsidiary companies is monitored inter alia by the following means:

- Financial Statements in particular the investments made by the unlisted subsidiary company are reviewed on a quarterly basis by the Audit Committee of the Company.
- A statement containing all significant transactions and arrangements entered into by the unlisted subsidiary company is placed before the board for its review.
- The minutes of the Board of Directors of the Subsidiary Companies are placed and circulated as part of the agenda papers periodically to the Directors.
- The policy on Material Subsidiaries has been framed and displayed on the Company's website [http://www.dbrealty.co.in/pdfs/DBRL\\_Policy%20on%20Material%20Subsidiaries.pdf](http://www.dbrealty.co.in/pdfs/DBRL_Policy%20on%20Material%20Subsidiaries.pdf).
- The policy of dealing with Related Party has been framed and displayed on the Company's website at [http://www.dbrealty.co.in/pdfs/DBRL\\_Policy%20of%20Related%20Party%20Transaction.pdf](http://www.dbrealty.co.in/pdfs/DBRL_Policy%20of%20Related%20Party%20Transaction.pdf).

Disclosures on materially significant related party transactions, i.e. the Company's transactions that are of material nature, with its Promoters, Directors and the management, their relatives or subsidiaries, among others that may have potential conflict with the Company's interests at large.

During the period under review, the Company has entered into material transaction with its related parties as mentioned in Form AOC-2 attached with the Directors Report. Except this, the Company had not entered into any material transaction with any of its related parties, excepting transactions in the ordinary course of business of the nature of project advances / loans to subsidiaries / associates given / taken and the guarantees / mortgages / charges on behalf of such entities and premises taken on leave and license basis for the company. Attention of members is drawn to the disclosure of transactions with related parties as set out in Notes to the Standalone Financial Statements, forming part of Annual Report.

None of the transactions with any of related parties were in conflict with the Company's interest. Attention of members is drawn to the disclosure of transactions with related parties.

The Company's major related party transactions are generally with its subsidiaries and associates. The related party transactions are entered into based on consideration of various business exigencies, such as synergy in operations, sectoral specialization and the Company's long – term strategy for sectoral investments, optimization of market share, profitability, legal requirements, liquidity and capital resources of subsidiaries and associates.

The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. The Company has a vigil mechanism and Whistle blower policy under which the employees are free to report violation of applicable laws and regulations and the Code of Conduct. The reportable matters shall be investigated under the supervision of the Audit Committee. Employees may also report to the Chairman of the Audit Committee. The Chairman of the Audit Committee shall recommend to the Board of Directors to take corrective/ disciplinary action. During the year under review, no employee was denied access to the Audit Committee

### VIII. Audit Committee

**The composition of the Audit Committee as on March 31, 2016 is as under :**

| Name of Member                                                 | Category                           |
|----------------------------------------------------------------|------------------------------------|
| Mr. Mahesh M. Gandhi (Chairman)                                | Non-Executive Independent Director |
| Mr. Janak I. Desai (ceased to be Member w.e.f. August 8, 2015) | Non-Executive Independent Director |
| Mr. Shahid U. Balwa                                            | Executive Director                 |
| Mr. Nasir. M. Rafique                                          | Non-Executive Independent Director |
| Mr. Omprakash H. Agrawal (appointed w.e.f. August 8, 2015)     | Non-Executive Independent Director |

The Chief Financial Officer, Internal Auditor and the Statutory Auditors are invitees to the relevant meetings of the Audit Committees in respect of businesses related to them. The Company Secretary acts as Secretary to the Audit Committee.

During the year under review, the Audit Committee met seven times on:

- May 26, 2015
- August 8, 2015
- October 14, 2015
- November 07, 2015
- December 18, 2015
- February 6, 2016
- March 17, 2016

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The attendance of members of Audit Committee at the committee meetings during the year ended March 31, 2016 is as under:

| Name of Member             | Audit Committee Meetings |          |
|----------------------------|--------------------------|----------|
|                            | Held                     | Attended |
| Mr. Mahesh M. Gandhi       | 7                        | 7        |
| Mr. Janak I. Desai*        | 2*                       | 2        |
| Mr. Shahid U. Balwa        | 7                        | 7        |
| Mr. Nasir. M. Rafique      | 7                        | 7        |
| Mr. Omprakash H. Agrawal** | 5**                      | 5        |

\* Ceased to be member of Audit Committee w.e.f. August 8, 2015

\*\* Appointed w.e.f. August 8, 2015

The Audit Committee met seven times in a year and the time interval between any two Audit Committee meetings was not more than 120 days.

The terms of reference and powers of the Audit Committee are in accordance with the requirements of Regulation 18 read with Part C of Schedule II of the Listing Regulations and Section 177 of the Companies Act, 2013 and includes overseeing the Company's financial reporting process, internal financial control, reviewing with the management the adequacy of the internal audit function, recommending the appointment/ reappointment of statutory auditor, cost auditor and internal auditor and recommending/fixation of audit fees, reviewing the significant internal audit findings, related party transactions, reviewing the Management Discussions and Analysis of financial condition and results of operations, scrutiny of inter-corporate loans and investments.

The Committee discusses with the auditors their audit methodology, audit planning and significant observations/ suggestions made by them and management responses and action taken by them.

### IX. Nomination and Remuneration Committee

The composition of this Committee as on March 31, 2016 is as under:

| Name of Member                  | Category                           |
|---------------------------------|------------------------------------|
| Mr. Mahesh M. Gandhi (Chairman) | Non-Executive Independent Director |
| Mr. Jagat A. Killawala          | Non-Executive Independent Director |
| Mr. Janak I. Desai              | Non-Executive Independent Director |

During the year under review, the Committee meeting was held once on February 06, 2016.

The attendance of members of Nomination and Remuneration Committee at the committee meeting during the year ended March 31, 2016 is as under:

| Name of Member         | Nomination & Remuneration Committee meetings |          |
|------------------------|----------------------------------------------|----------|
|                        | Held                                         | Attended |
| Mr. Mahesh M. Gandhi   | 1                                            | 1        |
| Mr. Jagat A. Killawala | 1                                            | 1        |
| Mr. Janak I. Desai     | 1                                            | 0        |

The terms of reference and power of the Nomination and Remuneration Committee is in accordance with the requirements of Regulation 19 read with Part D of Schedule II of Listing Regulations and Section 178 of the Companies Act, 2013.

The role of the Committee, inter alia, is to approve/ recommend the remuneration/ packages of the Executive and Non-Executive Directors and of Senior Management Personnel and to lay down the criteria for performance evaluation of Board of Directors as a whole, individual directors and the committees of the Board. Under the said performance evaluation framework, the Committee has identified the criteria upon which every Director shall be evaluated. The Policy also provides the manner in which the Directors, as a collective unit in the form of Board Committees and the Board function and perform.

### X. Stakeholders Relationship Committee

The composition of this Committee as on March 31, 2016 is as under:

| Name of Member                | Category                           |
|-------------------------------|------------------------------------|
| Mr. Janak I. Desai (Chairman) | Non-Executive Independent Director |
| Mr. Jagat A. Killawala        | Non-Executive Independent Director |
| Mr. Shahid U. Balwa           | Executive Director                 |

The Company Secretary, is the Compliance Officer under the Listing Regulations.

During the year under review, the Committee meeting was held once on February 06, 2016.

The attendance of members of Stakeholders Relationship Committee at the committee meetings during the year ended March 31, 2016 is as under:

| Name of Member         | Stakeholders Relationship Committee meetings |          |
|------------------------|----------------------------------------------|----------|
|                        | Held                                         | Attended |
| Mr. Janak I. Desai     | 1                                            | 0        |
| Mr. Jagat A. Killawala | 1                                            | 1        |
| Mr. Shahid U. Balwa    | 1                                            | 1        |

The Committee has been constituted to specifically look into the matter of the redressal of stakeholders security holders and investor's complaints and grievances, including but not limited, those relating to transfer/ transmission of shares, dematerialization and rematerialization of shares, split, consolidation and issuance of duplicate shares and review from time to time overall working of secretarial department relating to shares of the Company. The Committee oversees the performance of the Registrars and Share Transfer Agents i.e. Link Intime India Private Limited. The Stakeholders Relationship Committee is mainly responsible to look into the redressal of all shareholders and investors complaints. The Committee reviews the details of complaints in the nature of Non-receipt of Refund/shares etc received from the Registrar to the issue and Share Transfer Agents, which were replied by them.

The details of shareholders complaints received and disposed off during the year under review are as under:

| Number of Investor Complaints                    |     |
|--------------------------------------------------|-----|
| • Pending at the beginning of the financial year | NIL |
| • Received during the financial year             | 2   |
| • Disposed off during the financial year         | 2   |
| • Pending at the end of the financial year       | NIL |

#### XI. Corporate Social Responsibility Committee

The composition of this Committee as on March 31, 2016 is as under:

| Name of Member                  | Category                               |
|---------------------------------|----------------------------------------|
| Mr. Mahesh M. Gandhi (Chairman) | Non-Executive Independent Director     |
| Mr. Jayvardhan V. Goenka        | Non-Executive Non-Independent Director |
| Mr. Nasir. M. Rafique           | Non-Executive Independent Director     |

The Company Secretary, is the Secretary to the Committee.

During the year under review, the Committee meeting was held once on February 06, 2016.

The attendance of members of the Committee at the committee meetings during the year ended March 31, 2016 is as under:

| Name of the Member       | CSR Committee meetings |          |
|--------------------------|------------------------|----------|
|                          | Held                   | Attended |
| Mr. Mahesh M. Gandhi     | 1                      | 1        |
| Mr. Jayvardhan V. Goenka | 1                      | 1        |
| Mr. Nasir. M. Rafique    | 1                      | 1        |

The role of the Committee is to formulate and recommend to the Board a Corporate Social Responsibility Policy, recommend the amount of yearly CSR expenditure and also monitor the implementation and functioning of Corporate Social Responsibility Policy.

#### XII. Finance & Investment Committee

The composition of this Committee as on March 31, 2016 is as under:

| Name of Member                 | Category                           |
|--------------------------------|------------------------------------|
| Mr. Vinod K. Goenka (Chairman) | Executive Director                 |
| Mr. Mahesh M. Gandhi           | Non-Executive Independent Director |
| Mr. Jagat A. Killawala         | Non-Executive Independent Director |

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During the year under review, this Committee met four times on:

- May 13, 2015
- October 14, 2015
- December 18, 2015
- March 17, 2016

The attendance of members of the Committee at the committee meetings during the year ended March 31, 2016 is as under:

| Name of the Member             | Finance & Investment Committee meetings |          |
|--------------------------------|-----------------------------------------|----------|
|                                | Held                                    | Attended |
| Mr. Vinod K. Goenka (Chairman) | 4                                       | 3        |
| Mr. Mahesh M. Gandhi           | 4                                       | 4        |
| Mr. Jagat A. Killawala         | 4                                       | 4        |

### Directors' Appointment, Tenure and Remuneration

In terms of Section 152 read with Section 149(13) of the Companies Act, 2013, Mr. Shahid Balwa & Mr. Jayvardhan Goenka, Directors are liable to retire by rotation. The said Directors have offered themselves for reappointment and resolutions for their reappointment are incorporated in the Notice of the ensuing Annual General Meeting. The brief profile and other information as required under Regulation 36(3) of the Listing Regulations relating to Mr. Shahid Balwa and Mr. Jayvardhan Goenka appears elsewhere in this Report.

### Non-Executive Directors' Compensation Disclosures

All fees/compensation, if any paid to non-executive directors, including independent directors are fixed by the Board of Directors or its committee thereof and previously approved by the shareholders in their general meeting in any financial year and in aggregate. No remuneration other than sitting fees for attending the meetings of the Board or committee(s) of the Board was paid during the year to non executive Directors.

The element of the remuneration package of the Non-Executive Directors consists of sitting fees. The Non-Executive Directors are paid sitting fees of ₹ 20,000/- each, reimbursement of travelling expenses and out of pocket expenses on actual basis for attending Board Meetings and Committee Meetings thereof only in respect of the outstation Directors.

The Company is availing the professional expertise of the Non-Executive Directors through their participation in the Board Meetings. None of the Independent Directors is holding any share in the Company.

**The details of remuneration of the Executive and Non-Executive Directors for the year ended March 31, 2016 is as follows:**

| Name of Director         | Category                               | Remuneration paid during 2015-2016 |                          | Total (₹) |
|--------------------------|----------------------------------------|------------------------------------|--------------------------|-----------|
|                          |                                        | Sitting Fees (₹)                   | Salary & perquisites (₹) |           |
| Mr. Vinod K. Goenka      | ED** Managing Director, Chairman       | N.A                                | Nil                      | Nil       |
| Mr. Shahid U. Balwa      | ED** Vice Chairman & Managing Director | N.A                                | Nil                      | Nil       |
| Mr. Mahesh M. Gandhi     | NE& ID*                                | 3,60,000                           | N.A.                     | 3,60,000  |
| Mr. Jagat A. Killawala   | NE & ID*                               | 2,00,000                           | N.A.                     | 2,00,000  |
| Mr. Janak I. Desai       | NE & ID*                               | 1,20,000                           | N.A.                     | 1,20,000  |
| Mr. Nasir M. Rafique     | NE & ID*                               | 2,60,000                           | N.A.                     | 2,60,000  |
| Mr. Salim U. Balwa       | NE & NID***                            | 80,000                             | N.A.                     | 80,000    |
| Mr. Jayvardhan V. Goenka | NE & NID***                            | 60,000                             | N.A.                     | 60,000    |
| Mr. Omprakash H. Agrawal | NE & ID*                               | 2,00,000                           | N.A.                     | 2,00,000  |
| Ms. Sunita K. Goenka     | NE & NID***                            | 60,000                             | N.A.                     | 60,000    |

\* Non-Executive & Independent Director

\*\* Executive Director

\*\*\* Non-Executive & Non-Independent Director

### **Brief about Remuneration Policy:**

The Nomination and Remuneration Committee shall have the power to determine the Company's policy on specific remuneration packages including pension rights and other compensation for Executive Directors and other Senior Employees of the Company equivalent to or higher than the rank of General Manager and the Committee shall have the jurisdiction over the matters listed below and for this purpose the Nomination and Remuneration Committee shall have full access to information contained in the records of the Company and external professional advice, if necessary

- a. Evaluation of the performance of the Directors;
- b. To fix and finalise remuneration including salary, perquisites, benefits, bonuses, allowances, etc.;
- c. Fixed and performance linked incentives along with performance criteria;
- d. Increments and Promotions;
- e. Service contracts, notice period, severance fees; and
- f. Ex-gratia payments.

### **Disclosures**

#### Materially significant related party transactions:

The details of transactions with the related parties are tabled before the audit committee on a quarterly basis. The register of contracts containing the transactions in which the Directors are interested was placed regularly before the board. There were no pecuniary transactions directly with the Independent/Non-Executive Directors, other than the payment of remuneration.

#### Status of Regulatory Compliances

The Company has complied with all the material requirements of the Listing Agreement/ SEBI (LODR) Regulations, 2015 as well as the regulations and guidelines of SEBI and other statutory authorities. There were no strictures or penalties imposed on any matter relating to capital markets during the last three years.

#### Establishment of Vigil Mechanism & Whistle Blower Policy

Your Company has a Whistle Blower Policy in place. During the year under review no personnel have either approached the Audit Committee or been denied access to the Audit Committee.

The CEO/CFO certification in terms of Regulation 17(8) read with Part B of Schedule II of the Listing Regulations forms part of the Annual Report.

#### Details of Compliance with mandatory requirements and adoption of the non-mandatory requirements

Your Company has complied with all the mandatory requirements of the Listing Regulations relating to corporate governance. Further, your Company has adopted two non-mandatory corporate governance requirements relating to (i) endeavor to have unmodified financial statements, and (ii) direct reporting of the Internal Auditor to the Audit Committee.

#### Compliance of requirements of Corporate Governance Report of sub-paras (2) to (10) of Schedule V Part C

The Company has complied with the requirement of Corporate Governance Report of sub-para (2) to (10) of Schedule V part C.

### **Code of Conduct**

The Company has laid down a Code of Conduct for all its board members and senior management personnel for avoidance of conflicts of interest and ensuring the highest standard of honesty, dedication and professionalism in carrying out their functional responsibilities. The Company's Code of Conduct is in consonance with the requirements of Listing Regulations. The Code of Conduct is posted on the Company's website [www.dbrealty.co.in](http://www.dbrealty.co.in). The Code has been circulated to all the members of the board and senior management and the compliance of the same have been affirmed by all the available personnel. There are no commercial or material financial transactions, with the senior management personnel, where there is a personal interest that may have in a potential conflict with the interest of the Company at large. A declaration signed by the Chairman on behalf of the Board of Directors is given below:

#### **Declaration on Code of Conduct**

This is to certify that your Company has in place a Code of Conduct applicable to the Board Members as well as the Senior Management Personnel and that the same has been hosted on the Company's website. All the Board Members and the Senior Management Personnel have affirmed compliance with the Code of Conduct for the FY 2015-16.

Vinod K. Goenka

Mumbai, 27<sup>th</sup> May, 2016

Chairman & Managing Director

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### **Disclosure of compliance with Corporate Governance requirements under Regulation 17 to 27 & Regulation 46(2)(b) to (i)**

As on Financial Year ended 31<sup>st</sup> March, 2016, the Company has complied with all the Regulations except 25 (6) and 21 (1), (2), (3), (4) which are not applicable to the Company.

#### **General Shareholder's Information**

##### **1. Details of Directors retiring by rotation**

- Mr. Shahid U. Balwa
- Mr. Jayvardhan V. Goenka

##### **• Mr. Shahid U. Balwa :**

Mr. Shahid Balwa, aged 42 years, is the Vice-Chairman & Managing Director and a Promoter of our Company. He has been on the Board of our Company since December 10, 2011. Mr. Shahid Balwa has more than a decade of experience in hospitality and real estate /construction industry. He led the family's business foray into hospitality by taking charge of construction, implementation and operation of the five star deluxe hotel, Le Royal Meridian, Mumbai. He has contributed to the group's expansion and growth in construction of several buildings and acquisition of properties. He contributed to the group's foray into the conceptualization of five star deluxe Hotel at Marine Lines, Mumbai. The details of directorship, chairmanship and membership of Mr. Shahid Balwa are appearing elsewhere in this Report. Mr. Shahid Balwa does not hold any share in D B Realty Limited as on 31<sup>st</sup> March, 2016.

##### **• Mr. Jayvardhan V. Goenka**

Mr. Jayvardhan Goenka, aged 26 years, is a Non Executive & Non-Independent Director of our Company. He has been on our Board (Non-Independent and Non-executive Director) w.e.f. 10<sup>th</sup> December, 2011. He hails from promoter family and is the son of Mr. Vinod Goenka, promoter and also Executive Chairman of the Company. He has been inducted into the business and has been rendering assistance to the Executive Chairman from time to time in the management of the Company. Mr. Jayvardhan Goenka is a graduate from London School of Economics with Economics and Philosophy as his major. The details of Directorship, Chairmanship and Membership of Mr. Jayvardhan Goenka are appearing elsewhere in this Report. Mr. Jayvardhan Goenka does not hold any share in D B Realty Limited as on 31<sup>st</sup> March, 2016.

| <b>Mr. Shahid U. Balwa</b>                                                                                                                                                                                                  | <b>Mr. Jayvardhan V. Goenka</b>                                                                                                                                                                                                                                                                |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| The details of directorship (other than in DBRL) of Mr. Shahid Balwa are as follows:                                                                                                                                        | The details of directorship (other than in DBRL) of Mr. Jayvardhan Goenka are as follows:                                                                                                                                                                                                      |
| 1. Majestic Infracon Pvt. Ltd.                                                                                                                                                                                              | 1. Siddhivinayak Realties Pvt. Ltd.                                                                                                                                                                                                                                                            |
| 2. Perfect Spacecon Pvt. Ltd.                                                                                                                                                                                               | 2. Modern Hi-Tech Developers Pvt. Ltd.                                                                                                                                                                                                                                                         |
| Mr. Shahid U. Balwa is a Member of Audit Committee and Stakeholders Relationship Committee of the Company. Other than the above he does not hold position of Chairmanship and Membership of Committees of any other Company | 3. Real Gem Buildtech Pvt. Ltd.                                                                                                                                                                                                                                                                |
|                                                                                                                                                                                                                             | 4. Goan Hotels and Clubs Pvt. Ltd.                                                                                                                                                                                                                                                             |
|                                                                                                                                                                                                                             | 5. Conwood Agencies Pvt. Ltd.                                                                                                                                                                                                                                                                  |
|                                                                                                                                                                                                                             | 6. Akshay Sthapatya Pvt. Ltd.                                                                                                                                                                                                                                                                  |
|                                                                                                                                                                                                                             | 7. Kalpataru Plaza Pvt. Ltd.                                                                                                                                                                                                                                                                   |
|                                                                                                                                                                                                                             | 8. Eversmile Properties Pvt. Ltd.                                                                                                                                                                                                                                                              |
|                                                                                                                                                                                                                             | 9. TopGrow Agro and Infrastructure Pvt. Ltd.                                                                                                                                                                                                                                                   |
|                                                                                                                                                                                                                             | 10. Conwood Construction & Developers Pvt. Ltd.                                                                                                                                                                                                                                                |
|                                                                                                                                                                                                                             | 11. Earthen Agro & Infrastructure Pvt. Ltd.                                                                                                                                                                                                                                                    |
|                                                                                                                                                                                                                             | 12. V S Erectors & Builders Pvt. Ltd.                                                                                                                                                                                                                                                          |
|                                                                                                                                                                                                                             | 13. Agrimony Agro & Infrastructure Pvt. Ltd.                                                                                                                                                                                                                                                   |
|                                                                                                                                                                                                                             | 14. Goan Real Estate and Construction Pvt. Ltd.                                                                                                                                                                                                                                                |
|                                                                                                                                                                                                                             | 15. Dynamix Clubs And Resorts Pvt. Ltd.                                                                                                                                                                                                                                                        |
|                                                                                                                                                                                                                             | 16. Biry Star Limited.                                                                                                                                                                                                                                                                         |
|                                                                                                                                                                                                                             | 17. Superjet Leasing Pvt. Ltd.                                                                                                                                                                                                                                                                 |
|                                                                                                                                                                                                                             | 18. Top Notch Builcon LLP.                                                                                                                                                                                                                                                                     |
|                                                                                                                                                                                                                             | Mr. Jayvardhan V. Goenka is a Member of CSR Committee of the Company and also Chairman of Audit Committee of Real Gem Buildtech Pvt. Ltd., Subsidiary Company of the Company. Other than the above he does not hold position of Chairmanship or Membership of Committees of any other Company. |

## 2. General Body Meetings

The location, time and date where the last three Annual General Meetings of the Company were held and disclosure about Special Resolutions are given hereunder:

| Year & AGM                                           | Location                                                                                            | Date of Meeting | Time       |
|------------------------------------------------------|-----------------------------------------------------------------------------------------------------|-----------------|------------|
| 2014- 2015<br>9 <sup>th</sup> Annual General Meeting | Lakshdham High School Auditorium, Lakshdham High School, Gokuldharm, Goregaon (East), Mumbai 400063 | 26.09.2015      | 03.00 P.M  |
| 2013- 2014<br>8 <sup>th</sup> Annual General Meeting | Lakshdham High School Auditorium, Lakshdham High School, Gokuldharm, Goregaon (East), Mumbai 400063 | 27.09.2014      | 03.00 P.M  |
| 2012-2013<br>7 <sup>th</sup> Annual General Meeting  | Lakshdham High School Auditorium, Lakshdham High School, Gokuldharm, Goregaon (East), Mumbai 400063 | 28.09.2013      | 03.00 P.M. |

### The details of Special Resolutions passed in the last three Annual General meetings:

(A) Annual General Meeting:

| Year & Date              | Type of Meeting                        | Brief particulars of the Special Resolutions passed                                                                                                         |
|--------------------------|----------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2014- 2015<br>26-09-2015 | 9 <sup>th</sup> Annual General Meeting | None                                                                                                                                                        |
| 2013-2014<br>27-09-2014  | 8 <sup>th</sup> Annual General Meeting | 1. Introduction of "ESOP Scheme 2014"<br>2. To extend the benefits of "ESOP Scheme 2014" to the employees of the Company's Subsidiaries or holding company. |
| 2012-2013<br>28-09-2013  | 7 <sup>th</sup> Annual General Meeting | 1. Reappointment of and Remuneration payable to Mr. Vinod K. Goenka as Chairman and Managing Director for a period of 5 years w.e.f. 01/09/2012.            |

### Special Resolution passed through Postal Ballot during the year (2015-2016):

| Date of Passing Resolution | Resolution No. | Particulars                                                                                          | Voting Description | No. of Members Participated | No. of Votes    | Votes %    |
|----------------------------|----------------|------------------------------------------------------------------------------------------------------|--------------------|-----------------------------|-----------------|------------|
| 02/09/2015                 | 1              | Related Party Transactions in the nature of project advances/loans                                   | Assenting          | 132                         | 24814841        | 75.01      |
|                            |                |                                                                                                      | Dissenting         | 29                          | 8269145         | 24.99      |
|                            |                | <b>Total</b>                                                                                         |                    | <b>161</b>                  | <b>33083986</b> | <b>100</b> |
|                            | 2              | Leave & License fees paid/payable to K G Enterprises and Conwood Construction & Developers Pvt. Ltd. | Assenting          | 143                         | 33080749        | 99.99      |
|                            |                |                                                                                                      | Dissenting         | 17                          | 3212            | 0.01       |
|                            |                | <b>Total</b>                                                                                         |                    | <b>160</b>                  | <b>33083961</b> | <b>100</b> |
|                            | 3              | Guarantees/Securities in connection with loans to/ by Related Parties                                | Assenting          | 130                         | 24814816        | 75.01      |
|                            |                |                                                                                                      | Dissenting         | 31                          | 8269246         | 24.99      |
|                            |                | <b>Total</b>                                                                                         |                    | <b>161</b>                  | <b>33084062</b> | <b>100</b> |
|                            | 4              | Existing transactions/agreements for the purpose of development of the lands                         | Assenting          | 151                         | 33082895        | 100        |
|                            |                |                                                                                                      | Dissenting         | 10                          | 1167            | 0          |
|                            |                | <b>Total</b>                                                                                         |                    | <b>161</b>                  | <b>33084062</b> | <b>100</b> |
|                            | 5              | Purchase of TDR's from Dynamix Realty                                                                | Assenting          | 150                         | 33082460        | 99.99      |
|                            |                |                                                                                                      | Dissenting         | 11                          | 1656            | 0.01       |
|                            |                | <b>Total</b>                                                                                         |                    | <b>161</b>                  | <b>33084116</b> | <b>100</b> |

Mr. Vicky M. Kundaliya (FCS no. 7716, COP no. 10989), Practicing Company Secretary was appointed as the Scrutinizer for the purpose who conducted the postal Ballot exercise in the above Postal Ballots.

As on date, the Company does not have any proposal to pass any **Special Resolution** by way of postal ballot.

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### 3. Company's Means of Communication:

|                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|-------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Website                             | Your Company maintains a website <a href="http://www.dbrealty.co.in">www.dbrealty.co.in</a> , wherein there is dedicated section 'Investors'. The website provides details, inter alia, about the Company, its performance including quarterly financial results, annual reports, press release, unpaid dividend details, shareholding pattern, contact details, etc.                                                                          |
| Quarterly/ Annual Financial Results | The Audited/unaudited Financial Results of the Company [quarterly as well as yearly] during the year were published in the Financial Express, English Newspaper and Loksatta, Marathi newspaper, and would normally continue to be published.<br>The results are also uploaded by BSE and NSE on their website <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a> respectively. |
| Stock Exchanges                     | All periodical information, including the statutory filings and disclosures, are filed with BSE and NSE. The filings required to be made under the Listing Regulations, including the Shareholding pattern and Corporate Governance Report for each quarter are also filed on BSE Listing Centre and NSE Electronic Application Processing System (NEAPS) and also displayed on the Company's website.                                         |
| Investor Servicing                  | A separate e-mail id <a href="mailto:investors@dbg.co.in">investors@dbg.co.in</a> has been designated for the purpose of registering complaints by shareholders or investors.                                                                                                                                                                                                                                                                  |

### 4. Other Information:

|                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                               |
|-----------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| CIN                                                                                     | L70200MH2007PLC166818                                                                                                                                                                                                                                                                                                                                                                                                         |
| Registered Office and Address                                                           | DB House, Gen. A. K. Vaidya Marg, Goregaon (East), Mumbai - 400 063 Maharashtra                                                                                                                                                                                                                                                                                                                                               |
| Date, Time and Venue of Annual General Meeting                                          | 29 <sup>th</sup> September, 2016. 3 P.M. at Lakshdham High School Auditorium, Lakshdham High School, Gokuldharm, Goregaon (East) Mumbai – 400 063                                                                                                                                                                                                                                                                             |
| Financial Year                                                                          | The Financial Year of the Company starts from April 1 <sup>st</sup> and ends on March 31 <sup>st</sup> of the succeeding year.                                                                                                                                                                                                                                                                                                |
| Rate of Dividend and dividend declaration date                                          | Dividend Not declared                                                                                                                                                                                                                                                                                                                                                                                                         |
| Listing on Stock Exchanges                                                              | The Equity Shares of the Company are listed on BSE and NSE                                                                                                                                                                                                                                                                                                                                                                    |
| Listing fees                                                                            | The listing fees of BSE and NSE for FY 2016-17 has been paid.                                                                                                                                                                                                                                                                                                                                                                 |
| Stock Code                                                                              | The BSE scrip code of equity shares is 533160<br>The NSE scrip code of equity shares is DBREALTY                                                                                                                                                                                                                                                                                                                              |
| ISIN Number                                                                             | INE879I01012                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Custodian Fees                                                                          | The custodian fees payable to each of the depositories based on the number of folios as on March 31, 2016 has been paid.                                                                                                                                                                                                                                                                                                      |
| Suspension of trading in securities                                                     | There was no suspension of trading in securities of the Company during the year under review.                                                                                                                                                                                                                                                                                                                                 |
| Registrar and Transfer agents                                                           | M/s. Link Intime India Private Limited<br>C-13, Pannalal Silk Mills Compound,<br>L. B. S. Marg, Bhandup (West),<br>Mumbai – 400 078, India<br>Tel No: 022 - 2596 3838<br>Website: <a href="http://www.linkintime.co.in">www.linkintime.co.in</a><br>E-mail: <a href="mailto:rnt_helpdesk@linkintime.co.in">rnt_helpdesk@linkintime.co.in</a>                                                                                  |
| Share Transfer System                                                                   | For shares held in physical form, all requisite documents for share transfer should be sent to the Registrar and Transfer agents of the Company. The share transfers in physical form will be generally approved within 15 days from the date of receipt subject to all documents being in order.<br>For shares held in dematerialized form, kindly contact your depository participant with whom your demat account is held. |
| Outstanding GDR's/ ADR's / Warrants/ Convertible Instruments and their Impact on Equity | There are no outstanding GDRs/ADRs/Warrants or any convertible instruments as on 31 <sup>st</sup> March, 2016, which would have impact on the equity share capital of the company.                                                                                                                                                                                                                                            |

|                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|----------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Commodity price risk or foreign exchange risk and hedging activities | The Company is subject to commodity price risk like any other industry. Moreover, since the Company procures all the input commodities used in the production of goods and generation of services from third parties, it is all the more subject to risk and rewards of price variations. The Company is, to a certain extent, able to manage the risks of adverse price movements by giving all inclusive construction contracts, with a built in mechanism for moderation of any substantial price movement of key components of the contract. In respect of contract for finishing and facade items, the Company keeps on evaluating on continuous basis opportunities for price risk minimisations. In respect of inward remittances from eligible overseas buyers of the residential units constructed by the Company, all billing is in INR and hence the Company is immune to foreign exchange risk on this account. |
| Plant Locations                                                      | The Company does not have any plants.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Tentative calendar of the Board Meetings for FY 2016-17              | For the quarter ended June 30, 2016 – by the mid of August, 2016.<br>For the quarter and half year ended September 30, 2016 - by the mid of November 2016.<br>For the quarter ended December 31, 2016 - by the mid of February 2017.<br>For the quarter and year ended March 31, 2017 - by the end of May 2017.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |

## 5. Market Price Data

| Month           | Stock Exchanges |         |          |             |         |         |
|-----------------|-----------------|---------|----------|-------------|---------|---------|
|                 | BSE             |         |          | NSE         |         |         |
|                 | Share Price     |         | Sensex   | Share Price |         | Nifty   |
|                 | High (₹)        | Low (₹) | Close    | High (₹)    | Low (₹) | Close   |
| April, 2015     | 76.00           | 58.45   | 27011.31 | 76.00       | 58.40   | 8181.50 |
| May, 2015       | 70.50           | 62.00   | 27828.44 | 70.70       | 61.80   | 8433.65 |
| June, 2015      | 69.40           | 55.10   | 27780.83 | 69.40       | 55.60   | 8368.50 |
| July, 2015      | 68.50           | 59.75   | 28114.56 | 68.90       | 59.60   | 8532.85 |
| August, 2015    | 71.55           | 48.00   | 26283.09 | 71.45       | 47.00   | 7971.30 |
| September, 2015 | 61.70           | 52.00   | 26154.83 | 62.00       | 51.35   | 7948.90 |
| October, 2015   | 73.30           | 59.55   | 26656.83 | 73.75       | 59.10   | 8065.80 |
| November, 2015  | 64.40           | 47.20   | 26145.67 | 64.30       | 47.20   | 7935.25 |
| December, 2015  | 59.50           | 51.00   | 26117.54 | 59.35       | 50.85   | 7946.35 |
| January, 2016   | 59.30           | 48.00   | 24870.69 | 59.40       | 47.60   | 7563.55 |
| February, 2016  | 52.70           | 35.80   | 23002.00 | 52.55       | 35.80   | 6987.05 |
| March, 2016     | 46.75           | 36.10   | 25341.86 | 46.80       | 36.95   | 7738.40 |

## 6. Distribution of Shareholding as on March 31, 2016

| Equity Shares held | No. of Shareholders | Percent (%) of shareholders | No. of Equity Shares | Percent (%) of Shareholding |
|--------------------|---------------------|-----------------------------|----------------------|-----------------------------|
| 1 – 500            | 17,548              | 82.8283                     | 2266352              | 0.9317                      |
| 501 – 1000         | 1,611               | 7.6041                      | 1341157              | 0.5513                      |
| 1001 – 2000        | 826                 | 3.8988                      | 1310339              | 0.5387                      |
| 2001 – 3000        | 322                 | 1.5199                      | 835204               | 0.3433                      |
| 3001 – 4000        | 175                 | 0.8260                      | 635910               | 0.2614                      |
| 4001 – 5000        | 139                 | 0.6561                      | 666255               | 0.2739                      |
| 5001 – 10000       | 222                 | 1.0479                      | 1673743              | 0.6881                      |
| 10001 and above    | 343                 | 1.6190                      | 234529822            | 96.4117                     |
|                    | <b>21,186</b>       | <b>100.0000</b>             | <b>243258782</b>     | <b>100.0000</b>             |

## D B REALTY LIMITED

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### 7. Shareholding Pattern as on March 31, 2016

| Category |                                                                          | Number of Equity Shares | Percentage of Holding |
|----------|--------------------------------------------------------------------------|-------------------------|-----------------------|
| <b>A</b> | <b>Promoter's Holding</b>                                                |                         |                       |
| 1        | Indian Promoter                                                          | 150588324               | 61.90                 |
|          | <b>Sub Total (A)</b>                                                     | <b>150588324</b>        | <b>61.90</b>          |
| <b>B</b> | <b>Non Promoter's Holding</b>                                            |                         |                       |
|          | <b>Institutional Investors</b>                                           |                         |                       |
| 1        | Mutual Funds/UTI                                                         | 887                     | 0.00                  |
| 2        | Financial Institution/Banks                                              | 1595788                 | 0.66                  |
| 3        | Venture Capital Funds                                                    | 1490538                 | 0.61                  |
| 4        | Foreign Institutional Investors/<br>Foreign Portfolio Investor Corporate | 26860115                | 11.04                 |
|          | <b>Non Institutional Investors</b>                                       |                         |                       |
| 1        | Bodies Corporate                                                         | 7851056                 | 3.23                  |
| 2        | Individuals                                                              | 19210401                | 7.90                  |
| 3        | Non-resident Individuals                                                 | 2119612                 | 0.87                  |
| 4        | Trusts                                                                   | 157500                  | 0.06                  |
| 5        | Foreign Company                                                          | 31236112                | 12.84                 |
| 6        | Clearing Members                                                         | 451457                  | 0.19                  |
| 7        | Hindu Undivided Family                                                   | 1696992                 | 0.70                  |
|          | <b>Sub Total (B)</b>                                                     | <b>92670458</b>         | <b>38.10</b>          |
|          | <b>Grand Total (A+B)</b>                                                 | <b>243258782</b>        | <b>100.00</b>         |

### 8. Status of dematerialization of shares

As at 31<sup>st</sup> March, 2016, 243258781 (99.99%) Equity Shares were held in dematerialized form with NSDL and CDSL, while 1 (Nil %) Equity Share was held in physical form.

### 9. Reconciliation of Share Capital Audit

As stipulated by SEBI, a qualified Practicing Company Secretary carries out the Reconciliation of Share Capital to reconcile the total capital held with the National Security Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The Audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges. The report, inter alia, confirms that the total listed and paid-up share capital of the Company is in agreement with the aggregate of the total dematerialized shares and those in physical mode.

### 10. Address for correspondence

For query relating to financial statements/investor relations, please contact:

D B Realty Limited  
DB House, Gen. A. K. Vaidya Marg,  
Goregaon (East), Mumbai - 400 063  
Maharashtra

On behalf of the Board of Directors

**For D B Realty Limited**

Date: 27<sup>th</sup> May, 2016

Place: Mumbai

**Vinod K. Goenka**  
Chairman & Managing Director

## CORPORATE GOVERNANCE CERTIFICATE

To,  
The Members of  
D B REALTY LIMITED  
Mumbai

We have examined the compliance of conditions of Corporate Governance by **D B REALTY LIMITED** ("Company") under Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges in India for the period from April 01, 2015 to November 30, 2015 and as per the relevant provisions in the Regulations 17 to 27, 46 (2) (b) to (i) and para C, D and E of Schedule V of Chapter IV of the Securities and Exchange Board of India (Listing Obligation And Disclosure Requirements) Regulations, 2015 from the period December 01, 2015 to March 31, 2016.

We have conducted our examination on the basis of the relevant records and documents maintained by the Company and furnished to us for the purpose of the review and the information and explanations given to us by the Company during the course of such review.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the 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 in all material respects complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement and the SEBI (Listing Obligation And Disclosure Requirements) Regulations, 2015.

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.

This certificate is issued solely for the purposes of complying with the aforesaid Regulations and may not be suitable for any other purpose.

For **V. M. KUNDALIYA & ASSOCIATES**  
Company Secretaries

Date:- 27<sup>th</sup> May, 2016  
Place:- Mumbai

**Vicky M. Kundaliya**  
Proprietor  
(FCS-7716 & COP - 10989)

## D B REALTY LIMITED

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### CHIEF EXECUTIVE OFFICER (CEO) / CHIEF FINANCIAL OFFICER (CFO) CERTIFICATE

To  
The Board of Directors / Audit Committee of the BOD  
D B Realty Limited

Dear Sirs,

#### **Sub: CEO / CFO Certificate**

#### **(Regulation 17.8)**

We have reviewed the financial statements and the cash flow statement of D B Realty Limited for the fourth quarter and year ended 31<sup>st</sup> March, 2016 and that to the best of our knowledge and belief, we state that:

- (a) (I) These statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading:
  - (ii) These statements present a true and fair view of Company's affairs and are in Compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and steps taken or proposed to be taken for rectifying these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee:
  - (i) Significant changes in internal control over financial reporting during the year
  - (ii) Significant changes in accounting policies made during the quarter and the year that the same have been disclosed suitably in the notes to the financial statements, wherever applicable: and
  - (iii) That there were no instances of significant fraud of which we have become aware.

**Yours sincerely,**

**Vinod K. Goenka**  
Chairman & Managing Director

**Shahid Balwa**  
Vice Chairman & Managing Director

**Vipul Bansal**  
C.E.O

**N.M.Gattu**  
C.F.O

Place: Mumbai  
Date : 27<sup>th</sup> May, 2016

## Annexure D

### FORM NO. AOC.2

**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto**

***(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)***

1. Details of contracts or arrangements or transactions not at arm's length basis
  - (a) Name(s) of the related party and nature of relationship
  - (b) Nature of contracts/arrangements/transactions
  - (c) Duration of the contracts/arrangements/transactions
  - (d) Salient terms of the contracts or arrangements or transactions including the value, if any
  - (e) Justification for entering into such contracts or arrangements or transactions
  - (f) Date(s) of approval by the Board
  - (g) Amount paid as advances, if any:
  - (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188
2. Details of material contracts or arrangement or transactions at arm's length basis
  - (a) Name(s) of the related party and nature of relationship- i) Dynamix Realty  
ii) Company is a Partner with 99% share in profit & loss
  - (b) Nature of contracts/arrangements/transactions- Purchase of Transferable Development Rights
  - (c) Duration of the contracts/arrangements/transactions- One time contract
  - (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Purchase of 15129 sq.mts. Transferable Development Rights ( TDR) for a total consideration of ₹ 57 crores on arm length basis for the purpose of Business activities
  - (e) Date(s) of approval by the Board, if any: 21<sup>st</sup> July, 2015
  - (f) Amount paid as advances, if any: Nil

Not Applicable

On behalf of the Board of Directors  
**For D B Realty Limited**

Mumbai  
Date : 27<sup>th</sup> May, 2016

**Vinod Goenka**  
Chairman & Managing Director

**Annual Report on CSR Activities**

[Pursuant to Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014]

**1. A brief outline of the Company's CSR Policy, including an overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programmes**

The Company through its CSR initiatives, will enhance value creation in the society and in the community in which it operates, through its services, conduct & initiatives, so as to promote sustained growth in the society and community around it along with environmental concern. The objective of this policy is to operate its business in an economically, socially & environmentally sustainable manner, while recognizing the interests of all its stakeholders and other objects of the Company

Further, take up those programmes directly or indirectly, that benefit the communities and society at large, over a period of time, in enhancing the quality of life & economic well being of the local populace.

The following are brief outline of the Company's CSR Policy, including an overview of projects or programmes proposed to be undertaken are education, healthcare and social Welfare, Environmental Sustainability including protection of flora and fauna, infrastructure development and social reform, Arts/Sports and culture, socio- economic development, Rural development project etc

During the year under review, the Company has spent a sum of ₹ 10 lakhs by way of contribution to Chief Minister's Relief Fund towards cause to mitigate the hardships caused to people in several regions of the state due to drought conditions.

The CSR Policy of the Company is available on the website of the Company at [http://www.dbrealty.co.in/pdfs/DBRL\\_Corporate\\_Social\\_Responsibility\\_\(CSR\)\\_Policy.pdf](http://www.dbrealty.co.in/pdfs/DBRL_Corporate_Social_Responsibility_(CSR)_Policy.pdf)

**2. Composition of CSR Committee-**

The CSR Committee comprises of following members:

- a) Mr. Mahesh Gandhi (Chairman & Independent Director)
- b) Mr. Jayvardhan Goenka (Non- Independent Director)
- c) Mr. N.M Rafique (Independent Director )

**3. Average Net Profit of the Company for last three financial years: ₹ 6,22,58,944/-**

**4. Prescribed CSR Expenditure: ₹ 12,45,179/-**

**5. Details of CSR Spend during the financial year:**

- a) Total amount to be spent for the Financial Year: ₹ 12,45,179/-
- b) Amount unspent, if any: ₹ 2,45,179/-
- c) Manner in which the amount spent during the Financial Year

| S. No. | CSR project / activity identified            | Sector in which the Project is covered                                                                                                  | Projects / Programmes<br>1.Local area/ others-<br>2.Specify the state and district where projects or programs were undertake | Amount outlay (budget) project/ programs wise | Amount spent on the project /programs Subheads<br>(1) Direct Expenditure on Projects or Program<br>(2) Overheads | Cumulative spend up to the reporting period | Amount spent: Direct /through implementing agency |
|--------|----------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|------------------------------------------------------------------------------------------------------------------|---------------------------------------------|---------------------------------------------------|
| 1.     | Contribution to Chief Minister's Relief Fund | Socio economic development to mitigate the hardships caused to people in several regions of Maharashtra State due to drought conditions | Maharashtra                                                                                                                  | 10 Lakhs                                      | 10 Lakhs                                                                                                         | 10 lakhs                                    | Direct                                            |

6. **In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount:** The CSR Committee has considered certain expenditures being incurred and proposed to be incurred by the Company on the development of environmental beautification with flora and fauna in a landmark location in Mumbai towards CSR expenditure, the accounting effect thereof are yet to be given in the financial statements in the coming year/s. Your Company shall ensure all efforts will be made to fulfill the Corporate Social Responsibility for the well being of the Society.
7. **A Responsibility Statement of CSR Committee of Board:** The CSR Committee confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and Policy of your Company.

Vinod K. Goenka  
Chairman & Managing Director

Mahesh Gandhi  
Chairman of CSR Committee

Place : Mumbai

Date : 27<sup>th</sup> May, 2016

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2016**

*[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]*

To,  
The Members,  
D B REALTY LIMITED  
DB House, Gen. A. K. Vaidya Marg,  
Goregaon (East), Mumbai – 400063.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by D B REALTY LIMITED (Hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2016 ('Audit Period') generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings -- **Not Applicable as the Company has no Foreign Investment/Borrowings during the Financial Year under review;**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (upto 14<sup>th</sup> May 2015) and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (w.e.f. 15<sup>th</sup> May, 2015);
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 -- **Not Applicable as the Company has not issued further capital during the Financial Year under review;** However, the Company has issued 8% Redeemable Preference Shares pursuant to the sanctioned Scheme of Amalgamation by the Hon'ble High Court, Mumbai to the minority Shareholders of the said Subsidiary/Amalgamated Company. Further, the Company intends to list the said securities, the necessary application is made and the final listing is under process.
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28<sup>th</sup> October, 2014. -- **Not Applicable since the Company has not introduced any schemes under the said Rules / Guidelines during the Financial year under review;**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 -- **Not Applicable as the Company has not issued Debt Securities during the Financial Year under review;**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client ;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 -- **Not Applicable as the Company has not delisted / proposes to delist its equity shares from any stock exchanges during the Financial Year under review;** and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 -- **Not Applicable as the Company has not bought back / propose to buy-back any of its securities during the Financial Year under review.**

(vi) For the other applicable laws :

We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The management has identified and confirmed the list of major head/groups of Acts, Laws and Regulations as specifically applicable to the Company as given in **Annexure A**.

I further report that, for all the above laws and in relation to the compliances for Service Tax and Maharashtra Value Added Tax, I rely on the Certificates given by Independent Consultants, Independent Professionals and Management/respective Department Heads and placed before the Board on quarterly basis and accepted by the Board of Directors in their respective Meetings.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India and made effective from 1<sup>st</sup> July, 2015 and it was noted that the Company has generally complied with the same.
- (ii) The Listing Agreements entered into by the Company with the Stock Exchanges and SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 made effective from 1<sup>st</sup> December, 2015.

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, to the extent applicable, subject to the following:

- a) The Company has passed Circular Resolution on 10/03/2016 after slight delay beyond specified days from the date of Circulation as per the provisions of Secretarial Standards (SS-1). In this regard, Management has clarified that though the Resolution was approved by majority of Directors within stipulated time, as matter of Good Corporate Governance, Company passed the Resolution after tendering the necessary clarifications sought by one of the Independent Director and after receipt of approval by the said Independent Director.
- b) *The Company has complied with the provisions regarding closure of Trading Window as per SEBI (Prohibition of Insider Trading Regulations), 2015 in all Board Meetings except one i.e. for Board Meeting dated 6<sup>th</sup> February, 2016 wherein the Company has closed the Trading window and duly intimated to all the insiders but inadvertently overlooked the intimation to the Stock Exchanges.*
- c) *The Company has nominal unspent amount of ₹ 2.45 Lakhs during the year towards Corporate Social Responsibility for which Company has considered certain expenditures being incurred and proposed to be incurred but the accounting effect thereof are yet to be given in the financial statements in the coming years.*

I further report that, the compliance by the Company of applicable financial laws, like direct and indirect tax law, has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.

I further report that, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

I further report that as per the information provided, the Company has generally given adequate notice to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

I further report that as per the information provided and as per minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

I further report that there are generally adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that the Management is responsible for compliances of all business laws and other applicable laws. This responsibility includes maintenance of Statutory Registers/files as required by the concerned authorities and internal control of the concerned department.

I further report that during the audit period the Company has no specific events like Public Issue/Right Issue/Sweat Issue, etc/Redemption / Buy-back of Securities / Foreign Technical Collaborations except Amalgamation of Gokuldharm Real Estate Development Company Private Limited with the Company and issued Preference Shares pursuant to the Scheme of Amalgamation.

For **V. M. KUNDALIYA & ASSOCIATES**  
**Company Secretaries**

Date:- 27<sup>th</sup> May, 2016

Place: Mumbai

**Vicky M. Kundaliya**  
**Proprietor**  
**(FCS-7716 & COP-10989)**

This report is to be read with our letter of even date which is annexed as '**Annexure B**' and forms an integral part of this report.

## D B REALTY LIMITED

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### ANNEXURE A

#### Laws considered for the purposes of applicability to the Company:

##### Applicable to the segment of Business:

| Sr. No | Statute                                                                                                          |
|--------|------------------------------------------------------------------------------------------------------------------|
| 1      | Maharashtra Regional and Town Planning Act, 1966                                                                 |
| 2      | Development Control Regulations for Greater Mumbai, 1991                                                         |
| 3      | Mumbai Municipal Corporation Act, 1888                                                                           |
| 4      | Maharashtra Ownership Flats (Regulation of the Promotion, Construction, Sale, Management and Transfer) Act, 1963 |
| 5      | Maharashtra Apartment Ownership Act, 1970                                                                        |
| 6      | Urban Land Ceiling & Regulation Act, 1976                                                                        |
| 7      | Forest Conservation Act, 1960/ 1980                                                                              |
| 8      | National Green Tribunal Act, 2010                                                                                |
| 9      | Housing Board Act, 1965                                                                                          |
| 10     | Maharashtra Cooperative Societies Act                                                                            |
| 11     | Maharashtra Value Added Tax Act, 2002                                                                            |
| 12     | Standard Weight and Measurement Act, 1976                                                                        |
| 13     | New Township Development Plan (Preparation, Publication and Sanction) Rules                                      |
| 14     | Maharashtra Land Revenue Code, 1966                                                                              |
| 15     | Bombay Stamp Act, 1958                                                                                           |
| 16     | Indian Stamp Act, 1899                                                                                           |
| 17     | The Transfer of Property Act, 1882                                                                               |
| 18     | Bombay Rent Control Act                                                                                          |
| 19     | Consumer Protection Act, 1986                                                                                    |
| 20     | Land Acquisition Act, 1894                                                                                       |
| 21     | Environment Protection Act, 1986 and the Rules and Notifications there under                                     |
| 22     | Registration Act, 1908                                                                                           |
| 23     | National Buildings Code, 2005 and Local Building Bye Laws                                                        |
| 24     | Land Acquisition, Rehabilitation and Resettlement Act, 2013                                                      |
| 25     | Right to fair compensation & Transparency in Land Acquisition, Rehabilitation & Resettlement Act, 2013           |
| 26     | Indian Easement Act, 1882                                                                                        |

##### Labour Laws

| Sr. No | Statute                                                                                                             |
|--------|---------------------------------------------------------------------------------------------------------------------|
| 1      | Industrial Disputes Act, 1947                                                                                       |
| 2      | Building and Other Construction Workers (Regulation of Employment and Conditions of Service ) Act, 1996             |
| 3      | Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Welfare Cess Act, 1996 |
| 4      | Payment of Wages Act                                                                                                |
| 5      | Minimum Wages Act                                                                                                   |
| 6      | Payment of Bonus Act                                                                                                |
| 7      | The Employees (Provident Fund and Miscellaneous Provisions ) Act, 1952                                              |
| 8      | The Employees Pension Fund Scheme, 1976                                                                             |
| 9      | The Employees Deposit Linked Insurance Scheme, 1976                                                                 |
| 10     | The Contract Labour (Regulation & Abolition) Act, 1970                                                              |
| 11     | The Employees State Insurance Act, 1948, Rules and Regulations made thereunder                                      |
| 12     | Equal Remuneration Act, 1976 and Rules made thereunder                                                              |
| 13     | Maternity Benefit Act, 1961                                                                                         |
| 14     | Child Labour (Prohibition & Regulation) Act, 1986 and Rules made thereunder                                         |
| 15     | The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013                       |

**ANNEXURE B**

To,  
The Members,  
D B REALTY LIMITED  
DB House, Gen. A. K. Vaidya Marg,  
Goregaon (East), Mumbai – 400063.

My report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules, regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, Rules, Regulations, standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **V. M. KUNDALIYA & ASSOCIATES**  
**Company Secretaries**

Date:- 27<sup>th</sup> May, 2016  
Place: Mumbai

**Vicky M. Kundaliya**  
**Proprietor**  
**(FCS-7716 & COP-10989)**

**DISCLOSURE OF REMUNERATION DETAILS**

- Ratio of the remuneration of each director to the median remuneration of the employees:** Not Applicable since no remuneration except sitting fees has been paid to Directors.
- The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:**

As stated above, no remuneration has been paid to Directors except sitting fees. The details about the percentage increase in remuneration of KMPs are as under:

| Name of Key Managerial Personnel | Designation             | % increase in remuneration |
|----------------------------------|-------------------------|----------------------------|
| Mr. Vipul Bansal                 | Chief Executive Officer | 0%                         |
| Mr. N.M.Gattu                    | Chief Financial Officer | 10%                        |
| Mr. S.A.K. Narayanan             | Company Secretary       | 10%                        |

- The percentage increase in the median remuneration of employees in the financial year:** 10.00%
- Number of permanent employees on the rolls of the Company:**

There were total 104 nos. of employees on the pay rolls of the Company as on 31<sup>st</sup> March, 2016. The increase in nos. of employees as compared to last year are mainly on account of amalgamation of erstwhile Gokuldharm Real Estate Development Company Pvt. Ltd. with the Company and all employees of the said company became the employees of your Company as per the Scheme of Amalgamation approved by Hon. Bombay High Court.

- Explanation on the relationship between average increase in remuneration and the Company's performance:**

The base increment given to employees during FY 2015-16 has been given based on the performance evaluation and appraisal of every employee, which apart from various individual linked factors also takes into account the inflation adjustment.

- Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:**

| Particulars                                 | Mr. Vipul Bansal<br>(Chief Executive Officer) | Mr. N.M. Gattu<br>(Chief Financial Officer) | Mr. S.A.K. Narayanan<br>(Company Secretary) |
|---------------------------------------------|-----------------------------------------------|---------------------------------------------|---------------------------------------------|
| Remuneration in FY 2015-16<br>(Amount in ₹) | 35,950,635                                    | 6,922,040                                   | 4,657,452                                   |
| Revenues of Company (Amount in ₹)           | 167.75 Crores                                 |                                             |                                             |
| Remuneration as % of revenue                | 2.14%                                         | 0.41%                                       | 0.28%                                       |

- Stock price related information:**

| Particulars                                                                                                                                                             | As on 31st March, 2016<br>(Current F.Y.) | As on 31st March, 2015<br>(Previous F.Y.) |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------|-------------------------------------------|
| Approx. Market Capitalization (as per NSE closing stock price)                                                                                                          | ₹ 1,034 Crores                           | ₹ 1,625 Crores                            |
| Price Earnings Ratio (as per NSE closing stock price)                                                                                                                   | 0                                        | (66.80)                                   |
| Percentage increase / (decrease) in the market quotations of the shares of the Company (closing stock price on NSE) as on March 31, 2016 compared to last public offer. | (90.87)                                  | (85.73)                                   |

- Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and Percentage increase/decrease in the managerial remuneration and justification, including any exceptional circumstances, for increase in the managerial remuneration:**

The average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year was 10.35%. The percentage increase in the managerial remuneration was 6.67%.

- The key parameters for variable component of remuneration availed by the directors:**

As stated earlier no remuneration has been paid to Directors except sitting fees and therefore none of the Directors has drawn any variable component remuneration during the year under review.

- The details of the employees who are not a director, but has received remuneration in excess of the highest paid director:**

As stated earlier, no remuneration has been paid to Directors except sitting fees.

**Affirmation:**

I, Vinod Goenka, Chairman & Managing Director of D B Realty Limited hereby confirm that the remuneration paid during FY 2015-16 is as per the remuneration policy of the Company.

## INDEPENDENT AUDITOR'S REPORT

**To the Members of DB Realty Limited**

### **Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of **D B Realty Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent and design, implementation and maintenance of adequate internal financial controls and ensuring their operating effectiveness and the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the standalone financial statements.

### **Basis for Qualified Opinion**

Share of profit of ₹ 191,688 from an investment in a Limited Liability Partnership ('LLP'), included in the standalone financial statements is based on the unaudited financial statements of such LLP, which are approved by only three partners representing the Company out of the total six partners of the LLP.

### **Qualified Opinion**

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, its profit and its cash flows for the year ended on that date.

### **Emphasis of Matter**

We draw attention to the following matters in the notes to the standalone financial statements:

- (i) Note No. 11.3 regarding the carrying value of beautification of Bandra Worli Sea Link project aggregating ₹ 199,058,211. The Management is of the opinion that the future revenue from this project would be higher than the cost.
- (ii) Note No. 12.4 regarding return on investments of ₹ 14,276,960,804 in preference shares of a Company as on March 31, 2016. As explained by the management, this investment is considered strategic and long term in nature and the current market value and future prospects of such investments are significantly in excess of the Company's investment in the investee Company.

## D B REALTY LIMITED

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- (iii) Note No. 14.2 regarding security deposits aggregating ₹ 3,575,515,954 as on March 31, 2016 given to various parties for acquisition of development rights. As explained by management, the Company is in process of obtaining necessary approvals with regard to these properties and that their current market values are significantly in excess of their carrying values and are expected to achieve adequate profitability on substantial completion of such projects.
- (iv) Note No. 17(i) regarding the status of the projects of the Company having aggregate value of ₹ 2,786,245,906 as on March 31, 2016 and the opinion framed by the Company's Management regarding realizable value of the cost incurred, being a technical matter, has been relied upon by us.
- (v) Note No. 30(B) regarding guarantees and securities provided for amounts aggregating ₹ 38,944,340,200 to banks and financial institutions on behalf of various entities as on March 31, 2016, which are significant in relation to the net-worth of the Company. In the opinion of the Management, these are not expected to result into any financial liability on the Company.
- (vi) Note No. 31(A)(iii)(1) & (2) regarding following disclosures in the audited financial statements of a partnership firm where the Company is one of the partners:
  - (a) Allegations made by the Central Bureau of Investigation (CBI) relating to the 2G spectrum case and regarding attachment order issued by adjudicating authority under Prevention of Money Laundering Act, 2002. This matter is sub-judice and the impact, if any, of its outcome is currently unascertainable.
  - (b) Recoverability of trade receivables of ₹ 556,277,256 outstanding for more than six months. These amounts are considered as good and recoverable.
- (vii) Note No. 32 to 36(a) regarding the matters which are sub-judice. Based on the assessment of the Company's Management of the outcome, no adjustments are considered necessary in respect of recoverability of balances as at March 31, 2016 for loans and advances aggregating ₹ 2,281,828,725 (including amount inventorised ₹ 30,050,000), and the investments aggregating ₹ 384,078,720. The impact, if any, of the outcome is unascertainable at present.
- (viii) Note No. 36(b) regarding no adjustment having been made in the value of inventory, pending outcome of the matter referred by the Company to the Supreme Court.
- (ix) Note No. 38 regarding MAT Credit Entitlement aggregating ₹ 35,800,000 as on March 31, 2016 which is based on the judgment of management.
- (x) Note No. 39 regarding the Company's investments aggregating ₹ 2,311,887,120 and loans and advances aggregating ₹ 3,857,937,831 as on March 31, 2016 in/to certain subsidiaries, associates and jointly controlled entities, which have incurred losses and have negative net worth. As explained to us, these entities are in early stages of real estate development and the investments/ loans and advances are considered good and recoverable based on management's assessment of the projects under execution.
- (xi) Note No. 40 regarding certain allegations made by the Enforcement Directorate against the Company and one of its Key Managerial Persons, in a matter relating to Prevention of Money Laundering Act, 2002. This matter is sub-judice and the impact, if any, of the outcome is unascertainable at this stage.
- (xii) Note No. 43 regarding attachment order issued by adjudicating authority under Prevention of Money Laundering Act, 2002, by which the Company's assets amounting to ₹ 521,621,696 have been attached on August 30, 2011. Consequently, the adjudicating authority has taken over the bank balance of ₹ 6,892,967 and Investment in Redeemable Optionally Convertible Cumulative Preference Shares – Series A of an entity of ₹ 504,002,400 in earlier years. This matter is sub-judice and the impact, if any, of its outcome is currently unascertainable.
- (xiii) Note No. 49 regarding the manner of recognition of the Company's share in Association of Persons.
- (xiv) Note No. 56 regarding the status of various ongoing projects, recognition of expense and income and the realizable value of the costs incurred are as per the judgment of management of the entity and certified by their technical personnel and being of technical nature, have been relied upon by us.

Our opinion is not modified in respect of these matters.

### Other Matter

Note no. 23 & 31 regarding share of loss (net) from investment in three partnership firms, seven Limited Liability Partnership ("LLPs") (out of these the Company has ceased to be a partner in six LLPs from July 1, 2015) and one joint venture aggregating ₹ 203,209,157, included in the financial statements, is based on the audited financial statements of such entities. These financial statements have been reviewed by the auditors of these entities, whose reports have been furnished to us by the management and our audit report on the financial statement is based solely on such audit reports of the other auditors.

Our opinion is not modified in respect of this matter.

## Report on Other Legal and Regulatory Requirements

- (1) As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- (2) As required by Section 143(3) of the Act, except for the matter described in the Basis for Qualified Opinion paragraph above, we report as under, to the extent applicable, that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e. The matter described in sub-paragraph (v), (xi) & (xii) under the Emphasis of Matter paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;
  - f. On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
  - g. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give our separate Report in "Annexure 2".
  - i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - (i) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note No. 30 on Contingent Liabilities and Note No. 32 to 36, Note No. 40 and Note No. 43 on litigations to the standalone financial statements;
    - (ii) The Company did not have any long term contracts including derivative contracts for which there could be any material foreseeable losses;
    - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

### For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W

### Chetan Desai

Partner

Membership No. 017000

Mumbai: May 27, 2016

**ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT**

Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of **D B Realty Limited** on the standalone financial statements for the year ended March 31, 2016.

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details of fixed assets. In case of identification and situation of fixed assets, the Company is in the process of tagging individual assets based on their specific location.
- (b) During the year, fixed assets have been physically verified by the management as per the regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As informed, no material discrepancies were noticed on such verification.
- (c) The title deeds of immovable properties recorded as fixed assets in the books of account of the Company are held in the name of the Company except for the details given below:

| Particulars         | Total Number of cases | Leasehold/ Freehold | Gross Block as on March 31, 2016 (₹) | Net Block as on March 31, 2016 (₹) | Remarks                                                       |
|---------------------|-----------------------|---------------------|--------------------------------------|------------------------------------|---------------------------------------------------------------|
| Sales Office – Pune | 1                     | Freehold            | 31,812,134                           | 6,879,851                          | Company has acquired Development Rights on the said property. |

- (ii) The Inventories comprising of expenditure incurred on acquisition of lands & tenancy rights, development rights, material at site, Transferrable Development Rights and other expenditure on construction and development thereof have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. As informed, no material discrepancies were noticed on physical verification carried out during the year.
- (iii) The Company has granted loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act.
- (a) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of the interest free unsecured loans granted by the Company to two parties covered in the register maintained under Section 189 of the Act, (Total loan amount granted and balance outstanding as on March 31, 2016 is ₹ 577,561,594) are prejudicial to the Company's interest on account of the fact that the loans have been granted interest free.
- (b) The schedule of repayment of principal and payment of interest in respect of such loans has not been stipulated. These loans are repayable on demand and principal and interest thereon have been received whenever demanded by the Company. Thus, we are unable to comment on whether the repayments or receipts are regular and report amounts overdue for more than ninety days, if any, as required under paragraph 3(iii)(c) of the Order.
- (iv) Based on information and explanation given to us in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of Section 185 of the Act. Further, the provisions of Section 186 of the Act are not applicable to the Company as it is engaged in the business of Real estate development.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 of the Act and the rules framed there under.
- (vi) We have broadly reviewed the books of account maintained by the Company in respect of products where the maintenance of cost records has been specified by the Central Government under sub-section (1) of Section 148 of the Act and the rules framed there under and we are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- (vii) (a) The Company is not regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, service tax, value added tax, cess and any other material statutory dues applicable to it, and there have been serious delays in a few cases. As explained to us, the provisions regarding sales tax, customs duty and excise duty are presently not applicable to the Company.

According to the information and explanations given to us, undisputed dues in respect of provident fund, employees' state insurance, income tax, service tax, value added tax, cess and any other material statutory dues applicable to it, which were outstanding, at the year end for a period of more than six months from the date they became payable are as follows:

| Name of the statute                    | Nature of the dues                         | Amount (₹) | Period to which the amount relates | Due Date      | Date of Payment |
|----------------------------------------|--------------------------------------------|------------|------------------------------------|---------------|-----------------|
| Finance Act, 1994                      | Service Tax Liability and interest thereon | 455,163    | April 2010 to March 2012           | Various Dates | Not paid        |
| Wealth Tax Act, 1957                   | Wealth Tax                                 | 937,610    | April 2013 to March 2015           | Various Dates | Not paid        |
| Mumbai Municipal Corporation Act, 1888 | Property Tax                               | 77,171,528 | April 2010 to September 2015       | Various Dates | Not paid        |

- (b) According to the information and explanation given to us, the dues outstanding with respect to income tax, service tax and value added tax on account of any dispute, are as follows:

| Name of the statute  | Nature of dues | Amount (₹) | Period to which the amount relates | Forum where dispute is pending |
|----------------------|----------------|------------|------------------------------------|--------------------------------|
| Income Tax Act, 1961 | Income Tax     | 27,548,990 | A.Y. 2012-13                       | ITAT, Mumbai                   |
| Income Tax Act, 1961 | Income Tax     | 21,752,440 | A.Y. 2013-14                       | CIT (Appeals)                  |

- (viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institutions, banks, governments or dues to debenture holders except for details given below:

| Sr No | Particulars                     | Amount of Default as at March 31, 2016 (₹) | Period of Default                        |
|-------|---------------------------------|--------------------------------------------|------------------------------------------|
| 1     | Reliance Capital Limited        |                                            |                                          |
|       | Interest                        | 10,504,688                                 | Since January, 2016                      |
|       | Interest                        | 10,504,681                                 | Since February, 2016                     |
| 2     | STCI Finance Limited            |                                            |                                          |
|       | Principal                       | 61,165,488                                 | From February 29, 2016 to March 31, 2016 |
|       | Interest                        | 8,102,543                                  |                                          |
| 3     | LIC Housing Finance Limited     |                                            |                                          |
|       | Principal                       | 306,303,767                                | Since January, 2016                      |
|       | Interest                        | 3,823,726                                  | Since January, 2016                      |
|       | Interest                        | 3,817,382                                  | Since February, 2016                     |
|       | Interest                        | 4,003,926                                  | Since March, 2016                        |
| 4     | ICICI Bank Limited              |                                            |                                          |
|       | Interest                        | 3,315,025                                  | Since February 29, 2016                  |
|       | Interest                        | 3,572,796                                  | Since March 31, 2016                     |
| 5     | IL&FS Financial Services Ltd    |                                            |                                          |
|       | Interest                        | 148,441                                    | Since December, 2015                     |
| 6     | Indiabulls Housing Finance Ltd. |                                            |                                          |
|       | Principal                       | 8,649,907                                  | Since March, 2016                        |
|       | Interest                        | 2,095,969                                  | Since March, 2016                        |

- (ix) The Company has not raised money by way of initial public offer / further public offer (including debt instruments) during the year. However, the Company has obtained term loans and, in our opinion and according to the information and explanations given to us, utilized the same for the purposes for which they were raised.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management. However, we are informed that during the financial year 2010-11, the CBI in its charge sheet filed in connection with irregularities in the allotment of 2G telecom license, has accused certain Directors of the Company (in their capacity as promoters of a telecom licensee Company). Two other Management Personnel of the Company have also been charge sheeted in their capacity as Directors of another Company (Refer Note 43) which is alleged to have paid an amount of ₹ 2,000,000,000 as illegal gratification in the same connection. As explained to us, the Company is not directly a party to the allegations and the matter is sub-judice in the Court of Special Judge (CBI), New Delhi. Also, the Company is in receipt of Summons from Special Court for Prevention of Money Laundering Act (PMLA), Mumbai as one of the accused in connection with a complaint filed by Enforcement Directorate under ECIR No. ECIR/MBZO/07/2015 & ECIR/MBZO/08/2015. The Hon'ble Court has also now summoned one of the KMP's of the Company as one of the accused as per the said complaint. The matter in relation to the Company and the KMP involves certain advances given by the Company in the ordinary course of its business to another company, which were subsequently refunded fully upon cancellation of the understanding (Refer Note 40).
- (xi) According to the information and explanations given to us, the Company has not paid/provided for managerial remuneration. Accordingly, paragraph 3(xi) of the Order is not applicable to the Company.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanation given to us, all transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, paragraph 3(xiv) of the Order is not applicable to the Company.

## **D B REALTY LIMITED**

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- (xv) According to the information and explanations given to us, the Company has entered into non-cash transactions with two persons connected with the director during the year, by issue of 5,740 8% Redeemable Preference Shares of ₹ 10 each as a part of purchase consideration for amalgamation of Gokuldharm Real Estate Development Co. Pvt Ltd. which in our opinion is covered under the provisions of Section 192 of the Act and has complied with the provisions of Section 192 of the Act, and for which approval has been obtained in a general meeting of the Company
- (xvi) According to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

### **For Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.103523W

### **Chetan Desai**

Partner

Membership No. 017000

Mumbai: May 27, 2016

## ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of **D B Realty Limited** on the standalone financial statements for the year ended March 31, 2016.

We have audited the internal financial controls over financial reporting of **D B Realty Limited** ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

### For Haribhakti & Co. LLP

Chartered Accountants  
ICAI Firm Registration No.103523W

### Chetan Desai

Partner  
Membership No. 017000  
Mumbai: May 27, 2016

**D B REALTY LIMITED**

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**BALANCE SHEET AS AT MARCH 31, 2016**

(Amount in ₹)

| Particulars                            | Note No. | As at 31st March, 2016 |                       | As at 31st March, 2015 |                       |
|----------------------------------------|----------|------------------------|-----------------------|------------------------|-----------------------|
| <b>I. EQUITY AND LIABILITIES</b>       |          |                        |                       |                        |                       |
| <b>1 Shareholders' Funds</b>           |          |                        |                       |                        |                       |
| Share Capital                          | 3        | 3,150,145,220          |                       | 2,432,587,820          |                       |
| Reserves and Surplus                   | 4        | 32,346,665,948         | 35,496,811,168        | 31,073,902,009         | 33,506,489,829        |
| <b>2 Non-current Liabilities</b>       |          |                        |                       |                        |                       |
| Long-term Borrowings                   | 5        | 1,156,923,587          |                       | 306,049,303            |                       |
| Other Long term liabilities            | 6        | 932,250                |                       | -                      |                       |
| Long-term Provisions                   | 7        | 31,880,171             | 1,189,736,008         | 28,396,974             | 334,446,277           |
| <b>3 Current Liabilities</b>           |          |                        |                       |                        |                       |
| Short-term Borrowings                  | 8        | 2,386,657,563          |                       | 1,820,854,884          |                       |
| Trade Payables :-                      | 9A       |                        |                       |                        |                       |
| (i) Micro and Small Enterprises        |          | -                      |                       | -                      |                       |
| (ii) Other Enterprises                 |          | 278,142,765            |                       | 125,866,269            |                       |
| Other Current Liabilities              | 9B       | 2,813,256,451          |                       | 3,178,371,697          |                       |
| Short-term Provisions                  | 10       | 19,804,627             | 5,497,861,406         | 20,359,802             | 5,145,452,652         |
| <b>TOTAL</b>                           |          |                        | <b>42,184,408,582</b> |                        | <b>38,986,388,758</b> |
| <b>II. ASSETS</b>                      |          |                        |                       |                        |                       |
| <b>Non-current Assets</b>              |          |                        |                       |                        |                       |
| <b>1 Fixed Assets</b>                  | 11       |                        |                       |                        |                       |
| Tangible Assets                        |          | 73,321,954             |                       | 95,337,065             |                       |
| Intangible Assets                      |          | 2,748,946              |                       | 25,731,181             |                       |
| Intangible Assets under development    |          | 206,145,711            |                       | 210,990,518            |                       |
|                                        |          | 282,216,611            |                       | 332,058,764            |                       |
| Non-current Investments                | 12       | 23,702,051,356         |                       | 23,297,944,621         |                       |
| Deferred Tax Assets (Net)              | 13       | 68,687,748             |                       | 63,452,710             |                       |
| Long-term Loans and Advances           | 14       | 5,624,286,803          |                       | 6,703,791,339          |                       |
| Other Non-current Assets               | 15       | -                      | 29,677,242,518        | 33,029,644             | 30,430,277,078        |
| <b>2 Current Assets</b>                |          |                        |                       |                        |                       |
| Current Investments                    | 16       | 858,275,191            |                       | 1,808,309,533          |                       |
| Inventories                            | 17       | 3,138,978,930          |                       | 2,543,129,919          |                       |
| Trade Receivables                      | 18       | 454,117,527            |                       | -                      |                       |
| Cash and Bank Balances                 | 19       | 98,199,061             |                       | 18,916,359             |                       |
| Short-term Loans and Advances          | 20       | 7,645,044,576          |                       | 4,073,256,637          |                       |
| Other Current Assets                   | 21       | 312,550,779            | 12,507,166,064        | 112,499,232            | 8,556,111,680         |
| <b>TOTAL</b>                           |          |                        | <b>42,184,408,582</b> |                        | <b>38,986,388,758</b> |
| <b>Significant accounting policies</b> | 2        |                        |                       |                        |                       |

The accompanying notes form an integral part of the financial statements.

As per our attached report of even date.

**For Haribhakti & Co. LLP****Chartered Accountants**

ICAI Firm's Registration No. 103523W

**Chetan Desai**

Partner

Membership No. 017000

**For and on behalf of the Board****Vinod Goenka**

Chairman &amp; Managing Director

DIN 00029033

**Mahesh Gandhi**

Director

DIN 00165638

**S A K Narayanan**

Company Secretary

Membership No A2424

**Shahid Balwa**

Vice Chairman &amp; Managing Director

DIN 00016839

**N.M. Gattu**

Chief Financial Officer

Mumbai, Dated 27th May, 2016

Mumbai, Dated 27th May, 2016

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

|      |                                                                                                     | (Amount in ₹) |                                        |                                        |
|------|-----------------------------------------------------------------------------------------------------|---------------|----------------------------------------|----------------------------------------|
|      | Particulars                                                                                         | Note No.      | For the Year ended<br>31st March, 2016 | For the Year ended<br>31st March, 2015 |
| I    | Revenue from Operation                                                                              | 22            | 1,770,350,525                          | -                                      |
| II   | Other Income                                                                                        | 23            | (92,892,539)                           | 359,819,826                            |
| III  | <b>Total Revenue (I+II)</b>                                                                         |               | <b>1,677,457,986</b>                   | <b>359,819,826</b>                     |
| IV   | <b>Expenses:</b>                                                                                    |               |                                        |                                        |
|      | Project Expenses                                                                                    | 24            | 499,724,960                            | 280,969,115                            |
|      | Purchases of Stock-in-Trade                                                                         | 25            | 569,969,946                            | -                                      |
|      | Changes in Inventories of Project Work in Progress, Raw Material, Stock-in-Trade and Finished Goods | 26            | (271,584,360)                          | (280,969,115)                          |
|      | Employee Benefits Expense                                                                           | 27            | 158,541,078                            | 112,586,273                            |
|      | Finance Costs                                                                                       | 28            | 480,951,296                            | 411,252,026                            |
|      | Depreciation and Amortization Expense                                                               | 11 & 12       | 50,687,147                             | 54,839,043                             |
|      | Other Expenses                                                                                      | 29            | 116,382,837                            | 104,343,491                            |
|      | <b>Total Expenses</b>                                                                               |               | <b>1,604,672,904</b>                   | <b>683,020,833</b>                     |
| V    | <b>Profit/(Loss) before exceptional items and tax (III-IV)</b>                                      |               | <b>72,785,082</b>                      | <b>(323,201,007)</b>                   |
| VI   | Exceptional items                                                                                   | 11.3 & 11.4   | 75,000,000                             | (47,679,636)                           |
| VII  | <b>Profit/(Loss) before Tax (V-VI)</b>                                                              |               | <b>(2,214,918)</b>                     | <b>(275,521,371)</b>                   |
|      | <b>Tax expense:</b>                                                                                 |               |                                        |                                        |
|      | Current tax                                                                                         |               | 15,700,000                             | 45,000                                 |
|      | Add: MAT Credit (Entitlement) / Reversal                                                            | 38            | (29,800,000)                           | 31,500,000                             |
|      | Net Current Tax                                                                                     |               | (14,100,000)                           | 31,545,000                             |
|      | Deferred tax                                                                                        | 13            | (3,921,627)                            | (36,808,486)                           |
|      | <b>Prior Period Tax Adjustment</b>                                                                  |               | <b>11,971,293</b>                      | <b>(30,200,000)</b>                    |
| VIII | Profit / (Loss) after tax                                                                           |               | 3,835,416                              | (240,057,885)                          |
| IX   | Prior Period Expenses                                                                               | 51            | (3,057,934)                            | (4,318,432)                            |
| X    | Profit / (Loss) for the year (VIII-IX)                                                              |               | <b>777,482</b>                         | <b>(244,376,317)</b>                   |
| XI   | Earnings per equity share (Nominal Value Per Share ₹ 10 Each (Previous Year ₹ 10)):                 |               |                                        |                                        |
|      | Basic and Diluted                                                                                   | 46            | 0.00                                   | (1.00)                                 |

The accompanying notes form an integral part of the financial statements.

As per our attached report of even date.

**For Haribhakti & Co. LLP**  
**Chartered Accountants**  
 ICAI Firm's Registration No. 103523W

**Chetan Desai**  
 Partner  
 Membership No. 017000

**For and on behalf of the Board**  
**Vinod Goenka**  
 Chairman & Managing Director  
 DIN 00029033

**Mahesh Gandhi**  
 Director  
 DIN 00165638

**S A K Narayanan**  
 Company Secretary  
 Membership No A2424

**Shahid Balwa**  
 Vice Chairman & Managing Director  
 DIN 00016839

**N.M. Gattu**  
 Chief Financial Officer

Mumbai, Dated 27th May, 2016

Mumbai, Dated 27th May, 2016

# D B REALTY LIMITED

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## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

(Amount in ₹)

| Particulars                                                    | For the year ended<br>31st March, 2016 | For the year ended<br>31st March, 2015 |
|----------------------------------------------------------------|----------------------------------------|----------------------------------------|
| <b>A Cash flows from Operating Activities:</b>                 |                                        |                                        |
| Net Profit/(Loss) before taxation                              | (2,214,918)                            | (275,521,371)                          |
| <b>Adjustments for:</b>                                        |                                        |                                        |
| Depreciation                                                   | 51,314,579                             | 55,087,945                             |
| Prior period expenses (net)                                    | (3,057,934)                            | (4,318,432)                            |
| Interest and finance charges                                   | 480,951,296                            | 411,252,026                            |
| Profit on sale of long term investments                        | -                                      | (450,000)                              |
| Share of (Profit)/ loss in partnership firms (Net)             | 203,017,470                            | (10,779,848)                           |
| Loss on sale of fixed assets                                   | 1,039,358                              | 2,630,675                              |
| Sundry balances written off                                    | 431,038                                | 7,385,452                              |
| Project Expenses written off                                   | -                                      | 446,530                                |
| Sundry Creditors written back                                  | (10,873,124)                           | (337,547)                              |
| Excess Provision Written back                                  | (2,875,568)                            | (4,041,691)                            |
| Interest Income                                                | (96,331,996)                           | (143,586,895)                          |
| <b>Operating Profit/ (Loss) Before Working Capital Changes</b> | <b>621,400,201</b>                     | <b>37,766,844</b>                      |
| <b>Adjustments for :</b>                                       |                                        |                                        |
| (Increase)/decrease in trade receivables                       | (4,910,006)                            | -                                      |
| (Increase)/decrease in loans and advances                      | (133,700,013)                          | 919,575,442                            |
| (Increase)/decrease in inventories                             | (255,578,077)                          | (280,969,114)                          |
| (Increase)/decrease in other assets                            | (630,427)                              | -                                      |
| Increase/decrease in current liabilities                       | 11,040,132                             | 207,507,476                            |
| Increase/decrease in provisions                                | (3,887,128)                            | 37,300,525                             |
| <b>Net Cash generated from operations</b>                      | <b>233,734,682</b>                     | <b>921,181,174</b>                     |
| Direct taxes paid                                              | (18,956,353)                           | (37,510,862)                           |
| Exceptional items                                              | 75,000,000                             | (47,679,636)                           |
| <b>Net cash from Operating Activities</b>                      | <b>A</b>                               | <b>289,778,329</b>                     |
|                                                                |                                        | 835,990,675                            |
| <b>B Cash flows from Investing Activities:</b>                 |                                        |                                        |
| Purchase of fixed assets (including CWIP)                      | (81,272,567)                           | (51,570,817)                           |
| Proceeds from sale of fixed asset                              | 1,001,073                              | 4,630,823                              |
| Purchase of long term investments in                           |                                        |                                        |
| -subsidiaries                                                  | (18,934,000)                           | (560,000)                              |
| -joint ventures/associates/entities under joint control        | -                                      | (194,400,000)                          |
| -Others                                                        | (92,196,000)                           | -                                      |
| Redemption of investment in preference shares                  | 1,243,400,000                          | -                                      |
| Repayment of capital contribution by firm                      | 459,876,380                            | 1,867,622,487                          |
| Return of capital contribution by joint venture                | 814,366,112                            | -                                      |
| Loans and advances (given)/ received back to/ from             |                                        |                                        |
| - Subsidiaries                                                 | (3,867,556,400)                        | 237,684,416                            |
| - Associates                                                   | (1,430,000)                            | 94,000,000                             |
| - Other                                                        | 1,692,806,287                          | (1,238,292,773)                        |
| Sale of current investments- associate                         | -                                      | 465,000                                |
| Capital contribution to firms & LLPs                           | (712,259,110)                          | (996,609,293)                          |
| Investment in fixed deposit                                    | (16,922,837)                           | -                                      |
| Maturity proceeds of fixed deposit                             | 24,741,828                             | 2,125,506                              |
| Purchase of Investment property                                | (1,889,956)                            | -                                      |
| Interest received                                              | 7,907,592                              | 149,070,003                            |
| <b>Net cash (used in) Investing Activities</b>                 | <b>B</b>                               | <b>(548,361,598)</b>                   |
|                                                                |                                        | (125,834,648)                          |

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

(Amount in ₹)

| Particulars                                                                                                                                                                            | For the year ended<br>31st March, 2016     | For the year ended<br>31st March, 2015     |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|--------------------------------------------|
| <b>C Cash flows from Financing Activities:</b>                                                                                                                                         |                                            |                                            |
| Repayment of secured Loans                                                                                                                                                             | (741,381,845)                              | (176,844,837)                              |
| Proceeds from loans from subsidiary (Net)                                                                                                                                              | 643,500,000                                | 194,825,975                                |
| Repayment of loans to subsidiary (Net)                                                                                                                                                 | (246,638,215)                              | -                                          |
| Inter-corporate deposits repayments                                                                                                                                                    | (423,123,294)                              | (149,669,518)                              |
| Inter-corporate deposits proceeds                                                                                                                                                      | 509,644,002                                | 30,170,000                                 |
| Proceeds from secured loans                                                                                                                                                            | 979,579,239                                | 162,260,000                                |
| Repayment of unsecured loans                                                                                                                                                           | -                                          | (17,232)                                   |
| Interest paid on loans                                                                                                                                                                 | (457,451,180)                              | (462,517,888)                              |
| <b>Net cash from/(used in)/Financing Activities</b>                                                                                                                                    | <b>264,128,707</b>                         | <b>(401,793,500)</b>                       |
| <b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>                                                                                                                            | <b>5,545,438</b>                           | <b>(116,007,269)</b>                       |
| Add : Cash and Cash Equivalents at the beginning of the year                                                                                                                           | 1,201,436                                  | 117,208,705                                |
| Add : Cash and Cash Equivalents on account of Amalgamation                                                                                                                             | 37,692,412                                 | -                                          |
| <b>Cash and Cash Equivalents at the end of the year</b>                                                                                                                                | <b>44,439,286</b>                          | <b>1,201,436</b>                           |
| <b>Components of cash &amp; cash equivalents (Refer Note 19)</b>                                                                                                                       | <b>For the year ended 31st March, 2016</b> | <b>For the year ended 31st March, 2015</b> |
| Cash on Hand                                                                                                                                                                           | 363,108                                    | 56,789                                     |
| Balance with Banks                                                                                                                                                                     |                                            |                                            |
| In Current Accounts                                                                                                                                                                    | 44,076,178                                 | 1,144,647                                  |
| <b>Total</b>                                                                                                                                                                           | <b>44,439,286</b>                          | <b>1,201,436</b>                           |
| <b>Notes to Cash Flow:</b>                                                                                                                                                             |                                            |                                            |
| 1 Reconciliation of cash and cash equivalents :                                                                                                                                        |                                            |                                            |
| Cash and Bank Balance (as per Note 19)                                                                                                                                                 | 9,81,99,061                                | 1,89,16,359                                |
| Less: Fixed deposits more than 3 months                                                                                                                                                | 5,37,59,775                                | 1,77,14,923                                |
| <b>Cash and Cash Equivalents at the end of the year</b>                                                                                                                                | <b>4,44,39,286</b>                         | <b>12,01,436</b>                           |
| 2 The Cash flow statement has been prepared under the indirect method as set out in accounting standard (AS3) Cash Flow Statements as notified by the Companies (Accounts) Rules 2014. |                                            |                                            |
| 3 Corresponding figures of previous year have been regrouped wherever necessary.                                                                                                       |                                            |                                            |

The accompanying notes form an integral part of the financial statements.

As per our attached report of even date.

**For Haribhakti & Co. LLP**  
**Chartered Accountants**  
 ICAI Firm's Registration No. 103523W

**Chetan Desai**  
 Partner  
 Membership No. 017000

**For and on behalf of the Board**  
**Vinod Goenka**  
 Chairman & Managing Director  
 DIN 00029033

**Mahesh Gandhi**  
 Director  
 DIN 00165638

**S A K Narayanan**  
 Company Secretary  
 Membership No A2424

**Shahid Balwa**  
 Vice Chairman & Managing Director  
 DIN 00016839

**N.M. Gattu**  
 Chief Financial Officer

Mumbai, Dated 27th May, 2016

Mumbai, Dated 27th May, 2016

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016****1. COMPANY BACKGROUND:**

D B Realty Limited (the "Company") is public company domiciled in India. The Company was initially incorporated in 2007 as a Private Limited Company and thereafter listed with National Stock Exchange and Bombay Stock Exchange on February 24, 2010. The Company is a Real Estate Development Company that is focused on residential, commercial, retail and other projects, such as mass housing and cluster redevelopment. The Company is jointly promoted by Mr. Vinod K. Goenka and Mr. Shahid Balwa.

**2. SIGNIFICANT ACCOUNTING POLICIES:**

The Accounting policies adopted in preparation of financial statements are consistent with those of previous year.

**i. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on accrual basis, except for certain financial instruments which are measured at fair value. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

**ii. USE OF ESTIMATES**

The preparation of the financial statements is in conformity with the Indian GAAP requiring management to make judgments for estimates and assumptions that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known/materialize.

**iii. FIXED ASSETS****A. Tangible Assets:**

Fixed Assets are recorded at their cost of acquisition, net of modvat /cenvat, less accumulated depreciation and impairment losses, if any. The cost of an item of fixed asset comprises its purchase price, including import duties and other non refundable taxes or levies and any directly attributable cost for bringing the asset to its working condition for its intended use.

**B. Intangible Assets:**

Intangible Assets are recorded at their cost of acquisition, net of modvat/cenvat, less accumulated amortization/depletion.

**C. Capital Work-in-Progress:**

Expenses incurred for acquisition of capital assets outstanding at each balance sheet date are disclosed under capital work-in-progress. Advances given towards the acquisition of fixed assets are shown separately as capital advances under the head long term loans and advances.

**iv. DEPRECIATION/AMORTISATION****Tangible Assets:**

Depreciation on fixed assets is provided on Straight Line Method basis in accordance with the provisions of Schedule II to the Companies Act, 2013 including depreciation on new sales office, which is considered as temporary structure and has been amortized over a period of four years on a straight line basis.

**Intangible Assets:**

The cost relating to Intangible assets, which are capitalised and amortised on a straight line basis upto the period of three years, is based on their estimated useful life.

**v. IMPAIRMENT OF ASSET**

The carrying amount of asset is reviewed at each balance sheet date. An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. Recoverable value is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal. An impairment loss is charged for when an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

**vi. INVENTORIES**

Inventories comprise of: (i) Finished Realty Stock representing unsold premises in completed projects (ii) Realty Work-In-Progress representing properties under construction/development (iii) Raw Material representing inventory yet to be consumed and (iv) Transferable Development Rights.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Inventories are valued at lower of cost and net realizable value. Raw Materials are valued at weighted average method. Project work in progress cost includes costs incurred, as applicable, up to the completion of the project viz. cost of land/ development rights, materials, services, depreciation on assets used for project purposes and other expenses (including borrowing costs) attributable to the projects. Project and construction related work in progress includes any adjustment arising due to foreseeable losses.

Cost of Realty construction / development is charged to the Statement of Profit and Loss in proportion to the revenue recognized during the period and the balance cost is carried over under Inventory as part of either Realty Work in Progress or Finished Realty Stock. Cost of Realty construction / development includes all costs directly related to the Project (including finance cost attributable to the project) and other expenditure as identified by the Management which are incurred for the purpose of executing and securing the completion of the Project (net off incidental recoveries / receipts) up to the date of receipt of Occupation Certificate of Project from the relevant authorities.

### vii. REVENUE RECOGNITION

- (i) Revenue from sale of properties under construction is recognized on the basis of percentage of completion method subject to transfer of significant risk and rewards to the buyer, reliable estimation of the outcome of the real estate project and stage of completion of the project reaching at reasonable level of development i.e. at least 25% of total project cost should be incurred at reporting date.

When the outcome of a real estate project can be estimated reliably and the conditions stipulated below are satisfied, project revenue and project costs associated with the real estate project should be recognized as revenue and expenses respectively by reference to the stage of completion of the project activity at each reporting date. Stage of completion is arrived with reference to the entire project cost incurred versus total estimated project cost. Further, with regard to total estimated cost of each project is based upon the judgment of management and certified by Company's technical personnel.

The following specific recognition criteria must also be met before revenue is recognized:

- All critical approvals necessary for commencement of the project have been obtained.
- At least 25% of construction & development cost (excluding cost incurred in acquisition of land and its development rights and borrowing cost) is incurred.
- At least 25% of the saleable project area is secured by contracts or agreements with buyers.
- And at least 10 % of the total revenue as per the agreements of sale or any other legally enforceable documents are realized at the reporting date in respect of each of the contracts and it is reasonable to expect that the parties to such contracts will comply with the payment terms as defined in the contracts.

The estimates of saleable area and costs as revised periodically by the management are considered as change in estimate and accordingly, the effect of such changes to estimates is recognized in the period such changes are determined.

- (ii) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Interest on delayed payment from allottees is accounted for on accrual basis except in cases where ultimate collection is considered doubtful.

- (iii) Rent income is accounted on accrual basis

- (iv) Revenue from sale of development rights and TDR is recognized in the financial year in which the agreements of sale are executed and there exists no uncertainty in the ultimate collection of consideration from buyers.

- (v) Dividend income is recognized when the right to receive dividend is established.

### viii. INVESTMENTS

Investments are classified as non-current or current, based on management's intention at the time of purchase. Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as non-current investments. Trade investments are the investments made for or to enhance the Company's business interest. Current investments are stated at lower of cost and fair value determined on an individual investment basis. Non-current investments are stated at cost and provision for diminution in their value, other than temporary, is made in the financial statements. Profit/loss on sale of investments is computed with reference to the average cost of the investments. On disposal of an investment the difference between its carrying amount and net disposal proceeds is changed/credited to Statement of Profit and Loss.

### ix. EMPLOYEE BENEFITS

#### a) Defined Contribution Plan:

The Company's Contribution paid / payable for the year/period to a Defined Contribution Retirement Benefit plan is charged to Statement of Profit and Loss or Project WIP, if it is directly related to Project.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016****b) Defined Benefit Plan and other long term employee benefit:**

The Company's liabilities towards Defined Benefit Schemes viz. Gratuity benefits and other long term employee benefit viz. compensated absences are determined using the Projected Unit Credit Method. Actuarial valuations under the said Method are carried out at the Balance Sheet date. Actuarial gains and losses are recognised in the statement of Profit and Loss in the period of occurrence of such gains and losses. Past service cost is recognised immediately to the extent of benefits are vested, otherwise it is amortised on straight-line basis over the remaining average period until the benefits become vested.

**c) Short term employee benefits:**

Short term employee benefits are recognized as an expense at the undiscounted amount in Statement of Profit and Loss of the year in which the related service is rendered.

**x. OPERATING LEASE:**

Assets acquired on lease where significant portions of the risks and rewards incidental to ownership are retained by the lessor are classified as operating lease. Lease rentals are charged to Statement of Profit and Loss on accrual basis and on straight line basis over the lease tenure in case of long term non cancellable lease where the company is lessee.

Assets given under operating lease are included in Non Current Investments. Lease income is recognized in the Statement of Profit and Loss on straight line basis over the lease term, unless there is another systematic basis which is more representative of the time pattern of the lease.

**xi. FOREIGN CURRENCY TRANSACTIONS**

- (i) Foreign exchange transactions are recorded at the rate prevailing on the dates of the respective transaction. Exchange difference arising on foreign exchange transactions settled during the year is recognized in the Profit and Loss Account.
- (ii) Monetary assets and liabilities denominated in foreign currencies are converted at the closing rate as on Balance Sheet date. The resultant exchange difference is recognized in the Profit and Loss Account.
- (iii) Exchange rate differences arising on a monetary item that, in substance, forms part of the Company's net investment in a non-integral foreign operation are accumulated in a foreign currency translation reserve in the Company's financial statements until the disposal of the net investment.
- (iv) Non monetary assets and liabilities denominated in foreign currencies are carried at the exchange rate prevalent on the date of the transaction.

**xii. BORROWING COST**

Borrowing costs includes interest, amortization of ancillary cost incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are considered as a part of cost of such assets less interest earned on the temporary investment. A qualifying asset is one that necessarily takes substantial period of time to get ready for the intended use. All other borrowing costs are charged to the Statement of Profit and Loss in the year in which they are incurred.

**xiii. TAXES ON INCOME**

Tax expense comprises both current and deferred tax. Current tax is measured at the amount expected to be paid to/ recovered from the tax authorities in accordance with Income Tax Act 1961, using the applicable effective tax rates. Deferred tax assets and liabilities are recognised for future tax consequences attributable to timing differences between taxable income and accounting income that are capable of reversal in one or more subsequent periods and are measured using relevant enacted or substantively enacted effective tax rates as on the balance sheet date, to the extent the timing differences are expected to crystallise.

Deferred tax assets are reviewed for the appropriateness of their respective carrying values at each balance sheet date. The Company reassesses recognized deferred tax assets and liabilities and recognises unrecognised deferred tax assets, to the extent they become reasonably certain or virtually certain of realisation, as the case may be. The Company has disclosed net of deferred tax assets and liabilities.

Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as Current Tax. The company recognizes MAT credit available as an Asset only to the extent there is convincing evidence that the company will pay normal Income Tax during the specified period i.e. the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an Asset in accordance with the Guidance Note on Accounting for Credit Available in Respect of Minimum Alternate Tax under the Income Tax Act, 1961, the said Asset is created by way of credit to the Statement of Profit and Loss & shown as "MAT Credit Entitlement". The company reviews the "MAT Credit Entitlement" asset at each reporting date & writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the sufficient period.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

### xiv. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. A contingent liability is, a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of enterprise or a present obligation that arises from past events. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements. When there is a possible obligation in respect of which the likelihood of outflow of resource is remote, no provision or disclosure is made.

### xv. CASH FLOW STATEMENT

Cash Flow Statement is prepared under the 'Indirect Method' prescribed under 'Accounting Standard – 3 Cash Flow Statement' prescribed.

### xvi. EARNING PER SHARE

Basic Earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average numbers of equity shares outstanding during the period are adjusted for events including a bonus issue, bonus element in right issue to existing shareholders, share split, and reverse share split. (Consolidation of shares).

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. The period during which, number of dilutive potential equity shares change frequently, weighted average number of shares are computed based on a mean date in the quarter, as impact is immaterial on earning per share.

### xvii. CASH AND CASH EQUIVALENTS

Cash and cash equivalent for the purpose of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

### xviii. SEGMENT REPORTING

#### (a) Segment Revenue and Expense

Revenue and Expenses are identified to a segment on the basis of relationship to operating activities of the segment. Revenue and Expenses which relate to enterprises as a whole and are not allocable to a segment on a reasonable basis are disclosed as "Unallocable".

#### (b) Segment Assets and Liabilities

Segment assets and segment liabilities represent assets and liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis are disclosed as "Unallocable".

#### (c) Intersegment Transfers

Segment revenue, segment expenses and segment results include transfer between business segments, such transfers are eliminated in consolidation.

#### (d) Accounting Policies

The accounting policies consistently used in the preparation of the financial statements are also applied to item of revenue and expenditure in individual segments.

# D B REALTY LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

### 3 Share Capital

| Particulars                                                           | As at 31st March 2016 |                      | As at 31st March 2015 |                      |
|-----------------------------------------------------------------------|-----------------------|----------------------|-----------------------|----------------------|
|                                                                       | Number                | Amount in ₹          | Number                | Amount in ₹          |
| <b>Authorised</b>                                                     |                       |                      |                       |                      |
| Equity Shares of ₹ 10/- each                                          | 270,000,000           | 2,700,000,000        | 298,500,000           | 2,985,000,000        |
| 8% Redeemable Preference shares of ₹ 10/- each                        | 75,000,000            | 750,000,000          | 1,500,000             | 15,000,000           |
| <b>Total</b>                                                          |                       | <b>3,450,000,000</b> |                       | <b>3,000,000,000</b> |
| <b>Issued, Subscribed &amp; Fully Paid up</b>                         |                       |                      |                       |                      |
| Equity Shares of ₹ 10/- each                                          | 243,258,782           | 2,432,587,820        | 243,258,782           | 2,432,587,820        |
| 8% Redeemable Preference shares of ₹ 10/- each<br>(Refer Note No. 37) | 71,755,740            | 717,557,400          | -                     | -                    |
| <b>Total</b>                                                          | <b>315,014,522</b>    | <b>3,150,145,220</b> | <b>243,258,782</b>    | <b>2,432,587,820</b> |

#### 3.1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

##### Equity Shares:

| Particulars                                                    | As at 31st March 2016 |               | As at 31st March 2015 |               |
|----------------------------------------------------------------|-----------------------|---------------|-----------------------|---------------|
|                                                                | Number                | Amount in ₹   | Number                | Amount in ₹   |
| Shares outstanding at the beginning and at the end of the year | 243,258,782           | 2,432,587,820 | 243,258,782           | 2,432,587,820 |

##### 8% Redeemable Preference Shares:

| Particulars                                     | As at 31st March 2016 |             | As at 31st March 2015 |             |
|-------------------------------------------------|-----------------------|-------------|-----------------------|-------------|
|                                                 | Number                | Amount in ₹ | Number                | Amount in ₹ |
| Shares outstanding at the beginning of the year | -                     | -           | -                     | -           |
| Shares Issued / (bought back) during the year   | 71,755,740            | 717,557,400 | -                     | -           |
| Shares outstanding at the end of the year       | 71,755,740            | 717,557,400 | -                     | -           |

#### 3.2 Rights, preferences and restriction attached to

##### (a) Equity Shares

Equity shares have equal rights to dividend and voting rights pro rata their holdings. The Company has only one class of Equity Shares having a par value of ₹ 10/- per share.

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

##### (b) Preference Shares

The Non Cumulative Redeemable Preference Shares shall carry coupon rate of 8% per annum. The said shares shall be redeemed at par at the end of the five years from the date of allotment, 6th February, 2016. The company has option to redeem the Preference Shares at any time after the end of one year from the date of allotment at par with dividend.

#### 3.3 Details of shareholders holding more than 5% shares in the company

##### Equity Shares:

| Name of Shareholder              | As at 31st March 2016 |              | As at 31st March 2015 |              |
|----------------------------------|-----------------------|--------------|-----------------------|--------------|
|                                  | No. of Shares held    | % of Holding | No. of Shares held    | % of Holding |
| Neelkamal Tower Construction LLP | 102,389,871           | 42.09%       | 104,564,838           | 42.99%       |
| Walkinson Investment Limited     | 14,582,650            | 5.99%        | 14,582,650            | 5.99%        |
| Vinod Goenka*                    | 15,364,216            | 6.32%        | 15,364,216            | 6.32%        |

\*Out of the above shareholding 13,732,108 shares (5.64%) are jointly held by Vinod Goenka and Aseela Goenka.

##### Preference Shares:

| Name of the Shareholder         | As at 31st March 2016 |              | As at 31st March 2015 |              |
|---------------------------------|-----------------------|--------------|-----------------------|--------------|
|                                 | No. of Shares held    | % of Holding | No. of Shares held    | % of Holding |
| Konarc Realtech Private Limited | 71,750,000            | 99.99%       | -                     | -            |

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

### 3.4 Aggregate number of shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date

| Particulars                                                         | Year (Aggregate No. of Shares) |             |
|---------------------------------------------------------------------|--------------------------------|-------------|
|                                                                     | 31-03-16                       | 31-03-15    |
| Fully paid up by way of bonus shares (Equity shares of ₹ 10/- each) | -                              | 201,150,000 |
| Fully paid up Preference Shares issued pursuant to Merger           | 71,755,740                     | -           |

### 4 Reserves & Surplus

(Amount in ₹)

| Particulars                                                       | As at 31st March 2016 | As at 31st March 2015 |
|-------------------------------------------------------------------|-----------------------|-----------------------|
| <b>a. Capital Reserve on account of Merger (Refer Note No 37)</b> | <b>504,631,445</b>    | -                     |
| <b>b. Securities Premium Reserve</b>                              | <b>23,843,290,192</b> | 23,843,290,192        |
| <b>c. Surplus</b>                                                 |                       |                       |
| <b>Opening balance</b>                                            | <b>7,230,611,817</b>  | 7,474,988,134         |
| Adjustment due to Merger (Refer Note No 37)                       | 767,355,012           | -                     |
| Net Profit / (Loss) for the Current Year                          | 777,482               | (244,376,317)         |
| <b>Closing Balance</b>                                            | <b>7,998,744,310</b>  | 7,230,611,817         |
| <b>Total (a+b+c)</b>                                              | <b>32,346,665,948</b> | 31,073,902,009        |

### 5 Long Term Borrowings

(Amount in ₹)

| Particulars                                                                                                                                                                                                                                               | As at 31st March 2016 | As at 31st March 2015 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-----------------------|
| <b>I. Secured</b>                                                                                                                                                                                                                                         |                       |                       |
| <b>(a) Term Loans</b>                                                                                                                                                                                                                                     |                       |                       |
| <b>From Bank</b>                                                                                                                                                                                                                                          |                       |                       |
| ICICI Bank Limited                                                                                                                                                                                                                                        | 200,000,000           | 300,000,000           |
| (Refer Note 5.2 for terms of the said loan)                                                                                                                                                                                                               |                       |                       |
| (Default: Interest amount of ₹ 6,887,821/- from February 2016 has not been paid)                                                                                                                                                                          |                       |                       |
| <b>From Others</b>                                                                                                                                                                                                                                        |                       |                       |
| STCI Finance Ltd                                                                                                                                                                                                                                          | -                     | -                     |
| (Refer Note 5.3 for terms of the said loan)                                                                                                                                                                                                               |                       |                       |
| (Default: Interest of ₹ 8,102,543/- Principal of ₹ 61,165,488/- from February 2016 has not been paid. (Previous Year Default: Interest of ₹ 2,611,553/- for the month of March 2015 has not been paid.))                                                  |                       |                       |
| Reliance Capital Limited                                                                                                                                                                                                                                  | 897,500,000           | -                     |
| (Refer Note 5.4 for terms of the said loan)                                                                                                                                                                                                               |                       |                       |
| Indiabulls Housing Finance Limited                                                                                                                                                                                                                        | 52,764,591            | -                     |
| (Refer Note 5.5 for terms of the said loan)                                                                                                                                                                                                               |                       |                       |
| (Default: Interest of ₹ 2,095,969/- Principal of ₹ 8,649,907/- ) from March 2016 has not been paid)                                                                                                                                                       |                       |                       |
| LIC Housing Finance Limited                                                                                                                                                                                                                               | -                     | -                     |
| (Refer Note 5.6 for terms of the said loan)                                                                                                                                                                                                               |                       |                       |
| (Default: Interest of ₹ 11,645,034/- from December 2015 and Principal of ₹ 306,303,767/- from January 2016 has not been paid. (Previous Year Default: Interest of ₹ 10,893,206/- and Principal of ₹ 306,303,767/- from February 2015 has not been paid.)) |                       |                       |
| <b>(b) Vehicle Loans</b>                                                                                                                                                                                                                                  |                       |                       |
| Vehicle Loans from Banks                                                                                                                                                                                                                                  | 6,658,996             | 6,049,303             |
| (Refer Note 5.1 for terms of Vehicle loan)                                                                                                                                                                                                                |                       |                       |
| <b>Total</b>                                                                                                                                                                                                                                              | <b>1,156,923,587</b>  | 306,049,303           |

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016****5.1 Terms of Vehicle Loan**

Vehicle loans are secured by way of hypothecation of vehicles purchased.

| Particulars                   | No. of EMI's payable<br>from 31/03/2016 | No. of EMI's payable<br>from 31/03/2015 | EMI Amount<br>(In ₹) |
|-------------------------------|-----------------------------------------|-----------------------------------------|----------------------|
| Bank of India ( BMW )         | 46                                      | 58                                      | 156,586              |
| OBC (Skoda)                   | 51                                      | 0                                       | 60,520               |
| ICICI Bank(Indigo Manza-Aura) | 0                                       | 6                                       | 10,390               |
| ICICI Bank(Linea-Emotion)     | 0                                       | 6                                       | 15,625               |
| ICICI Bank(Toyota Camry)      | 0                                       | 8                                       | 47,400               |
| ICICI Bank(Toyota Altis)      | 0                                       | 6                                       | 22,980               |
| ICICI Bank(Tata Aria)         | 0                                       | 8                                       | 27,510               |

**5.2** The said loan was received for the purpose of financing the cost of constructions of the project DB Skypark, Sahar, Andheri - East a joint venture in which the Company is a venturer and carries floating interest rate of 14.5% p.a. linked to I-Base, payable monthly. The loan is repayable in 12 quarterly instalments commencing from April 1, 2016. The loan is secured by :-

1. Exclusive charge on the land situated at project of one of the subsidiary, DB Skypark, Sahar, Andheri East which is a property of co-venturer (Eversmile Construction Company Pvt Ltd) including all the structures thereon both present and future,
2. First pari-passu charge over Bacchuwadi property, Mumbai Central.
3. Corporate guarantee from YJ Realty & Aviation Pvt Ltd backed by first pari-passu charge over Dynamix Mall, Juhu.
4. Corporate guarantee from Milan Theatres Pvt Ltd.
5. Personal guarantee of one of the Managing Directors of the Company.

**5.3** The said loan was received for General Corporate Purpose. The loan is secured by pledge of 13,117,020 shares of the company which are held by Neelkamal Tower Construction LLP. The loan carries fixed interest rate of 9.75% p.a on monthly rest. The loan was repayable at the end of 36 months from the date of disbursement. The interest cost is payable on monthly basis. Redemption premium is payable at the end of the tenure so as to yield a normal IRR of 14.75% p.a. on monthly rest. (The said loan has been classified as current maturity of long term debt). Out of the outstanding amount, debt redemption premium of ₹ NIL (Previous Year ₹50,044,962/-) is payable at the end of the tenure.

**5.4** The said loan was received in the current year for general purpose loan and carries interest rate of 15% p.a. Loan is repayable in 24 Months with bullet repayment at the end of the loan tenure. Interest to be paid annually. The said loan is secured by :-

1. An exclusive charge on the project land of Orchid Golf View Park S.No. 191A/2A/1/2, Plot No.2 at yerwada, Pune. together with all buildings and structures thereon, both present and future.
2. An exclusive charge on the scheduled receivables under the documents entered into with customer by the Borrower, all such proceeds both present and future.
3. An exclusive charge over all rights, titles, interest claim, benefits, demands under the project documents both present and future.
4. An exclusive charge over escrow account, all monies credited / deposited, therein and all investments in respect thereof (in whatever form they may be).
5. An exclusive charge on TDR - transferable development rights till the same is loaded on the project.
6. Hypothecation of Future receivables from Sale of proposed residential development project 'Orchid Golf View Park S.No. 191A/2A/1/2, Plot No.2 at yerwada, Pune'.
7. Personal Guarantee of both Managing Directors.

**5.5** The said loan is repayable upto 36 months from the date of first disbursement i.e. 02.08.2014. The effective rate of interest for the year is 16. % p.a. Secured by Pledge /charges of shares of the Company worth minimum 2.00 times of the loan amount , as acceptable to the lender, to be pledged in a depository as suggested by lender. Further, Mr. Vinod Goenka has given personal guarantee for securing the repayment of loans and dues thereon. The said loan is also secured by 7,000,000 number of equity shares held by Ms. Sanjana Goenka in the Company.

**5.6** The said loan was received for the purpose of financing the costs of construction and other project implementation costs in its subsidiary companies and jointly controlled companies and carries floating interest rate of 13.5% p.a. linked to LHPLR, payable monthly. The loan was repayable in six structured quarterly installments ending on August, 2013 and the outstanding balance was due in August, 2013. The said loan has been restructured on November 23, 2013 and again on April 27, 2015. The loan tenure has been extended by 12 months and hence the outstanding balance is due on January 31, 2016 and will carry floating interest rate LHPLR Plus 75 bps (Currently 16.25% p.a.). The Loan is guaranteed by personal guarantees of Managing Directors of the Company and corporate guarantee of Esteem Properties Private Limited, a wholly owned subsidiary company, which has also mortgaged its land at Sahar, Andheri in this regard. (The said loan has been classified as Current Maturities of long term debt).

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

### 6 Other Long Term Liabilities

(Amount in ₹)

| Particulars                        | As at 31st March 2016 | As at 31st March 2015 |
|------------------------------------|-----------------------|-----------------------|
| <b>Others:</b>                     |                       |                       |
| Security Deposits for Leased Units | 932,250               | -                     |
| <b>Total</b>                       | <b>932,250</b>        | <b>-</b>              |

### 7 Long Term Provisions

(Amount in ₹)

| Particulars                                                | As at 31st March 2016 | As at 31st March 2015 |
|------------------------------------------------------------|-----------------------|-----------------------|
| <b>Provision for Employee Benefits (Refer Note No 7.1)</b> |                       |                       |
| Gratuity (unfunded)                                        | 16,861,079            | 15,079,068            |
| Leave Encashment (unfunded)                                | 15,019,092            | 13,317,906            |
| <b>Total</b>                                               | <b>31,880,171</b>     | <b>28,396,974</b>     |

7.1 During the year, some of the employees of the other group companies have been transferred to the Company. Gratuity and Leave Encashment liability related to these employees is transferred from the respective transferee companies to the Company.

### 8 Short Term Borrowings

(Amount in ₹)

| Particulars                                                                                                                                                                                                                                   | As at 31st March 2016 | As at 31st March 2015 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-----------------------|
| <b><u>Secured</u></b>                                                                                                                                                                                                                         |                       |                       |
| <b>Loan Repayable on Demand from Banks</b>                                                                                                                                                                                                    |                       |                       |
| Overdraft Facility from Oriental Bank of Commerce<br>(Refer note 8.1 for security)                                                                                                                                                            | 26,487,040            | -                     |
| <b>Other Loans &amp; Advances</b>                                                                                                                                                                                                             |                       |                       |
| Reliance Capital Limited<br>(Refer note 8.2 for terms of the said loan)<br>(Default: Interest of ₹ 2,10,09,375/- from January 2016 has not been paid. (Previous Year Default: Interest of ₹ 91,968,232/- since June 2014 has not been paid.)) | 675,000,000           | 610,000,000           |
| IL&FS Financial Services Ltd<br>(Refer note 8.3 for terms of the said loan)<br>(Default: Interest of ₹ 148,441/- from December 2015 has not been paid)                                                                                        | 331,585,304           | -                     |
| <b><u>Unsecured (Repayable on Demand)</u></b>                                                                                                                                                                                                 |                       |                       |
| <b>Deposits (from related party)</b>                                                                                                                                                                                                          |                       |                       |
| Inter-Corporate Deposit (Interest free)                                                                                                                                                                                                       | 444,099,226           | 357,578,518           |
| <b>Loans from Subsidiaries</b>                                                                                                                                                                                                                |                       |                       |
| Interest Free                                                                                                                                                                                                                                 | 643,500,000           | 243,088,710           |
| Interest Bearing (Within range of 15 to 15.25% p.a.)                                                                                                                                                                                          | 235,985,993           | 610,187,656           |
| <b>Loans from Others (Refer Note 8.4 for terms of said loan)</b>                                                                                                                                                                              | <b>30,000,000</b>     | <b>-</b>              |
| <b>Total</b>                                                                                                                                                                                                                                  | <b>2,386,657,563</b>  | <b>1,820,854,884</b>  |

8.1 Secured by lien on fixed deposit of ₹ 1,40,00,000/- placed by Neelkamal Realtors & Builders Private Limited with Oriental Bank of Commerce.

#### 8.2 Terms of Loan

The said loan was received as Loan against Residential Property and carries floating interest rate of 20% p.a subject to BPLR being constant. The tenure of the loan was of 12 months from the date of disbursement i.e. October 31, 2015. The loan amount was repayable at the end of the tenure of the loan and interest cost was payable on a monthly basis. The said loan has been restructured on October 31, 2015. It is revolving and reviewed every year and carries floating interest rate of 20.75% p.a subject to BPLR being constant. The loan is secured by registered mortgage of immovable property of pune land situated at S.No. 191/A/2A/1/2, Plot No. 2 & 3( Block A+C) at Yerwada, Pune. The said loan is secured by Personal Guarantee of both Managing Directors.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

**8.3** "The loan was repayable within 12 months from the date of first disbursement i.e. 21.11.2014. However, the said loan has been rolled over upto 21.05.2016. The rate of interest for the year is 15.% p.a. The said loan is secured by

- Pledge of fully paid up, de-materialised, unencumbered, freely transferable equity share of the Company, in favour of IFIN, equivalent to 2 times of outstanding principal amount.
- Pledge of 3,838,382 Shares of Marine Drive Hospitality & Realty Pvt. Ltd., constituting 15.53% of the paid up share capital of MDHRPL held by the Company.
- Mortgage and Hypothecation of two TDR Certificates of 85,287 square meters along with escrow of receivables emanating from sale of these TDR certificates held by Dynamix Realty on a pari passu basis for the term loan granted by IL&FS Financial Services Ltd to the Company.
- First ranking hypothecation and escrow receivables from 614 sold units and 10 unsold units in the project. Out of the said 10 units the Company has already 7 sold units to customers.
- Mortgage of and Hypothecation of receivables from approx 9000 square meters freehold land near Mumbai Central, owned by N.A. Estates Pvt. Ltd.
- Personal Guarantee of both Managing Directors.
- Pledge of 22,000,000 shares of the Company which are held by Neelkamal Tower Construction LLP."

**8.4** Interest Free and repayable on / before the expiry of 12 months from the date of disbursement.

### 9A Trade Payables

(Amount in ₹)

| Particulars                                      | As at 31 March 2016 | As at 31 March 2015 |
|--------------------------------------------------|---------------------|---------------------|
| <b>Trade Payables</b>                            |                     |                     |
| Dues outstanding of micro and small enterprises* | -                   | -                   |
| Others                                           | 278,142,765         | 125,866,269         |
| <b>Total</b>                                     | <b>278,142,765</b>  | <b>125,866,269</b>  |

\* The Company has sent confirmation to suppliers for their registration as MSME. However, the Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined based on the information available with the company and the required disclosures are given below

(Amount in ₹)

| Description                                                                                                                                                                                                                                          | As at 31 March 2016 | As at 31 March 2015 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|---------------------|
| a) Principal amount remaining unpaid as at year end                                                                                                                                                                                                  | -                   | -                   |
| b) Interest due thereon as at year end                                                                                                                                                                                                               | -                   | -                   |
| c) Interest paid by the Company in terms of section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year.                             | -                   | -                   |
| d) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006. | -                   | -                   |
| e) Interest accrued and remaining unpaid as at year end                                                                                                                                                                                              | -                   | -                   |
| f) Further Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.                                                                               | -                   | -                   |

**9b) Other Current Liabilities**
**(Amount in ₹)**

| Particulars                                                                                    | As at 31st March 2016 | As at 31st March 2015 |
|------------------------------------------------------------------------------------------------|-----------------------|-----------------------|
| <b>Other Current Liabilities</b>                                                               |                       |                       |
| Current maturities of long-term debt<br>(Refer Note No 5.1, 5.2, 5.3, & 5.6 for terms of loan) | <b>591,171,788</b>    | 818,567,207           |
| Interest accrued and due on borrowings (Refer Note No 5 & 8)                                   | <b>104,210,882</b>    | 166,587,186           |
| Interest accrued but not due on borrowings                                                     | <b>45,755,610</b>     | 6,163,586             |
| Amount refundable on cancellation of flats                                                     | <b>3,401,721</b>      | -                     |
| Advance received from customers                                                                | <b>12,101,727</b>     | 12,643,700            |
| Current Account balance with Partnership Firms & LLP's                                         | <b>1,560,423,255</b>  | 1,947,470,130         |
| <b>Other payables:</b>                                                                         |                       |                       |
| Duties & taxes                                                                                 | <b>39,776,333</b>     | 30,127,639            |
| Employee benefits payable                                                                      | <b>52,190,124</b>     | 38,708,311            |
| Payables for purchase of fixed assets                                                          | <b>6,609,207</b>      | 12,634,426            |
| Tenancy rights & Hardship Compensation payable                                                 | <b>76,425,300</b>     | 57,527,950            |
| Expenses payable #                                                                             | <b>128,264,620</b>    | 21,681,652            |
| Advance Received for Development Right                                                         | <b>74,750,000</b>     | -                     |
| Other payables ##                                                                              | <b>118,175,883</b>    | 66,259,909            |
| <b>Total</b>                                                                                   | <b>2,813,256,451</b>  | 3,178,371,697         |

# Mainly includes property tax of ₹ 83,968,289 out of which ₹ 70,374,767 pertains to prior period.

## Mainly includes compensation on account of land acquisition.

**10 Short Term Provisions**
**(Amount in ₹)**

| Particulars                                                               | As at 31 March 2016 | As at 31 March 2015 |
|---------------------------------------------------------------------------|---------------------|---------------------|
| <b>(a) Provision for employee benefits (Refer Note No. 7.1)</b>           |                     |                     |
| Gratuity (Unfunded)                                                       | <b>6,800,583</b>    | 6,897,733           |
| Leave Encashment (Unfunded)                                               | <b>7,496,427</b>    | 11,494,108          |
| <b>(b) Others</b>                                                         |                     |                     |
| Provision for Income Tax (Net of Advance Tax of ₹ 26,260,344/- (PY ₹NIL)) | <b>3,539,656</b>    | -                   |
| Provision for Wealth Tax                                                  | <b>1,967,961</b>    | 1,967,961           |
| <b>Total</b>                                                              | <b>19,804,627</b>   | 20,359,802          |

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

### 11 Fixed Assets

| Sr. No | Particulars                                   | Gross Block                                |                   |                  |                                        |                             |                               | Depreciation/Amortisation    |                                            |                                        |                    |                               | Net Block                     |  |
|--------|-----------------------------------------------|--------------------------------------------|-------------------|------------------|----------------------------------------|-----------------------------|-------------------------------|------------------------------|--------------------------------------------|----------------------------------------|--------------------|-------------------------------|-------------------------------|--|
|        |                                               | Balance as at 1st April 2015               | Additions         | (Disposals)      | Acquired through business combinations | Revaluations/ (Impairments) | Balance as at 31st March 2016 | Balance as at 1st April 2015 | Depreciation charged for the Year (Note.1) | Acquired through business combinations | (On disposals)     | Balance as at 31st March 2016 | Balance as at 31st March 2016 |  |
|        |                                               | ₹                                          | ₹                 | ₹                | ₹                                      | ₹                           | ₹                             | ₹                            | ₹                                          | ₹                                      | ₹                  | ₹                             | ₹                             |  |
| a      | <b>Tangible Assets</b>                        |                                            |                   |                  |                                        |                             |                               |                              |                                            |                                        |                    |                               |                               |  |
|        | Buildings-Flats (Note 2)                      | 11,015,400                                 | -                 | -                | -                                      | -                           | 11,015,400                    | 1,045,335                    | 173,923                                    | -                                      | -                  | 1,219,258                     | 9,796,142                     |  |
|        | Sales Office - Building                       | 31,812,134                                 | -                 | -                | -                                      | -                           | 31,812,134                    | 17,867,089                   | 7,065,194                                  | -                                      | -                  | 24,932,283                    | 6,879,851                     |  |
|        | Plant and Equipments -Air Conditioners        | 11,872,230                                 | 204,392           | 56,600           | -                                      | -                           | 12,020,022                    | 11,389,198                   | 384,642                                    | -                                      | (56,600)           | 11,717,240                    | 302,782                       |  |
|        | Furniture & Fixtures                          | 48,054,541                                 | 139,419           | 35,001           | 1,363,340                              | -                           | 49,522,299                    | 23,096,845                   | 6,215,546                                  | 816,530                                | (14,287)           | 30,114,634                    | 19,407,665                    |  |
|        | Vehicles                                      | 81,484,820                                 | 3,420,576         | 5,889,143        | -                                      | -                           | 79,016,253                    | 38,544,883                   | 10,428,487                                 | -                                      | (3,869,427)        | 45,103,943                    | 33,912,310                    |  |
|        | Office Equipments                             | 14,963,144                                 | 569,513           | -                | 2,594,287                              | -                           | 18,126,944                    | 12,123,693                   | 2,359,644                                  | 1,294,232                              | -                  | 15,777,569                    | 2,349,375                     |  |
| b      | Computers                                     | 12,252,778                                 | 562,836           | -                | 1,171,324                              | -                           | 13,986,938                    | 12,050,938                   | 269,652                                    | 992,519                                | -                  | 13,313,109                    | 673,829                       |  |
|        | Improvement on Leasehold Property             | 136,509,243                                | -                 | -                | -                                      | -                           | 136,509,243                   | 136,509,243                  | -                                          | -                                      | -                  | 136,509,243                   | -                             |  |
|        | <b>Total</b>                                  | <b>347,964,290</b>                         | <b>4,896,736</b>  | <b>5,980,744</b> | <b>5,128,951</b>                       | <b>-</b>                    | <b>352,009,233</b>            | <b>252,627,224</b>           | <b>26,897,087</b>                          | <b>3,103,281</b>                       | <b>(3,940,313)</b> | <b>278,687,279</b>            | <b>73,321,954</b>             |  |
|        | <b>Intangible Assets</b>                      |                                            |                   |                  |                                        |                             |                               |                              |                                            |                                        |                    |                               |                               |  |
|        | Computer software                             | 59,210,086                                 | 195,418           | -                | 843,040                                | -                           | 60,248,544                    | 33,478,905                   | 23,376,461                                 | 644,233                                | -                  | 57,499,598                    | 2,748,946                     |  |
|        | <b>Total</b>                                  | <b>59,210,086</b>                          | <b>195,418</b>    | <b>-</b>         | <b>843,040</b>                         | <b>-</b>                    | <b>60,248,544</b>             | <b>33,478,905</b>            | <b>23,376,461</b>                          | <b>644,233</b>                         | <b>-</b>           | <b>57,499,598</b>             | <b>2,748,946</b>              |  |
|        | <b>c</b>                                      | <b>Intangible assets under Development</b> |                   |                  |                                        |                             |                               |                              |                                            |                                        |                    |                               |                               |  |
|        | Computer Software                             | -                                          | 7,087,500         | -                | -                                      | -                           | 7,087,500                     | -                            | -                                          | -                                      | -                  | -                             | 7,087,500                     |  |
|        | Beautification-Bandra-Worli Sea Link (Note.3) | 210,990,518                                | 63,067,693        | -                | -                                      | (75,000,000)                | 199,058,211                   | -                            | -                                          | -                                      | -                  | -                             | 199,058,211                   |  |
|        | <b>Total</b>                                  | <b>210,990,518</b>                         | <b>70,155,193</b> | <b>-</b>         | <b>-</b>                               | <b>(75,000,000)</b>         | <b>206,145,711</b>            | <b>-</b>                     | <b>-</b>                                   | <b>-</b>                               | <b>-</b>           | <b>-</b>                      | <b>206,145,711</b>            |  |
|        | <b>Grand Total</b>                            | <b>618,164,894</b>                         | <b>75,247,347</b> | <b>5,980,744</b> | <b>5,971,991</b>                       | <b>(75,000,000)</b>         | <b>618,403,488</b>            | <b>286,106,129</b>           | <b>50,273,548</b>                          | <b>3,747,514</b>                       | <b>(3,940,313)</b> | <b>336,186,877</b>            | <b>282,216,611</b>            |  |

Notes:

- 11.1 During the year depreciation inventorised ₹ 6,27,432/- (Previous Year - ₹ 248,902)
- 11.2 The said flats are attached by Enforcement Directorate under Prevention of Money Laundering Act, 2002.
- 11.3 Out of the cost of beautification of Bandra Worli Sea Link, impairment loss of ₹75,000,000/- (Previous Year ₹Nil) has been charged during the year as an exceptional item to the Statement of Profit & Loss. The balance cost amounting to ₹ 199,058,211/- (Previous Year ₹210,990,518/-) has been treated as Intangible Asset under development. As per agreement with MSRDC, the Company has a right to commercial use of such area for defined purposes as per agreement for next 9 years. The management is of the opinion that the future revenue from this would be higher than the carrying value. The company is also in the process of entering into contracts with certain group of entities on account of advertisement rights for their projects.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

### 11.4 Details of Fixed Assets for Previous Year

| Sr. No | Particulars                                | Gross Block                  |                   |                     |                                        |                             | Depreciation/Amortization     |                              |                                   |                             |                                          | (Amount in ₹)       |                               |                    |
|--------|--------------------------------------------|------------------------------|-------------------|---------------------|----------------------------------------|-----------------------------|-------------------------------|------------------------------|-----------------------------------|-----------------------------|------------------------------------------|---------------------|-------------------------------|--------------------|
|        |                                            | Balance as at 1st April 2014 | Additions         | (Disposals)         | Acquired through business combinations | Revaluations/ (Impairments) | Balance as at 31st March 2015 | Balance as at 1st April 2014 | Depreciation charged for the Year | On account of method change | Depreciation where remaining life is NIL | (On disposals)      | Balance as at 31st March 2015 | Net Block          |
| a      | <b>Tangible Assets</b>                     |                              |                   |                     |                                        |                             |                               |                              |                                   |                             |                                          |                     |                               |                    |
|        | Buildings-Flats                            | 11,015,400                   | -                 | -                   | -                                      | -                           | 11,015,400                    | 2,351,856                    | 183,590                           | (1,490,111)                 | -                                        | -                   | 1,045,335                     | 9,970,065          |
|        | Sales Office - Building                    | 31,812,134                   | -                 | -                   | -                                      | -                           | 31,812,134                    | 9,941,292                    | 7,953,033                         | (27,236)                    | -                                        | -                   | 17,867,089                    | 13,945,045         |
|        | Plant and Equipments -Air Conditioners     | 11,872,230                   | -                 | -                   | -                                      | -                           | 11,872,230                    | 6,263,970                    | 3,844,195                         | (3,228,979)                 | 4,510,012                                | -                   | 11,389,198                    | 483,032            |
|        | Furniture & Fixtures                       | 48,030,241                   | 24,300            | -                   | -                                      | -                           | 48,054,541                    | 30,556,605                   | 6,621,015                         | (14,080,775)                | -                                        | -                   | 23,096,845                    | 24,957,696         |
|        | Vehicles                                   | 97,834,088                   | 9,575,106         | (25,924,374)        | -                                      | -                           | 81,484,820                    | 68,461,388                   | 13,007,319                        | (24,253,069)                | -                                        | (18,670,756)        | 38,544,883                    | 42,939,937         |
|        | Office Equipments                          | 14,912,644                   | 50,500            | -                   | -                                      | -                           | 14,963,144                    | 6,478,523.97                 | 6,862,960                         | (3,573,049)                 | 2,355,258                                | -                   | 12,123,694                    | 2,839,450          |
|        | Computers                                  | 12,129,879                   | 161,399           | (38,500)            | -                                      | -                           | 12,252,778                    | 10,164,433                   | 310,974                           | (1,320,998)                 | 2,927,150                                | (30,621)            | 12,050,938                    | 201,840            |
|        | Improvement on Leasehold Property          | 136,509,243                  | -                 | -                   | -                                      | -                           | 136,509,243                   | 136,509,243                  | -                                 | -                           | -                                        | -                   | 136,509,243                   | -                  |
|        | <b>Total</b>                               | <b>364,115,859</b>           | <b>9,811,305</b>  | <b>(25,962,874)</b> | <b>-</b>                               | <b>-</b>                    | <b>347,964,290</b>            | <b>270,727,312</b>           | <b>38,783,086</b>                 | <b>(47,974,217)</b>         | <b>9,792,420</b>                         | <b>(18,701,377)</b> | <b>252,627,225</b>            | <b>95,337,065</b>  |
| b      | <b>Intangible Assets</b>                   |                              |                   |                     |                                        |                             |                               |                              |                                   |                             |                                          |                     |                               |                    |
|        | Computer software                          | 59,210,086                   | -                 | -                   | -                                      | -                           | 59,210,086                    | 26,671,888                   | 6,512,436                         | 294,581                     | -                                        | -                   | 33,478,905                    | 25,731,181         |
|        | <b>Total</b>                               | <b>59,210,086</b>            | <b>-</b>          | <b>-</b>            | <b>-</b>                               | <b>-</b>                    | <b>59,210,086</b>             | <b>26,671,888</b>            | <b>6,512,436</b>                  | <b>294,581</b>              | <b>-</b>                                 | <b>-</b>            | <b>33,478,905</b>             | <b>25,731,181</b>  |
| c      | <b>Intangible assets under Development</b> |                              |                   |                     |                                        |                             |                               |                              |                                   |                             |                                          |                     |                               |                    |
|        | Beautification-Bandra-Worli Sea Link       | 191,419,611                  | 19,570,907        | -                   | -                                      | -                           | 210,990,518                   | -                            | -                                 | -                           | -                                        | -                   | -                             | 210,990,518        |
|        | <b>Total</b>                               | <b>191,419,611</b>           | <b>19,570,907</b> | <b>-</b>            | <b>-</b>                               | <b>-</b>                    | <b>210,990,518</b>            | <b>-</b>                     | <b>-</b>                          | <b>-</b>                    | <b>-</b>                                 | <b>-</b>            | <b>-</b>                      | <b>210,990,518</b> |
|        | <b>Grand Total</b>                         | <b>614,745,556</b>           | <b>29,382,212</b> | <b>(25,962,874)</b> | <b>-</b>                               | <b>-</b>                    | <b>618,164,894</b>            | <b>297,399,201</b>           | <b>45,295,522</b>                 | <b>(47,679,636)</b>         | <b>9,792,420</b>                         | <b>(18,701,377)</b> | <b>286,106,130</b>            | <b>332,058,764</b> |

Notes:

11.4.1 During the previous year, effective from April 1, 2014, the Company had changed its accounting policy for charging depreciation from Written down method ("WDV") to Straight line method ("SLM") in respect of all the fixed assets other than intangible assets and buildings, which are temporary structure in nature, which were already being depreciated under SLM. The Management believes that such changes better reflect the actual use of assets acquired. On account of this change in accounting policy, the Company had in previous period, reversed an amount of ₹47,679,636/- on account of excess depreciation charged for the period upto March 31, 2014 and adjusted the same in depreciation of ₹47,679,636/- (shown under Exceptional Items) in P&L account. As a result of this change, the net profit for the previous year was higher by ₹47,679,636/-. Due to such change, depreciation for the previous year was higher by ₹ 76,74,992/-.

11.4.2 In accordance with requirement of schedule II of the Companies Act, 2013, the Company had re-assessed the useful life of the fixed assets. Due to such change in estimations, an amount of ₹5,994,618/- had been charged to the financial results of the previous period representing the depreciation on the carrying value of assets as on April 1, 2014 on the basis of remaining useful life. Further, an amount of ₹ 9,792,423/- had been charged to the financial results of the previous period in respect of assets whose remaining life is NIL as at April 1, 2014.

# D B REALTY LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

### 12 Non Current Investments

|                                                             |                     | Amount In ₹         |  |
|-------------------------------------------------------------|---------------------|---------------------|--|
| Particulars                                                 | As at 31 March 2016 | As at 31 March 2015 |  |
| <b>A</b>                                                    |                     |                     |  |
| (a) Investment in Equity instruments                        | 5,549,308,618       | 5,567,967,373       |  |
| (b) Investments in Preference shares                        | 16,665,536,436      | 16,106,941,716      |  |
| (c) Investments in Debentures or bonds                      | 25,000,000          | 25,000,000          |  |
| (d) Investments in Partnership firms                        | 1,053,550,000       | 1,053,550,000       |  |
| (e) Other non-current investments                           | 342,058,261         | 544,485,532         |  |
| Total                                                       | 23,635,453,315      | 23,297,944,621      |  |
| Less : Provision for diminution in the value of Investments | -                   | -                   |  |
| Total                                                       | 23,635,453,315      | 23,297,944,621      |  |
| (f) Investment Properties                                   | 67,639,072          | -                   |  |
| Less : Accumulated Depreciation                             | 1,041,031           | -                   |  |
| <b>Net Investment in Properties</b>                         | <b>66,598,041</b>   | <b>-</b>            |  |
| Total Investment                                            | 23,702,051,356      | 23,297,944,621      |  |
|                                                             |                     | Amount In ₹         |  |
| Particulars                                                 | As at 31 March 2016 | As at 31 March 2015 |  |
| Aggregate amount of Quoted Investments                      | -                   | -                   |  |
| Aggregate amount of Unquoted Investments                    | 23,635,453,315      | 23,297,944,621      |  |

### B Details of Non-current Investments

| Sr. No. | Name of the Body Corporate                                                                   | Subsidiary/ Associate/ JV/ Controlled Entity/ Others | Trade/ Other than trade | Nominal Value per share | No. of Shares/ Units |                | Extent of Holding (%) |                | (Amount in ₹)  |                |
|---------|----------------------------------------------------------------------------------------------|------------------------------------------------------|-------------------------|-------------------------|----------------------|----------------|-----------------------|----------------|----------------|----------------|
|         |                                                                                              |                                                      |                         |                         | As at 31/03/16       | As at 31/03/15 | As at 31/03/16        | As at 31/03/15 | As at 31/03/16 | As at 31/03/15 |
| (a)     | Investment in Equity Instruments (At cost, fully paid & unquoted unless otherwise specified) |                                                      |                         |                         |                      |                |                       |                |                |                |
|         | Esteem Properties Private Limited                                                            | Subsidiary                                           | Trade                   | 100                     | 10,000               | 10,000         | 100.00                | 100.00         | 312,018,720    | 312,018,720    |
|         | Gokuldham Real Estate Development Company Private Limited (Refer Note No. 37)                | Subsidiary                                           | Trade                   | 100                     | -                    | 374,990        | -                     | 75.00          | -              | 37,592,755     |
|         | Goregaon Hotel & Realty Private Limited                                                      | Subsidiary                                           | Trade                   | 10                      | 10,000               | 10,000         | 100.00                | 100.00         | 100,000        | 100,000        |
|         | Neelkamal Realtors Suburban Private Limited (Refer Note 12.7)                                | Subsidiary                                           | Trade                   | 10                      | 435,600              | 435,600        | 66.00                 | 66.00          | 4,366,892      | 4,366,892      |
|         | Neelkamal Shantinagar Properties Private Limited                                             | Subsidiary                                           | Trade                   | 10                      | 16,000               | 16,000         | 100.00                | 100.00         | 160,401        | 160,401        |
|         | D B Man Realty Limited                                                                       | Subsidiary                                           | Trade                   | 10                      | 12,740,000           | 12,740,000     | 91.00                 | 91.00          | 71,960,000     | 71,960,000     |
|         | Real Gem Buildtech Private Limited                                                           | Subsidiary                                           | Trade                   | 10                      | 10,000               | 10,000         | 100.00                | 100.00         | 1,500,085,000  | 1,500,085,000  |
|         | Saifee Bucket Factory Private Limited                                                        | Subsidiary                                           | Trade                   | 1,000                   | 248                  | 248            | 100.00                | 100.00         | 70,174,999     | 70,174,999     |
|         | Priya Constructions Private Limited                                                          | Subsidiary                                           | Trade                   | 10                      | 10,000               | 10,000         | 100.00                | 100.00         | 100,000        | 100,000        |
|         | N.A. Estate Private Limited                                                                  | Subsidiary                                           | Trade                   | 100                     | 1,000                | 1,000          | 100.00                | 100.00         | 100,000        | 100,000        |
|         | Royal Netra Constructions Private Limited                                                    | Subsidiary                                           | Trade                   | 100                     | 75,600               | 75,600         | 50.40                 | 50.40          | 7,560,000      | 7,560,000      |
|         | Nine Paradise Erectors Private Limited                                                       | Subsidiary                                           | Trade                   | 10                      | 10,000               | 10,000         | 100.00                | 100.00         | 100,000        | 100,000        |
|         | MIG (Bandra) Realtor & Builder Private Limited (Refer Note 12.6)                             | Subsidiary                                           | Trade                   | 10                      | 199,390              | 10,000         | 100.00                | 100.00         | 68,488,000     | 49,554,000     |
|         | Spacecon Realty Private Limited( formerly known as DB Spacecon Private Limited)              | Subsidiary                                           | Trade                   | 10                      | 10,000               | 10,000         | 74.00                 | 74.00          | 100,000        | 100,000        |
|         | Vanita Infrastructure Private Limited                                                        | Subsidiary                                           | Trade                   | 10                      | 10,000               | 10,000         | 100.00                | 100.00         | 100,000        | 100,000        |
|         | DB Contractors & Builders Private Limited                                                    | Subsidiary                                           | Trade                   | 10                      | 10,000               | 10,000         | 100.00                | 100.00         | 100,000        | 100,000        |
|         | DB View Infracon Private Limited                                                             | Subsidiary                                           | Trade                   | 10                      | 10,000               | 10,000         | 100.00                | 100.00         | 100,000        | 100,000        |
|         | Neelkamal Realtors Tower Private Limited (Refer Note 12.1a & 12.1b)                          | Associate                                            | Trade                   | 10                      | 1,125,153            | 1,125,153      | 42.81                 | 42.81          | 657,405,778    | 657,405,778    |
|         | Sangam City Town Ship Private Limited                                                        | Associate                                            | Trade                   | 10                      | 8,000                | 8,000          | 26.67                 | 26.67          | 80,000         | 80,000         |
|         | D B Hi-Sky Construction Private Limited                                                      | Associate                                            | Trade                   | 10                      | 5,000                | 5,000          | 50.00                 | 50.00          | 50,000         | 50,000         |
|         | Mahal Pictures Private Limited                                                               | Associate                                            | Trade                   | 10                      | 3,600                | 3,600          | 33.33                 | 33.33          | 892,225,001    | 892,225,001    |

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

| Sr. No.                                                                                                     | Name of the Body Corporate                                                                                                         | Subsidiary/ Associate/ JV/ Controlled Entity/ Others | Trade/ Other than trade | Nominal Value per share | No. of Shares/ Units |                | Extent of Holding (%) |                | (Amount in ₹)         |                       |
|-------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------|-------------------------|-------------------------|----------------------|----------------|-----------------------|----------------|-----------------------|-----------------------|
|                                                                                                             |                                                                                                                                    |                                                      |                         |                         | As at 31/03/16       | As at 31/03/15 | As at 31/03/16        | As at 31/03/15 | As at 31/03/16        | As at 31/03/15        |
|                                                                                                             | Shiva Realtors Suburban Private Limited                                                                                            | Associate                                            | Trade                   | 10                      | 6,750                | 6,750          | 33.75                 | 33.75          | 64,800,000            | 64,800,000            |
|                                                                                                             | Shiva Buildcon Private Limited                                                                                                     | Associate                                            | Trade                   | 10                      | 6,750                | 6,750          | 33.75                 | 33.75          | 64,800,000            | 64,800,000            |
|                                                                                                             | Shiva Multitrade Private Limited                                                                                                   | Associate                                            | Trade                   | 10                      | 6,750                | 6,750          | 33.75                 | 33.75          | 64,800,000            | 64,800,000            |
|                                                                                                             | DB (BKC) Realtors Private Limited (Refer Note 12.3)                                                                                | Joint Venture                                        | Trade                   | 10                      | 187,015              | 187,015        | 40.80                 | 40.80          | 986,503,899           | 986,503,899           |
|                                                                                                             | Marine Drive Hospitality & Realty Private Limited (Refer note 12.2))                                                               | Others                                               | Other than trade        | 10                      | 3,838,382            | 3,838,382      | 15.53                 | 15.53          | 783,029,928           | 783,029,928           |
|                                                                                                             | <b>Total (a)</b>                                                                                                                   |                                                      |                         |                         |                      |                |                       |                | <b>5,549,308,618</b>  | <b>5,567,967,373</b>  |
| <b>(b) Investments in Preference Shares (At cost, fully paid &amp; unquoted unless otherwise specified)</b> |                                                                                                                                    |                                                      |                         |                         |                      |                |                       |                |                       |                       |
|                                                                                                             | Neelkamal Realtors Suburban Private Limited (10.50% Redeemable Cumulative Preference Shares) (Refer Note 30 (iv))                  | Subsidiary                                           | Trade                   | 100                     | 1,050,000            | 1,050,000      | 100.00                | 100.00         | 105,262,502           | 105,262,502           |
|                                                                                                             | Neelkamal Realtors Tower Private Limited (0.002% Redeemable Optionally Convertible Cumulative Preference Shares) (Refer Note 12.3) | Associate                                            | Trade                   | 10                      | 660,918              | 660,918        | 100.00                | 100.00         | 109,609,005           | 109,609,005           |
|                                                                                                             | DB (BKC) Realtors Private Limited (Refer Note 3)                                                                                   |                                                      | Trade                   |                         |                      |                |                       |                |                       |                       |
|                                                                                                             | i) 0.001% Redeemable Optionally Convertible Cumulative Preference Shares                                                           | Joint Venture                                        | Trade                   | 10                      | 304,518              | 304,518        | 66.44                 | 66.44          | 991,626,849           | 991,626,849           |
|                                                                                                             | ii) 0.001% Compulsory Convertible Cumulative Preference Shares                                                                     | Joint Venture                                        | Trade                   | 10                      | 70,652               | 70,652         | 13.30                 | 13.30          | 488,482,556           | 488,482,556           |
|                                                                                                             | Real Gem Buildtech Private Limited                                                                                                 |                                                      |                         |                         |                      |                |                       |                |                       |                       |
|                                                                                                             | (0.01% Redeemable Cumulative Preference Shares)                                                                                    | Subsidiary                                           | Trade                   | 10                      | 13,500,000           | 13,500,000     | 100.00                | 100.00         | 135,000,000           | 135,000,000           |
|                                                                                                             | Marine Drive Hospitality & Realty Private Limited (Refer Note 12.4 & 12.5)                                                         | Others                                               |                         |                         |                      |                |                       |                |                       |                       |
|                                                                                                             | i) Series C- 0.002% Redeemable Optionally Convertible Cumulative Preference Shares                                                 | Others                                               | Other than trade        | 10                      | 217,630              | 217,630        | 100.00                | 100.00         | 4,439,646,084         | 4,439,646,084         |
|                                                                                                             | ii) Series A- 0.002% Redeemable Optionally Convertible Cumulative Preference Shares                                                | Others                                               | Other than trade        | 10                      | 2,470,600            | 2,470,600      | 22.27                 | 22.27          | 504,002,400           | 504,002,400           |
|                                                                                                             | iii) 0.002% Compulsory Convertible Cumulative Preference Shares                                                                    | Others                                               | Other than trade        | 10                      | 92,600               | 92,600         | 11.12                 | 11.12          | 1,889,056,320         | 1,889,056,320         |
|                                                                                                             | iv) Cumulative Redeemable Convertible Preference Shares                                                                            | Others                                               | Other than trade        | 10                      | 74,443               | 74,443         | 100.00                | 100.00         | 7,444,256,000         | 7,444,256,000         |
|                                                                                                             | Konarc Realtech Private Limited (0.01% Redeemable Optionally Convertible Preference Shares)                                        | Others                                               | Other than trade        | 10                      | 1,163,739            | -              | 100.00                | -              | 558,594,720           | -                     |
|                                                                                                             | <b>Total (b)</b>                                                                                                                   |                                                      |                         |                         |                      |                |                       |                | <b>16,665,536,436</b> | <b>16,106,941,716</b> |
| <b>(c) Investments in Debentures (At cost, fully paid &amp; unquoted unless otherwise specified)</b>        |                                                                                                                                    |                                                      |                         |                         |                      |                |                       |                |                       |                       |
|                                                                                                             | N.A. Estate Private Limited (Interest free fully and compulsory convertible unsecured debentures)                                  | Subsidiary                                           | Trade                   | 100                     | 70,000               | 70,000         | 100.00                | 100.00         | 25,000,000            | 25,000,000            |
|                                                                                                             | <b>Total (c)</b>                                                                                                                   |                                                      |                         |                         |                      |                |                       |                | <b>25,000,000</b>     | <b>25,000,000</b>     |
| <b>(d) Investments in partnership firms (Refer Note 12.8)</b>                                               |                                                                                                                                    |                                                      |                         |                         |                      |                |                       |                |                       |                       |
|                                                                                                             | M/s Dynamix Realty (Project II)                                                                                                    | Joint Venture                                        | Trade                   | N.A.                    | N.A.                 | N.A.           | 50.00                 | 50.00          | 250,000               | 250,000               |

# D B REALTY LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

| Sr. No.    | Name of the Body Corporate                                                   | Subsidiary/ Associate/ JV/ Controlled Entity/ Others | Trade/ Other than trade | Nominal Value per share | No. of Shares/ Units |                | Extent of Holding (%) |                | (Amount in ₹)         |                       |
|------------|------------------------------------------------------------------------------|------------------------------------------------------|-------------------------|-------------------------|----------------------|----------------|-----------------------|----------------|-----------------------|-----------------------|
|            |                                                                              |                                                      |                         |                         | As at 31/03/16       | As at 31/03/15 | As at 31/03/16        | As at 31/03/15 | As at 31/03/16        | As at 31/03/15        |
|            | M/s DBS Realty                                                               | Joint Venture                                        | Trade                   | N.A.                    | N.A.                 | N.A.           | 33.33                 | 33.33          | 3,300,000             | 3,300,000             |
|            | Mira Real Estate Developers                                                  | Subsidiary                                           | Trade                   | N.A.                    | N.A.                 | N.A.           | 99.00                 | 99.00          | 1,050,000,000         | 1,050,000,000         |
|            | <b>Total (d)</b>                                                             |                                                      |                         |                         |                      |                |                       |                | <b>1,053,550,000</b>  | <b>1,053,550,000</b>  |
| <b>(e)</b> | <b>Other non-current investments (Refer Note 12.9)</b>                       |                                                      |                         |                         |                      |                |                       |                |                       |                       |
|            | Conwood - DB Joint Venture (AOP)                                             | Subsidiary                                           | Trade                   | N.A.                    | N.A.                 | N.A.           | 90.00                 | 90.00          | 5,910,000             | 197,509,732           |
|            | ECC - DB Joint Venture (AOP)                                                 | Subsidiary                                           | Trade                   | N.A.                    | N.A.                 | N.A.           | 75.00                 | 75.00          | 309,373,620           | 319,950,000           |
|            | Turf Estate Joint Venture (AOP)                                              | Subsidiary                                           | Trade                   | N.A.                    | N.A.                 | N.A.           | 66.67                 | 66.67          | 2,500,000             | 2,500,000             |
|            | Lokhandwala Dynamix-Balwas JV                                                | Joint Venture                                        | Trade                   | N.A.                    | N.A.                 | N.A.           | 50.00                 | 50.00          | 24,165,841            | 24,117,000            |
|            | DB Realty and Shreepati Infrastructures Limited Liability Partnership        | Joint Venture                                        | Trade                   | N.A.                    | N.A.                 | N.A.           | 60.00                 | 60.00          | 58,800                | 58,800                |
|            | Ahmednagar Warehousing Developers & Builders Limited Liability Partnership * | Joint Venture                                        | Trade                   | N.A.                    | N.A.                 | N.A.           | -                     | 50.00          | -                     | 50,000                |
|            | Aurangabad Warehousing Developers & Builders Limited Liability Partnership * | Joint Venture                                        | Trade                   | N.A.                    | N.A.                 | N.A.           | -                     | 50.00          | -                     | 50,000                |
|            | Daund Warehousing Developers & Builders Limited Liability Partnership *      | Joint Venture                                        | Trade                   | N.A.                    | N.A.                 | N.A.           | -                     | 50.00          | -                     | 50,000                |
|            | Latur Warehousing Developers & Builders Limited Liability Partnership *      | Joint Venture                                        | Trade                   | N.A.                    | N.A.                 | N.A.           | -                     | 50.00          | -                     | 50,000                |
|            | Saswad Warehousing Developers & Builders Limited Liability Partnership *     | Joint Venture                                        | Trade                   | N.A.                    | N.A.                 | N.A.           | -                     | 50.00          | -                     | 50,000                |
|            | Solapur Warehousing Developers & Builders Limited Liability Partnership *    | Joint Venture                                        | Trade                   | N.A.                    | N.A.                 | N.A.           | -                     | 50.00          | -                     | 50,000                |
|            | Lokhandwala DB Realty LLP(Fixed Capital)                                     | Joint Venture                                        | Trade                   | N.A.                    | N.A.                 | N.A.           | 5.00                  | 5.00           | 50,000                | 50,000                |
|            | <b>Total (e)</b>                                                             |                                                      |                         |                         |                      |                |                       |                | <b>342,058,261</b>    | <b>544,485,532</b>    |
|            | <b>Total(a+b+c+d+e)</b>                                                      |                                                      |                         |                         |                      |                |                       |                | <b>23,635,453,315</b> | <b>23,297,944,621</b> |

### Notes:

- 12.1a The Company has pledged its investment of 986,613 (PY 986,613) Class A equity shares of Neelkamal Realtors Tower Private Limited, it's associate company, in favour of Yes Bank which provided term loan of ₹ 3,500,000,000/- to the said associate.
- 12.1b The same has been considered as a subsidiary for the purpose of Companies Act, 2013 and for the purpose of consolidation.
- 12.2 The Company has pledged its investment of 3,838,382 equity shares of Marine Drive Hospitality & Realty Private Limited. in favour of IL & FS Financials Services Ltd which provided term loan of ₹ 950,000,000/- (PY ₹350,000,000/-) to the Company.
- 12.3 The Company has pledged 88.79% of its investment in equity & 54.53% of its investment in ROCCPS of DB (BKC) Realtors Private Limited joint venture, in favour of banks which sanctioned term loans of ₹ 750,000,000/- (PY ₹750,000,000/-) to the said joint venture.
- 12.4 There is no return on investments in preference shares of Marine Drive Hospitality & Realty Private Limited("DBH") during the year. Further, even though there is huge investment in these Preference Shares, there is no control or significant influence on DBH. In view of the management, investments in this entity is considered strategic and long term in nature and the market value and future prospects of these investment are significantly in excess of Company's investment in DBH.
- 12.5 During the previous year, 2,470,000 shares Series A 0.002% ROCCPS of Marine Drive Hospitality & Realty Private Limited which are held by the Company have been handed over to Enforcement Directorate (ED) under PMLA case. (Refer Note No 43)
- 12.6 The Company has pledged its investment of 199,390 equity shares of MIG (Bandra) Realtors and Builders Private Limited, in favour of Yes Bank Ltd which provided term loan of ₹ 6,000,000,000/- (Previous Year ₹Nil) to the said Subsidiary Company. (Refer Note 30(iii))
- 12.7 The Company has pledged its investment of 435,600 equity shares of Neelkamal Realtors Suburban Private Limited, in favour of Edelweiss Housing Finance Ltd which provided term loan of ₹ 440,000,000/- (Previous Year ₹Nil) and in favour of ECL Finance Ltd which provided term loan of ₹ 260,000,000/- (Previous Year ₹Nil) to the said Subsidiary Company. (Refer Note 30(iv) & (v))

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

### 12.8 Details of Investment in Partnership Firms

#### (i) M/s Dynamix Realty

| Name of the Partners           | As at 31st March 2016 |                | As at 31st March 2015 |                |
|--------------------------------|-----------------------|----------------|-----------------------|----------------|
|                                | Share of each Partner | Total Capital  | Share of each Partner | Total Capital  |
|                                | (%)                   | Amount in ₹    | (%)                   | Amount in ₹    |
| DB Realty Ltd                  | 50.00                 | 250,000        | 50.00                 | 250,000        |
| Eversmile Construction Company | 50.00                 | 125,000        | 50.00                 | 125,000        |
| <b>Total Capital</b>           | <b>100.00</b>         | <b>375,000</b> | <b>100.00</b>         | <b>375,000</b> |

\*DB Realty Ltd. is only a partner in Project II of Dynamix Realty

#### (ii) M/s DBS Realty

| Name of the Partners    | As at 31st March 2016 |                  | As at 31st March 2015 |                  |
|-------------------------|-----------------------|------------------|-----------------------|------------------|
|                         | Share of each Partner | Total Capital    | Share of each Partner | Total Capital    |
|                         | (%)                   | Amount in ₹      | (%)                   | Amount in ₹      |
| DB Realty Ltd.          | 33.33                 | 3,300,000        | 33.33                 | 3,300,000        |
| Bharat Shah             | 8.33                  | 825,000          | 8.33                  | 825,000          |
| Manakchand Loonkar      | 8.33                  | 825,000          | 8.33                  | 825,000          |
| Real Street Developers  | 16.67                 | 1,650,000        | 16.67                 | 1,650,000        |
| Vision Finstock Limited | 16.67                 | 1,650,000        | 16.67                 | 1,650,000        |
| Ramesh Shah             | 16.67                 | 1,650,000        | 16.67                 | 1,650,000        |
| <b>Total Capital</b>    | <b>100.00</b>         | <b>9,900,000</b> | <b>100.00</b>         | <b>9,900,000</b> |

#### (iii) M/s Mira Real Estate Developers

| Name of the Partners      | Share of each Partner | Total Capital        | Share of each Partner | Total Capital        |
|---------------------------|-----------------------|----------------------|-----------------------|----------------------|
|                           | (%)                   | Amount in ₹          | (%)                   | Amount in ₹          |
| DB Realty Ltd             | 99.00                 | 1,050,000,000        | 99.00                 | 1,050,000,000        |
| DB View Infracon Pvt Ltd. | 1.00                  | -                    | 1.00                  | -                    |
| <b>Total Capital</b>      | <b>100.00</b>         | <b>1,050,000,000</b> | <b>100.00</b>         | <b>1,050,000,000</b> |

### 12.9 Details of Investment in Limited Liability Partnership (Included in Other Non Current Investments)

#### (i) DB Realty and Shreepati Infrastructures Limited Liability Partnership

| Name of the Partners                   | 31st March 2016       |                | 31st March 2015       |                |
|----------------------------------------|-----------------------|----------------|-----------------------|----------------|
|                                        | Share of each Partner | Total Capital  | Share of each Partner | Total Capital  |
|                                        | (%)                   | Amount in ₹    | (%)                   | Amount in ₹    |
| DB Realty Ltd                          | 58.80                 | 58,800         | 58.80                 | 58,800         |
| Nine Paradise Erectors Private Limited | 0.60                  | 600            | 0.60                  | 600            |
| DB View Infracon Private Limited       | 0.60                  | 600            | 0.60                  | 600            |
| Shreepati Infra Realty Limited         | 20.00                 | 20,000         | 20.00                 | 20,000         |
| Mr. Rajendra R Chaturvedi              | 10.00                 | 10,000         | 10.00                 | 10,000         |
| Mr. Tapas R Chaturvedi                 | 10.00                 | 10,000         | 10.00                 | 10,000         |
| <b>Total Capital</b>                   | <b>100.00</b>         | <b>100,000</b> | <b>100.00</b>         | <b>100,000</b> |

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016****(ii) Ahmednagar Warehousing Developers & Builders LLP**

| Name of the Partners                | 31st March 2016       |               | 31st March 2015       |               |
|-------------------------------------|-----------------------|---------------|-----------------------|---------------|
|                                     | Share of each Partner | Total Capital | Share of each Partner | Total Capital |
|                                     | (%)                   | Amount in ₹   | (%)                   | Amount in ₹   |
| DB Realty Ltd.                      | -                     | -             | 50.00                 | 50,000        |
| Nihar Constructions Private Limited | -                     | -             | 50.00                 | 50,000        |
| <b>Total Capital</b>                | -                     | -             | 100.00                | 100,000       |

**(iii) Aurangabad Warehousing Developers & Builders Limited Liability Partnership \***

| Name of the Partners                | 31st March 2016       |               | 31st March 2015       |               |
|-------------------------------------|-----------------------|---------------|-----------------------|---------------|
|                                     | Share of each Partner | Total Capital | Share of each Partner | Total Capital |
|                                     | (%)                   | Amount in ₹   | (%)                   | Amount in ₹   |
| DB Realty Ltd.                      | -                     | -             | 50.00                 | 50,000        |
| Nihar Constructions Private Limited | -                     | -             | 50.00                 | 50,000        |
| <b>Total Capital</b>                | -                     | -             | 100.00                | 100,000       |

**(iv) Daund Warehousing Developers & Builders Limited Liability Partnership \***

| Name of the Partners                | 31st March 2016       |               | 31st March 2015       |               |
|-------------------------------------|-----------------------|---------------|-----------------------|---------------|
|                                     | Share of each Partner | Total Capital | Share of each Partner | Total Capital |
|                                     | (%)                   | Amount in ₹   | (%)                   | Amount in ₹   |
| DB Realty Ltd                       | -                     | -             | 50.00                 | 50,000        |
| Nihar Constructions Private Limited | -                     | -             | 50.00                 | 50,000        |
| <b>Total Capital</b>                | -                     | -             | 100.00                | 100,000       |

**(v) Latur Warehousing Developers & Builders Limited Liability Partnership \***

| Name of the Partners                | 31st March 2015       |               | 31st March 2014       |               |
|-------------------------------------|-----------------------|---------------|-----------------------|---------------|
|                                     | Share of each Partner | Total Capital | Share of each Partner | Total Capital |
|                                     | (%)                   | Amount in ₹   | (%)                   | Amount in ₹   |
| DB Realty Ltd                       | -                     | -             | 50.00                 | 50,000        |
| Nihar Constructions Private Limited | -                     | -             | 50.00                 | 50,000        |
| <b>Total Capital</b>                | -                     | -             | 100.00                | 100,000       |

**(vi) Saswad Warehousing Developers & Builders Limited Liability Partnership \***

| Name of the Partners                | 31st March 2016       |               | 31st March 2015       |               |
|-------------------------------------|-----------------------|---------------|-----------------------|---------------|
|                                     | Share of each Partner | Total Capital | Share of each Partner | Total Capital |
|                                     | (%)                   | Amount in ₹   | (%)                   | Amount in ₹   |
| DB Realty Ltd                       | -                     | -             | 50.00                 | 50,000        |
| Nihar Constructions Private Limited | -                     | -             | 50.00                 | 50,000        |
| <b>Total Capital</b>                | -                     | -             | 100.00                | 100,000       |

**(vii) Solapur Warehousing Developers & Builders Limited Liability Partnership \***

| Name of the Partners                | 31st March 2016       |               | 31st March 2015       |               |
|-------------------------------------|-----------------------|---------------|-----------------------|---------------|
|                                     | Share of each Partner | Total Capital | Share of each Partner | Total Capital |
|                                     | (%)                   | Amount in ₹   | (%)                   | Amount in ₹   |
| DB Realty Ltd                       | -                     | -             | 50.00                 | 50,000        |
| Nihar Constructions Private Limited | -                     | -             | 50.00                 | 50,000        |
| <b>Total Capital</b>                | -                     | -             | 100.00                | 100,000       |

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

### (viii) Lokhandwala DB Realty LLP \*

| Name of the Partners                       | 31st March 2016       |                  | 31st March 2015       |                  |
|--------------------------------------------|-----------------------|------------------|-----------------------|------------------|
|                                            | Share of each Partner | Total Capital    | Share of each Partner | Total Capital    |
|                                            | (%)                   | Amount in ₹      | (%)                   | Amount in ₹      |
| Lokhandwala Infrastructure Private Limited | 5.00                  | 50,000           | 5.00                  | 50,000           |
| Viceroy Builders Private Limited           | 45.00                 | 450,000          | 45.00                 | 450,000          |
| DB Realty Limited                          | 5.00                  | 50,000           | 5.00                  | 50,000           |
| DB Contractors & Builders Private Limited  | 45.00                 | 450,000          | 45.00                 | 450,000          |
| <b>Total Capital</b>                       | <b>100.00</b>         | <b>1,000,000</b> | <b>50.00</b>          | <b>1,000,000</b> |

\* The company has ceased to be co-partner in these LLP's from July 1, 2015, since these LLP's have not carried on any business activities.

### 13 Deferred Tax

In accordance with Accounting Standard 22 "Accounting for Taxes on Income" issued by Institute of Chartered Accountants of India, the company has accounted for Deferred Tax during the year.

#### (i) The components of deferred tax assets to the extent recognised as on March 31, 2016 are as follows : (Amount in ₹)

| Particulars                                         | As at 31st March, 2016 | As at 31st March, 2015 |
|-----------------------------------------------------|------------------------|------------------------|
| <b>Deferred Tax Assets</b>                          |                        |                        |
| - Disallowances u/s 43B of the Income Tax Act, 1961 | 20,562,684             | 18,400,024             |
| - Related to depreciation                           | 23,586,181             | 13,858,039             |
| - Unabsorbed depreciation                           | 24,538,883             | 31,194,647             |
| <b>Total Deferred Tax Assets</b>                    | <b>68,687,748</b>      | <b>63,452,710</b>      |

#### (ii) The components of deferred tax assets to the extent unrecognised as on March 31, 2016 are as follows : (Amount in ₹)

| Particulars                      | As at 31st March, 2016 | As at 31st March, 2015 |
|----------------------------------|------------------------|------------------------|
| - Carried Forward Business Loss  | 297,000,158            | 358,696,396            |
| - Unabsorbed Depreciation        | -                      | -                      |
| <b>Total Deferred Tax Assets</b> | <b>297,000,158</b>     | <b>358,696,396</b>     |

#### (iii) Movement during the year (Amount in ₹)

| Particulars                                       | As at 31st March, 2016 | As at 31st March, 2015 |
|---------------------------------------------------|------------------------|------------------------|
| - Opening Balance                                 | 63,452,710             | 26,644,224             |
| - Adjustment due to Merger                        | 1,313,411              | -                      |
| - Closing Balance                                 | 68,687,748             | 63,452,710             |
| Charged/ (Credited) to Statement of Profit & Loss | (3,921,627)            | (36,808,486)           |

### 14 Long Term Loans and Advances (Amount in ₹)

| Particulars                                                                                    | As at 31st March, 2016 | As at 31st March 2015 |
|------------------------------------------------------------------------------------------------|------------------------|-----------------------|
| <b>a. Capital Advances (Unsecured, considered good)</b>                                        | <b>15,000,000</b>      | <b>15,000,000</b>     |
| <b>b. Security Deposits (Refer Note 14.1 &amp; 14.2) (Unsecured, considered good)</b>          |                        |                       |
| <b>Security Deposits</b>                                                                       |                        |                       |
| Related Parties                                                                                | 3,554,930,241          | 3,479,430,241         |
| Others                                                                                         | 291,776,107            | 405,237,592           |
| <b>c. Loans and advances to related parties (Refer Note 14.1) (Unsecured, considered good)</b> |                        |                       |
| Project Advances to Associates                                                                 | 689,375,000            | 687,945,000           |
| Others                                                                                         | -                      | 1,222,167,630         |
| <b>d. Other loans and advances (Unsecured, considered good)</b>                                |                        |                       |
| Advance Payment of Taxes (Net of provision for tax of ₹ 22,345,000 (PY ₹ 22,345,000))          | 60,788,404             | 60,785,951            |
| MAT Credit Entitlement (Refer Note No 38)                                                      | 35,800,000             | 6,000,000             |
| Advance against Share Purchase                                                                 | 400,000,000            | 400,000,000           |
| Other Loans & Advances                                                                         | 576,617,052            | 427,224,925           |
| <b>Total</b>                                                                                   | <b>5,624,286,803</b>   | <b>6,703,791,339</b>  |

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

### 14.1 Loans and advances due by directors or other officers of the Company or any of them either severally or jointly with any other persons or amounts due by Firms or Private Companies respectively in which any director is a partner or a director or a member

| (Amount in ₹)                                                                  |                       |                       |
|--------------------------------------------------------------------------------|-----------------------|-----------------------|
| Particulars                                                                    | As at 31st March 2016 | As at 31st March 2015 |
| Private Company and Firms in which director is a member or director or partner | 3,134,953,841         | 3,175,500,000         |
| <b>Total</b>                                                                   | <b>3,134,953,841</b>  | <b>3,175,500,000</b>  |

### 14.2 Security deposits includes ₹ 3,575,515,954 (PY ₹3,687,785,713) given to the various parties for acquisition of development rights. The Company or land owner is in process of obtaining necessary approvals with regard to the said properties and the said properties are having current market value significantly in excess of their carrying values and are expected to achieve adequate profitability on substantial completion of these projects.

### 15 Other Non-Current Assets

| (Amount in ₹)                                                 |                       |                       |
|---------------------------------------------------------------|-----------------------|-----------------------|
| Particulars                                                   | As at 31st March 2016 | As at 31st March 2015 |
| Margin money deposits (Having Maturity more than 12 Months) * | -                     | 31,128,693            |
| Interest accrued but not due                                  | -                     | 1,900,951             |
| <b>Total</b>                                                  | <b>-</b>              | <b>33,029,644</b>     |

\* Kept as security for guarantees / other facilities with banks.

### 16 Current Investments (Trade, Unquoted)

| (Amount in ₹)                                               |                       |                       |
|-------------------------------------------------------------|-----------------------|-----------------------|
| Particulars                                                 | As at 31st March 2016 | As at 31st March 2015 |
| (a) Investments in Partnership firms                        | 8,280,198             | 345,994,281           |
| (b) Other Current Investments                               | 849,994,993           | 1,462,315,252         |
| <b>Total</b>                                                | <b>858,275,191</b>    | <b>1,808,309,533</b>  |
| Less : Provision for diminution in the value of Investments | -                     | -                     |
| <b>Total</b>                                                | <b>858,275,191</b>    | <b>1,808,309,533</b>  |

#### Details of Current Investments

| Sr. No. | Name of the Body Corporate                          | Subsidiary / Associate / JV/ Controlled Entity / Others | Amount in ₹            |                        |
|---------|-----------------------------------------------------|---------------------------------------------------------|------------------------|------------------------|
|         |                                                     |                                                         | As at 31st March, 2016 | As at 31st March, 2015 |
| (a)     | <b>Investments in partnership firms</b>             |                                                         |                        |                        |
|         | Mira Real Estate Developers                         | Subsidiary                                              | 8,280,198              | 345,994,281            |
|         | <b>Total (a)</b>                                    |                                                         | <b>8,280,198</b>       | <b>345,994,281</b>     |
| (b)     | <b>Other Current Investments</b>                    |                                                         |                        |                        |
|         | Turf Estate Joint Venture (AOP)                     | Subsidiary                                              | 779,303,588            | 1,391,493,588          |
|         | DB Realty and Shreepati Infrastructures LLP         | Joint Venture                                           | 64,404,994             | 64,110,079             |
|         | Ahmednagar Warehousing Developers. & Builders LLP * | Joint Venture                                           | -                      | 118,440                |
|         | Aurangabad Warehousing Developers & Builders LLP *  | Joint Venture                                           | -                      | 23,456                 |
|         | Lokhandwala DB Realty LLP                           | Joint Venture                                           | 6,286,411              | 6,292,073              |
|         | Latur Warehousing Developers & Builders LLP *       | Joint Venture                                           | -                      | 103,551                |
|         | Saswad Warehousing Deveopers & Builders LLP *       | Joint Venture                                           | -                      | 70,240                 |
|         | Solapur Warehousing Developers & Builders LLP *     | Joint Venture                                           | -                      | 103,825                |
|         | <b>Total (b)</b>                                    |                                                         | <b>849,994,993</b>     | <b>1,462,315,252</b>   |
|         | <b>Total ( a + b )</b>                              |                                                         | <b>858,275,191</b>     | <b>1,808,309,533</b>   |

\* The Company has ceased to be co-partner in these LLP's from July 1, 2015, since these LLP's have not carried on any business activities.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

### 17 Inventories (Valued at cost or net realisable value whichever is lower).

| (Amount in ₹)                     |                          |                          |
|-----------------------------------|--------------------------|--------------------------|
| Particulars                       | As at<br>31st March 2016 | As at<br>31st March 2015 |
| a. Project Work in Progress       | 2,786,245,906            | 2,543,129,919            |
| b. Raw Material                   | 4,646,068                | -                        |
| c. Transferable Development Right | 271,968,606              | -                        |
| d. Finished Goods                 | 76,118,350               | -                        |
| <b>Total</b>                      | <b>3,138,978,930</b>     | <b>2,543,129,919</b>     |

(i) All projects are under initial stage of development & expected to have net realizable value greater than the cost.

(ii) Refer Note 5.4,8.2,8.3,30(vi,xi,xii,xiv,xvi) for securities given of projects by the company.

(iii) Refer Note 36(a) and 36(b) for projects under litigation.

### 18 Trade Receivables

| (Amount in ₹)                                                                               |                          |                          |
|---------------------------------------------------------------------------------------------|--------------------------|--------------------------|
| Particulars                                                                                 | As at<br>31st March 2016 | As at<br>31st March 2015 |
| <b>Outstanding for a period exceeding six months from the date they are due for payment</b> |                          |                          |
| Unsecured, considered good                                                                  | -                        | -                        |
| <b>Others</b>                                                                               |                          |                          |
| Unsecured, considered good                                                                  | 454,117,527              | -                        |
| <b>Total</b>                                                                                | <b>454,117,527</b>       | <b>-</b>                 |

### 19 Cash and Bank Balances

| (Amount in ₹)                              |                          |                          |
|--------------------------------------------|--------------------------|--------------------------|
| Particulars                                | As at<br>31st March 2016 | As at<br>31st March 2015 |
| <b>Cash and Cash Equivalents</b>           |                          |                          |
| a. Balances with banks in current accounts | 44,076,178               | 1,144,647                |
| b. Cash on hand                            | 363,108                  | 56,789                   |
| <b>Other Bank Balances</b>                 |                          |                          |
| <b>Fixed Deposit *</b>                     | <b>53,759,775</b>        | <b>17,714,923</b>        |
| <b>Total</b>                               | <b>98,199,061</b>        | <b>18,916,359</b>        |

\* Having maturity more than 3 months but less than 12 months kept, as security for guarantees / other facilities with banks.

### 20. Short-term loans and advances

| Particulars                                                  | As at<br>31st March 2016 | As at<br>31st March 2015 |
|--------------------------------------------------------------|--------------------------|--------------------------|
| <b>a. Loans and advances to related parties</b>              |                          |                          |
| <b>Unsecured, considered good (Refer Note 20.1 and 20.3)</b> |                          |                          |
| Loans to Subsidiaries                                        | 6,546,691,995            | 2,679,135,595            |
| Loans to Others                                              | 456,957,524              | 927,086,050              |
| Mobilisation Advance                                         | 113,777,662              | 113,159,717              |
| <b>Total (A)</b>                                             | <b>7,117,427,181</b>     | <b>3,719,381,362</b>     |
| <b>b. Others</b>                                             |                          |                          |
| <b>Unsecured, considered good</b>                            |                          |                          |
| Service Tax Receivable                                       | -                        | 455,163                  |
| Security Deposits                                            | 162,750                  | -                        |
| Prepaid Expenses                                             | 1,919,145                | -                        |
| Other Loans and Advances (Refer Note 20.2)                   | 525,535,500              | 353,420,112              |

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

| Particulars                                               | As at<br>31st March 2016 | As at<br>31st March 2015 |
|-----------------------------------------------------------|--------------------------|--------------------------|
| <b>Unsecured, considered doubtful</b>                     |                          |                          |
| Other Loans and Advances                                  | 10,000,000               | 10,000,000               |
| Less: Provision for Doubtful Security Deposits & Advances | (10,000,000)             | (10,000,000)             |
| <b>Total (B)</b>                                          | <b>527,617,395</b>       | <b>353,875,275</b>       |
| <b>Total (A+B)</b>                                        | <b>7,645,044,576</b>     | <b>4,073,256,637</b>     |

**20.1** Loans and Project advances due by directors or other officers of the company or any of them either severally or jointly with any other persons or amounts due by firms or private companies respectively in which any director is a partner or a director or a member.

| Particulars                                                                    | As at<br>31st March 2016 | (Amount in ₹)<br>As at<br>31st March 2015 |
|--------------------------------------------------------------------------------|--------------------------|-------------------------------------------|
| Directors and Other Officers                                                   | 48,462                   | -                                         |
| Private Company and Firms in which director is a member or director or partner | 368,197,547              | 113,159,717                               |
| <b>Total</b>                                                                   | <b>368,246,009</b>       | <b>113,159,717</b>                        |

**20.2** During the financial year 2013-2014, the Directorate of Enforcement has taken physical possession of bank balance of ₹ 6,892,967, against which the Company had written a letter to convert the amount so recovered into Fixed Deposits, till date Directorate of Enforcement has not entertained this request. In view of the same, the said balance is shown as part of other loans and advances. (Refer Note 43)

**20.3** Refer Notes 33,34,35 & 39 for loans to related parties

**21 Other Current Assets**

| Particulars                   | As at<br>31st March 2016 | (Amount in ₹)<br>As at<br>31st March 2015 |
|-------------------------------|--------------------------|-------------------------------------------|
| Interest Accrued but not due* | 1,224,104                | 1,196,233                                 |
| Interest Accrued and due      | 300,889,361              | 111,302,999                               |
| Other Receivable              | 10,437,314               | -                                         |
| <b>Total</b>                  | <b>312,550,779</b>       | <b>112,499,232</b>                        |

\* Kept as securities for guarantees / other facilities with banks.

**22 Revenue from Operation**

| Particulars                            | For the year ended<br>31st March 2016 | (Amount in ₹)<br>For the year ended<br>31st March 2015 |
|----------------------------------------|---------------------------------------|--------------------------------------------------------|
| Sale of Flats                          | 727,182,027                           | -                                                      |
| Sale of Transferable Development Right | 706,216,421                           | -                                                      |
| Sale of Development Right              | 287,500,000                           | -                                                      |
| Other Operating Income                 | 49,452,077                            | -                                                      |
| <b>Total</b>                           | <b>1,770,350,525</b>                  | <b>-</b>                                               |

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

### 23 Other Income

| (Amount in ₹)                                                                                |                                       |                                       |
|----------------------------------------------------------------------------------------------|---------------------------------------|---------------------------------------|
| Particulars                                                                                  | For the year ended<br>31st March 2016 | For the year ended<br>31st March 2015 |
| Interest Income                                                                              | 96,331,996                            | 143,586,895                           |
| Net gain on sale of long term investments                                                    | -                                     | 450,000                               |
| Project Management Income                                                                    | -                                     | 195,000,000                           |
| Share of Profit / (Loss) from Investment in Partnership Firms & LLP (Net)<br>(Refer Note 31) | (203,017,470)                         | 10,779,848                            |
| Excess Provision written back                                                                | -                                     | 4,041,691                             |
| Miscellaneous Income*                                                                        | 13,792,935                            | 5,961,392                             |
| <b>Total</b>                                                                                 | <b>(92,892,539)</b>                   | <b>359,819,826</b>                    |

\* Mainly includes Sundry Balance Written Back

### 24 Project Expenses

| (Amount in ₹)                                   |                                       |                                       |
|-------------------------------------------------|---------------------------------------|---------------------------------------|
| Particulars                                     | For the year ended<br>31st March 2016 | For the year ended<br>31st March 2015 |
| Direct Cost of Construction                     | 243,013,322                           | -                                     |
| Land acquisition and purchase of tenancy rights | 31,500,000                            | 35,521,125                            |
| Hardship Compensation                           | 75,969,106                            | 176,664,473                           |
| Project Salaries, Wages and Bonus               | 37,837,161                            | 27,462,264                            |
| Depreciation (Refer Note 11.1)                  | 627,432                               | 248,902                               |
| Other construction expenses #                   | 110,777,939                           | 41,072,351                            |
| <b>Total</b>                                    | <b>499,724,960</b>                    | <b>280,969,115</b>                    |

#### # Other Construction Expenses

| (Amount in ₹)                                 |                                       |                                       |
|-----------------------------------------------|---------------------------------------|---------------------------------------|
| Particulars                                   | For the year ended<br>31st March 2016 | For the year ended 31st<br>March 2015 |
| Construction and Site Development Expenses    | 3,958,388                             | 5,656,881                             |
| Rates & Taxes                                 | 76,048,778                            | 12,895,050                            |
| Rent                                          | 3,659,910                             | 4,177,022                             |
| Advertisement & Publicity                     | -                                     | 482,617                               |
| Finance Cost                                  | 702,002                               | -                                     |
| Legal and Professional Fees                   | 2,959,000                             | 4,053,640                             |
| Electricity Expenses                          | 596,070                               | 411,606                               |
| Security Charges                              | 2,407,406                             | 2,704,741                             |
| Repairs & Maintainance                        | 412,739                               | 1,834,400                             |
| Printing and Stationery and Telephone Charges | 4,025,730                             | 3,114,568                             |
| Travelling and Conveyance Expenses            | 3,990,372                             | 3,750,465                             |
| Insurance Expenses                            | 1,151,321                             | 886,524                               |
| Miscellaneous Expenses                        | 10,866,223                            | 1,104,838                             |
| <b>Total</b>                                  | <b>110,777,939</b>                    | <b>41,072,351</b>                     |

All the materials consumed in the course of construction are indigenous

### 25 Purchase of Stock in Trade

| (Amount in ₹)                               |                                       |                                       |
|---------------------------------------------|---------------------------------------|---------------------------------------|
| Particulars                                 | For the year ended<br>31st March 2016 | For the year ended<br>31st March 2015 |
| Purchase of Transferable Development Rights | 569,969,946                           | -                                     |
| <b>Total</b>                                | <b>569,969,946</b>                    | <b>-</b>                              |

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

**26. Changes in Inventories of Project Work in Progress, Raw Material, Stock in Trade and Finished Goods (Amount in ₹)**

| Particulars                                                          | For the year ended<br>31st March 2016 | For the year ended<br>31st March 2015 |
|----------------------------------------------------------------------|---------------------------------------|---------------------------------------|
| <b>(a) Project Work in Progress</b>                                  |                                       |                                       |
| Opening                                                              | 2,543,129,919                         | 2,262,607,335                         |
| Add/(Less): Movement during the year                                 | -                                     | (446,531)                             |
| Add: Adjustment on account of Merger                                 | 319,618,583                           | -                                     |
| Add/(Less): Transferred from Raw Material                            | (16,066,283)                          | -                                     |
| Closing                                                              | (2,786,245,906)                       | (2,543,129,919)                       |
| <b>(Increase) / Decrease in Project Work in Progress (a)</b>         | <b>60,436,313</b>                     | <b>(280,969,115)</b>                  |
| <b>(b) Transferrable Development Rights</b>                          |                                       |                                       |
| Opening                                                              | -                                     | -                                     |
| Closing                                                              | 271,968,606                           | -                                     |
| <b>(Increase) / Decrease in Transferrable Development Rights (b)</b> | <b>(271,968,606)</b>                  | <b>-</b>                              |
| <b>(c) Raw Material At Site:</b>                                     |                                       |                                       |
| Opening                                                              | -                                     | -                                     |
| Add: Adjustment on account of Merger                                 | 20,712,351                            | -                                     |
| Closing                                                              | (4,646,068)                           | -                                     |
| <b>(Increase) / Decrease in Raw Material At Site (c)</b>             | <b>16,066,283</b>                     | <b>-</b>                              |
| <b>(d) Finished Goods:</b>                                           |                                       |                                       |
| Opening                                                              | -                                     | -                                     |
| Closing                                                              | (76,118,350)                          | -                                     |
| <b>(Increase) / Decrease in Finished Goods (d)</b>                   | <b>(76,118,350)</b>                   | <b>-</b>                              |
| <b>Total Changes in Inventories (a+b+c+d)</b>                        | <b>(271,584,360)</b>                  | <b>(280,969,115)</b>                  |

**27 Employee Benefit Expense (Amount in ₹)**

| Particulars                               | For the year ended<br>31st March 2016 | For the year ended<br>31st March 2015 |
|-------------------------------------------|---------------------------------------|---------------------------------------|
| Salaries and wages                        | 151,787,857                           | 107,597,199                           |
| Contribution to Provident and other funds | 2,400,198                             | 1,105,966                             |
| Staff welfare expenses                    | 4,353,023                             | 3,883,108                             |
| <b>Total</b>                              | <b>158,541,078</b>                    | <b>112,586,273</b>                    |

**28 Finance Cost (Amount in ₹)**

| Particulars           | For the year ended<br>31st March 2016 | For the year ended<br>31st March 2015 |
|-----------------------|---------------------------------------|---------------------------------------|
| Interest expense      | 447,037,118                           | 377,801,549                           |
| Other borrowing costs | 33,914,178                            | 33,450,477                            |
| <b>Total</b>          | <b>480,951,296</b>                    | <b>411,252,026</b>                    |

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

### 29 Other Expenses

(Amount in ₹)

| Particulars                                                              | For the year ended<br>31st March 2016 | For the year ended<br>31st March 2015 |
|--------------------------------------------------------------------------|---------------------------------------|---------------------------------------|
| Rent (Refer Note 44)                                                     | 25,388,598                            | 15,232,374                            |
| Repairs and Maintenance - others                                         | 1,600,107                             | 2,082,806                             |
| Legal and Professional Charges (Refer Note 41 for Auditors Remuneration) | 31,525,012                            | 26,952,368                            |
| Donations (Refer Note 53 for CSR Expenditure)                            | 1,262,500                             | 100,000                               |
| Advertisement and Publicity                                              | 3,529,093                             | 32,953,492                            |
| Business Promotion Expenses                                              | 4,959,991                             | 1,124,530                             |
| Subscription & Membership Fees                                           | 2,365,393                             | 2,104,112                             |
| Directors Sitting Fees                                                   | 1,360,000                             | 980,000                               |
| Printing and Stationery and Telephone Charges                            | 1,541,148                             | 1,034,071                             |
| Travelling and Conveyance Expenses                                       | 1,676,159                             | 3,105,097                             |
| House Keeping Expenses                                                   | 1,944,616                             | 254,866                               |
| Electricity Expenses                                                     | 2,145,226                             | 1,032,820                             |
| Insurance                                                                | 383,774                               | 283,164                               |
| Security Charges                                                         | 5,750,249                             | 3,187,647                             |
| Sundry Debit Balance Written Off                                         | 431,038                               | 7,385,452                             |
| Project Expenses written off                                             | -                                     | 446,530                               |
| Commission & Brokerage                                                   | 11,615,870                            | -                                     |
| Loss on sale of Fixed Assets                                             | 1,039,358                             | 2,630,675                             |
| Foreign Exchange Loss                                                    | 848,803                               | -                                     |
| General Expenses                                                         | 308,256                               | 351,620                               |
| Miscellaneous Expenses                                                   | 6,188,891                             | 3,101,867                             |
| Compensation on Cancellation of Flats                                    | 10,518,756                            | -                                     |
| <b>Total</b>                                                             | <b>116,382,837</b>                    | <b>104,343,491</b>                    |

### 30. Contingent and commitments:

(Amount in ₹)

| Particulars                                                                                                                                            | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|---------------------------|
| <b>Contingent Liabilities:</b>                                                                                                                         |                           |                           |
| <b>A. Claims against the company not acknowledged as debt</b>                                                                                          |                           |                           |
| Appeal Filed in respect of disputed demand of income tax for Assessment Year 2012-13                                                                   | 27,548,990                | -                         |
| Appeal Filed in respect of disputed demand of income tax for Assessment Year 2013-14                                                                   | 21,752,440                | -                         |
| <b>B. Guarantees and Securities provided to banks and financial institutions (in India and overseas) against credit facilities extended to:</b>        |                           |                           |
| <b>a) Subsidiaries</b>                                                                                                                                 |                           |                           |
| Real Gem Buildtech Private Limited. (Guarantee Given)(Refer note 30 (i)) (Loan outstanding ₹ 3,783,026,705/-) as on March 31, 2016.                    | 4,500,000,000             | 3,000,000,000             |
| Real gem Buildtech Private Limited (Guarantee Given) (Refer Note 30 (ii) (Loan outstanding is ₹ 8,172,135/- as on March 31, 2016.                      | 15,400,000                | -                         |
| MIG(Bandra) Realtors & Builders Private Limited<br>(Guarantee & Security Given ) (Refer note 30 (iii))                                                 | 6,000,000,000             | -                         |
| Neelkamal Realtors Suburban Private Limited ((Guarantee & Security Given)(Refer note 30 (iv) (Loan Outstanding is ₹ 76,410,332/- as on March 31, 2016) | 260,000,000               | -                         |

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

| Particulars                                                                                                                                                                                                                                                                                                                                                                                                                               | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|---------------------------|
| Neelkamal Realtors Suburban Private Limited ((Guarantee & Security Given)(Refer note 30 (v))                                                                                                                                                                                                                                                                                                                                              | 440,000,000               | -                         |
| DB View Infracon Private Limited. ( Guarantee Given ) (Loan Outstanding is Nil as on March 31, 2016)                                                                                                                                                                                                                                                                                                                                      | -                         | 300,000,000               |
| DB View Infracon Private Limited. ( Security Given ) (Refer note 30 (vi)) (Loan Outstanding is Nil as on March 31, 2016)                                                                                                                                                                                                                                                                                                                  | 300,000,000               | 300,000,000               |
| Gokuldham Real Estate Development Co. Pvt. Ltd. (Security provided) (Refer Note vii)                                                                                                                                                                                                                                                                                                                                                      | -                         | 600,000,000               |
| Gokuldham Real Estate Development Co. Pvt. Ltd. (Guarantee given) (Refer Note viii)                                                                                                                                                                                                                                                                                                                                                       | -                         | 300,000,000               |
| Sub Total (a)                                                                                                                                                                                                                                                                                                                                                                                                                             | 11,515,400,000            | 4,500,000,000             |
| <b>b) Associates</b>                                                                                                                                                                                                                                                                                                                                                                                                                      |                           |                           |
| Neelkamal Realtors Tower Private Limited<br>(Guarantee & Security provided) (Refer note 30 (ix))                                                                                                                                                                                                                                                                                                                                          | 3,500,000,000             | 3,500,000,000             |
| Sub Total (b)                                                                                                                                                                                                                                                                                                                                                                                                                             | 3,500,000,000             | 3,500,000,000             |
| <b>c) Jointly Controlled Entities</b>                                                                                                                                                                                                                                                                                                                                                                                                     |                           |                           |
| DB (BKC) Realtors Private Limited (earlier known as M K Malls & Developers Private Limited) (Guarantees given & Securities provided) (Refer note 30 (x) below) ( Loan Outstanding is Nil)                                                                                                                                                                                                                                                 | 750,000,000               | 750,000,000               |
| Sub Total (c)                                                                                                                                                                                                                                                                                                                                                                                                                             | 750,000,000               | 750,000,000               |
| <b>d) Companies under the same management</b>                                                                                                                                                                                                                                                                                                                                                                                             |                           |                           |
| YJ Realty & Aviation Private Limited (Guarantee given and Securities provided) (Refer note 30(xi) below) (Loan Outstanding is ₹ 849,500,000)                                                                                                                                                                                                                                                                                              | 850,000,000               | -                         |
| Majestic Infracon Private Limited (Refer Note 30 (xii) below) (Guarantee given & security provided) (Loan Outstanding is ₹ 681,146,682 as on March 31, 2016)                                                                                                                                                                                                                                                                              | 8,530,000,000             | 8,530,000,000             |
| Heaven Star Hotels (Delhi) Private Limited (Guarantee given)(Refer Note 30(xiii))(Loan Outstanding is ₹ NIL)                                                                                                                                                                                                                                                                                                                              | -                         | 1,700,000,000             |
| Pune Buildtech Private Limited (Refer Note 30 (xiv) below) (Guarantee given & security provided) (Loan Outstanding is ₹ 2,398,211,293)                                                                                                                                                                                                                                                                                                    | 2,250,000,000             | 2,250,000,000             |
| BD&P Hotels (India) Private Limited (Refer Note 30 (xiv) below)( Loan Outstanding is ₹ 460,050,424 as on March 31, 2016)                                                                                                                                                                                                                                                                                                                  | 650,000,000               | 650,000,000               |
| Milan Theatres Private Limited (Guarantee given)(Refer Note 30 (xv) below)(Loan Outstanding ₹ 1,266,639,800)                                                                                                                                                                                                                                                                                                                              | 1,745,000,000             | 1,745,000,000             |
| Sub Total (d)                                                                                                                                                                                                                                                                                                                                                                                                                             | 14,025,000,000            | 14,875,000,000            |
| <b>e) Others (Guarantee given &amp; security provided)</b>                                                                                                                                                                                                                                                                                                                                                                                |                           |                           |
| Delux Hospitality Limited, Mauritius (earlier known as D B Hospitality Limited) (Term Loan of USD 138 Million) & YJ Realty & Aviation Private Limited (Stand by Letter of Credit of USD 65 Million) (Overall Guarantee of the Company of USD 138 million) (Refer 30 (xvi) below) (Loan Outstanding is USD 20.355 mn as on March 31, 2016)                                                                                                 | 9,153,940,200             | 8,637,530,400             |
| Sub Total (e)                                                                                                                                                                                                                                                                                                                                                                                                                             | 9,153,940,200             | 8,637,530,400             |
| <b>Grand Total (a+b+c+d+e)</b>                                                                                                                                                                                                                                                                                                                                                                                                            | <b>38,944,340,200</b>     | <b>34,562,530,400</b>     |
| <b>C. Other money for which the company is contingently liable:-</b>                                                                                                                                                                                                                                                                                                                                                                      |                           |                           |
| i) Contingent payments to the holders of Redeemable Optionally Convertible Cumulative Preference Shares (ROCCPS), Compulsory Convertible Preference Shares (CCPS) and Equity shares subscribed by other shareholders of an entity (in which the Company has joint control) – representing the amount payable or adjustable by the Company on exercise of various exit options by such other holders based on agreement entered with them. | Amount<br>unascertainable | Amount<br>unascertainable |
| ii) Provisional attachment of assets under Prevention of Money Laundering Act, 2002 for: D B Realty Limited (Refer Note 43)<br>Dynamix Realty (Refer Note 31A(iii)1)                                                                                                                                                                                                                                                                      | Amount<br>unascertainable | Amount<br>unascertainable |
| iii) Property tax for various projects                                                                                                                                                                                                                                                                                                                                                                                                    | Amount<br>unascertainable | Amount<br>unascertainable |
| iv) Interest on delay in payment of dues of service tax upto March 2012                                                                                                                                                                                                                                                                                                                                                                   | 12,768,254                | -                         |
| v) Interest on delay in payment of dues of service tax from March 2012 to March 2016                                                                                                                                                                                                                                                                                                                                                      | Amount<br>unascertainable | Amount<br>unascertainable |
| vi) Criminal Complaint filed at Metropolitan Magistrate Court, Borivali for offence of cheating against Roofi Bhure and Ors                                                                                                                                                                                                                                                                                                               | 10,000,000                | -                         |
| The Company is a party to various legal proceedings (24 Nos.) (Previous Year 13 Nos) in the normal course of business and does not expect the outcome of these proceedings to have any adverse effect on its financial conditions, results of operations or cash flows. (Refer Note 32 to 36 & 40)                                                                                                                                        |                           |                           |

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

### Notes:

- (i) The Company has granted security to Housing Development Finance Corporation Limited for securing the financial assistance of ₹ 3,000,000,000/- granted to Real Gem Buildtech Private Limited, a subsidiary company. During the year, the Company had given Corporate Guarantee in respect of additional loan availed by a subsidiary company from HDFC Limited. for ₹ 1,500,000,000. The loan is primarily secured by Mortgage of the subsidiary Company assets, scheduled receivables, pledge of 4,000,000 shares of the Company held by the Neelkamal Tower Construction LLP. The security has been granted by way of Mortgage of specified flats together with proportionate undivided share, right, title and interest in the common area and in the underlying land on which the Project is constructed and personal guarantee of Mr. Vinod Goenka. The outstanding principal amount of the loan whose principal amount is of ₹3,000,000,000/- in the books of Real Gem Buildtech Private Limited as of March 31, 2016 is ₹2,851,026,705/- (Previous Year ₹ 2,897,206,298/-). The outstanding principal amount of the loan whose principal amount is of ₹1,500,000,000/- in the books of Real Gem Buildtech Private Limited as of March 31, 2016 is ₹932,000,000/- (Previous Year ₹NIL).
- (ii) The Company has given "Guarantee" to Daimler Financial Services India Private Limited against the car finance facility of ₹15,400,000/- sanctioned to Real Gem Buildtech Private Limited, a subsidiary company. The same is secured against hypothecation of respective vehicle. The outstanding principal amount of the facility in the books of Real Gem Buildtech Private Limited as of 31st March 2016 is ₹ 8,172,134/-.
- (iii) During the year, the Company had given Corporate Guarantee and pledged its holding in the subsidiary company, MIG (Bandra) Realtors & Builders Private Limited in respect of loan from Yes Bank Limited. for ₹ 6,000,000,000. The loan is primarily secured by Mortgage of the subsidiary company assets, its scheduled receivables, extension of charge on the Grand Hyatt, Goa, and personal guarantee of Mr. Vinod Goenka and Mr. Shahid Balwa.
- (iv) The Company had given Corporate Guarantee on behalf of Neelkamal Realtors Suburban Private Limited. The Company had also pledged entire shares of Neelkamal Realtors Suburban Private Limited. The loan is secured by (i) Exclusive charge on the land owned by the Subsidiary Company; (ii) All movables and fixed assets of the Subsidiary Company; (iii) Exclusive charge on the receivables of the project; the Escrow Accounts, together with money lying in Escrow Accounts. (iv) Personal Guarantee of the Mr. Vinod Goenka and Mr. Shahid Balwa,
- (v) The Company had extended Corporate Guarantee on behalf of Neelkamal Realtors Suburban Private Limited. The Company had also extended its pledge of entire shares of Neelkamal Realtors Suburban Private Limited for a loan sanctioned by Edelweiss Housing Finance Limited for an amount of ₹ 440,000,000/- which was reduced to ₹380,809,936/- as on the date of Guarantee. The said loan is secured by (i) Extension of charge on the land owned by the Subsidiary Company; (ii) All moveables and fixed assets of the Subsidiary Company; (iii) Extension of charge on the receivables of the project; (iv) pledge of 66% share holding (v) Personal Guarantee of the Mr. Vinod Goenka and Mr. Shahid Balwa,
- (vi) The Company has provided security of the Company's properties admeasuring 80,934 sq meters at Malad (East), Mumbai and Resham Bhavan located at Churchgate, Mumbai. The subsidiary company has repaid the loan and the present outstanding is ₹ Nil in the books of the said company, however, the said Company is still in process of satisfaction of charge. The Company does not expect any outflow of resources.
- (vii) The company had provided security as a partner of Dynamix Realty to IL&FS Financial Services Ltd. for loan of ₹ 600,000,000 availed by its subsidiary Gokuldharm Real Estate Development Company Pvt. Ltd.  
The facility was secured by (a) mortgage of 10 unsold units of DB woods project located at Goregaon E; (b) Hypothecation of receivables of the entire project DB Woods; (c) pledge of 38,38,382 shares of Marine Drive Hospitality & Realty Pvt. Ltd.; (d) pledge of 22,000,000 shares of the Company which are held by Neelkamal Tower Construction LLP (e) Personal Guarantee of Mr. Vinod Goenka and Mr. Shahid Balwa.  
The said subsidiary company has now merged with the company. The said loan facility now forms a part of the borrowing availed by the company.
- (viii) The Company had given Corporate Guarantee in respect of facilities availed by its subsidiary company Gokuldharm Real Estate Development Company Pvt. Ltd. from Indiabulls Housing Finance Ltd. for corporate loan of ₹ 300,000,000. The loan was secured by pledge of 7,000,000 shares of the Company held by Sanjana Goenka.  
The said subsidiary company has now merged with the company. The said loan facility now forms a part of the borrowing availed by the company.
- (ix) The Company had given Corporate Guarantee on behalf of Neelkamal Realtors Tower Private Limited, a subsidiary. The Company had also pledged 986,618 shares of Neelkamal Realtors Tower Private Limited. The said facility is also secured by (i) Exclusive charge in respect of all that pieces and parcels of land of Byculla Division CS No.1906 admeasuring 19,434.10 Square Meters and structure constructed or to be constructed thereon. (ii) All moveable fixed and current assets including receivable (present and future) of the project "Orchid Heights"(iii) Escrow Account of project receivables (Orchid Heights). (iv) Personal Guarantee of Mr Shahid Balwa and Mr Vinod Goenka
- (x) No amount has been borrowed by the said jointly controlled entity for which the Company had given a corporate guarantee of ₹ 750,000,000 (Previous year: ₹ 750,000,000) and also pledged its investment in shares of the said entity as a security. However, as no dues certificate is not yet released by Bank, it is assumed that the corporate guarantee and security provided are not yet discharged by the concerned banks.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

(xi) During the year, the Company has given Corporate Guarantee in respect of loan availed by YJ Realty & Aviation Private Limited from ICICI Bank Limited. for ₹ 850,000,000. The loan is primarily secured against the monthly receivables of the YJ Mall. Other Securities include (i) Mortgage of the assets of the borrowing Company; (ii) All the moveable assets of the borrowing Company; (iii) Second charge on the 10 flats of DB Crown flats backed by Corporate Guarantee of Real Gem Buildtech Private Limited; (iv) first parri-passu charge over bacchuwadi property, Mumbai. (v) Personal Guarantee of Mr. Vinod Goenka and Mr. Shahid Balwa.

(xii) In earlier years, the Company had given corporate guarantee on behalf of Majestic Infracon Private Limited in which some of the directors of the Company are interested for facility availed from Punjab National Bank, Mumbai and Bank of India, Mumbai, for an amount aggregating ₹ 8,530,000,000 (Previous Year ₹ 8,530,000,000). The Company has also provided collateral securities of the Company's property admeasuring 80,934 sq meters at Malad (East), Mumbai (forming part of Inventory) with including all development rights, unutilized Floor Space Index (FSI) / or such other FSI that may be granted in future for ₹ 4,250,000,000 out of total loan amounting to ₹ 8,530,000,000.

The said facility is also secured by (a) pledge of Majestic Infracon Private Limited shareholding consisting of 45,934,000 equity shares in Etisalat DB Telecom Private Limited; (b) a pari passu charge on the property consisting of Hotel Hilton, Mumbai. (c) Together with collateral securities of the Company's property admeasuring 80,934 sq meters at Malad (East), Mumbai with including all development rights, unutilized Floor Space Index (FSI) / or such other FSI that may be granted in future.

The liability of Punjab National Bank is ₹ NIL and of Bank of India has been increased due to unpaid interest to ₹ 681,146,682/- (Previous Year ₹ 652,111,989/-) as on March 31, 2016. The Company is confident that this company would fulfill the obligations under the credit facilities and does not expect any outflow of resources.

(xiii) The liability under the said loan is ₹ Nil (Previous Year ₹ Nil) as on March 31, 2016, the Company has also obtained No Dues Certificate from IL&FS Financial Services Limited.

(xiv) The Company has given corporate guarantees and has given collateral securities of the Company's property DB Hill Park admeasuring 80,934 Sq meters at Malad (East), Mumbai and Resham Bhavan located at Churchgate, Mumbai (forming part of Inventory), on behalf of BD&P Hotels (India) Private Limited and Pune Buildtech Private Limited.

The said facilities are also secured by (i) Charge on Fixed Assets both present and future of the respective projects other than project land (ii) charge on all current assets including receipt of all the receivables related to the respective project (iii) charge on all bank accounts, insurance contracts of respective company along with the following common securities (iv) a pari passu charge on its property consisting of Hotel Hilton, Mumbai.

(xv) The Company has given corporate guarantee to ECL Finance Limited on behalf of Milan Theatres Private Limited.

The said facility is secured by (i) Pledge of 20,000,000 shares of the Company held by Neelkamal Tower Construction LLP; (ii) First Mortgage and Charge on the land admeasuring 3,442.20 Sq mtr. situated at Santacruz, Mumbai; (iii) First Mortgage and Charge on the land admeasuring 72,000 sq. yards situated at S. No. 92, Mahajan wadi, Thane; (iv) First charge on the existing and future receivables; (v) Pledge of 66.67% shares of Milan Theatres Private Limited.; (vi) Corporate Guarantee of Conwood Construction & Developers Private Limited; and (vii) Personal Guarantee of Mr. Shahid Balwa and Mr. Vinod Goenka

(xvi) The Company has given corporate guarantee in respect of facilities availed by Delux Hospitality Limited, Mauritius ('DBH, Mauritius') & YJ Realty & Aviation Private Limited (Formally known as Y J Realty Private Limited) from ICICI Bank UK PLC and ICICI Bank Limited respectively of USD 138 millions (₹ 9,153,940,200) as at the year end March 31, 2016 (Previous Year ₹ 8,637,530,400) and security in respect of Bacchuwadi Property in D B Realty Limited against stand by letter of credit issued by ICICI Bank Limited as an integral part of the arrangement of USD 65 millions. The current outstanding of the loan is USD 20,354,984.61 as on March 31, 2016 in ICICI Bank UK PLC and ₹ 1,169,768,006.64 in ICICI Bank India Limited. For the purpose of the said corporate guarantee, the Company has received in its favour irrevocable and unconditional personal guarantees from the two interested directors covering the entire amount of guarantee issued by the Company.

The said facilities are secured by (a) mortgage of its property consisting of Dynamix Mall in YJ Realty & Aviation Private Limited (formally known as Y J Realty Private Limited) and (b) pledge of its entire shareholding of Marine Drive Hospitality & Realty Private Limited (formally known as DB Hospitality Private Limited ('DBHPL')) in DBH, Mauritius (being the wholly owned subsidiary of DBHPL) and (c) Pledge of 50,409,641 shares of the Company held by Neelkamal Tower Construction LLP (33,997,818 shares), one of the Managing Director and his relatives (16,411,823 shares) .

For all the above Contingent Liabilities the Company is confident that these companies will fulfill their obligations under the credit facilities and does not expect any outflow of resources.

### Commitments

(Amount in ₹)

| Particulars                                                                                               | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|-----------------------------------------------------------------------------------------------------------|---------------------------|---------------------------|
| Estimated amount of contracts remaining to be executed on Intangible Assets under Development             | 119,446,507               | 99,000,000                |
| <b>Other Commitments</b>                                                                                  |                           |                           |
| Investment in Redeemable Optionally Convertible Cumulative Preference Shares of Konark Realtech Pvt. Ltd. | 281,405,280               | -                         |
| Estimated amount of contracts remaining to be executed other than capital account and not provided        | -                         | -                         |

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

31. Share of loss (net) from investments in partnership firms ("the firms") and investments in the firms is based on financial statements of the firms as audited by other auditors. The audited financial statements/the auditors' report on the financial statements of the partnership firms viz. Dynamix Realty ("Dynamix"), DBS Realty and Mira Real Estate Developers in which the Company is a partner have reported certain significant matters as under:

### A. Dynamix Realty:

- i. Notes to financial statements regarding to property tax liability:  
The Firm has disputed its liability for property tax on the land on which it has constructed the Project as the said land was conveyed to the Municipal Corporation of Greater Mumbai (MCGM), though it provided for such property tax as upto March 31, 2012 and accordingly, has not paid ₹ 10,234,515/- (Previous Year ₹10,234,515/-). Without prejudice to the same, in any view of the matter, in terms of the agreement with Slum Rehabilitation Authority as well as with MCGM, the Firm is not liable for property tax effective April 2012. Accordingly, the amounts of ₹ 3,374,099/- (Previous Year ₹ 3,374,099/-) paid under protest on or after April 2012 are carried forward as recoverable from MCGM. Adjustment entries shall be passed once the outcome is finalized.
  - ii. Notes to Financial statements relating to procedures regarding direct confirmations:  
Balances of trade receivables and payables are subject to confirmation and reconciliation, wherever applicable, if any.
  - iii. Notes to financial statements and reference in Auditors' report regarding a matter which is sub-judice:
1. The Firm had granted Loan to Kusegaon Realty Private Limited aggregating to ₹ 2,092,500,000/-, (the said loans) as upto 31.03.2010, as of 31.03.2016, which along with interest thereon stands recovered. Central Bureau of Investigation Anti-corruption Branch, New Delhi (CBI) in the Supplementary (First) charge sheet RC.DAI.2009.A.0045 (2G Spectrum Case) has alleged that out of the said loans, through the Firm, ₹ 2,000,000,000/- is paid as illegal gratification to M/s Kalaingar TV Private Limited (Kalaingar) through Kusegaon Realty Private Limited and M/s Cineyug Films Pvt. Ltd., in lieu of the undue favours by accused public servants to Swan Telecom Private Limited (SWAN) in 2G Spectrum Case. The CBI have alternatively alleged in the said charge sheet that even if the said transaction of ₹ 2,000,000,000/- is accepted as genuine business transaction, the said loans obtained by Kalaingar for a consideration which being known as inadequate, constitutes commission of offence. The Firm is not an accused in the 2G Spectrum Case. In the opinion of the Partners of the Firm, these are preliminary charges based on investigation carried out by the CBI Team and the personnel named in the charge sheet are presumed to be innocent till their alleged offence is established after a fair trial. These preliminary charges have no impact on the business/operations of the Firm.

Further, consequent to above, a complaint was filed under the Prevention of Money Laundering Act, 2002 (the PML Act) (Money Laundering Case) and the Adjudicating Authority vide Order dated 10.01.2012 has confirmed the Provisional Attachment Order (the Order). The Firm being included as one of the defendant, properties in the form of bank balances and sundry debtors aggregating to ₹ 1,338,900,000/- (Previous Year ₹ 1,338,900,000/-) were provisionally attached, out of which, trade receivable of ₹ 497,100,000/- (Previous Year ₹497,100,000/-) are realised by BD, Delhi. An appeal has been preferred against the Order before the Appellate Tribunal under the PML Act. The Directorate of Enforcement has taken physical possession of bank balance of ₹ 3,599,925/- (Previous Year ₹3,599,925/-) and has realised the trade receivable (The Phonix Mills Limited) of ₹345,120,750/- (Previous Year ₹345,120,750/-). Against such recoveries the Firm has made a representation to convert the amount so recovered into fixed deposits to be held by them in trust, which is pending. These recoveries by Directorate of Enforcement are shown as receivable from Directorate of Enforcement in the firm's financial statement.

Further, on 24.04.2014, the Directorate of Enforcement has filed a complaint before the Hon'ble Special Court in connection with the Prevention of Money Laundering Case relating to the 2G Spectrum Case against 19 accused including the Firm and its partners. The Hon'ble Special Court by an Order have framed charges against the accused persons, including the Firm. The Firm has been alleged to have paid illegal gratification of ₹ 2,000,000,000/- to Kalaingar on behalf of an accused public servant, through the process of layering and received back the same again through the process of layering from Kalaingar as ₹ 2,235,500,000/-. Thus, the Firm is alleged to be involved as also alleged to have committed an offence of money laundering under section 3 of the PML Act, which is punishable under section 4 of the PML Act.

As upto the date of signing of the financial statements, the outcome of 2G Spectrum Case/Money Laundering Case are sub-judice.

2. Trade Receivables outstanding more than 6 Months of ₹ 556,277,256/- (Previous year ₹ 583,777,256/-) which Includes dues of ₹ 493,033,364/- (Previous year ₹ 493,033,364/-) attached under the PML Act. The Firm has filed legal cases against these parties before the Hon'ble High Court of Bombay for recovery of outstanding amounts along with interest thereon, which are pending. The Firm is confident that the outcome of these cases would be in its favour and hence, the outstanding amount shall stand realised in the due course of time. Under the circumstances, provision for doubtful debts, if any, is not considered necessary to be provided for.

As regards balance receivable of ₹ 63,243,892/- (Previous year ₹ 90,743,892/-), the Partners of the Firm have taken effective steps for recovery and do not expect any short realization. Therefore, the Partners of the Firm have framed their opinion that the same are good for recovery.

### B. DBS Realty:

- i. Notes to financial statements relating to procedures regarding direct confirmations:

Trade Payables, Trade Receivables, Contractors' Retention money and mobilization advance in the financial statements are subject to confirmation. As per the contention of the management, the same are good for payable / receivable.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016****ii. Notes to financial statement regarding property tax liabilities:**

During the earlier years, the firm has received special notice from Municipal Corporation of Greater Mumbai (M.C.G.M) with regard to payment of property tax. In response to said notice the firm has filed complaint to M.C.G.M stating that the said property belongs to Government of Maharashtra and therefore the assessment for property tax made on the firm is bad in law and void.

**C. Mira Real Estate Developers:****i. Notes to financial statements regarding a matter which is sub-judice:**

The Salt Department, Union of India has filed a petition and the partnership firm has filed cross petitions towards their respective claim for exclusive title over the salt pan land. Though the matter is sub-judice, the firm is of opinion that it has a rightful claim over the ownership of the salt pan land and will be in a position to defend its title.

**ii. Notes to Financial statements relating to procedures regarding direct confirmations:**

Trade Payables, other current liabilities, other current assets and other non-current assets are subject to confirmation.

32. During an earlier year, the Company acquired 1/3rd stake in Mahal Pictures Private Limited by paying ₹ 892,225,001 by and under a Share Purchase Agreement dated December 2, 2010, the Company agreed to purchase additional 1/3rd stake from another shareholder vide a Share Purchase Agreement and paid advance of ₹ 400,000,000. However, as per the said agreement, such purchase is subject to settlement of a suit which is pending at the High Court of Judicature at Hon'ble Bombay High Court. The Company has become a party to the said suit on account of demise of that Shareholder The Company, based on legal advice is confident of a favorable resolution in getting the matter resolved favorably and accordingly the said advance paid is considered to be good of recovery.

33. One of the Company's wholly owned subsidiary (i.e. Esteem Properties Private Limited) has plans to construct/ develop/ market project/s on its land, which are delayed due to title dispute concerning the previous landlords. The Company has filed a special leave petition before the Supreme Court of India which is pending and a status quo order has been passed by the Supreme Court of India. The Company considers its investment in the said subsidiary as long term and strategic in nature. As of March 31, 2016, the Company's investment in and Loan to this subsidiary aggregate ₹ 312,018,720 (Previous year ₹ 312,018,720) and ₹ 1,129,615,130 (Previous year ₹ 1,127,380,130) respectively. The Company has been legally advised that the outcome of the petition before the High Court of Bombay against the reversed order & that of the Supreme Court of India against the order of the Bombay High Court in PIL can be in favor & accordingly the management is confident about the positive outcome and does not believe that there is any diminution in the value of its investments and considers the loan given as good of recovery.

34. One of the Company's wholly owned subsidiary (DB Man Realty Private Limited) has not written off the inventory amount though LOA stands cancelled, as the said company expects positive outcome from the writ petition. As of March 31, 2016, the Company's investment in and loan to this subsidiary aggregate ₹ 71,960,000 (Previous year 71,960,000) and ₹ 423,306 (Previous year ₹ 390,000) respectively. The management is confident about the positive outcome and does not believe that there is any diminution in the value of its investments and considers the loan given as good of recovery.

35. One of the Company's subsidiary (Spacecon Realty Private Limited) had bid for development of the Government Colony Plot "Part – I" in Bandra (East), Mumbai which had been accepted by Govt. of Maharashtra's P.W.Department in year 2010. For execution of work order for the said project, the P.W.Department has asked the said subsidiary company to pay minimum upfront amount (including maintenance corpus) of ₹ 8,029,500,000/-. Against the said demand, the said subsidiary company has offered to pay an amount of ₹ 3,629,500,000/- simultaneously with the execution of concession agreement with P.W.Department for issuance of work order as per the company's understanding of the provisions contained in the Tender. The P.W.Department cancelled the tender on February 26, 2015. The Company has filed writ petition No. 2120/2015 in the Bombay High Court in respect of arbitrary cancellation of the tender for development of Government Colony "Part-I". As on March 31, 2016, the Company's investment in and loan to this subsidiary aggregate ₹ 100,000 (Previous Year ₹ 100,000/-) and ₹ 577,138,288/- (Previous Year ₹ 577,043,288/-) respectively. The management expects positive outcome of the matter and does not believe that there is any diminution in the value of its investments and considers the loan given as good of recovery.

36. a) The Company has incurred a sum of ₹ 174,652,001/- (Previous Year ₹ 139,346,834/-) towards acquisition of development rights pertaining to a SRA redevelopment project, which is the subject matter of litigation. There are five litigations pending regarding the same. Based on legal advice, the Company believes that it has a good chance of getting the project and is confident of commencement of redevelopment activities shortly and accordingly the said amount is considered as good of recovery.

b) In respect of project under development having a value of ₹351,338,711/- (forming a part of inventory) The Bombay High Court has ordered payment of money under the award as and by way of part compensation of ₹72,888,368/- towards land acquisition (included under current liabilities) the company has moved to Supreme Court against such order of the High Court seeking further compensation of ₹216,813,968/-. The company also expects to recover amounts paid to other parties towards the project. Pending outcome of the matter, no adjustment have been made in the accounts in this regard.

37. The Scheme of Amalgamation ("the Scheme") of Gokuldham Real Estate Development Co. Pvt. Ltd. ("transferor company") with the Company, under Sections 391 to 394 of the Companies Act, 1956 was sanctioned by the Hon'ble High Courts of Bombay on October 16, 2015. The Scheme became effective on filing of the said order with the Registrar of Companies, Maharashtra and the Registrar of Companies taking the same on record on December 23, 2015.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Pursuant to the approval of the Scheme of Amalgamation and Arrangement between the Company, transferor company and their respective shareholders (the "Scheme") by the Hon'ble High Court of Judicature at Bombay on October 16, 2015, the transferor company has been amalgamated with the Company with retrospective effect from April 1, 2013 (the "Appointed Date").

The Company was holding 374,990 equity shares for ₹ 37,592,755 which constituted 75% of the equity shareholding of the transferor company before the Scheme. Transferor company carried nature of business activities similar to that of the Company. The main purpose of the Scheme was to achieve economies of scale with lesser regulatory or procedural compliances, integrate, rationalise and streamline the management structure of the merged business, saving in cost, to facilitate inter transfer of resources, costs and optimum utilization of resources, to reflect consolidated net worth of the company in one balance sheet and synchronizing of efforts to achieve uniform corporate policy. In terms of the Scheme, these 374,990 Equity Shares of the transferor company held by the Company were cancelled and no new shares were allotted in lieu of such cancellation. In case of other equity shareholders, the Company has allotted 71,755,740, 8% redeemable preference shares of ₹ 10 each in lieu of their existing equity shares in the transferor company be redeemed at par at the end of 5 years. And the company has option to redeem such shares at any time after the end of 1 year from the date of allotment. All new preference shares are issued as fully paid up. The number of equity shares of the Company pre and post Scheme therefore remained the same.

### Accounting Treatment:

The amalgamation was accounted as 'amalgamation in the nature of merger' in accordance with the approved Scheme and consequently the pooling of interest method was used as per AS 14 Accounting for Amalgamation.

In accordance with the Scheme, the difference between Net Assets Value of the transferor company and the value of investments in the books of the Company & the purchase consideration paid by way of issue of new Preference Shares as fully paid up has been treated as capital reserve.

All assets and liabilities of transferor company have been recorded in the books of account of the Company at their book values at the close of business day immediately preceding the Appointed Date.

Accordingly, the amalgamation has resulted in transfer of assets and liabilities in accordance with the terms of the Scheme at the following summarised values as on April 1, 2013:

| Particulars                                   | Amount in ₹   | Amount in ₹   |
|-----------------------------------------------|---------------|---------------|
| <b>A Assets Takenover</b>                     |               |               |
| <b>Long Term Assets</b>                       |               |               |
| Tangible assets                               | 1,648,565     |               |
| Intangible assets                             | 423,280       |               |
| Non-current investments                       | 1,243,400,000 |               |
| Deferred tax assets                           | 7,838,141     |               |
| Long-term loans and advances                  | 1,088,333,874 |               |
| <b>Short Term Assets</b>                      |               |               |
| Inventories                                   | 935,413,112   |               |
| Trade receivables                             | 140,030,485   |               |
| Cash and bank balances                        | 22,181,632    |               |
| Short-term loans and advances                 | 242,076,174   |               |
| Other current assets                          | 241,940,410   | 3,923,285,673 |
| <b>B Liabilities Takenover</b>                |               |               |
| <b>Long Term Liabilities</b>                  |               |               |
| Long term Borrowings                          | 171,951,670   |               |
| Other Long term liabilities                   | 95,110,575    |               |
| Long-term provisions                          | 22,370,796    |               |
| <b>Short Term Liabilities</b>                 |               |               |
| Trade payables                                | 157,331,780   |               |
| Other current liabilities                     | 2,200,881,470 |               |
| Short-term provisions                         | 15,857,782    | 2,663,504,073 |
| <b>Net Asset Takenover [A-B]</b>              |               | 1,259,781,600 |
| Cancellation of Investment                    |               | (37,592,755)  |
| Purchase Consideration Paid                   |               | 717,557,400   |
| <b>Capital Reserve Created (Refer Note 4)</b> |               | 504,631,445   |

Other adjustments / matters arising out of amalgamation:

In terms of the Scheme, the appointed date of the amalgamation being April 1, 2013, net profit from the transferor company during the financial years 2013-14 and 2014-15 aggregating ₹ 767,355,012 has been transferred, to the extent not accounted already, to the Surplus in Statement of Profit and Loss in the books of the Company upon amalgamation.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

As the Scheme has become effective from December 23, 2015 the figures for the current period includes the operations of the transferor company. Accordingly, the figures for the year ended March 31, 2016 are after giving effect to the merger, while the comparative figures are before giving effect to the merger and, hence are not comparable.

Further, the Company has initiated the name change formalities to transfer the title in respect of the other properties, contracts etc.

38. The Company has created MAT credit during the year for ₹ 29,800,000/- (Previous years reversal of ₹ 31,500,000/-) Further, MAT credit entitlement of ₹ 35,800,000/- (Previous Year ₹6,000,000/-) is based on future performance and business projection of the company.
39. The Company has investments in certain subsidiaries, jointly controlled entities and associates aggregating ₹ 2,311,887,120 (Previous Year ₹ 2,435,072,308) and loans and advances outstanding aggregating ₹ 3,857,937,831 (Previous Year ₹ 2,566,004,652) as at March 31, 2016. While such entities have incurred losses during the year and have negative net worth as at the year end, the underlying projects in such entities are in the early stages of real estate development and are expected to achieve adequate profitability on substantial completion and/ or have current market values of certain properties which are in excess of the carrying values. The Company considers its investments in such entities as long term and strategic in nature. Accordingly, no provision is considered necessary towards diminution in the value of the Company's investments in such entities or in respect of loans and advances advanced to such entities, which are considered good and fully recoverable.
40. D B Realty Ltd. ("Company") is in receipt of Summons from Special Court for Prevention of Money Laundering Act (PMLA), Mumbai as one of the accused in connection with a complaint filed by Enforcement Directorate under ECIR No. ECIR/MBZO/07/2015 & ECIR/MBZO/08/2015. The Hon'ble Court has also now summoned one of the KMP's of the Company as one of the accused as per the said complaint. The matter in relation to the Company and the KMP involves certain advances given by the Company in the ordinary course of its business to another company, which was subsequently refunded fully upon cancellation of the understanding. The Company does not expect any financial liability.
41. Payment to Auditors \* (Included in Note 29 Other expenses):

(Amount in ₹)

| Particulars                                              | For the year ended<br>March 31, 2016 | For the year ended<br>March 31, 2015 |
|----------------------------------------------------------|--------------------------------------|--------------------------------------|
| a) Audit Fees (including limited reviews)                | 7,400,000                            | 6,600,000                            |
| b) For other services (Certification and Other Services) | 65,000                               | 120,000                              |
| c) For reimbursement of expenses                         | 53,006                               | 59,813                               |
| <b>Total</b>                                             | <b>7,518,006</b>                     | <b>6,779,813</b>                     |

\*Excluding Service Tax

**42. Managerial remuneration:**

- a) In view of inadequate profit during the current and previous year, the Company has not paid any managerial remuneration to any managing director in both years.
- b) Contributions to provident and other funds are not made as per declarations of non deduction received from the respective directors. Further, gratuity and leave encashment (amount unascertained) payable to the managing directors is waived by them. Such waivers have been approved by the Board of Directors.
- c) Sitting fees amounting to ₹ 1,360,000 (Previous Year ₹ 980,000) have been paid to the directors.
43. Dynamix Realty ("Partnership Firm") in which D B Realty Limited ("Company") is a partner, had granted Loan to Kusegaon Realty Private Limited aggregating to ₹ 2,092,500,000/- (the said loan) as upto March 31, 2010. As of March 31, 2016, the outstanding balance due from Kusegaon Realty Private Limited is ₹ Nil (Previous Year Nil), being part of interest charged. Central Bureau of Investigation Anti-corruption Branch, (New Delhi) in the Supplementary (First) charge sheet RC.DAI.2009.A.0045 (2G Spectrum Case) has alleged that out of the said loans granted, ₹ 2,000,000,000 was paid as illegal gratification to M/s Kalaignar TV Private Limited through Kusegaon Realty Private Limited and M/s Cineyug Films Private Limited., in lieu of the undue favours by accused public servant to Swan Telecom Private Limited in 2G Spectrum Case. The Central Bureau of Investigation has alternatively alleged in the said charge sheet that even if the said transaction of ₹ 2,000,000,000 is accepted as genuine business transaction, the interest charged is being inadequate is a favour to a government servant, hence, it constitutes commission of offence. In the opinion of the Partners of the firm and the Management of the Company, these are preliminary charges based on investigation carried out by the Central Bureau of Investigation Team and the key management personnel named in the charge sheet are presumed to be innocent till their alleged offence is established after a fair trial. These preliminary charges have no impact on the business/operations of the firm and the Company.

Further, The Deputy Director Enforcement vide his attachment order No: 01/2011 dt. August 30, 2011 has provisionally attached Company's bank account number 05211011001053 maintained with Oriental Bank of Commerce, Goregaon (East), having Bank Balance of ₹ 6,892,967. The Enforcement Directorate has also attached two flats belonging to the Company situated at Goregaon (East). The Combined value of these two flats as shown in Company's financial statement is ₹ 10,765,400/- at the time of attachment

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

(WDV as on 31st March, 2016 is ₹ 97,96,142 (Previous Year ₹ 9,970,065)). Also, a loan amounting to ₹ 503,963,329 (at the time of attachment) advanced to Goan Hotels & Clubs Private Limited (now Goan Hotels & Realty Pvt. Ltd.) has also been provisionally attached. However, the above loan was converted into the ROCCPS of Marine Drive Hospitality & Realty Private Limited ("MDHRPL") holding Company of Goan Hotels & Clubs Private Limited, before the provisional attachment order via tripartite confirmation. This fact has been brought to the notice of Enforcement Directorate vide this Office Letter dated September 20, 2011.

This provisional attachment order has been upheld by adjudicating authority vide order number 116/2011 dt. January 10, 2012. Appeal has been filed on March 19, 2012 with Appellate Tribunal under Prevention of Money Laundering Act (PML Act). The said appeal is sub-judice.

In an earlier year, the Directorate of Enforcement had taken physical possession of bank balance of ₹ 6,892,967/- against which the Firm has written a letter to convert the amount so recovered into Fixed Deposits. Till date Directorate of Enforcement has not entertained this request. In view of the same, the said balance is shown as part of advances. (Refer Note 20.2)

Further, on April 24, 2014, the Directorate of Enforcement has filed a complaint before the Hon'ble Special Court in connection with the Prevention of Money Laundering Case relating to the 2G Spectrum Case against 19 accused including the Firm and its partners. The Hon'ble Special Court by an Order have framed charges against the accused persons, including the Firm. The Firm has been alleged to have paid illegal gratification of ₹ 2,000,000,000 to Kalaingar on behalf of an accused public servant, through the process of layering and received back the same again through the process of layering from Kalaingar as ₹ 2,235,500,000. Thus, the Firm is alleged to be involved as also alleged to have committed an offence of money laundering under section 3 of the PML Act, which is punishable under section 4 of the PML Act. During the year 2014, 2,470,600 Series A ROCCPS shares of the value of ₹ 504,002,400/- in lieu of loan advanced to Goan Hotels & Club Pvt. Ltd., held by the Company have been handed over to Enforcement Directorate by letter dated October 28, 2014 (Refer Note 12.5).

As upto the date of signing of these financial statements, the outcome of 2G Spectrum Case/Money Laundering Case are sub-judice.

### 44. Assets taken on Operating Lease :

- (i) The Company has taken commercial premises on Non Cancellable Operating Lease and lease rent of ₹25,388,598 (Previous Year ₹ 15,232,374) has been debited to Statement of Profit and Loss and ₹ 3,659,910 (Previous Year ₹ 4,177,022) has been inventorised for the current year.

(ii) The future minimum lease payments are as under: (Amount in ₹)

| Particulars                                 | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|---------------------------------------------|---------------------------|---------------------------|
| Within one year                             | 27,319,524                | 16,235,453                |
| After one year but not more than five years | -                         | 12,785,419                |
| More than five years                        | -                         | -                         |

- (iii) There are no exceptional/ restrictive covenants in the lease agreement.  
 (iv) The above mentioned amounts debited to Statement of Profit & Loss and future minimum lease payments are exclusive of service tax to the extent applicable.  
 (v) The above future minimum lease rental includes normal escalation rate based on the agreements. Further, normal escalation rates are 5% every year.  
 (vi) The Company does not have any contingent lease rental expenses/ income.

### 45. Assets given on Operating Lease :

The Amalgamating Company (Gokuldham Real Estate Development Company Private Limited) had executed lease deeds for certain Units forming part of the Project for a period of 25 years, the same has been classified as Non-Current Investment. In terms of the agreements, the lease rentals shall become due and payable on possession being granted.

(i) Future Minimum Lease Payment : (Amount in ₹)

| Particulars                                 | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|---------------------------------------------|---------------------------|---------------------------|
| Within one year                             | 3,108,000                 | -                         |
| After one year but not more than five years | 12,432,000                | -                         |
| More than five years                        | 68,367,000                | -                         |

- (ii) The lease deeds are for 25 years and the lease rental is subject to increase by 5% every 5 years. Lease rent recognized during the year in the statement of Profit & Loss amount of ₹ 26,42,000/-. Accordingly, the future lease rentals are disclosed based on the Management's estimate of the amounts that it would receive.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

**46. Earnings per equity share (EPS) is calculated as follows**
**(Amount in ₹)**

| Particulars |                                                                 | As at 31st March, 2016 | As at 31st March, 2015 |
|-------------|-----------------------------------------------------------------|------------------------|------------------------|
| A           | Net Profit/(Loss) after tax as per statement of profit and loss | ₹ 777,482              | (244,376,317)          |
| B           | Amount available for Equity Shareholders (Refer Note (i))       | ₹ 777,482              | (244,376,317)          |
| C           | Weighted average number of equity shares outstanding            |                        |                        |
| -           | for Basic and Diluted EPS                                       | Nos. 243,258,782       | 243,258,782            |
| D           | Earnings per equity shares of face value of ₹10 each            |                        |                        |
| -           | for Basic and Diluted EPS                                       | ₹ 0.00                 | (1.00)                 |
| E           | Number of shares used for calculating Basic & Diluted EPS       | Nos. 243,258,782       | 243,258,782            |

(i) Preference Shares issued are non-cumulative, thus dividend has not been deducted.

**47. Expenditure in foreign currency:**
**(Amount in ₹)**

| Description       | For the year ended March 31, 2016 | For the year ended March 31, 2015 |
|-------------------|-----------------------------------|-----------------------------------|
| Professional Fees | NIL                               | 271,589                           |

**48. The disclosures under the Accounting Standard 15 (Revised):**
**A) Defined Contribution Plan:**

Contribution to defined Contribution Plan recognized as an expense for the year is as under:

**(Amount in ₹)**

| Particulars                                | As at 31st March, 2016 | As at 31st March, 2015 |
|--------------------------------------------|------------------------|------------------------|
| Employers' contribution to Provident fund* | 2,349,853              | 1,078,162              |
| Employees Contribution to ESIC and MLWF#   | 50,345                 | 27,804                 |
| <b>Total</b>                               | <b>2,400,198</b>       | <b>1,105,966</b>       |

\* Further, the Company has inventorised contribution to Provident Fund of ₹ NIL during the year (Previous year ₹ 40,407)

# Further, the Company has inventorised contribution to ESIC &amp; MLWF of ₹ NIL during the year (Previous year ₹ 7,026)

**B) Defined Benefit Plan:**

The following table sets out the status of the gratuity plan (unfunded) and the amounts recognized in the Company's financial statements as at March 31, 2016:

**a) Reconciliation of opening and closing balances of Defined Benefit Obligation:**
**(Amount in ₹)**

| Particulars                             | As at 31st March, 2016 | As at 31st March, 2015 |
|-----------------------------------------|------------------------|------------------------|
| Liability at the beginning of the year  | 21,976,801             | 4,387,562              |
| Liability received on account of Merger | 3,578,311              | -                      |
| Acquisition Adjustment                  | 177,314                | 12,824,279             |
| Interest cost                           | 1,921,606              | 1,206,909              |
| Current Service cost                    | 4,760,290              | 4,182,469              |
| Past Service Cost                       | -                      | -                      |
| Actuarial (gain)/loss on obligations    | (6,527,252)            | (424,546)              |
| Settlement Cost/(Credit)                | (1,790,828)            | (199,872)              |
| Benefit paid                            | (434,580)              | -                      |
| <b>Liability at the end of the year</b> | <b>23,661,662</b>      | <b>21,976,801</b>      |

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

b) Reconciliation of fair value of plan assets and obligations (Amount in ₹)

| Particulars                                      | As at 31st March, 2016 | As at 31st March, 2015 |
|--------------------------------------------------|------------------------|------------------------|
| Liability at the end of the year                 | 23,661,662             | 21,976,801             |
| Fair value of Plan Assets at the end of the year | -                      | -                      |
| Difference                                       | -                      | -                      |
| <b>Amount Recognized in the Balance Sheet</b>    | <b>(23,661,662)</b>    | <b>(21,976,801)</b>    |

c) Expense recognized during the year: (Amount in ₹)

| Particulars                                         | For the year ended March 31, 2016 | For the year ended March 31, 2015 |
|-----------------------------------------------------|-----------------------------------|-----------------------------------|
| Current service cost                                | 4,760,290                         | 4,182,469                         |
| Acquisition Adjustment                              | 38,484                            | (510,007)                         |
| Interest cost                                       | 1,921,606                         | 1,206,909                         |
| Past Service Cost                                   | -                                 | -                                 |
| Expected Return on Plan Assets                      | -                                 | -                                 |
| Actuarial (Gain) or Loss                            | (6,527,252)                       | (424,546)                         |
| Settlement (Gain) or Loss                           | (16,217)                          | 7,460                             |
| <b>Expense Recognized in Statement of P&amp;L *</b> | <b>176,911</b>                    | <b>4,462,285</b>                  |

\* Out of the above, amount inventorised ₹ 48,000/- (Previous Year ₹ Nil)

d) Actuarial Assumptions:

| Mortality Table                                               | Indian Assured Lives Mortality (2006-08) | Indian Assured Lives Mortality (2006-08) |
|---------------------------------------------------------------|------------------------------------------|------------------------------------------|
| Discount rate ( per annum)                                    | 7.80%                                    | 7.80%                                    |
| Rate of escalation in salary (per annum)                      | 10.00%                                   | 15.00%                                   |
| Expected Average remaining working lives of employees (Years) | 6.85                                     | 4.88                                     |

The estimates of rate of escalation in salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is extracted from the report obtained from Actuary.

e) Data for Employee Benefit :

|                                              | As at 31st March, 2016 | As at 31st March, 2015 |
|----------------------------------------------|------------------------|------------------------|
| Retirement Age                               | 60                     | 60                     |
| Average age of employees (in number)         | 39.70                  | 43.41                  |
| Average salary of employees per month (in ₹) | 6,845,281              | 6,166,529              |

f) Experience Adjustments:

| Particulars                                       | As at 31st March, 2016 | As at 31st March, 2015 | As at 31st March, 2014 | As at 31st March, 2013 | As at 31st March, 2012 |
|---------------------------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| Present value of defined benefit obligation       | 23,661,662             | 21,976,801             | 4,387,562              | 4,762,602              | 11,878,955             |
| Fair value of plan assets                         | -                      | -                      | -                      | -                      | -                      |
| Experience adjustments on actuarial (gain)/ loss: |                        |                        |                        |                        |                        |
| Plan liabilities (gain)/loss                      | (2,955,120)            | (4,414,145)            | (767,981)              | 10,322,525             | 6,038,702              |
| Plan assets (gain)/loss                           | -                      | -                      | -                      | -                      | -                      |

C) Other Long Term Employee Benefit:

The compensated absences charged for the year ended March 31, 2016, based on actuarial valuation carried out using the Projected Unit Credit Method, amounting ₹ (2,829,327/-)\* (Previous Year ₹5,462,473/-) has been recognized in the statement of Profit and Loss. The company has also made provision for sick & casual leave as on March 31, 2016 amounting to ₹1,281,893/-(Previous Year ₹ Nil).

\* The amount are shown as negative due to excess recovery from group entities on account of transfer of employees.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

49. In respect of company's investment in Association of Person (AOP), each executing a single project, the Company's share in the uninventorised expenses of such projects and shown as accumulated losses, is recognized only when such loss will be debited to members account in the books of such AOPs. As per the projections of the management, each of such project is expected to make a good profit on completion.

### 50. Segment Reporting:

The Company is mainly engaged in the business of real estate development viz. construction of residential buildings/ commercial complexes and activities connected and incidental thereto. On that basis, the Company has only one reportable business segment – real estate development, the results of which are embodied in the financial statements. The Company operates in only one geographical segment – within India.

### 51. Prior Period Items:

**(Amount in ₹)**

| Particulars               | For the year ended<br>March 31, 2016 | For the year ended<br>March 31, 2015 |
|---------------------------|--------------------------------------|--------------------------------------|
| Advertisement Expenditure | -                                    | 4,312,882                            |
| Legal Fees                | 900,000                              | -                                    |
| Interest Expenses         | 1,347,977                            | -                                    |
| Repairs & Maintenance     | 586,646                              | -                                    |
| Security Charges          | 120,000                              | -                                    |
| Miscellaneous Expenditure | 103,311                              | 5,550                                |
| <b>Total</b>              | <b>3,057,934</b>                     | <b>4,318,432</b>                     |

### 52. Disclosure as per Guidance Note on "Accounting for Real Estate Transactions (Revised 2012)" :

**(Amount in ₹)**

| Particulars                                                         | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|---------------------------------------------------------------------|---------------------------|---------------------------|
| The amount of project revenue recognized as revenue during the year | 1,014,682,027             | -                         |
| The amount of advances received                                     | 8,143,700                 | 12,643,700                |
| The amount of work in progress                                      | 2,786,245,906             | 2,543,129,919             |
| Excess of revenue recognized over actual bills (unbilled revenue)   | -                         | -                         |

Note: DB Woods project has been completed at reporting date. Hence, the same has not been considered for the disclosure of advances received, cost incurred to date and profit recognized to date.

### 53. Corporate Social Responsibility:

a) Gross Amount required to be spent ₹ 1,245,179/- (Previous Year ₹1,576,000/-)

b) Amount spent during the year on

| Particulars                               | In Cash<br>(In ₹) | Yet to be paid in<br>cash (In ₹) | Total<br>(In ₹)  |
|-------------------------------------------|-------------------|----------------------------------|------------------|
| (i) Construction/acquisition of any asset | -                 | -                                | -                |
|                                           | (-)               | (-)                              | (-)              |
| (ii) On Chief Minister Relief Fund        | 1,000,000         | -                                | 1,000,000        |
|                                           | (-)               | (-)                              | (-)              |
| <b>Total</b>                              | <b>1,000,000</b>  | <b>-</b>                         | <b>1,000,000</b> |
|                                           | (-)               | (-)                              | (-)              |

Amount in brackets represents previous year figures

The Company has Corporate Social Responsibility (CSR) policy and is required to incur expenditure towards CSR activity on the basis of last three years profitability statements as per section 135 of the Companies Act, 2013 and the rules made there under. During the Financial Year, the Company has spent ₹ 1,000,000 on Chief Minister Relief Fund towards CSR expenditure.

#### 54. Additional information pursuant to the provisions of Guidance Note on Derivative Contracts

The foreign currency exposures that are not hedged by a derivative instrument or otherwise as at year end are given below:

| Particulars                                  | Foreign Currency | As at 31st March, 2016 |                            |                      | As at 31st March, 2015 |                            |                      |
|----------------------------------------------|------------------|------------------------|----------------------------|----------------------|------------------------|----------------------------|----------------------|
|                                              |                  | Exchange Rate          | Amount in Foreign Currency | Amount in ₹          | Exchange Rate          | Amount in Foreign Currency | Amount in ₹          |
| Contingent Liabilities (Corporate Guarantee) |                  |                        |                            |                      |                        |                            |                      |
| Hedged                                       | -                | -                      | -                          | -                    | -                      | -                          | -                    |
| Unhedged                                     | USD              | 66.3329                | 138mn                      | 9,153,940,200        | 62.5908                | 138mn                      | 8,637,530,400        |
| <b>Total</b>                                 | <b>USD</b>       | <b>66.3329</b>         | <b>138mn</b>               | <b>9,153,940,200</b> | <b>62.5908</b>         | <b>138mn</b>               | <b>8,637,530,400</b> |

#### 55. Related Party Disclosure:

(i) Disclosures as required by the Accounting Standard 18 (AS-18) "Related Party Disclosures" are given below:

| Sr No. | Name of the Related Parties                                                                                      |
|--------|------------------------------------------------------------------------------------------------------------------|
|        | Subsidiary Companies                                                                                             |
| 1.     | Conwood DB JV                                                                                                    |
| 2.     | D B Contractors & Builders Pvt Ltd                                                                               |
| 3.     | DB Man Realty Pvt Ltd                                                                                            |
| 4.     | DB View Infracon Pvt Ltd                                                                                         |
| 5.     | ECC DB JV                                                                                                        |
| 6.     | Esteem Properties Pvt Ltd                                                                                        |
| 7.     | Evergreen Industrial Estate                                                                                      |
| 8.     | Goregaon Hotel And Realty Pvt Ltd                                                                                |
| 9.     | MIG (Bandra) Realtors & Builders Pvt Ltd                                                                         |
| 10.    | Mira Real Estate Developers                                                                                      |
| 11.    | N A Estates Pvt Ltd                                                                                              |
| 12.    | Neelkamal Realtors Suburban Pvt Ltd                                                                              |
| 13.    | Neelkamal Shantinagar Properties Pvt Ltd                                                                         |
| 14.    | Nine Paradise Erectors Pvt Ltd                                                                                   |
| 15.    | Priya Constructions Pvt Ltd                                                                                      |
| 16.    | Real Gem Buildtech Pvt Ltd                                                                                       |
| 17.    | Royal Netra Constructions Pvt Ltd                                                                                |
| 18.    | Saifee Bucket Factory Pvt Ltd                                                                                    |
| 19.    | Shree Shantinagar Venture (Step down Subsidiary of Neelkamal Shantinagar Properties Private Limited)             |
| 20.    | Spacecon Realty Pvt Ltd                                                                                          |
| 21.    | Turf Estate JV                                                                                                   |
| 22.    | Vanita Infrastructure Pvt Ltd                                                                                    |
| 23.    | Gokuldham Real Estate Development Company Private Limited (Merged with D B Realty Limited w.e.f. April 01, 2013) |
|        | <b>Associates</b>                                                                                                |
| 24.    | DB Hi-Ski Constructions Pvt Ltd                                                                                  |
| 25.    | Mahal Pictures Pvt Ltd                                                                                           |
| 26.    | Neelkamal Realtors Tower Pvt Ltd                                                                                 |
| 27.    | Sangam City Township Pvt Ltd                                                                                     |
| 28.    | Shiva Buildcon Pvt Ltd                                                                                           |
| 29.    | Shiva Multitrade Pvt Ltd                                                                                         |
| 30.    | Shiva Realtors Suburban Pvt Ltd                                                                                  |
|        | <b>Jointly Controlled Entities</b>                                                                               |
| 31.    | Ahmednagar Warehousing Developers & Builders LLP (upto 30.06.2015)                                               |
| 32.    | Aurangabad Warehousing Developers & Builders LLP (upto 30.06.2015)                                               |
| 33.    | Daund Warehousing Developers & Builders LLP (upto 30.06.2015)                                                    |
| 34.    | DB (BKC) Realtors Pvt Ltd                                                                                        |
| 35.    | DB Realty And Shreepati Infrastructure LLP                                                                       |
| 36.    | DBS Realty                                                                                                       |
| 37.    | Dynamix Realty                                                                                                   |
| 38.    | Latur Warehousing Developers & Builders LLP (upto 30.06.2015)                                                    |
| 39.    | Lokhandwala DB Realty LLP                                                                                        |
| 40.    | Lokhandwala Dynamix Balwas Joint Venture                                                                         |

## D B REALTY LIMITED

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| Sr No. | Name of the Related Parties                                                                                                  |
|--------|------------------------------------------------------------------------------------------------------------------------------|
| 41.    | National Tiles                                                                                                               |
| 42.    | Om Metal Consortium                                                                                                          |
| 43.    | Saswad Warehousing Developers & Builders LLP (upto 30.06.2015)                                                               |
| 44.    | Sneh Developers (Jointly Control Entity of DB View Infracon Private Limited)                                                 |
| 45.    | Solapur Warehousing Developers & Builders LLP (upto 30.06.2015)                                                              |
| 46.    | Suraksha DB Realty                                                                                                           |
|        | <b>Entity in respect of which the Company is an Associate</b>                                                                |
| 47.    | Neelkamal Tower Construction LLP                                                                                             |
|        | <b>Key Management Personnel (KMP)</b>                                                                                        |
| 48.    | Vinod Goenka (Chairman & Managing Director)                                                                                  |
| 49.    | Shahid Balwa (Vice Chairman & Managing Director)                                                                             |
|        | <b>Relatives of KMP</b>                                                                                                      |
| 50.    | Aaliya S Balwa (Daughter of Vice Chairman)                                                                                   |
| 51.    | Arshad S Balwa (Son of Vice Chairman)                                                                                        |
| 52.    | Aseela V Goenka (Wife of Chairman)                                                                                           |
| 53.    | Jayvardhan V Goenka (Son of Chairman)                                                                                        |
| 54.    | Krishna Murari Goenka (Father of Chairman)                                                                                   |
| 55.    | Pramod Goenka (Brother of Chairman)                                                                                          |
| 56.    | Sakina U Balwa (Mother of Vice Chairman)                                                                                     |
| 57.    | Salim Balwa (Brother of Vice Chairman)                                                                                       |
| 58.    | Sanjana V Goenka (Daughter of Chairman)                                                                                      |
| 59.    | Shabana Balwa (Wife of Vice Chairman)                                                                                        |
| 60.    | Shanita D Jain (Sister of Chairman)                                                                                          |
| 61.    | Sunita Goenka (Sister of Chairman)                                                                                           |
| 62.    | Usman Balwa (Father of Vice Chairman)                                                                                        |
|        | <b>Enterprises where individuals i.e. KMP and their relatives have significant interest</b>                                  |
| 63.    | A G Mercantile Pvt Ltd                                                                                                       |
| 64.    | Balwas Charitable Trust                                                                                                      |
| 65.    | BD & P Hotels (India) Pvt Ltd                                                                                                |
| 66.    | Conwood Agencies Pvt Ltd                                                                                                     |
| 67.    | Conwood Associates                                                                                                           |
| 68.    | Conwood Construction & Developers Pvt Ltd                                                                                    |
| 69.    | Delux Hospitality Limited, Mauritius                                                                                         |
| 70.    | Dynamix Clubs And Resorts Pvt Ltd                                                                                            |
| 71.    | Dynamix Contractors & Builders Pvt Ltd                                                                                       |
| 72.    | Dynamix Securities & Holdings Pvt Ltd                                                                                        |
| 73.    | Eon Aviation Pvt Ltd                                                                                                         |
| 74.    | Eversmile Construction Company Pvt Ltd                                                                                       |
| 75.    | Eversmile Properties Pvt Ltd                                                                                                 |
| 76.    | Goan Hotels & Realty Pvt Ltd (Previously Known as Goan Hotels & Clubs Pvt Ltd)                                               |
| 77.    | Goan Real Estate And Construction Pvt Ltd                                                                                    |
| 78.    | Goenka Family Trust                                                                                                          |
| 79.    | Heaven Star Hotels (Delhi) Pvt Ltd                                                                                           |
| 80.    | Hotels Balwas Pvt Ltd                                                                                                        |
| 81.    | K G Enterprises                                                                                                              |
| 82.    | Majestic Infracon Pvt Ltd                                                                                                    |
| 83.    | Marine Drive Hospitality & Realty Pvt Ltd                                                                                    |
| 84.    | Milan Theatres Pvt Ltd                                                                                                       |
| 85.    | Mystical Constructions Pvt Ltd (Nihar Constructions Pvt Ltd Amalgamted with Mystical Constructions Pvt Ltd w.e.f 11.04.2014) |
| 86.    | Neelkamal Realtors & Builders Pvt Ltd                                                                                        |
| 87.    | Pony Infrastructure & Contractors Limited                                                                                    |
| 88.    | Pune Buildtech Pvt Ltd                                                                                                       |
| 89.    | Top Notch Buildcon LLP                                                                                                       |
| 90.    | Vinod Goenka HUF                                                                                                             |
| 91.    | YJ Realty And Aviation Pvt Ltd                                                                                               |

Notes:

The aforesaid related parties are identified by the management of the Company and relied upon by the auditors.

**(ii) Details of Transactions with Related Parties as per AS 18 Related Party Disclosure**

| Description                               | Subsidiaries    | Associates      | Entities under Joint Control of Company/its subsidiaries | Enterprises over which KMP and their relatives have significant influence. | KMP and their Relatives | Total           |
|-------------------------------------------|-----------------|-----------------|----------------------------------------------------------|----------------------------------------------------------------------------|-------------------------|-----------------|
| <b>Loans and Advances Granted</b>         |                 |                 |                                                          |                                                                            |                         |                 |
| Opening Balance as on April 1, 2015       | 2,679,135,595   | -               | -                                                        | 2,129,940,501                                                              | -                       | 4,809,076,096   |
|                                           | (2,916,820,011) | (32,565,358)    | (-)                                                      | (1,022,263,906)                                                            | (-)                     | (3,971,649,275) |
| Adjustment due to Merger                  | -               | -               | 7,930                                                    | 30,404,069                                                                 | -                       | 30,411,999      |
| Given during the year                     | 7,597,259,137   | 18,000,000      | -                                                        | 177,014,139                                                                | -                       | 7,792,273,276   |
|                                           | (178,253,173)   | (3,558,411)     | (-)                                                      | (1,648,285,696)                                                            | (-)                     | (1,830,097,280) |
| Repaid during the year                    | 3,729,702,737   | -               | -                                                        | 1,898,409,115                                                              | -                       | 5,628,111,852   |
|                                           | (415,937,589)   | (36,123,769)    | (-)                                                      | (541,119,232)                                                              | (-)                     | (993,180,590)   |
| Closing Balance as on March 31, 2016      | 6,546,691,995   | 18,000,000      | -                                                        | 438,957,524                                                                | -                       | 7,003,649,519   |
|                                           | (2,679,135,595) | -               | (-)                                                      | (2,129,430,370)                                                            | (-)                     | (4,808,565,965) |
| <b>Loans and Advances Taken</b>           |                 |                 |                                                          |                                                                            |                         |                 |
| Opening Balance as on April 1, 2015       | 853,276,366     | -               | -                                                        | -                                                                          | -                       | 853,276,366     |
|                                           | (658,450,391)   | (-)             | (-)                                                      | (-)                                                                        | (-)                     | (658,450,391)   |
| Taken during the year                     | 837,557,777     | -               | -                                                        | -                                                                          | -                       | 837,557,777     |
|                                           | (1,427,335,073) | (-)             | (-)                                                      | (-)                                                                        | (-)                     | (1,427,335,073) |
| Adjustment due to Merger                  | 352,076,222     | -               | -                                                        | -                                                                          | -                       | 352,076,222     |
| Repaid during the year                    | 459,271,928     | -               | -                                                        | -                                                                          | -                       | 459,271,928     |
|                                           | (1,232,509,098) | (-)             | (-)                                                      | (-)                                                                        | (-)                     | (1,232,509,098) |
| Closing Balance as on March 31, 2016      | 879,485,993     | -               | -                                                        | -                                                                          | -                       | 879,485,993     |
|                                           | (853,276,366)   | (-)             | (-)                                                      | (-)                                                                        | (-)                     | (853,276,366)   |
| <b>Intercompany Deposits Taken</b>        |                 |                 |                                                          |                                                                            |                         |                 |
| Opening Balance as on April 1, 2015       | -               | -               | 209,759,000                                              | 147,819,517                                                                | -                       | 357,578,517     |
|                                           | (-)             | (-)             | (238,079,000)                                            | (-)                                                                        | (-)                     | (238,079,000)   |
| Taken during the year                     | -               | -               | 650,000                                                  | 447,600,708                                                                | -                       | 448,250,708     |
|                                           | (-)             | (-)             | (-)                                                      | (147,819,517)                                                              | (-)                     | (147,819,517)   |
| Returned during the year                  | -               | -               | 18,880,000                                               | 342,850,000                                                                | -                       | 361,730,000     |
|                                           | (-)             | (-)             | (28,320,000)                                             | (-)                                                                        | (-)                     | (28,320,000)    |
| Closing Balance as on March 31, 2016      | -               | -               | 191,529,000                                              | 252,570,225                                                                | -                       | 444,099,226     |
|                                           | (-)             | (-)             | (209,759,000)                                            | (147,819,517)                                                              | (-)                     | (357,578,517)   |
| <b>Project Advances</b>                   |                 |                 |                                                          |                                                                            |                         |                 |
| Opening Balance as on April 1, 2015       | -               | 687,945,000     | -                                                        | -                                                                          | -                       | 687,945,000     |
|                                           | (-)             | (781,945,000)   | (-)                                                      | (-)                                                                        | (-)                     | (781,945,000)   |
| Given during the year                     | -               | 1,430,000       | -                                                        | -                                                                          | -                       | 1,430,000       |
|                                           | (-)             | (1,000,000)     | (-)                                                      | (-)                                                                        | (-)                     | (1,000,000)     |
| Received Back during the year             | -               | -               | -                                                        | -                                                                          | -                       | -               |
|                                           | (-)             | (95,000,000)    | (-)                                                      | (-)                                                                        | (-)                     | (95,000,000)    |
| Transferred (to)/from                     | -               | -               | -                                                        | -                                                                          | -                       | -               |
|                                           | (-)             | (-)             | (-)                                                      | (-)                                                                        | (-)                     | (-)             |
| Closing Balance as on March 31, 2016      | -               | 689,375,000     | -                                                        | -                                                                          | -                       | 689,375,000     |
|                                           | (-)             | (687,945,000)   | (-)                                                      | (-)                                                                        | (-)                     | (687,945,000)   |
| <b>Investments in Equity Shares</b>       |                 |                 |                                                          |                                                                            |                         |                 |
| Opening Balance as on April 1, 2015       | 2,054,272,767   | 1,744,160,779   | 986,503,899                                              | 783,029,928                                                                | -                       | 5,567,967,373   |
|                                           | (2,053,712,767) | (1,058,073,147) | (986,503,899)                                            | (783,029,928)                                                              | (-)                     | (4,881,319,741) |
| Investment purchased during the year      | 18,934,000      | -               | -                                                        | -                                                                          | -                       | 18,934,000      |
|                                           | (560,000)       | (686,102,632)   | (-)                                                      | (-)                                                                        | (-)                     | (686,662,632)   |
| Adjustment due to Merger                  | 37,592,755      | -               | -                                                        | -                                                                          | -                       | 37,592,755      |
| Investments sold/redeemed during the year | -               | -               | -                                                        | -                                                                          | -                       | -               |
|                                           | (-)             | (15,000)        | (-)                                                      | (-)                                                                        | (-)                     | (15,000)        |
| Closing Balance as on March 31, 2016      | 2,035,614,012   | 1,744,160,779   | 986,503,899                                              | 783,029,928                                                                | -                       | 5,549,308,618   |
|                                           | (2,054,272,767) | (1,744,160,779) | (986,503,899)                                            | (783,029,928)                                                              | (-)                     | (5,567,967,373) |

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| Description                                                            | Subsidiaries    | Associates    | Entities under Joint Control of Company/its subsidiaries | Enterprises over which KMP and their relatives have significant influence. | KMP and their Relatives | Total            |
|------------------------------------------------------------------------|-----------------|---------------|----------------------------------------------------------|----------------------------------------------------------------------------|-------------------------|------------------|
| <b>Investment in Preference Shares</b>                                 |                 |               |                                                          |                                                                            |                         |                  |
| Opening Balance as on April 1, 2015                                    | 240,262,502     | 109,609,005   | 1,480,109,405                                            | 14,276,960,804                                                             | -                       | 16,106,941,716   |
|                                                                        | (240,262,502)   | (109,609,005) | (1,480,109,405)                                          | (14,276,960,804)                                                           | (-)                     | (16,106,941,716) |
| Investment purchased during the year                                   | -               | -             | -                                                        | -                                                                          | -                       | -                |
|                                                                        | (-)             | (-)           | (-)                                                      | (-)                                                                        | (-)                     | (-)              |
| Investments sold/redeemed during the year                              | -               | -             | -                                                        | -                                                                          | -                       | -                |
|                                                                        | (-)             | (-)           | (-)                                                      | (-)                                                                        | (-)                     | (-)              |
| Adjustment due to Merger                                               | 1,243,400,000   | -             | -                                                        | -                                                                          | -                       | 1,243,400,000    |
| Transferred (to)/from                                                  | (1,243,400,000) | -             | -                                                        | -                                                                          | -                       | (1,243,400,000)  |
|                                                                        | (-)             | (-)           | (-)                                                      | (-)                                                                        | (-)                     | (-)              |
| Closing Balance as on March 31, 2016                                   | 240,262,502     | 109,609,005   | 1,480,109,405                                            | 14,276,960,804                                                             | -                       | 16,106,941,716   |
|                                                                        | (240,262,502)   | (109,609,005) | (1,480,109,405)                                          | (14,276,960,804)                                                           | (-)                     | (16,106,941,716) |
| <b>Investment on Debenture</b>                                         |                 |               |                                                          |                                                                            |                         |                  |
| Opening Balance as on April 1, 2015                                    | 25,000,000      | -             | -                                                        | -                                                                          | -                       | 25,000,000       |
|                                                                        | (25,000,000)    | (-)           | (-)                                                      | (-)                                                                        | (-)                     | (25,000,000)     |
| Investment purchased during the year                                   | -               | -             | -                                                        | -                                                                          | -                       | -                |
|                                                                        | (-)             | (-)           | (-)                                                      | (-)                                                                        | (-)                     | (-)              |
| Investments sold/redeemed during the year                              | -               | -             | -                                                        | -                                                                          | -                       | -                |
|                                                                        | (-)             | (-)           | (-)                                                      | (-)                                                                        | (-)                     | (-)              |
| Transferred (to)/from                                                  | -               | -             | -                                                        | -                                                                          | -                       | -                |
|                                                                        | (-)             | (-)           | (-)                                                      | (-)                                                                        | (-)                     | (-)              |
| Closing Balance as on March 31, 2016                                   | 25,000,000      | -             | -                                                        | -                                                                          | -                       | 25,000,000       |
|                                                                        | (25,000,000)    | (-)           | (-)                                                      | (-)                                                                        | (-)                     | (25,000,000)     |
| <b>Investment in Jointly Controlled Entities and Partnership firms</b> |                 |               |                                                          |                                                                            |                         |                  |
| Opening Balance as on April 1, 2015                                    | -               | -             | 1,458,874,935                                            | -                                                                          | -                       | 1,458,874,935    |
|                                                                        | (-)             | (-)           | (2,329,888,129)                                          | (-)                                                                        | (-)                     | (2,329,888,129)  |
| Contribution during the year                                           | -               | -             | 1,471,184,680                                            | -                                                                          | -                       | 1,471,184,680    |
|                                                                        | (-)             | (-)           | (985,829,445)                                            | (-)                                                                        | (-)                     | (985,829,445)    |
| Contribution refunded during the year                                  | -               | -             | 2,033,581,949                                            | -                                                                          | -                       | 2,033,581,949    |
|                                                                        | (-)             | (-)           | (1,867,622,487)                                          | (-)                                                                        | (-)                     | (1,867,622,487)  |
| Share of Profit/ (Loss) during the year                                | -               | -             | (203,017,469)                                            | -                                                                          | -                       | (203,017,469)    |
|                                                                        | (-)             | (-)           | (10,779,848)                                             | (-)                                                                        | (-)                     | (10,779,848)     |
| Closing Balance as on March 31, 2016                                   | -               | -             | 693,460,197                                              | -                                                                          | -                       | 693,460,197      |
|                                                                        | (-)             | (-)           | (1,458,874,935)                                          | (-)                                                                        | (-)                     | (1,458,874,935)  |
| <b>Other Receivable</b>                                                | 1,120,101       | 8,236,000     | -                                                        | -                                                                          | -                       | 9,356,101        |
|                                                                        | (1,092,553)     | (8,236,000)   | (-)                                                      | (523,600)                                                                  | (-)                     | (9,852,153)      |
| <b>Other Payables</b>                                                  | 582,821         | -             | -                                                        | 30,908,553                                                                 | -                       | 31,491,374       |
|                                                                        | (-)             | (-)           | (-)                                                      | (28,024,799)                                                               | (-)                     | (28,024,799)     |
| <b>Interest Receivable</b>                                             | -               | -             | -                                                        | 201,608,673                                                                | -                       | 201,608,673      |
| Addition due to Merger                                                 | 87,130,688      | -             | -                                                        | 12,150,000                                                                 | -                       | 99,280,688       |
| Total Receivables                                                      | 87,130,688      | -             | -                                                        | 213,758,673                                                                | -                       | 300,889,361      |
|                                                                        | (-)             | (-)           | (-)                                                      | (111,302,999)                                                              | (-)                     | (111,302,999)    |
| <b>Interest Payable</b>                                                | 54,070,982      | -             | -                                                        | -                                                                          | -                       | 54,070,982       |
|                                                                        | (18,575,936)    | (-)           | (-)                                                      | (-)                                                                        | (-)                     | (18,575,936)     |
| <b>Advance for Development Rights</b>                                  | 74,750,000      | -             | -                                                        | -                                                                          | -                       | 74,750,000       |
|                                                                        | (10,000,000)    | (-)           | (-)                                                      | (-)                                                                        | (-)                     | (10,000,000)     |
| <b>Interest free security deposits given</b>                           | -               | 20,000,000    | -                                                        | 3,534,930,241                                                              | 33,125,000              | 3,554,930,241    |
|                                                                        | (-)             | (20,000,000)  | (-)                                                      | (3,650,000,000)                                                            | (33,125,000)            | (3,670,000,000)  |
| <b>Trade Payable</b>                                                   | -               | -             | -                                                        | -                                                                          | -                       | -                |
| Addition due to Merger                                                 | -               | -             | 7,100,000                                                | -                                                                          | -                       | 7,100,000        |
| Total Trade Payable                                                    | -               | -             | 7,100,000                                                | -                                                                          | -                       | 7,100,000        |
|                                                                        | (-)             | (-)           | (-)                                                      | (-)                                                                        | (-)                     | (-)              |

| Description                                                                                                      | Subsidiaries    | Associates      | Entities under Joint Control of Company/its subsidiaries | Enterprises over which KMP and their relatives have significant influence. | KMP and their Relatives | Total         |
|------------------------------------------------------------------------------------------------------------------|-----------------|-----------------|----------------------------------------------------------|----------------------------------------------------------------------------|-------------------------|---------------|
| <b>Mobilisation Advance</b>                                                                                      | -               | -               | -                                                        | 113,159,717                                                                | -                       | 113,159,717   |
| Addition due to Merger                                                                                           | -               | -               | -                                                        | 617,945                                                                    | -                       | 617,945       |
| Total Mobilisation Advance                                                                                       | -               | -               | -                                                        | 113,777,662                                                                | -                       | 113,777,662   |
|                                                                                                                  | (-)             | (-)             | (-)                                                      | (113,159,717)                                                              | (-)                     | (113,159,717) |
| <b>Rent paid</b>                                                                                                 | -               | -               | -                                                        | 25,388,598                                                                 | -                       | 25,388,598    |
|                                                                                                                  | (-)             | (-)             | (-)                                                      | (14,004,897)                                                               | (-)                     | (14,004,897)  |
| <b>Interest Income</b>                                                                                           | -               | -               | -                                                        | 90,305,674                                                                 | -                       | 90,305,674    |
|                                                                                                                  | (1,042,630)     | (3,117,957)     | (-)                                                      | (127,755,117)                                                              | (-)                     | (131,915,704) |
| <b>Interest Expenses</b>                                                                                         | 35,495,046      | -               | -                                                        | -                                                                          | -                       | 35,495,046    |
|                                                                                                                  | (90,486,785)    | (-)             | (-)                                                      | (-)                                                                        | (-)                     | (90,486,785)  |
| <b>Travelling Expenses</b>                                                                                       | -               | -               | -                                                        | 162,209                                                                    | -                       | 162,209       |
|                                                                                                                  | (-)             | (-)             | (-)                                                      | (-)                                                                        | (-)                     | (-)           |
| <b>Reimbursement from Other Companies</b>                                                                        | 2,345,623       | -               | 292,150                                                  | -                                                                          | -                       | 2,637,773     |
|                                                                                                                  | (8,258,582)     | (-)             | (-)                                                      | (-)                                                                        | (-)                     | (8,258,582)   |
| <b>Reimbursement to Other Companies</b>                                                                          | 4,295,552       | -               | 292,150                                                  | 33,607,437                                                                 | -                       | 38,195,139    |
|                                                                                                                  | (31,494)        | (-)             | (2,413,482)                                              | (48,000)                                                                   | (-)                     | (2,492,976)   |
|                                                                                                                  | -               | -               | -                                                        | -                                                                          | -                       | -             |
| <b>Preference Shares Issued</b>                                                                                  | -               | -               | -                                                        | 57,400                                                                     | -                       | 57,400        |
|                                                                                                                  | (-)             | (-)             | (-)                                                      | (-)                                                                        | (-)                     | (-)           |
| <b>Purchase of TDR</b>                                                                                           | -               | -               | 569,969,946                                              | -                                                                          | -                       | 569,969,946   |
|                                                                                                                  | (-)             | (-)             | (-)                                                      | (-)                                                                        | (-)                     | (-)           |
| <b>Compensation Received</b>                                                                                     | 41,581,080      | -               | -                                                        | -                                                                          | -                       | 41,581,080    |
|                                                                                                                  | (-)             | (-)             | (-)                                                      | (-)                                                                        | (-)                     | (-)           |
| <b>Guarantee/ Securitites given by the Company to the lenders on behalf of varoius entities. (Refer Note 30)</b> |                 |                 |                                                          |                                                                            |                         |               |
| Opening Balance as on April 1, 2015                                                                              | 4,200,000,000   | 3,500,000,000   | 750,000,000                                              | USD 138 million and ₹14,875,000,000                                        | -                       |               |
|                                                                                                                  | (3,000,000,000) | (3,500,000,000) | (750,000,000)                                            | (USD 138 million and ₹13,130,000,000)                                      | (-)                     |               |
| Given during the year                                                                                            | 8,200,000,000   | -               | -                                                        | 850,000,000                                                                | -                       |               |
|                                                                                                                  | (1,200,000,000) | (1,745,000,000) | (-)                                                      | (-)                                                                        | (-)                     |               |
| Adjustment due to Merger                                                                                         | 900,000,000     | -               | -                                                        | -                                                                          | -                       |               |
| Addition due to Merger                                                                                           | 15,400,000      | -               | -                                                        | -                                                                          | -                       |               |
| Released during the year                                                                                         | -               | -               | -                                                        | 1,700,000,000                                                              | -                       |               |
|                                                                                                                  | (-)             | (-)             | (-)                                                      | (-)                                                                        | (-)                     |               |
| Closing Balance as on March 31, 2016                                                                             | 11,515,400,000  | 3,500,000,000   | 750,000,000                                              | USD 138 million and ₹14,025,000,000                                        | -                       |               |
|                                                                                                                  | (4,200,000,000) | (3,500,000,000) | (750,000,000)                                            | (USD 138 million and ₹14,875,000,000)                                      | (-)                     |               |
|                                                                                                                  | -               | -               | -                                                        | -                                                                          | -                       |               |
| Irrevocable and unconditional personal guarantee by each Managing Director to the Company (Refer Note 30(xv))    | -               | -               | -                                                        | (USD 138 million)                                                          | -                       |               |
|                                                                                                                  | (-)             | (-)             | (-)                                                      | (USD 138 million)                                                          | (-)                     |               |
| <b>Sharing of Resources/Infrastructure**</b>                                                                     | -               | -               | -                                                        | -                                                                          | -                       | -             |
|                                                                                                                  | (-)             | (-)             | (-)                                                      | (-)                                                                        | (-)                     | (-)           |

(Figures in brackets denote Previous Year's balances)

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### iii. Guarantees and securities received by the Company for Loans taken from lenders

| Name                                                | Relation                                                                             | Opening Balance as on 1st April, 2015                                              | Received during the year | Adjustment due to Merger | Released during the year | Closing Balance as on 31st March, 2016 |
|-----------------------------------------------------|--------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|--------------------------|--------------------------|--------------------------|----------------------------------------|
| Dynamix Realty                                      | Joint Venture                                                                        | 350,000,000                                                                        | -                        | -                        | -                        | 350,000,000                            |
| Vinod Goenka                                        | KMP                                                                                  |                                                                                    |                          |                          |                          |                                        |
| Shahid Balwa                                        | KMP                                                                                  |                                                                                    |                          |                          |                          |                                        |
|                                                     |                                                                                      | (350,000,000)                                                                      | (-)                      | (-)                      | (-)                      | (350,000,000)                          |
| Marine Drive Hospitality and Realty Private Limited | Enterprises where individuals i.e. KMP and their relatives have significant interest | -                                                                                  | -                        | 600,000,000              | -                        | 600,000,000                            |
| Dynamix Realty                                      | Joint Venture                                                                        |                                                                                    |                          |                          |                          |                                        |
| N.A.Estate Private Limited                          | Subsidiary                                                                           |                                                                                    |                          |                          |                          |                                        |
| Shahid Balwa                                        | KMP                                                                                  |                                                                                    |                          |                          |                          |                                        |
| Vinod Goenka                                        | KMP                                                                                  |                                                                                    |                          |                          |                          |                                        |
|                                                     |                                                                                      | (-)                                                                                | (-)                      | (-)                      | (-)                      | (-)                                    |
| Sanjana Goenka (7,000,000 Shares of the Company)    | Relative of KMP                                                                      | -                                                                                  | -                        | 300,000,000              | -                        | 300,000,000                            |
| Vinod Goenka                                        | KMP                                                                                  |                                                                                    |                          |                          |                          |                                        |
|                                                     |                                                                                      | (-)                                                                                | (-)                      | (-)                      | (-)                      | (-)                                    |
| Neelkamal Realtors & Builders Private Limited       | Enterprises where individuals i.e. KMP and their relatives have significant interest | -                                                                                  | -                        | 29,000,000               | -                        | 29,000,000                             |
|                                                     |                                                                                      | (-)                                                                                | (-)                      | (-)                      | (-)                      | (-)                                    |
| Eversmile Construction Company Private Limited      | Enterprises over which KMP and their relatives have significant influence.           | 300,000,000                                                                        | -                        | -                        | -                        | 300,000,000                            |
| YJ Realty & Aviation Private Limited                | Enterprises over which KMP and their relatives have significant influence.           |                                                                                    |                          |                          |                          |                                        |
| Milan Theatre Private Limited                       | Enterprises over which KMP and their relatives have significant influence.           |                                                                                    |                          |                          |                          |                                        |
| Shahid Balwa                                        | KMP                                                                                  |                                                                                    |                          |                          |                          |                                        |
|                                                     |                                                                                      | (300,000,000)                                                                      | (-)                      | (-)                      | (-)                      | (300,000,000)                          |
| Esteem Properties Private Limited                   | Subsidiary                                                                           | 2,000,000,000                                                                      | -                        | -                        | -                        | 2,000,000,000                          |
| Vinod Goenka                                        | KMP                                                                                  |                                                                                    |                          |                          |                          |                                        |
| Shahid Balwa                                        | KMP                                                                                  |                                                                                    |                          |                          |                          |                                        |
|                                                     |                                                                                      | (2,000,000,000)                                                                    | (-)                      | (-)                      | (-)                      | (2,000,000,000)                        |
| Vinod Goenka                                        | KMP                                                                                  | 610,000,000                                                                        | 675,000,000              | -                        | 610,000,000              | 675,000,000                            |
| Shahid Balwa                                        | KMP                                                                                  | (610,000,000)                                                                      | (-)                      | (-)                      | (-)                      | (610,000,000)                          |
| Vinod Goenka                                        | KMP                                                                                  | -                                                                                  | 897,500,000              | -                        | -                        | 897,500,000                            |
| Shahid Balwa                                        | KMP                                                                                  |                                                                                    |                          |                          |                          |                                        |
|                                                     |                                                                                      | (-)                                                                                | (-)                      | (-)                      | (-)                      | (-)                                    |
| Neelkamal Tower Construction LLP                    | Entity in respect of which the Company is an Associate                               | The LLP has given 35,117,020 shares of the Company as security to various lenders. |                          |                          |                          |                                        |
| Neelkamal Realtors & Tower Pvt Ltd                  | Associate                                                                            | 443,200,000                                                                        | -                        | -                        | -                        | 443,200,000                            |

(iv) Disclosure in respect of material related party transactions having more than 10% of transaction during the year

| Loans and Advances                        | Opening Balance<br>as on<br>1st April, 2015 | Given during the<br>year | Repaid during<br>the year | Closing Balance<br>as on<br>31st March, 2016 |
|-------------------------------------------|---------------------------------------------|--------------------------|---------------------------|----------------------------------------------|
| <b>Loans Granted to Subsidiaries</b>      |                                             |                          |                           |                                              |
| D B View Infracon Pvt Ltd (Loan)          | -                                           | 2,569,446,116            | -                         | 2,569,446,116                                |
|                                           | (-)                                         | (-)                      | (-)                       | (-)                                          |
| MIG (Bandra) Realtors & Builders Pvt. Ltd | -                                           | 4,094,633,312            | 3,505,371,932             | 589,261,380                                  |
|                                           | (-)                                         | (-)                      | (-)                       | (-)                                          |
| Goregaon Hotels & Realty Pvt Ltd          | 2,661,740                                   | 770,412,383              | 122,003,505               | 651,070,618                                  |

| Particulars                                       | Opening Balance<br>as on<br>1st April, 2015 | Given during the<br>year | Repaid during<br>the year | Closing Balance<br>as on<br>31st March, 2016 |
|---------------------------------------------------|---------------------------------------------|--------------------------|---------------------------|----------------------------------------------|
| <b>Project Advances to Associates</b>             |                                             |                          |                           |                                              |
| D.B. Hi-Sky Constructions Pvt Ltd                 | 324,045,000                                 | 330,000                  | -                         | 324,375,000                                  |
|                                                   | (323,445,000)                               | (600,000)                | (5,500,000)               | (324,045,000)                                |
| Sangam City Township Pvt Ltd                      | 363,900,000                                 | 1,100,000                | -                         | 365,000,000                                  |
|                                                   | (458,500,000)                               | (400,000)                | (95,000,000)              | (363,900,000)                                |
| <b>Loans to Associates (Interest free)</b>        |                                             |                          |                           |                                              |
| Mahal Pictures Pvt Ltd                            | -                                           | 18,000,000               | -                         | 18,000,000                                   |
|                                                   | (-)                                         | (-)                      | (-)                       | (-)                                          |
| <b>Loans given to KMP Significant Entities</b>    |                                             |                          |                           |                                              |
| <b>(Interest bearing and repayable on demand)</b> |                                             |                          |                           |                                              |
| Y. J. Realty & Aviation Pvt Ltd.                  | 658,588,222                                 | 69,094,643               | 727,155,859               | 527,006                                      |
|                                                   | (609,266,140)                               | (65,988,222)             | (16,666,140)              | (65,858,822)                                 |
| Milan Theatres Pvt Ltd                            | 248,674,518                                 | 107,919,496              | 155,209,256               | 201,384,758                                  |
|                                                   | (412,997,766)                               | (207,418,888)            | (371,742,136)             | (248,674,518)                                |
| <b>(Interest free and repayable on demand)</b>    |                                             |                          |                           |                                              |
| Marine Drive & Realty Hospitality Pvt Ltd (ICD)   | 1,222,167,630                               | 223,989                  | 1,016,044,000             | 206,347,619                                  |
|                                                   | (-)                                         | (1,222,167,630)          | (-)                       | (1,222,167,630)                              |
| Majestic Infracon Pvt. Ltd. (ICD)                 | -                                           | 30,000,000               | -                         | 30,000,000                                   |
|                                                   | (-)                                         | (-)                      | (-)                       | (-)                                          |

| Particulars                              | Opening Balance<br>as on<br>1st April, 2015 | Repaid during<br>the year | Taken during the<br>year | Closing Balance<br>as on<br>31st March, 2016 |
|------------------------------------------|---------------------------------------------|---------------------------|--------------------------|----------------------------------------------|
| <b>Loans Received from Subsidiaries</b>  |                                             |                           |                          |                                              |
| Real Gem Buildtech Pvt Ltd               | -                                           | -                         | 643,500,000              | 643,500,000                                  |
|                                          | (-)                                         | (-)                       | (-)                      | (-)                                          |
| Neelkamal Realtor Sub Pvt Ltd            | 258,111,434                                 | 54,070,982                | 31,945,541               | 235,985,993                                  |
|                                          | (198,060,168)                               | (618,697,566)             | (162,525,964)            | (258,111,434)                                |
| MIG (Bandra) Realtors & Builders Pvt Ltd | 54,739,931                                  | 54,739,931                | -                        | -                                            |
|                                          | (100,567,731)                               | (455,127,800)             | (409,300,000)            | (54,739,931)                                 |
| D B View Infracon Pvt Ltd                | 188,348,779                                 | 350,461,015               | 162,112,236              | -                                            |
|                                          | (2,309,527)                                 | (205,838,748)             | (391,878,000)            | (188,348,779)                                |
| <b>Intercompany Deposits</b>             |                                             |                           |                          |                                              |
| Neelkamal Realtors & Builders Pvt Ltd    | 147,819,517                                 | 342,850,000               | 447,600,708              | 252,570,225                                  |
|                                          | (-)                                         | (-)                       | (147,819,517)            | (147,819,517)                                |

| Particulars                                          | Opening Balance<br>as on<br>1st April, 2015 | Contribution<br>during the year | Repayment<br>during the year | Closing Balance<br>as on<br>31st March, 2016 |
|------------------------------------------------------|---------------------------------------------|---------------------------------|------------------------------|----------------------------------------------|
| <b>Investments in Equity Shares</b>                  |                                             |                                 |                              |                                              |
| MIG (Bandra) Realtors & Builders Pvt. Ltd.(Eq.Share) | 49,554,000                                  | 18,934,000                      | -                            | 68,488,000                                   |
|                                                      | (49,554,000)                                | (-)                             | (-)                          | (49,554,000)                                 |

## D B REALTY LIMITED

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| Investments in Partnership firm (JCE)       | Opening Balance<br>as on<br>1st April, 2015 | Contribution<br>during the year             | Profit/(Loss)<br>during the year | Repayment<br>during the year | Closing Balance<br>as on<br>31st March, 2016 |                                              |
|---------------------------------------------|---------------------------------------------|---------------------------------------------|----------------------------------|------------------------------|----------------------------------------------|----------------------------------------------|
| Dynamix Realty                              | -1,418,059,536                              | 932,303,054                                 | -191,104,880                     | 411,345,480                  | -897,351,962                                 |                                              |
|                                             | (575,959,005)                               | (779,350,000)                               | (19,270,273)                     | (1,640,720,804)              | (1,418,059,536)                              |                                              |
| D.B.S. Realty                               | -525,768,194                                | 80,771                                      | -626,657                         | 134,083,870                  | -659,771,293                                 |                                              |
|                                             | (324,156,247)                               | -                                           | (3,388,053)                      | (205,000,000)                | (525,768,194)                                |                                              |
| Mira Real Estate Developers                 | 1,395,994,281                               | 89,300,000                                  | -11,514,083                      | 427,014,083                  | 1,058,280,198                                |                                              |
|                                             | (1,389,646,462)                             | (29,092,181)                                | (11,372,181)                     | (11,372,181)                 | (1,395,994,281)                              |                                              |
| D B Realty And Shreepati Infrastructure LLP | 64,168,879                                  | 89,300,000                                  | 191,688                          | 427,014,083                  | 64,463,794                                   |                                              |
|                                             | (64,332,815)                                | (18,158,936)                                | (438,936)                        | (11,372,181)                 | (64,168,879)                                 |                                              |
| Lokhandwala DB Realty                       | 6,342,073                                   | -                                           | -5,662                           | 5,662                        | 6,336,411                                    |                                              |
|                                             | (-)                                         | (6,350,000)                                 | (7,927)                          | (-)                          | (6,342,073)                                  |                                              |
| Particulars                                 |                                             | Opening Balance<br>as on<br>1st April, 2015 | Contribution<br>during the year  | Repayment<br>during the year | Closing Balance<br>as on<br>31st March, 2016 |                                              |
| Investments in Joint Venture                |                                             |                                             |                                  |                              |                                              |                                              |
| Conwood DB-JV                               |                                             | 197,509,732                                 | 11,735,000                       | 203,334,732                  | 5,910,000                                    |                                              |
|                                             |                                             | (163,749,732)                               | (33,760,000)                     | (-)                          | (197,509,732)                                |                                              |
| ECC DB-JV                                   |                                             | 319,950,000                                 | 349,268,610                      | 359,844,990                  | 309,373,620                                  |                                              |
|                                             |                                             | (287,450,000)                               | (42,300,000)                     | (9,800,000)                  | (319,950,000)                                |                                              |
| Turf Estate JV                              |                                             | 1,391,493,588                               | 87,810,000                       | 700,000,000                  | 779,303,588                                  |                                              |
|                                             |                                             | (1,297,486,348)                             | (94,007,240)                     | (-)                          | (1,391,493,588)                              |                                              |
| Particulars                                 |                                             | Opening Balance<br>as on<br>1st April, 2015 | Given during the<br>year         | Taken during the<br>year     | Closing Balance<br>as on<br>31st March, 2016 |                                              |
| Other Payable                               |                                             |                                             |                                  |                              |                                              |                                              |
| K.G enterprises                             |                                             | 3,783,438                                   | 29,466,538                       | 32,228,570                   | 6,545,470                                    |                                              |
|                                             |                                             | (116,429)                                   | (14,360,721)                     | (18,027,730)                 | (3,783,438)                                  |                                              |
| Real Gem Buildtech Pvt. Ltd.                |                                             | -                                           | 3,712,731                        | 4,295,552                    | 582,821                                      |                                              |
| Particulars                                 |                                             | Opening Balance<br>as on<br>1st April, 2015 | Given during the<br>year         | Taken during the<br>year     | Closing Balance<br>as on<br>31st March, 2016 |                                              |
| Other Receivable                            |                                             |                                             |                                  |                              |                                              |                                              |
| DB Contractors and Builders Pvt Ltd         |                                             | 1,092,553                                   | 27,548                           | -                            | 1,120,101                                    |                                              |
|                                             |                                             | (162,553)                                   | (930,000)                        | (-)                          | (1,092,553)                                  |                                              |
| Real Gem Buildtech Pvt. Ltd                 |                                             | -                                           | 2,318,075                        | 2,318,075                    | -                                            |                                              |
|                                             |                                             | (31,494)                                    | (5,828,582)                      | (5,860,076)                  | (-)                                          |                                              |
| Interest Receivable                         |                                             |                                             |                                  |                              |                                              |                                              |
| Milan Theatre Pvt Ltd                       |                                             | 121,214,654                                 | 30,463,328                       | -                            | 151,677,982                                  |                                              |
|                                             |                                             | (-)                                         | (121,214,654)                    | (-)                          | (121,214,654)                                |                                              |
| Y J Realty & Aviation Pvt Ltd               |                                             | (9,911,655)                                 | 59,842,346                       | -                            | 49,930,691                                   |                                              |
|                                             |                                             | (-)                                         | (9,911,655)                      | (-)                          | (9,911,655)                                  |                                              |
| Interest Payable                            |                                             |                                             |                                  |                              |                                              |                                              |
| Neelkamal Realtor Sub. Pvt Ltd              |                                             | 18,575,936                                  | 35,495,046                       | -                            | 54,070,982                                   |                                              |
|                                             |                                             | (-)                                         | (18,575,936)                     | (-)                          | (18,575,936)                                 |                                              |
| Particulars                                 |                                             | Opening Balance<br>as on<br>1st April, 2015 | Adjustment due<br>to Merger      | Received during<br>the year  | Paid during the<br>year                      | Closing Balance<br>as on<br>31st March, 2016 |
| Interest Free Security Deposits Received    |                                             |                                             |                                  |                              |                                              |                                              |
| D B View Infracon Pvt Ltd                   |                                             | 10,000,000                                  | -                                | -                            | 64,750,000                                   | 74,750,000                                   |
|                                             |                                             | (-)                                         | (-)                              | (10,000,000)                 | (-)                                          | (10,000,000)                                 |

| <b>Interest Free Security Deposits Paid</b>                                          |                 |     |     |             |                 |
|--------------------------------------------------------------------------------------|-----------------|-----|-----|-------------|-----------------|
| Dynamix Club Resorts Private Limited                                                 | 500,000,000     | -   | -   | -           | 500,000,000     |
|                                                                                      | (500,000,000)   | (-) | (-) | (-)         | (500,000,000)   |
| Eversmile Construction Company Private Limited                                       | 2,000,000,000   | -   | -   | 115,569,759 | 1,884,430,241   |
|                                                                                      | (2,000,000,000) | (-) | (-) | (-)         | (2,000,000,000) |
| Neelkamal Realtors & Builders Private Limited                                        | 675,000,000     | -   | -   | -           | 675,000,000     |
|                                                                                      | (675,000,000)   | (-) | (-) | (-)         | (675,000,000)   |
| Usman Ebrahim Balwa                                                                  | 33,125,000      | -   | -   | -           | 33,125,000      |
|                                                                                      | (33,125,000)    | (-) | (-) | (-)         | (33,125,000)    |
| Mystical Construction Pvt Ltd (formerly known as Nihar Construction Private Limited) | 400,000,000     | -   | -   | -           | 400,000,000     |
|                                                                                      | (400,000,000)   | (-) | (-) | (-)         | (400,000,000)   |
| Neelkamal Realtors Tower Private Limited                                             | 20,000,000      | -   | -   | -           | 20,000,000      |
|                                                                                      | (20,000,000)    | (-) | (-) | (-)         | (20,000,000)    |

| <b>Particulars</b>                                                                 | <b>Opening Balance as on 1st April, 2015</b> | <b>Adjustment due to Merger</b> | <b>Received during the year</b> | <b>Paid during the year</b> | <b>Closing Balance as on 31st March, 2016</b> |
|------------------------------------------------------------------------------------|----------------------------------------------|---------------------------------|---------------------------------|-----------------------------|-----------------------------------------------|
| <b>Mobilisation Advance</b>                                                        |                                              |                                 |                                 |                             |                                               |
| Majestic Infracon Private Limited (formerly known as DBI Infracon Private Limited) | 113,159,717                                  | 617,945                         | -                               | -                           | 113,777,662                                   |
|                                                                                    | (113,159,717)                                | (-)                             | (-)                             | (-)                         | (113,159,717)                                 |

|                                            |                   |
|--------------------------------------------|-------------------|
| <b>Consultancy Income Received</b>         | <b>Amount (₹)</b> |
| Neelkamal Realtors Tower Pvt Ltd           | -                 |
|                                            | (195,000,000)     |
| <b>Interest Income</b>                     | <b>Amount (₹)</b> |
| Milan Theatre Private Limited              | 30,463,328        |
|                                            | (49,088,587)      |
| YJ Realty Private Limited                  | 59,842,346        |
|                                            | (78,666,530)      |
| <b>Interest Expense</b>                    | <b>Amount (₹)</b> |
| Neelkamal Realtor Suburban Private Limited | 35,495,046        |
|                                            | (25,626,453)      |

| <b>Particulars</b>                                | <b>Nature of transaction</b> | <b>Amount (₹)</b> |
|---------------------------------------------------|------------------------------|-------------------|
| Conwood Construction & Developers Private Limited | Preference Shares Issued     | 28,700            |
|                                                   |                              | (-)               |
| K.G.Enterprises                                   | Preference Shares Issued     | 28,700            |
|                                                   |                              | (-)               |
| Dynamix Realty                                    | TDR Purchased                | 569,969,946       |
|                                                   |                              | (-)               |
| Priya Constructions Private Limited               | Compensation Received        | 41,581,080        |
|                                                   |                              | (-)               |

| <b>Particulars</b>           | <b>Nature of expenditure</b> | <b>Amount (₹)</b> |
|------------------------------|------------------------------|-------------------|
| Eon Aviation Private Limited | Travelling expenses          | 162,209           |
|                              |                              | (-)               |
| K G Enterprises              | Rent Paid                    | 25,388,598        |
|                              |                              | (14,004,897)      |

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### Consideration payable against development rights acquired by the Company

| Particular                            | Nature of Expenditure | Payable against Development Rights                                                                                                                 |
|---------------------------------------|-----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|
| Eversmile Construction Co Pvt Ltd     | Village Sahar         | 30% Build Up Area                                                                                                                                  |
| Eversmile Construction Co Pvt Ltd     | Mahul Project         | Road Amenity TDR- 33.33%, Construction TDR - 24.81% & Reservation TDR - 100%                                                                       |
| Eversmile Construction Co Pvt Ltd     | Ghodbander Land       | 23% of Build Up Area                                                                                                                               |
| Dynamix Club Resorts Pvt Ltd          | Village Eksar         | 20% Build Up Area                                                                                                                                  |
| Neelkamal Realtors & Builders Pvt Ltd | Johney Castel         | 55% saleable area & 55% parking space                                                                                                              |
| Neelkamal Realtors Tower Pvt Ltd      | Sakseria              | 10% of Net Revenue but not less than ₹ 200,000,000/- and not more than ₹ 250,000,000/-                                                             |
| Nihar Construction Pvt. Ltd           | Ismalia Co-Op Hsg Soc | Amount spent for acquisition plus 30% additional sum thereon                                                                                       |
| Neelkamal Realtors & Builders P.Ltd.  | Enclave II            | Independent structure consists of Ground floor plus 10 upper floor with latest amenities or provide area of 29,785 sq. ft. in redeveloped building |
| Usman Ebrahim Balwa                   |                       |                                                                                                                                                    |

### Consideration payable against development rights given by the Company

| Particular                | Nature of Expenditure              | Receivable against Development Rights |
|---------------------------|------------------------------------|---------------------------------------|
| D B View Infracon Pvt Ltd | Survey No.1739 of Byculla Division | 25% of Built up area                  |

### Sharing of Resources / Infrastructure\*\*

| Particulars                                      | Subsidiaries | Associates | Entities under Joint Control of Company/its subsidiaries | Enterprises over which KMP and their relatives have significant influence. | Total |
|--------------------------------------------------|--------------|------------|----------------------------------------------------------|----------------------------------------------------------------------------|-------|
| D B Contractors & Builders Private Limited       | -            | -          | -                                                        | -                                                                          | -     |
| Spacecon Realty Pvt. Ltd.                        | -            | -          | -                                                        | -                                                                          | -     |
| Neelkamal Shantinagar Properties Pvt Ltd         | -            | -          | -                                                        | -                                                                          | -     |
| Shree Shantinagar Venture                        | -            | -          | -                                                        | -                                                                          | -     |
| Neelkamal Realtors Suburban Private Limited      | -            | -          | -                                                        | -                                                                          | -     |
| Daund Warehousing Developers & Builders LLP      | -            | -          | -                                                        | -                                                                          | -     |
| D B View Infracon Pvt Ltd                        | -            | -          | -                                                        | -                                                                          | -     |
| Esteem Properties Pvt Ltd                        | -            | -          | -                                                        | -                                                                          | -     |
| Vanita Infrastructure Pvt Ltd                    | -            | -          | -                                                        | -                                                                          | -     |
| Priya Constructions Pvt Ltd                      | -            | -          | -                                                        | -                                                                          | -     |
| Evergreen Industrial Estate                      | -            | -          | -                                                        | -                                                                          | -     |
| Real Gem Buildtech Pvt Ltd                       | -            | -          | -                                                        | -                                                                          | -     |
| Saifee Bucket Factory Pvt Ltd                    | -            | -          | -                                                        | -                                                                          | -     |
| Saswad Warehousing Developers & Builders LLP     | -            | -          | -                                                        | -                                                                          | -     |
| Ahmednagar Warehousing Developers & Builders LLP | -            | -          | -                                                        | -                                                                          | -     |
| D B Realty & Shreepati Infrastructure LLP        | -            | -          | -                                                        | -                                                                          | -     |
| Mira Real Estate Developers                      | -            | -          | -                                                        | -                                                                          | -     |
| DBS Realty                                       | -            | -          | -                                                        | -                                                                          | -     |
| Turf Estate Joint Venture                        | -            | -          | -                                                        | -                                                                          | -     |
| Conwood DB Joint Venture                         | -            | -          | -                                                        | -                                                                          | -     |
| ECC DB Joint Venture                             | -            | -          | -                                                        | -                                                                          | -     |
| N. A. Estate Pvt. Ltd.                           | -            | -          | -                                                        | -                                                                          | -     |
| DB (BKC) Realtors Pvt. Ltd                       | -            | -          | -                                                        | -                                                                          | -     |
| Nine Paradise Erectors Pvt Ltd                   | -            | -          | -                                                        | -                                                                          | -     |
| D B Hi-Sky Construction Pvt Ltd                  | -            | -          | -                                                        | -                                                                          | -     |
| Latur Warehousing Developers & Builders LLP      | -            | -          | -                                                        | -                                                                          | -     |
| Aurangabad Warehousing Developers & Builders LLP | -            | -          | -                                                        | -                                                                          | -     |
| MIG (Bandra) Realtors & Builders Pvt Ltd         | -            | -          | -                                                        | -                                                                          | -     |
| Veer Jijamata Nagar Realty LLP                   | -            | -          | -                                                        | -                                                                          | -     |

\*\* Transactions are of non-monetary consideration

(iii) Disclosure under Regulation 34(3) of SEBI (Listing Obligation and Disclosure Requirements, 2015) :

| Loans and Advances                                 | Opening Balance as on 1st April, 2015 | Given during the year | Returned during the year | Closing Balance as on 31st March, 2016 | Maximum Balance Outstanding during the year |
|----------------------------------------------------|---------------------------------------|-----------------------|--------------------------|----------------------------------------|---------------------------------------------|
| <b>Loans to Subsidiaries</b>                       |                                       |                       |                          |                                        |                                             |
| D B Man Realty Limited                             | 390,000                               | 33,306                | -                        | 423,306                                | 423,306                                     |
|                                                    | (315,000)                             | (635,000)             | (560,000)                | (390,000)                              | (940,000)                                   |
| Spacecon Realty Private Limited                    | 577,043,288                           | 95,000                | -                        | 577,138,288                            | 577,138,288                                 |
|                                                    | (649,823,288)                         | (1,720,000)           | (74,500,000)             | (577,043,288)                          | (651,533,288)                               |
| DB View Infracon Private Limited                   | -                                     | 2,569,446,116         | -                        | 2,569,446,116                          | 2,569,446,116                               |
|                                                    | (-)                                   | (-)                   | (-)                      | (-)                                    | (-)                                         |
| Esteem Properties Private Limited                  | 1,127,380,130                         | 2,235,000             | -                        | 1,129,615,130                          | 1,129,615,130                               |
|                                                    | (1,124,970,130)                       | (2,410,000)           | (-)                      | (1,127,380,130)                        | (1,127,380,130)                             |
| N. A. Estate Private Limited                       | 79,313,299                            | 30,000                | -                        | 79,343,299                             | 79,343,299                                  |
|                                                    | (79,277,287)                          | (36,012)              | (-)                      | (79,313,299)                           | (79,313,299)                                |
| Neelkamal Shantinagar Properties Private Limited   | 60,544,316                            | 108,686,640           | 64,900,000               | 104,330,956                            | 147,294,316                                 |
|                                                    | (3,899,316)                           | (56,645,000)          | (-)                      | (60,544,316)                           | (60,544,316)                                |
| Nine Paradise Erectors Private Limited             | 171,220,000                           | 190,000               | 37,425,000               | 133,985,000                            | 171,335,000                                 |
|                                                    | (218,210,000)                         | (580,000)             | (47,570,000)             | (171,220,000)                          | (218,735,000)                               |
| Priya Construction Private Limited                 | 225,356,152                           | 41,631,080            | -                        | 266,987,232                            | 266,987,232                                 |
|                                                    | (224,736,152)                         | (620,000)             | (-)                      | (225,356,152)                          | (225,356,152)                               |
| Royal Netra Construction Private Limited           | (377,377,203)                         | (17,468,000)          | -                        | (394,845,203)                          | (396,957,203)                               |
|                                                    | (377,377,203)                         | (17,468,000)          | (-)                      | (394,845,203)                          | (396,957,203)                               |
| Saifee Buckets Factory Private Limited             | 1,102,467                             | 62,300                | 2,300                    | 1,162,467                              | 1,162,467                                   |
|                                                    | (1,022,467)                           | (80,450)              | (450)                    | (1,102,467)                            | (1,102,917)                                 |
| Goregaon Hotels & Realty Private Limited           | 2,661,740                             | 770,412,383           | 122,003,505              | 651,070,618                            | 682,867,803                                 |
|                                                    | (-)                                   | (2,661,740)           | (-)                      | (2,661,740)                            | (2,661,740)                                 |
| Vanita Infrastructure Private Limited              | 39,279,000                            | 520,000               | -                        | 39,799,000                             | 39,799,000                                  |
|                                                    | (39,129,000)                          | (150,000)             | (-)                      | (39,279,000)                           | (39,279,000)                                |
| MIG (Bandra) Realtors and Builders Private Limited | -                                     | 4,094,633,312         | 3,505,371,932            | 589,261,380                            | 3,451,761,380                               |
|                                                    | (-)                                   | (-)                   | (-)                      | (-)                                    | (-)                                         |

| Particulars                                                    | Opening Balance as on 1st April, 2015 | Given during the year | Returned during the year | Addition Due to Merger | Closing Balance as on 31st March, 2016 | Maximum Balance Outstanding during the year |
|----------------------------------------------------------------|---------------------------------------|-----------------------|--------------------------|------------------------|----------------------------------------|---------------------------------------------|
| <b>Loans to Associates</b>                                     |                                       |                       |                          |                        |                                        |                                             |
| Mahal Pictures Private Limited                                 | -                                     | 18,000,000            | -                        | -                      | 18,000,000                             | 18,000,000                                  |
|                                                                | (-)                                   | (-)                   | (-)                      | (-)                    | (-)                                    | (-)                                         |
| Neelkamal Realtors Tower Pvt Ltd                               | -                                     | -                     | -                        | -                      | -                                      | -                                           |
|                                                                | (32,565,358)                          | (3,558,411)           | (36,123,769)             | (-)                    | (-)                                    | (33,685,769)                                |
| <b>Loans given to companies where directors are interested</b> |                                       |                       |                          |                        |                                        |                                             |
| Y J Realty Pvt. Ltd.                                           | 658,588,222                           | 69,094,643            | 727,155,859              | -                      | 527,006                                | 486,433,860                                 |
|                                                                | (609,266,140)                         | (65,988,222)          | (16,666,140)             | (-)                    | (658,588,222)                          | (668,499,877)                               |
| Milan Theatres Pvt. Ltd.                                       | 248,674,518                           | 107,919,496           | 155,209,256              | -                      | 201,384,758                            | 235,161,678                                 |
|                                                                | (412,997,766)                         | (207,418,888)         | (371,742,136)            | (-)                    | (248,674,518)                          | (423,667,694)                               |
| Majestic Infracon Pvt. Ltd.                                    | -                                     | -                     | -                        | 30,000,000             | 30,000,000                             | 30,000,000                                  |

56. Recognition of Income and Expenses for on-going projects are based upon actual sales value, estimated costs and work completion status. The work completion status is determined based on the actual costs incurred vis-a-vis the estimated cost of the project. The estimated costs of every project are reviewed periodically and revised whenever required. The consequential effect of such revision is considered in the year of revision and in the balance future period of the project.

**57. Disclosure in respect of joint venture**

(a) The Company has investments in following joint ventures and all are in real estate business. The following amounts represent the Company's interest as per its holding in respective line item in the financial statement of the joint venture. (Amount in ₹)

| Particulars                 | Suraksha D B Realty          | Sneh Developers      | National Tiles & Industries | Lokhandwala B Realty LLP | DB (BKC) Realtors Private Limited | Lokhandwala Dynamix Balwas Joint Venture | Dynamix Realty                   | DBS Realty                       | DB Realty and Shreepati Infra-structures LLP | Warehousing LLPs*  |
|-----------------------------|------------------------------|----------------------|-----------------------------|--------------------------|-----------------------------------|------------------------------------------|----------------------------------|----------------------------------|----------------------------------------------|--------------------|
| % of Holding                | 50.00%<br>(50.00%)           | 49.00%<br>(49.00%)   | 59.40%<br>(59.40%)          | 50.00%#<br>(50.00%#)     | 40.80%<br>(40.80%)                | 50.00%<br>(50.00%)                       | 50.00%<br>(50.00%)               | 33.33%<br>(33.33%)               | 60.00%<br>(60.00%)                           | 50.00%<br>(50.00%) |
| Shareholders' Funds         |                              |                      |                             |                          |                                   |                                          |                                  |                                  |                                              |                    |
| Share Capital               | -24,241,192<br>(98,922,612)  | 4,588<br>(9,800)     | 4,588,740<br>(4,984,671)    | 5,485,599<br>(5,500,000) | 5,908,653<br>(5,908,653)          | 21,060,180<br>(20,986,040)               | 250,000<br>(250,000)             | 3,299,997<br>(3,300,000)         | 33,269,455<br>(38,919,043)                   | -<br>(569,192)     |
| Reserves and Surplus        | 101,867,676<br>(-47,163,804) | -9,813<br>(-5,232)   | 246,458<br>(-3,98,094)      | -62,066<br>(-27,209)     | 1,724,170,572<br>(1,726,970,219)  | 48,841<br>(-)                            | -<br>(-)                         | -<br>(-)                         | 195,600<br>(-447,894)                        | -<br>(-59,434)     |
| Non-current Liabilities     |                              |                      |                             |                          |                                   |                                          |                                  |                                  |                                              |                    |
| Long-term Borrowings        | -                            | -                    | -                           | -                        | -                                 | -                                        | -                                | -                                | -                                            | -                  |
| Other Long Term Liabilities | (-)                          | (-)                  | (-)                         | (-)                      | (-)                               | (-)                                      | (-)                              | (-)                              | (-)                                          | (-)                |
|                             | (-)                          | (-)                  | (-)                         | (-)                      | (-)                               | (-)                                      | (-)                              | (-)                              | (-)                                          | (-)                |
| Long-term Provisions        | 109,093<br>(109,093)         | -                    | -                           | -                        | 13,862<br>(1,247,164)             | -                                        | 281,691<br>(321,764)             | 306,191<br>(304,975)             | -<br>(-)                                     | -<br>(-)           |
| Current Liabilities         |                              |                      |                             |                          |                                   |                                          |                                  |                                  |                                              |                    |
| Short-term Borrowings       | 1,358,748<br>(1,358,748)     | 516,151<br>(509,269) | -                           | -                        | -                                 | -                                        | 1,066,290,300<br>(1,450,300,000) | -<br>(-)                         | -<br>(-)                                     | -<br>(-)           |
| Trade Payables              | 1,200,453<br>(3,485,822)     | 15,320<br>(12,390)   | 24,773<br>(2,669)           | 471,774<br>(349,094)     | 2,849,421<br>(2,372,938)          | 21,034<br>(18,118)                       | 31,793,960<br>(43,280,190)       | 191,177<br>(9,180,370)           | 61,921<br>(88,921)                           | -<br>(68,373)      |
| Other Current Liabilities   | 6,026,822<br>(48,603,012)    | -<br>(-)             | 490,498<br>(756,754)        | 1,081,935<br>(-)         | 7,063,141<br>(7,837,295)          | -                                        | 739,819,903<br>(1,135,390,922)   | 1,527,948,555<br>(1,377,748,570) | 45,120<br>(3,900)                            | -<br>(33,650,000)  |
| Short-term Provisions       | -                            | -                    | -                           | -                        | 1,745<br>(398,676)                | -                                        | 31,663,175<br>(11,477,199)       | 371,501<br>(550,748)             | -<br>(-)                                     | -<br>(-)           |
| <b>TOTAL</b>                | 86,321,599<br>(105,315,482)  | 526,227<br>(526,227) | 5,348,470<br>(5,346,000)    | 6,977,242<br>(5,821,885) | 1,740,007,394<br>(1,744,889,558)  | 21,130,055<br>(21,004,158)               | 1,870,099,030<br>(2,641,020,075) | 1,542,758,634<br>(1,404,410,625) | 33,572,096<br>(38,563,970)                   | -<br>(34,228,130)  |
| Non-current Assets          |                              |                      |                             |                          |                                   |                                          |                                  |                                  |                                              |                    |
| Fixed Assets                |                              |                      |                             |                          |                                   |                                          |                                  |                                  |                                              |                    |
| Tangible Assets             | 326,984<br>(892,463)         | -                    | 5,346,000<br>(5,346,000)    | 44,156<br>(85,252)       | 67,669<br>(49,571)                | -                                        | 966,942<br>(2,036,807)           | 116,265,891<br>(118,080,724)     | -<br>(-)                                     | -<br>(-)           |
| Intangible Assets           | -                            | -                    | -                           | -                        | -                                 | -                                        | -                                | -                                | -                                            | -                  |
|                             | (19,301)                     | (-)                  | (-)                         | (-)                      | (-)                               | (-)                                      | (-)                              | (-)                              | (-)                                          | (-)                |

| Particulars                                          | Suraksha D B Realty | Sneh Developers | National Tiles & Industries | Lokhandwala B Realty LLP | DB (BKC) Realtors Private Limited | Lokhandwala Dynamix Balwas Joint Venture | Dynamix Realty  | DBS Realty      | DB Realty and Shreepati Infra-structures LLP | Warehousing LLPs* |
|------------------------------------------------------|---------------------|-----------------|-----------------------------|--------------------------|-----------------------------------|------------------------------------------|-----------------|-----------------|----------------------------------------------|-------------------|
| Capital Work-in-progress                             | -                   | -               | -                           | -                        | -                                 | -                                        | -               | -               | -                                            | -                 |
|                                                      | (-)                 | (-)             | (-)                         | (-)                      | (-)                               | (-)                                      | (-)             | (-)             | (-)                                          | (-)               |
| Non-current Investments                              | 50,000              | -               | -                           | -                        | -                                 | -                                        | -               | -               | 4,887,229                                    | -                 |
|                                                      | (50,000)            | (-)             | (-)                         | (-)                      | (-)                               | (-)                                      | (-)             | (-)             | (4,637,770)                                  | (-)               |
| Long-term Loans and Advances                         | -                   | -               | -                           | -                        | 244,006,162                       | -                                        | 406,503         | 50,248,556      | -                                            | -                 |
|                                                      | (33,609,547)        | (-)             | (-)                         | (-)                      | (263,740,271)                     | (-)                                      | (-)             | (44,772,420)    | (30,466,630)                                 | (-)               |
| Other Non-current Assets                             | -                   | -               | -                           | -                        | -                                 | -                                        | -               | -               | -                                            | -                 |
|                                                      | (-)                 | (-)             | (-)                         | (-)                      | (-)                               | (-)                                      | (-)             | (4,030,732)     | (-)                                          | (-)               |
| Current Assets                                       |                     |                 |                             |                          |                                   |                                          |                 |                 |                                              |                   |
| Inventories                                          | 25,352,800          | 516,427         | -                           | 5,283,118                | 1,416,530,789                     | 17,277,129                               | 6,158,957       | 779,442,818     | 3,401,643                                    | -                 |
|                                                      | (-)                 | (516,427)       | (-)                         | (2,095,692)              | (1,394,420,731)                   | (17,277,129)                             | (5,706,890)     | (746,830,087)   | (3,401,643)                                  | (-)               |
| Trade Receivables                                    | 8,000,000           | -               | -                           | -                        | -                                 | -                                        | 514,579,279     | 224,166         | -                                            | -                 |
|                                                      | (19,144,267)        | (-)             | (-)                         | (-)                      | (-)                               | (-)                                      | (759,530,368)   | (-)             | (-)                                          | (-)               |
| Cash and Bank Balance                                | 27,099,239          | 9,800           | 2,470                       | 1,634,045                | 669,696                           | 3,816,697                                | 150,911         | 2,201,674       | 39,796                                       | -                 |
|                                                      | (36,376,313)        | (9,800)         | (-)                         | (3,607,785)              | (707,342)                         | (3,669,936)                              | (138,432)       | (4,255,948)     | (14,498)                                     | (196,255)         |
| Short-term Loans and Advances                        | 25,492,576          | -               | -                           | 15,923                   | 78,733,078                        | 36,230                                   | 1,347,836,438   | 594,249,951     | 25,243,429                                   | -                 |
|                                                      | (15,223,591)        | (-)             | (-)                         | (17,586)                 | (85,758,827)                      | (57,094)                                 | (1,873,607,578) | (486,369,562)   | (43,429)                                     | (34,031,875)      |
| Other Current Assets                                 | -                   | -               | -                           | -                        | -                                 | -                                        | -               | 125,579         | -                                            | -                 |
|                                                      | (-)                 | (-)             | (-)                         | (15,571)                 | (212,816)                         | (-)                                      | (-)             | (-)             | (-)                                          | (-)               |
| <b>TOTAL</b>                                         | 86,321,599          | 526,227         | 5,348,470                   | 6,977,242                | 1,740,007,394                     | 21,130,055                               | 1,870,099,030   | 1,542,758,634   | 33,572,096                                   | -                 |
|                                                      | (105,315,482)       | (526,227)       | (5,346,000)                 | (5,821,885)              | (1,744,889,558)                   | (21,004,158)                             | (2,641,020,075) | (1,404,339,472) | (38,563,970)                                 | (34,228,130)      |
| <b>I. INCOME</b>                                     |                     |                 |                             |                          |                                   |                                          |                 |                 |                                              |                   |
| Revenue from Operations                              | 79,857,459          | -               | -                           | -                        | -                                 | -                                        | 79,433,373      | -               | -                                            | -                 |
|                                                      | (2,115,263)         | (-)             | (-)                         | (-)                      | (-)                               | (-)                                      | (287,079,148)   | (1,076,400)     | (-)                                          | (-)               |
| Share of Profit / (Loss) from Partnership Firms, net | -                   | -               | -                           | -                        | -                                 | -                                        | -               | -               | 246,458                                      | -                 |
|                                                      | (-)                 | (-)             | (-)                         | (-)                      | (-)                               | (-)                                      | (-)             | (-)             | (-3,98,094)                                  | (-)               |
| Other Income                                         | 134,020             | -               | 374,800                     | -                        | 269,926                           | 166,364                                  | 4,131,747       | 2,041,206       | -                                            | -                 |
|                                                      | (4,989,509)         | (-)             | (-)                         | (-)                      | (258,393)                         | (-)                                      | (5,417,670)     | (2,271,751)     | (-)                                          | (-)               |
| <b>TOTAL</b>                                         | 79,991,479          | -               | 374,800                     | -                        | 269,926                           | 166,364                                  | 83,585,120      | 2,041,206       | 246,458                                      | -                 |
|                                                      | (7,104,771)         | (-)             | (-)                         | (-)                      | (258,393)                         | -                                        | (292,496,818)   | (3,348,151)     | (-3,98,094)                                  | (-)               |
| <b>II. EXPENDITURE</b>                               |                     |                 |                             |                          |                                   |                                          |                 |                 |                                              |                   |
| Project Expenses                                     | -                   | -               | -                           | 2,642,546                | 22,110,057                        | -                                        | 452,067         | 32,542,324      | -                                            | -                 |
|                                                      | (-)                 | (-)             | (-)                         | (2,095,692)              | (2,424,606)                       | (250,644)                                | (131,665,065)   | (119,508,689)   | (20,712)                                     | (-)               |

# D B REALTY LIMITED

(ANNUAL REPORT 2015 - 16 )

| Particulars                            | Suraksha D B Realty | Shree Developers | National Tiles & Industries | Lokhandwala B Realty LLP | DB (BKC) Realtors Private Limited | Lokhandwala Dynamix Balwas Joint Venture | Dynamix Realty | DBS Realty      | DB Realty and Shreepati Infra-structures LLP | Warehousing LLPs* |
|----------------------------------------|---------------------|------------------|-----------------------------|--------------------------|-----------------------------------|------------------------------------------|----------------|-----------------|----------------------------------------------|-------------------|
| (Increase)/Decrease in Inventories     | -25,352,800         | -                | -                           | -2,642,546               | -22,110,057                       | -                                        | -452,067       | -32,542,324     | -                                            | -                 |
| Employee Benefit Expenses              | (-)                 | (-)              | (-)                         | (-20,95,692)             | (-24,24,606)                      | (-2,50,644)                              | (-)            | (-11,94,37,535) | (-20,712)                                    | (-)               |
| Finance Costs                          | -716,678            | -                | -                           | -                        | 2,177,793                         | -                                        | 1,461,206      | 93,321          | -                                            | -                 |
|                                        | (281,647)           | (-)              | (-)                         | (-)                      | (3,506,034)                       | (-)                                      | (1,512,858)    | (89,937)        | (-)                                          | (-)               |
|                                        | -                   | -                | -                           | -                        | 109,776                           | -                                        | -              | 66,948          | -                                            | -                 |
|                                        | (4,967,834)         | (-)              | (140)                       | (-)                      | (-)                               | (-)                                      | (748)          | (-)             | (-)                                          | (-)               |
| Depreciation and Amortization Expenses | 584,780             | -                | -                           | 37,314                   | 18,339                            | -                                        | 955,977        | 1,857,515       | -                                            | -                 |
| Other Expenses                         | (182,382)           | (-)              | (-)                         | (14,546)                 | (18,190)                          | (-)                                      | (-5,89,874)    | (-11,39,039)    | (-)                                          | (-)               |
|                                        | 3,608,501           | 9,813            | 128,342                     | 24,753                   | 763,665                           | 117,523                                  | 268,089,514    | 358,475         | 50,858                                       | -                 |
|                                        | (48,836,713)        | (5,232)          | (397,954)                   | (12,663)                 | (2,796,893)                       | (-)                                      | (136,255,638)  | (259,200)       | (49,800)                                     | (59,434)          |
| Tax Expenses                           | -                   | -                | -                           | -                        | -                                 | -                                        | 4,163,303      | 291,666         | -                                            | -                 |
|                                        | (-)                 | (-)              | (-)                         | (-)                      | (-)                               | (-)                                      | (10,089,000)   | (750,000)       | (-)                                          | (-)               |
| <b>Total Expenses</b>                  | (21,876,197)        | 9,813            | 128,342                     | 62,066                   | 3,069,574                         | 117,523                                  | 274,669,999    | 2,667,925       | 50,858                                       | -                 |
|                                        | (54,268,575)        | (5,232)          | (398,094)                   | (27,209)                 | (6,321,116)                       | (-)                                      | (278,933,435)  | (31,252)        | (49,800)                                     | (59,434)          |
| <b>Profit (Loss) after Tax</b>         | 101,867,676         | (9,813)          | 246,458                     | (62,066)                 | (2,799,647)                       | 48,841                                   | (191,104,880)  | (626,719)       | 195,600                                      | -                 |
|                                        | (47,163,804)        | (5,232)          | (3,98,094)                  | (27,209)                 | (6,062,723)                       | (-)                                      | (13,563,383)   | (3,316,899)     | (447,894)                                    | (59,434)          |
| <b>Contingent Liability</b>            | -                   | -                | -                           | -                        | 405                               | -                                        | -              | 272,666,043     | -                                            | -                 |
|                                        | (-)                 | (-)              | (-)                         | (-)                      | (358)                             | (-)                                      | (-)            | (201,352,313)   | (-)                                          | (-)               |

(Figures in brackets denote Previous Year's balances)

- \* Warehousing LLPs includes following entities
- Daund Warehousing Developers & Builders LLP
- Saswad Warehousing Developers & Builders LLP
- Ahmednagar Warehousing Developers & Builders LLP
- Solapur Warehousing Developers & Builders LLP
- Latur Warehousing Developers & Builders LLP
- Aurangabad Warehousing Developers & Builders LLP

The Company has ceased to be a partner in above six LLPs w.e.f. July 1, 2015, since these LLPs had not carried on any business activity. The Company's share in loss of these LLP's amounts to ₹ 6,714 for the three months ended on June 30, 2015.

b) There are no capital commitments and other commitments related to the Company's interest in the joint ventures and no commitments of venture itself.

# % of shareholding is considered from consolidation perspective. DB Realty Limited holds 5% and DB Contractor & Builders Private Limited (wholly owned subsidiary ) holds 45% stake in Lokhandwala DB Realty LLP. DB Contractor & Builders Private Limited has prepared its consolidated financial statement. Hence, figures here are taken at DB Realty's shareholding i.e. 5%. Further Profit & Loss are taken at 6.3% (as agreed between partners).

58. Figures of the previous year have been regrouped/ reclassified wherever necessary to conform to the presentation of the current year.

Signature to Notes 1 to 58

As per our attached report of even date.

**For Haribhakti & Co. LLP**  
**Chartered Accountants**  
ICAI Firm's Registration No. 103523W

**For and on behalf of the Board**  
**Vinod Goenka**  
Chairman & Managing Director  
DIN 00029033

**Shahid Balwa**  
Vice Chairman & Managing Director  
DIN 00016839

**Chetan Desai**  
Partner  
Membership No. 017000

**Mahesh Gandhi**  
Director  
DIN 00165638

**N.M. Gattu**  
Chief Financial Officer

**S A K Narayanan**  
Company Secretary  
Membership No A2424

Mumbai, Dated 27th May, 2016

Mumbai, Dated 27th May, 2016

# CONSOLIDATED FINANCIAL STATEMENTS

## INDEPENDENT AUDITOR'S REPORT

### To the Members of DB Realty Limited

#### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **DB Realty Limited** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and jointly controlled entities, comprising of the Consolidated Balance Sheet as at March 31, 2016, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

#### Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associates and jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

#### Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their report referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

#### Basis for Qualified Opinion

- (a) As stated in Note No. 28(a)(i) to the Consolidated Financial Statements include unaudited financial statements of a subsidiary, for the year ended March 31, 2016 which reflect total assets of ₹ 7,741,485,375, total revenue of ₹ Nil and net cash outflow of ₹ 7,630,944, which are also not approved by its Board;
- (b) As stated in Note No. 28(c)(i) to the Consolidated Financial Statements include unaudited financial statements of a Limited Liability Partnership ('LLP'), a jointly controlled entity, for the year ended March 31, 2016 which reflect total assets of ₹ 55,953,494, total revenue of ₹ Nil and net cash inflows of ₹ 42,163, which are approved by only three partners representing the Company out of the total six partners of the LLP;
- (c) As stated in Note No. 33(B)(iv) to the Consolidated Financial Statements, one of the subsidiaries has not accounted for its share of profit/loss in a Partnership firm ('Firm') for FY 2015-16 as the financial statements of the Firm are not available; and

- (d) As stated in Note No. 52 to the Consolidated Financial Statements, the financial statements of one of the jointly controlled entities have not been considered in the Consolidated Financial Statements. This is not in compliance with Accounting Standard – 27 “Financial Reporting of Interests in Joint Ventures”.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in Basis for Qualified Opinion paragraph above, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and jointly controlled entities as at March 31, 2016, their consolidated loss and their consolidated cash flows for the year ended on that date.

**Emphasis of Matter**

We draw attention to the following matters in the notes to the consolidated financial statements:

- (i) Note No. 11.3 regarding the carrying value of beautification of Bandra Worli Sea Link project aggregating ₹ 199,058,211. The Management is of the opinion that the future revenue from this project would be higher than the cost.
- (ii) Note No. 12.2 regarding return on investments of ₹ 14,621,288,102 in preference shares of an entity as on March 31, 2016. As explained by its Management, such investment is considered strategic and long term in nature and the current market value and future prospects of such investments are significantly in excess of its carrying value.
- (iii) Note No. 13.2 regarding security deposits aggregating ₹ 3,575,515,954 given by the Holding Company to various parties for acquisition of development rights. As explained by its management, it is in process of obtaining necessary approvals with regard to said properties and the said properties have current market values significantly in excess of their carrying values and are expected to achieve adequate profitability on substantial completion of the projects.
- (iv) Note No. 16(i) regarding the status of the projects of the Holding Company having aggregate value of ₹ 2,786,245,906 and the opinion framed by the Company's Management regarding realizable value of the cost incurred, being a technical matter, has been relied upon by us.
- (v) Note No. 19.3 regarding recoverability of short term loans and advances aggregating ₹ 943,359,291 given by a subsidiary in 2010-11 to an erstwhile contractor for its project, which has remained outstanding since then. Management of the subsidiary considers such amount as good and recoverable.
- (vi) Note no. 28(b)(i) regarding the financial statements of an Association of Persons having been signed by only one partner and that, the present arrangement between the partners is under re-consideration.
- (vii) Note No. 29(i) which describes the notice received from land owner in respect for the cancellation of Development Agreement.
- (viii) Note No. 30(B) regarding guarantees and securities for amounts aggregating ₹ 24,067,940,200 to banks and financial institutions on behalf of various entities as on March 31, 2016, which are significant in relation to the net-worth of the Group. Further, the said guarantees issued and securities provided are prejudicial to the interests of the Group. In the opinion of the management of the Holding Company, these are not expected to result into any financial liability on the Group.
- (ix) Note No. 31 & 32(a) regarding loans and advances aggregating ₹ 544,602,001 and Note No. 33(B)(viii), (ix) & (x) the project cost carried in inventory aggregating ₹ 1,435,847,370 as on March 31, 2016 are under litigation and are sub-judice. Based on assessment done by the management of the Holding Company, no adjustments are considered necessary in respect of recoverability of these assets.
- (x) Note No. 32(b) regarding no adjustment having been made by the Holding Company in the value of inventory, pending outcome of the matter referred by it to the Supreme Court.
- (xi) Note No. 33(A)(i)(b) & 33(A)(iii) regarding following disclosures in the audited financial statements of a Firm where the Holding Company is one of the partners.
  - (a) Recoverability of trade receivables of ₹ 556,277,256 outstanding for more than six months. These amounts are considered good and recoverable.
  - (b) Allegations made by the Central Bureau of Investigation (CBI) relating to the 2G spectrum case and regarding attachment order issued by adjudicating authority under Prevention of Money Laundering Act, 2002. This matter is sub-judice and the impact, if any, of its outcome is currently unascertainable.
- (xii) Note No. 33(A)(v) regarding the classification of ₹ 236,994,543 advanced to parties to acquire occupancy rights on behalf of such entity.

- (xiii) Note No. 33(A)(vi) regarding non conversion/redemption of Redeemable Optionally Convertible Cumulative Preference Shares and Compulsory Convertible Preference Shares.
- (xiv) Note No. 33(A)(vii) regarding compensation to occupants.
- (xv) Note No. 33(A)(viii) regarding accounting of compensation during the year.
- (xvi) Note No. 33(B)(i) regarding loan of ₹ 81,400,000 granted to a Company, whose debts amounting to ₹ 228,057,274 have been acquired from Yes Bank Limited vis-a-vis the opinion framed by the Management that the said loan, though subject to confirmation is good for recovery.
- (xvii) Note No. 33(B)(ii) regarding the debts acquired by way of assignment from Yes Bank Limited amounting to ₹ 2,605,918,546, including related matters such as non creation of charge in the favour of the Company, balance is subject to confirmation and the opinion framed that the debts are good for recovery.
- (xviii) Note No. 33(B)(iii) regarding the status of the amounts due to Housing Development Infrastructure Limited.
- (xix) Note No. 33(B)(v) regarding a writ filed against the Company and the government authorities by Jijamata Nagar Sankalp Co-Operative Housing Society against designating the land under the Draft Development Plan 2034 (Draft DP 2034) dated February 25, 2015, is now being shown as designated for reservation of Public Open Space and Dispensary/Health Post as opposed to existing status of the plot which is partly in residential zone and partly in road and partly reserved for playground, vide Letter of Intent (LOI) issued by Slum Rehabilitation Authority dated April 15, 2009. Draft DP 2034 dated February 25, 2015 has not been finalized and many changes are done by the Government Authorities in the said draft plan in recent times. The management is constantly observing the changes and progress to the Draft DP 2034 and is confident that the Final Plan would remove all the anomalies.
- (xx) Note No. 33(B)(xiii) regarding the claim of a subsidiary over the ownership of salt pan land which is under litigation and is sub-judice, based on assessment of the outcome made by its management, it has a rightful claim over the ownership of the salt pan land and will be in a position to defend its title.
- (xxi) Note No. 34 regarding investments aggregating ₹ 194,324,406 in certain associates and project advance aggregating ₹ 324,375,000 as on March 31, 2016 to an associate, which have incurred losses and have negative net worth. As explained to us, these entities are in early stage of real estate development and the investments/ loans and advances are considered good and recoverable based on assessment of the projects under execution made by the management of the respective entity.
- (xxii) Note No. 40B regarding MAT Credit Entitlement aggregating ₹ 35,800,000 of the Holding Company as on March 31, 2016 which is based on the judgment of management.
- (xxiii) Note No. 42 regarding attachment order issued by adjudicating authority under Prevention of Money Laundering Act, 2002, by which the Holding Company's assets amounting to ₹ 521,621,696 have been attached on August 30, 2011. Consequently, the adjudicating authority has taken over the bank balance of ₹ 6,892,967 and Investment in Redeemable Optionally Convertible Cumulative Preference Share – Series A of an entity of ₹ 504,002,400 in earlier years. This matter is sub-judice and the impact, if any, of its outcome is currently unascertainable.
- (xxiv) Note No. 46 regarding status of various ongoing projects, recognition of expense and income and the realizable value of the costs incurred, are as per the judgment of management of respective entity and certified by their technical personnel and being of technical nature, have been relied upon by us.
- (xxv) Note No. 47 regarding certain allegations made by the Enforcement Directorate against the Company and one of the Key Managerial Persons, in the matter relating to Prevention of Money Laundering Act, 2002. This matter is sub-judice and the impact, if any, of the outcome is unascertainable at this stage.

**Our opinion is not modified in respect of these matters.**

#### **Other Matter**

We did not audit the financial statements of twenty two subsidiaries and eight jointly controlled entities, whose financial statements reflect total assets of ₹ 46,872,231,766 as at March 31, 2016, total revenues of ₹ 635,416,407 and net cash inflows amounting to ₹ 61,040,124 for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include Group's share of net profit of ₹ 108,971 for the year ended March 31, 2016, as considered in the consolidated financial statements, in respect of six associates, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, and our report in terms of sub-section (3) of Section 143 of the Act, in so

## **D B REALTY LIMITED**

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far as it relates to the aforesaid subsidiaries, jointly controlled entities and associates, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements and our report on the Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

### **Report on Other Legal and Regulatory Requirements**

As required by Section 143(3) of the Act, except for the matter described in the Basis for Qualified Opinion paragraph above, we report as under, to the extent applicable, that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Company so far as it appears from our examination of those books and the reports of the other auditors;
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. The matters described in the sub-paragraph (viii), (xxiii) & (xxv) under the Emphasis of Matter paragraph above, in our opinion, may have an adverse effect on the functioning of the Group;
- f. On the basis of written representations received from the directors of the Holding Company as on March 31, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiaries companies, associate companies, jointly controlled entities incorporated in India, none of the directors of the Group companies, its associate companies and jointly controlled entities incorporated in India is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
- g. The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above;
- h. With respect to the adequacy of the internal financial controls over financial reporting of the Group, its associates and jointly controlled entities and the operating effectiveness of such controls, we give our separate Report in the "Annexure".
- i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - (i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and jointly controlled entities – Refer Note No. 30 to 33, 42 & 47 to the consolidated financial statements;
  - (ii) The Group, its associates and jointly controlled entities did not have any long term contracts including derivative contracts for which there could be any material foreseeable losses;
  - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries companies, associate companies and jointly controlled entities incorporated in India.

**For Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.103523W

**Chetan Desai**

Partner

Membership No. 017000

Mumbai: May 27, 2016

## ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

Referred to under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of **D B Realty Limited** on the consolidated financial statements for the year ended March 31, 2016.

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2016, we have audited the internal financial controls over financial reporting of the Group, its associate companies and jointly controlled companies, which are companies incorporated in India, as of that date.

#### **Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Group, its associate companies and jointly controlled companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

In our opinion, the Group, its associate companies and jointly controlled companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

#### **Other Matters**

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to 15 subsidiary companies, 6 associate companies and 1 jointly controlled companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.103523W

**Chetan Desai**

Partner

Membership No. 017000

Mumbai: May 27, 2016

# D B REALTY LIMITED

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## CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2016

(Amount in ₹)

| Particulars                            | Note No | As at March 31, 2016 | As at March 31, 2015 |
|----------------------------------------|---------|----------------------|----------------------|
| <b>I EQUITY AND LIABILITIES</b>        |         |                      |                      |
| <b>1 Shareholders' Funds</b>           |         |                      |                      |
| Share Capital                          | 2       | 3,150,145,220        | 2,432,587,820        |
| Reserve and Surplus                    | 3       | 31,222,936,730       | 34,373,081,950       |
|                                        |         | 75,133,958           | 31,682,742,314       |
| <b>2 Minority Interest</b>             |         |                      | 34,115,330,134       |
|                                        |         |                      | 772,525,086          |
| <b>3 Non-current Liabilities</b>       |         |                      |                      |
| Long-term Borrowings                   | 4       | 10,769,177,857       | 6,453,534,261        |
| Other Long Term Liabilities            | 5       | 3,849,473,131        | 168,052,830          |
| Long-term Provisions                   | 6       | 53,994,737           | 52,632,004           |
|                                        |         | 14,672,645,725       | 6,674,219,095        |
| <b>4 Current Liabilities</b>           |         |                      |                      |
| Short-term Borrowings                  | 7       | 3,284,483,576        | 4,220,033,536        |
| Trade Payables                         | 8       | -                    | -                    |
| (i) Micro and Small Enterprises        |         | -                    | -                    |
| (ii) Others                            |         | 1,516,745,381        | 1,447,551,169        |
| Other Current Liabilities              | 9       | 19,217,968,289       | 17,080,194,355       |
| Short-term Provisions                  | 10      | 524,813,255          | 392,110,397          |
|                                        |         | 24,544,010,501       | 23,139,889,458       |
|                                        |         | 73,664,872,134       | 64,701,963,772       |
| <b>II ASSETS</b>                       |         |                      |                      |
| <b>1 Non-current Assets</b>            |         |                      |                      |
| Fixed Assets                           | 11      |                      |                      |
| Tangible Assets                        |         | 1,806,837,370        | 1,803,505,615        |
| Intangible Assets                      |         | 3,054,147            | 90,496,081           |
| Capital Work-in-progress               |         | 92,198,344           | 92,198,344           |
| Intangible Assets under development    |         | 206,145,711          | 210,990,518          |
|                                        |         | 2,108,235,572        | 2,197,190,558        |
| Goodwill on Consolidation              |         | 2,913,665,913        | 2,913,889,552        |
| Non-current Investments                | 12      | 17,227,017,049       | 17,061,688,697       |
| Deferred Tax Assets (net)              | 40A     | 585,824,853          | 520,867,135          |
| Long-term Loans and Advances           | 13      | 6,964,731,041        | 8,658,862,204        |
| Other Non-current Assets               | 14      | 1,006,492            | 138,856,940          |
|                                        |         | 27,692,245,348       | 29,294,164,528       |
| <b>2 Current Assets</b>                |         |                      |                      |
| Current Investments                    | 15      | 1,196,790            | 5,069,161            |
| Inventories                            | 16      | 28,196,191,729       | 23,048,256,559       |
| Trade Receivables                      | 17      | 1,151,588,436        | 1,361,998,367        |
| Cash and Bank Balances                 | 18      | 281,021,038          | 187,704,664          |
| Short-term Loans and Advances          | 19      | 10,518,429,807       | 8,012,592,760        |
| Other Current Assets                   | 20      | 3,715,963,414        | 594,987,175          |
|                                        |         | 43,864,391,214       | 33,210,608,686       |
|                                        |         | 73,664,872,134       | 64,701,963,772       |
| <b>Significant accounting policies</b> | 1       |                      |                      |

The accompanying notes form an integral part of the financial statements.

As per our report of even date

**For Haribhakti & Co. LLP**  
Chartered Accountants  
ICAI Firm's Registration No. 103523W

**Chetan Desai**  
Partner  
Membership No. 017000

**For and on behalf of the Board**  
**Vinod Goenka**  
Chairman & Managing Director  
DIN 00029033

**Mahesh Gandhi**  
Director  
DIN 00165638

**Shahid Balwa**  
Vice Chairman & Managing Director  
DIN 00016839

**N.M. Gattu**  
Chief Financial Officer

**S A K Narayanan**  
Company Secretary  
Membership No A2424

Mumbai, Dated May 27, 2016

Mumbai, Dated May 27, 2016

## CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2016

(Amount in ₹)

|      | Particulars                                                                                                                  | Note No.    | For the year ended<br>March 31, 2016 | For the year ended<br>March 31, 2015 |
|------|------------------------------------------------------------------------------------------------------------------------------|-------------|--------------------------------------|--------------------------------------|
| I    | Revenue from Operations                                                                                                      | 21          | 2,180,465,045                        | 2,634,395,757                        |
| II   | Other Income                                                                                                                 | 22          | 161,234,488                          | 226,592,201                          |
| III  | <b>Total Revenue</b>                                                                                                         |             | <b>2,341,699,533</b>                 | <b>2,860,987,958</b>                 |
| IV   | <b>Expenses:</b>                                                                                                             |             |                                      |                                      |
|      | Project Expenses                                                                                                             | 23          | 5,854,262,066                        | 4,905,334,153                        |
|      | Purchases of Stock-in-Trade                                                                                                  | 23A         | 490,536,573                          | -                                    |
|      | Changes in Inventories of Project Work in Progress, Material at Site,<br>Finished Goods and Transferrable Development Rights | 24          | (5,217,675,889)                      | (3,115,985,423)                      |
|      | Employee Benefits Expense                                                                                                    | 25          | 218,702,433                          | 181,289,664                          |
|      | Finance Costs                                                                                                                | 26          | 525,991,951                          | 528,273,678                          |
|      | Depreciation and Amortization Expense                                                                                        | 11 & 12     | 85,324,982                           | 143,194,757                          |
|      | Other Expenses                                                                                                               | 27          | 670,460,895                          | 498,543,583                          |
|      | <b>Total Expenses</b>                                                                                                        |             | <b>2,627,603,011</b>                 | <b>3,140,650,412</b>                 |
| V    | <b>(Loss) before exceptional and tax (III-IV)</b>                                                                            |             | <b>(285,903,478)</b>                 | <b>(279,662,454)</b>                 |
| VI   | Exceptional Items                                                                                                            | 11.3 & 11.4 | 75,000,000                           | (70,515,083)                         |
| VII  | <b>(Loss) before prior period items and tax (V-VI)</b>                                                                       |             | <b>(360,903,478)</b>                 | <b>(209,147,371)</b>                 |
| VIII | Prior Period Item                                                                                                            | 43          | 3,368,201                            | (4,317,780)                          |
| IX   | <b>(Loss) before tax (VII - VIII)</b>                                                                                        |             | <b>(357,535,277)</b>                 | <b>(213,465,151)</b>                 |
| X    | Tax expense:                                                                                                                 |             |                                      |                                      |
|      | - Current tax                                                                                                                |             | 16,614,666                           | (131,856,000)                        |
|      | Add:- (MAT Credit Entitlement)/ Reversal                                                                                     |             | (29,800,000)                         | -                                    |
|      | - Net Current Tax                                                                                                            |             | (13,185,334)                         | (131,856,000)                        |
|      | - Deferred tax                                                                                                               |             | (49,064,801)                         | (106,813,867)                        |
|      | - Prior period Tax Adjustments                                                                                               |             | 555,476                              | -                                    |
| XI   | <b>(Loss) after tax and before Minority Interest and Share of<br/>Profit/(Loss) in Associates (X-XI)</b>                     |             | <b>(295,840,619)</b>                 | <b>25,204,716</b>                    |
| XII  | Minority Interest                                                                                                            |             | 46,754,897                           | (69,281,707)                         |
| XIII | Share of Profit/(Loss) in Associates                                                                                         |             | 108,971                              | 49,756,527                           |
| XIV  | <b>Loss for the year (XII + XIII + XIV)</b>                                                                                  |             | <b>(248,976,751)</b>                 | <b>5,679,536</b>                     |
| XV   | Earnings per equity share of face value of ₹ 10 each                                                                         | 41          |                                      |                                      |
|      | Basic and Diluted                                                                                                            |             | (1.02)                               | 0.02                                 |
|      | <b>Significant accounting policies</b>                                                                                       | 1           |                                      |                                      |

The accompanying notes form an integral part of the financial statements.

As per our report of even date

**For Haribhakti & Co. LLP**  
**Chartered Accountants**  
 ICAI Firm's Registration No. 103523W

**Chetan Desai**  
 Partner  
 Membership No. 017000

**For and on behalf of the Board**  
**Vinod Goenka**  
 Chairman & Managing Director  
 DIN 00029033

**Mahesh Gandhi**  
 Director  
 DIN 00165638

**S A K Narayanan**  
 Company Secretary  
 Membership No A2424

**Shahid Balwa**  
 Vice Chairman & Managing Director  
 DIN 00016839

**N.M. Gattu**  
 Chief Financial Officer

Mumbai, Dated May 27, 2016

Mumbai, Dated May 27, 2016

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016**

| Particulars                                                 | For the year ended<br>March 31, 2016 |                        | For the year ended<br>March 31, 2015 |                        |
|-------------------------------------------------------------|--------------------------------------|------------------------|--------------------------------------|------------------------|
|                                                             | ₹                                    | ₹                      | ₹                                    | ₹                      |
| <b>Cash flows from operating activities:</b>                |                                      |                        |                                      |                        |
| Net Loss before Taxation                                    | (357,535,277)                        |                        | (213,465,151)                        |                        |
| <b>Adjustments for :</b>                                    |                                      |                        |                                      |                        |
| Depreciation                                                | 165,276,159                          |                        | 60,054,452                           |                        |
| Unrealised Exchange Loss (Net)                              | 907,399                              |                        | 679,261                              |                        |
| Interest and Finance Charges                                | 525,991,951                          |                        | 528,273,678                          |                        |
| Loss on Sale of Fixed Assets                                | 1,275,850                            |                        | 2,630,675                            |                        |
| Dividend Income                                             | (560,298)                            |                        | (312,317)                            |                        |
| Profit on Sale of Investments                               | (269,984)                            |                        | (290,944)                            |                        |
| Advances Written Off                                        | -                                    |                        | 446,530                              |                        |
| Sundry Balances Written Off                                 | 1,590,165                            |                        | 7,788,029                            |                        |
| Excess Provision Written Back                               | (13,735,608)                         |                        | -                                    |                        |
| Interest Income                                             | (136,344,017)                        |                        | (196,358,046)                        |                        |
| Operating Profit before Working Capital Changes             | 186,596,340                          |                        | 189,446,167                          |                        |
| <b>Adjustments for :</b>                                    |                                      |                        |                                      |                        |
| (Increase)/ Decrease in Loans and Advances                  | 25,100,000                           |                        | (1,150,724,550)                      |                        |
| (Increase) in Inventories                                   | (3,696,851,316)                      |                        | (6,006,793,463)                      |                        |
| Decrease in Trade Receivables                               | 208,819,766                          |                        | 205,999,116                          |                        |
| Increase in Other Liabilities                               | 5,536,241,402                        |                        | 4,051,807,684                        |                        |
| Increase/ (Decrease) in Provisions                          | 137,162,935                          |                        | (215,728,025)                        |                        |
| (Increase)/ Decrease in Other Assets                        | (3,013,982,814)                      |                        | 1,037,372,615                        |                        |
| <b>Cash (used in) Operations</b>                            | (616,913,687)                        |                        | (1,888,620,456)                      |                        |
| Direct Taxes (Paid)/Refund                                  | 34,907,551                           |                        | (265,980,642)                        |                        |
| Exceptional Items                                           | 75,000,000                           |                        | 70,515,083                           |                        |
| <b>Net Cash (Used in) Operating Activities</b>              | <b>A</b>                             | <b>(507,006,136)</b>   |                                      | <b>(2,084,086,015)</b> |
| <b>Cash flows from investing activities:</b>                |                                      |                        |                                      |                        |
| Purchase of Fixed Assets (including CWIP & Capital Advance) | (100,334,274)                        |                        | (110,706,562)                        |                        |
| Sale of Fixed Assets                                        | 764,580                              |                        | 4,635,602                            |                        |
| Proceeds from/(Investment) in Deposit (as per Note 14 & 18) | 29,833,735                           |                        | (22,039,592)                         |                        |
| Decrease in Minority Interest in Subsidiaries               | (143,600,000)                        |                        | (560,000)                            |                        |
| Purchase of Investment Property                             | (1,889,956)                          |                        | -                                    |                        |
| Purchases of Investment in Associate                        | -                                    |                        | (194,428,641)                        |                        |
| Loan to Others                                              | (2,617,923,768)                      |                        | (2,669,718,063)                      |                        |
| Proceed from Loan to Others                                 | 1,687,167,630                        |                        | -                                    |                        |
| Dividend Received                                           | 560,298                              |                        | 312,317                              |                        |
| Purchase of Long Term Investments                           | (91,500,000)                         |                        | (54,702,720)                         |                        |
| Sale of Current Investments                                 | 4,142,355                            |                        | 4,897,839                            |                        |
| Sale of Long Term Investments                               | -                                    |                        | 669,129,126                          |                        |
| Adjustment on Account of Merger                             | (717,641,424)                        |                        | -                                    |                        |
| Investment in Partnership Firm                              | (6,425,340)                          |                        | -                                    |                        |
| Interest Received                                           | 70,323,231                           |                        | 65,671,165                           |                        |
| <b>Net Cash (used in) Investing Activities</b>              | <b>B</b>                             | <b>(1,886,522,933)</b> |                                      | <b>(2,307,509,529)</b> |

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

| Particulars                                                  | For the year ended<br>March 31, 2016 |                      | For the year ended<br>March 31, 2015 |                      |
|--------------------------------------------------------------|--------------------------------------|----------------------|--------------------------------------|----------------------|
|                                                              | ₹                                    | ₹                    | ₹                                    | ₹                    |
| <b>Cash flows from financing activities:</b>                 |                                      |                      |                                      |                      |
| Issuance of Preference Shares                                | 717,557,400                          |                      | -                                    |                      |
| Proceeds from Secured Borrowings                             | 6,402,725,417                        |                      | 5,169,269,315                        |                      |
| Repayment of Secured Borrowings                              | (900,107,114)                        |                      | (1,471,956,485)                      |                      |
| Inter-corporate Deposits Proceeds                            | 104,750,708                          |                      | 1,282,902,835                        |                      |
| Inter-corporate Deposits Repayment                           | (1,272,424,000)                      |                      | -                                    |                      |
| Proceeds from Unsecured Borrowings                           | 15,285,372                           |                      | 397,841,841                          |                      |
| Repayment of Unsecured Borrowings                            | (600,000,000)                        |                      | -                                    |                      |
| Interest and Finance Charges Paid                            | (1,982,237,297)                      |                      | (1,208,949,366)                      |                      |
| <b>Net Cash from Financing Activities</b>                    | <b>C</b>                             | <b>2,485,550,486</b> |                                      | <b>4,169,108,140</b> |
| <b>Net Increase in Cash and Cash Equivalents</b>             | <b>(A+B+C)</b>                       | <b>92,021,416</b>    |                                      | <b>(222,487,404)</b> |
| Add : Cash and Cash Equivalents at the beginning of the year |                                      | <b>90,494,699</b>    |                                      | <b>312,982,103</b>   |
| <b>Cash and Cash Equivalents at the closing of the year</b>  |                                      | <b>182,516,115</b>   |                                      | <b>90,494,699</b>    |

| Components of cash & cash equivalents | For the year ended<br>March 31, 2016 | For the year ended<br>March 31, 2015 |
|---------------------------------------|--------------------------------------|--------------------------------------|
| Cash on hand                          | 1,678,601                            | 2,191,262                            |
| Balances with banks                   |                                      |                                      |
| In current accounts                   | 180,837,514                          | 88,303,437                           |
| <b>Total</b>                          | <b>182,516,115</b>                   | <b>90,494,699</b>                    |

### Notes to cash flow:

1 Reconciliation of Cash and Cash Equivalents:

|                                                                   |                    |                   |
|-------------------------------------------------------------------|--------------------|-------------------|
| Cash and Bank Balances (as per Note 18)                           | 281,021,038        | 187,704,664       |
| Less: Fixed deposits with original maturity of more than 3 months | 98,504,923         | 97,209,965        |
| <b>Cash and Cash Equivalents (Closing)</b>                        | <b>182,516,115</b> | <b>90,494,699</b> |

2 The Cash Flow Statement has been prepared under the Indirect Method as set out in Accounting Standard 3 (AS 3) "Cash Flow Statement" as notified by the Companies (Accounting Standard) Rules, 2006.

3 Corresponding figures of previous year have been regrouped wherever necessary.

The accompanying notes form an integral part of the financial statements.

As per our report of even date

**For Haribhakti & Co. LLP**  
**Chartered Accountants**  
 ICAI Firm's Registration No. 103523W

**For and on behalf of the Board**  
**Vinod Goenka**  
 Chairman & Managing Director  
 DIN 00029033

**Shahid Balwa**  
 Vice Chairman & Managing Director  
 DIN 00016839

**Chetan Desai**  
 Partner  
 Membership No. 017000

**Mahesh Gandhi**  
 Director  
 DIN 00165638

**N.M. Gattu**  
 Chief Financial Officer

**S A K Narayanan**  
 Company Secretary  
 Membership No A2424

Mumbai, Dated May 27, 2016

Mumbai, Dated May 27, 2016

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016****COMPANY BACKGROUND**

DB Realty Limited (the "Company") is public company domiciled in India. The company was initially incorporated in 2007 as a Private Limited Company and thereafter listed with National Stock Exchange and Bombay Stock Exchange on February 24, 2010. The Company is a Real Estate Development Company that is focused on residential, commercial, retail and other projects, such as mass housing and cluster redevelopment. The Company is jointly promoted by Mr. Vinod K. Goenka and Mr. Shahid Balwa.

**Note 1 : Significant Accounting Policies On Consolidated Financial Statements**

The Accounting policies adopted in preparation of financial statements are consistent with those of previous year.

**a) BASIS OF PREPARATION**

- i) These consolidated financial statements pertain to DB Realty Limited (the "Company" / the "Parent"/ the "Holding Company" / "Ultimate Holding Company"), its subsidiaries (Companies and Firms/AOPs where control exists), joint ventures, associates and limited liability partnership firms (LLPs). The Company and its subsidiaries, associates and joint ventures constitute "the Group" as detailed in Note 28 and 29 hereunder.
- ii) The financial statements of the subsidiaries/ joint ventures/ associates (including partnership firms and LLPs) are drawn up to the same reporting date as that of the Holding Company i.e. year ended March 31, 2016.
- iii) These consolidated financial statements are prepared in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on accrual basis.

**b) PRINCIPLES OF CONSOLIDATION:**

These consolidated financial statements have been prepared on the following basis:

- i) The financial statements of the Company and its subsidiaries have been consolidated in accordance with the Accounting Standard 21 (AS 21) "Consolidated Financial Statements", on line-by-line basis by adding together the book value of like items of assets, liabilities, incomes and expenses, after fully eliminating intra-group balances, intra-group transactions and unrealised profits/losses on balances remaining within the group.
- ii) The financial statements of the Company and its subsidiaries have been consolidated using uniform accounting policies for like transactions and other events in similar circumstances to the extent practicable.
- iii) The excess of the cost to the Company of its investment in the subsidiaries/ jointly controlled entities, on the acquisition date over and above the Company's share of equity (i.e. Net Worth) in the subsidiaries/ jointly controlled entities, is recognised in the financial statements as "Goodwill on Consolidation" and carried forward in the accounts. The said Goodwill is not amortised, however, it is tested for impairment at each Balance Sheet date and the impairment loss, if any, is provided for. Alternatively, where the share of the equity in the subsidiaries as on the date of investments is in excess of cost of investment of the Company, it is recognised as "Capital Reserve on Consolidation". The net amount of Goodwill after set-off of Capital Reserve amount is presented under "Goodwill on Consolidation".
- iv) Minority interest in the net assets of the consolidated subsidiaries consist of:
  - (a) The amount of equity attributable to minorities as at the date on which the investment in a subsidiary is made and,
  - (b) The minorities' share of movements in equity since the date the parent-subsidiary relationship came in existence. The losses applicable to the minority in excess of the minority interest in the equity of the subsidiary and further losses applicable to the minority, are adjusted against the majority interest except to the extent that the minority has a binding obligation to and is able to make good the losses. If the subsidiaries subsequently report profit, all such profits are allocated to the majority interest until the minority's share of losses previously absorbed by the majority has been recovered.
  - (c) Minority interest is presented separately from the liabilities or assets and the equity of the parent shareholders in the Consolidated Balance Sheet. Minority interest in the income or loss of the Company is also separately presented.
- v) In case of associates, being entities in which the Group has significant influence and which are neither subsidiaries nor joint ventures, they are accounted using equity method in accordance with Accounting Standard 23 (AS 23) "Accounting for Investment in Associates in Consolidated Financial Statements". Accordingly:
  - (a) The Company accounts for its share in the change in net assets of the associates, post acquisition, through its Statement of Profit and Loss to the extent such change is attributable to the associate's profit/ loss and through its Reserves for the balance.
  - (b) The difference between the cost of investment and the share of net assets at the time of acquisition of share in the associates is, included in the carrying amount of investment in the associates, identified as Goodwill or Capital Reserves, as the case may be, and so disclosed.
- vi) The financial statements of entities, where there is joint control (pursuant to a contractual arrangement), have been combined by using proportionate consolidation method and accordingly, company's share of each of the assets, liabilities, income and expenses of jointly controlled entities is reported in the Consolidated Financial Statements as per Accounting Standard 27 (AS 27) "Financial Reporting of Interests in Joint Ventures".

**c) USE OF ESTIMATES**

The preparation of Consolidated Financial Statements in conformity with the generally accepted accounting principles requires the management to make judgements for estimates and assumptions that affect the amounts of assets, liabilities and the disclosure of

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

contingent liabilities on the reporting date and the amounts of revenues and expenses during the reporting period and the disclosure of contingent liabilities. Differences between actual results and estimates are recognized in the period in which the results are known/materialize.

### d) **FIXED ASSETS**

#### i) **Tangible Assets:**

Fixed Assets are recorded at their cost of acquisition, net of modvat/cenvat, less accumulated depreciation and impairment losses, if any. The cost of an item of fixed asset comprises its purchase price, including import duties and other non refundable taxes or levies and any directly attributable cost for bringing the asset to its working condition for its intended use.

#### ii) **Intangible Assets:**

Intangible Assets are recorded at their cost of acquisition, net of modvat/cenvat, less accumulated amortization/depletion.

#### iii) **Capital Work-In-Progress:**

Expenses incurred for acquisition of capital assets outstanding at each balance sheet date are disclosed under capital work-in-progress. Advances given towards the acquisition of fixed assets are shown separately as capital advances under the head long term loans and advances.

### e) **DEPRECIATION / AMORTISATION**

#### i) **Tangible Assets**

Depreciation on fixed assets is provided on Straight Line Method basis in accordance with the provisions of Schedule II to the Companies Act, 2013 including depreciation on new sales office, which is considered as temporary structure and has been amortized over a period of four years on a straight line basis.

Structures constructed for purpose of demonstration to prospective buyers (to be demolished before the project completion) are capitalised as buildings and depreciated over the period by which the respective project is expected to be completed.

#### ii) **Intangible Assets**

The cost relating to Intangible assets, which are capitalised and amortised on a straight line basis upto the period of three years, is based on their estimated useful life.

### f) **IMPAIRMENT OF ASSETS**

Carrying amount of assets are reviewed at each Balance Sheet date. An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. Recoverable value is higher of the asset's net selling price or value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Net selling price is the amount receivable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal. An impairment loss is charged for when an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

### g) **INVENTORIES**

Inventories comprise of: (i) Finished Realty Stock representing unsold premises in completed projects (ii) Realty Work-In-Progress representing properties under construction/development (iii) Raw Material representing inventory yet to be consumed and (iv) Transferable Development Rights.

Inventories are valued at lower of cost and net realizable value. Raw Materials are valued at weighted average method. Project work in progress cost includes costs incurred, as applicable, up to the completion of the project viz. cost of land/ development rights, materials, services, depreciation on assets used for project purposes and other expenses (including borrowing costs) attributable to the projects. Project and construction related work in progress includes any adjustment arising due to foreseeable losses.

Cost of Realty construction / development is charged to the Statement of Profit and Loss in proportion to the revenue recognised during the period and the balance cost is carried over under Inventory as part of either Realty Work in Progress or Finished Realty Stock. Cost of Realty construction / development includes all costs directly related to the Project (including finance cost attributable to the project) and other expenditure as identified by the Management which are incurred for the purpose of executing and securing the completion of the Project (net off incidental recoveries / receipts) up to the date of receipt of Occupation Certificate of Project from the relevant authorities.

### h) **REVENUE RECOGNITION**

- 1) i) Revenue from sale of properties under construction is recognized on the basis of percentage of completion method, subject to transfer of significant risk and rewards to the buyer, reliable estimate of the outcome of the real estate project and stage of completion of the project reaches a reasonable level of development i.e. at least 25% of total project cost should be incurred at the reporting date. When the outcome of a real estate project can be estimated reliably and the conditions stipulated below are satisfied, project revenue and project costs associated with the real estate project are recognized as revenue and expenses by reference to the stage of completion of the project activity at each reporting date. Stage of completion is arrived with reference to the entire project cost incurred versus total estimated project cost. Further, the total estimated cost of each project is based upon the judgment of management and certified by Company's technical personnel.

The following specific recognition criteria is also considered before revenue is recognized:

- All critical approvals necessary for commencement of the project have been obtained

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016**

- At least 25% of construction & development cost (excluding cost incurred in acquisition of land and its development rights and borrowing cost) is incurred
- At least 25% of the saleable project area is secured by contracts or agreements with buyers, and
- At least 10% of the total revenue as per the agreements of sale or any other legally enforceable documents are realized at the reporting date in respect of each of the contracts and it is reasonable to expect that the parties to such contracts will comply with the payment terms as defined in the contracts.

The estimates of saleable area and costs as revised periodically by the management are considered as change in estimate and accordingly, the effect of such changes in estimates is recognized in the period they are determined.

- 2) Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
- 3) Dividend income is accounted for when the right to receive it is established.

**i) INVESTMENTS**

Investments are classified as non-current or current, based on management's intention at the time of purchase. Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as non-current investments.

Trade investments are investments made for or to enhance the Company's business interest.

Current investments are stated at lower of cost and fair value determined on an individual investment basis. Non-current investments are stated at cost and provision for diminution in their value, other than temporary, is made in the Consolidated Financial Statements.

Profit/ loss on sale of investment is computed with reference to the average cost of the investment. On disposal of an investment the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

**j) EMPLOYEE BENEFITS****(i) Defined Contribution Plan:**

Group's Contribution paid/ payable for the year/ period to Defined Contribution Retirement Benefit Plan is charged to Statement of Profit and Loss or Project Work in Progress, if it is directly related to project.

**(ii) Defined Benefit Plan and Other Long Term Benefit:**

Group's liabilities towards Defined Benefit Schemes viz. Gratuity benefits and other long term benefit viz. compensated absences are determined using the Projected Unit Credit Method. Actuarial valuations under the Projected Unit Credit Method are carried out at the Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period of occurrence of such gains and losses. Past service cost is recognised immediately to the extent benefits are vested, otherwise it is amortised on straight line basis over the remaining average period until the benefits become vested.

**(iii) Short Term Employee Benefits:**

Short term employee benefits are recognised as an expense at the undiscounted amount in Statement of Profit and Loss of the year in which the related service is rendered.

**k) OPERATING LEASE:**

Assets acquired on lease where significant portions of the risks and rewards incidental to ownership are retained by the lessor are classified as operating lease. Lease rentals are charged to statement of profit and loss on accrual basis and on straight line basis over the lease tenure in case of long term non cancellable lease where the company is lessee.

Assets given under operating lease are included in Non Current Investment. Lease income is recognized in the statement of Profit and Loss on straight line basis over the lease term, unless there is another systematic basis which is more representative of the time pattern of the lease.

**l) FOREIGN CURRENCY TRANSACTIONS**

- (i) Foreign exchange transactions are recorded at the rate prevailing on the dates of the respective transaction. Exchange difference arising on foreign exchange transactions settled during the year is recognized in the Profit and Loss Account.
- (ii) Monetary assets and liabilities denominated in foreign currencies are converted at the closing rate as on Balance Sheet date. The resultant exchange difference is recognized in the Profit and Loss Account.
- (iii) Exchange rate differences arising on a monetary item that, in substance, forms part of the Company's net investment in a non-integral foreign operation are accumulated in a foreign currency translation reserve in the Company's financial statements until the disposal of the net investment.
- (iv) Non monetary assets and liabilities denominated in foreign currencies are carried at the exchange rate prevalent on the date of the transaction.

**m) BORROWING COST**

Borrowing cost that are attributable to the acquisition or construction of qualifying assets are considered as a part of cost of such assets less interest earned on the temporary investment. A qualifying asset is one that necessarily takes substantial period of time to get ready for the intended use. All other borrowing cost are charged to Statement of Profit & Loss in the year in which they are incurred.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

### n) TAXES ON INCOME

Tax expense comprises both current and deferred tax. Current tax is measured at the amount expected to be paid to/ recovered from the tax authorities, using the applicable effective tax rates applicable to Company as per Income Tax Act 1961. Deferred tax assets and liabilities are recognized for future tax consequences attributable to timing differences between taxable income and accounting income that are capable of reversal in one or more subsequent periods and are measured using relevant enacted or substantively enacted effective tax rates as on the Balance Sheet date, to the extent the timing differences are expected to crystallise. Deferred tax assets are recognized only to the extent there is a reasonable certainty that the assets can be realised in future. However, where there is unabsorbed depreciation or carried forward losses under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realisation of such assets. Deferred tax assets and Deferred tax liabilities are recognized at net.

Deferred tax assets are reviewed for the appropriateness of their respective carrying values at each Balance Sheet date.

Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The Company recognizes MAT credit available as an asset only to the extent there is convincing evidence that the Company will pay normal income tax during the specified period i.e. the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for credit available in respect of Minimum Alternate Tax under the Income Tax Act, 1961, the said asset is created by way of credit to the Statement of Profit and Loss and shown as "MAT Credit Entitlement". The Company reviews "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the sufficient period.

### o) PROVISIONS AND CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. A Contingent Liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of enterprise or a present obligation that arises from past events that may, but probably will not, require an outflow of resources. Both provisions and contingent liabilities are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the Consolidated Financial Statements. When there is a possible obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

### p) EARNING PER SHARE

Basic earning per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year are adjusted for events including a bonus issue, bonus element in right issue to existing shareholders, share split, and reverse share split (consolidation of shares).

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. The period during which, number of dilutive potential equity shares change frequently, weighted average number of shares are computed based on a mean date in the quarter, as impact is immaterial on earning per share.

### q) CASH FLOW STATEMENT

Cash Flow Statement is prepared under the 'Indirect Method' prescribed under Accounting Standard 3 (AS 3) "Cash Flow Statement" prescribed.

### r) CASH AND CASH EQUIVALENTS

Cash and cash equivalent for the purpose of Cash Flow Statement comprise cash at bank and in hand and short term investments with an original maturity of three months or less.

### s) SEGMENT REPORTING

#### (i) Segment Revenue and Expense

Revenue and Expenses are identified to a segment on the basis of relationship to operating activities of the segment. Revenue and Expenses which relate to enterprises as a whole and are not allocable to a segment on a reasonable basis are disclosed as Unallocable.

#### (ii) Segment Assets and Liabilities

Segment assets and segment liabilities represent assets and liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis are disclosed as "Unallocable."

#### (iii) Intersegment Transfers

Segment revenue, segment expenses and segment results include transfer between business segments, such transfers are eliminated in consolidation.

#### (iv) Accounting Policies

The accounting policies consistently used in the preparation of the financial statements are also applied to item of revenue and expenditure in individual segments.

# D B REALTY LIMITED

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## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

### Note 2 : Share Capital

| Particulars                                   | As at March 31, 2016 |                      | As at March 31, 2015 |                      |
|-----------------------------------------------|----------------------|----------------------|----------------------|----------------------|
|                                               | Number               | ₹                    | Number               | ₹                    |
| <b>Authorised</b>                             |                      |                      |                      |                      |
| Equity Shares of ₹ 10 each                    | 298,500,000          | 2,985,000,000        | 298,500,000          | 2,985,000,000        |
| Preference Shares of ₹ 10 each                | 75,000,000           | 750,000,000          | 1,500,000            | 15,000,000           |
|                                               |                      | <u>3,735,000,000</u> |                      | <u>3,000,000,000</u> |
| <b>Issued, Subscribed &amp; Fully Paid up</b> |                      |                      |                      |                      |
| Equity Shares of ₹ 10 each                    | 243,258,782          | 2,432,587,820        | 243,258,782          | 2,432,587,820        |
| 8% Redeemable Preference Shares of ₹ 10 each  | 71,755,740           | 717,557,400          | -                    | -                    |
| <b>Total</b>                                  | <u>315,014,522</u>   | <u>3,150,145,220</u> | <u>243,258,782</u>   | <u>2,432,587,820</u> |

#### 2.1 Reconciliation of Equity Shares outstanding at the beginning and at the end of the reporting period.

| Particulars                                                    | As at March 31, 2016 |               | As at March 31, 2015 |               |
|----------------------------------------------------------------|----------------------|---------------|----------------------|---------------|
|                                                                | Number               | ₹             | Number               | ₹             |
| Shares outstanding at the beginning and at the end of the year | 243,258,782          | 2,432,587,820 | 243,258,782          | 2,432,587,820 |

#### Reconciliation of 8% Redeemable Preference Shares outstanding at the beginning and at the end of the reporting period.

| Particulars                                     | As at March 31, 2016 |             | As at March 31, 2015 |   |
|-------------------------------------------------|----------------------|-------------|----------------------|---|
|                                                 | Number               | ₹           | Number               | ₹ |
| Shares outstanding at the beginning of the year | -                    | -           | -                    | - |
| Shares Issued during the year                   | 71,755,740           | 717,557,400 | -                    | - |
| Shares outstanding at the end of the year       | 71,755,740           | 717,557,400 | -                    | - |

#### 2.2 Rights, preferences and restriction attached to

##### (a) Equity Shares :

Equity shares have equal rights to dividend and voting rights pro rata their holdings. The Company has only one class of Equity Shares having a par value of ₹ 10 per share.

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

##### (b) Preference Shares :

The Non Cumulative Redeemable Preference Shares shall carry coupon rate of 8% per annum. The said shares shall be redeemed at par at the end of the five years from the date of allotment, 6th February, 2016. The company has option to redeem the Preference Shares at any time after the end of one year from the date of allotment at par with dividend.

#### 2.3 Details of shareholders holding more than 5% shares in the company

| Name of Shareholder              | As at March 31, 2016 |              | As at March 31, 2015 |              |
|----------------------------------|----------------------|--------------|----------------------|--------------|
|                                  | No. of Shares held   | % of Holding | No. of Shares held   | % of Holding |
| <b>Equity Shares :</b>           |                      |              |                      |              |
| Neelkamal Tower Construction LLP | 102,389,971          | 42.09%       | 104,564,838          | 42.99%       |
| Walkinson Investment Limited     | 14,582,650           | 5.99%        | 14,582,650           | 5.99%        |
| Vinod Goenka *                   | 15,364,216           | 6.32%        | 15,364,216           | 6.32%        |
| <b>Preference Shares:</b>        |                      |              |                      |              |
| Konarc Realtech Private Limited  | 71,750,000           | 99.99%       | -                    | -            |

\*Out of the above shareholding 13,732,108 shares (5.64%) are jointly held by Vinod Goenka and Aseela Goenka.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016**
**2.4 Aggregate number of shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:**

| Particulars                                                       | Year (Aggregate No. of Shares) |                         |
|-------------------------------------------------------------------|--------------------------------|-------------------------|
|                                                                   | As at<br>March 31, 2016        | As at<br>March 31, 2015 |
| <b>Equity Shares :</b>                                            |                                |                         |
| Fully paid up by way of bonus shares (Equity Shares of ₹ 10 each) | -                              | 201,150,000             |
| Fully paid up Preference Share issued pursuant to merger          | <b>71,755,740</b>              | -                       |

**Note 3 : Reserve & Surplus**

| Particulars                                                | As at<br>March 31, 2016<br>₹ | As at<br>March 31, 2015<br>₹ |
|------------------------------------------------------------|------------------------------|------------------------------|
| <b>a. Capital Redemption Reserve</b>                       |                              |                              |
| Opening Balance                                            | <b>400,000,000</b>           | 400,000,000                  |
| Add : Current year transfer                                | <b>(400,000,000)</b>         | -                            |
| Closing Balance                                            | <b>-</b>                     | 400,000,000                  |
| <b>b. Capital Reserve on Amalgamation (Refer note 49)</b>  |                              |                              |
| Opening Balance                                            | -                            | -                            |
| Add : During the year                                      | <b>504,631,445</b>           | -                            |
| Closing Balance                                            | <b>504,631,445</b>           | -                            |
| <b>c. Securities Premium Account</b>                       |                              |                              |
| Opening Balance                                            | <b>23,856,790,192</b>        | 23,856,790,192               |
| Add : During the year                                      | -                            | -                            |
| Closing Balance                                            | <b>23,856,790,192</b>        | 23,856,790,192               |
| <b>d. Surplus</b>                                          |                              |                              |
| Opening balance                                            | <b>7,425,952,122</b>         | 7,420,272,586                |
| Add : Net Profit for the Current Year                      | <b>(248,976,751)</b>         | 5,679,536                    |
| Add : Adjustments on account of amalgamation of subsidiary | <b>(315,460,279)</b>         | -                            |
| Closing Balance                                            | <b>6,861,515,093</b>         | 7,425,952,122                |
| <b>Total</b>                                               | <b>31,222,936,730</b>        | 31,682,742,314               |

**Note 4 : Long-term Borrowings**

| Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | As at<br>March 31, 2016<br>₹ | As at<br>March 31, 2015<br>₹ |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------------------|
| <b>I Secured</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                              |                              |
| <b>Term Loans from Banks/Financial Institutions</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                              |                              |
| <b>a. From HDFC Limited</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <b>3,783,026,705</b>         | 2,897,206,298                |
| <b>The loan is secured by</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                              |                              |
| (i) Exclusive mortgage overall the right, title, interest, claims, benefits and' entitlements whatsoever in the unsold flats / units / Saleable Area being constructed (including car parking area, future FSI and other entitlements in connection therewith) and coming to the share of the Borrower / Mortgagor-1 under the said Agreements (including without limitation, any other deed, document, agreement or instrument in relation thereto) and in the project called ""D B Crown""(construction both present and future) on freehold and leasehold land admeasuring 24,809.76 sq. mtrs situate at Gokhale Road (South), Dadar, Mumbai - 400 025 and bearing Final Plot No. 1043 of TPS IV, Mahim Division bearing C.S. no. 1123,with construction thereon present and future. |                              |                              |

## D B REALTY LIMITED

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### NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

| Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | As at<br>March 31, 2016<br>₹ | As at<br>March 31, 2015<br>₹ |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------------------|
| <p>(ii) Exclusive charge I security interest over the receivables / book debts / cash flows / revenues / rentals (including booking amounts), Escrow Account / Designated Account (or other accounts), insurance proceeds. Obligor Contracts etc. pertaining to the aforesaid property/ies in favour of HDFC in such form and manner as may be required by the Lender.</p> <p>(iii) Personal guarantee from one of the Managing Directors of the Company.</p> <p>(iv) Corporate guarantee of D B Realty Limited, Holding Company</p> <p>(v) Pledge of 26,000,000 shares in D B Realty Limited, Holding Company held by Neel kamal Tower Construction LLP (out of the above 26,000,000 shares, pledge has been created of 4,000,000 shares only.)</p> <p>(vi) Additional security of cash flows from project other than 'DB Crown' Project (The said security is yet to be executed.)</p> <p>(vii) Any/ or other security of similar/ higher value acceptable to HDFC Ltd (The said security is yet to be executed.)</p>                               |                              |                              |
| <p><b>Tranche 1</b></p> <p><b>Repayment Schedule:</b></p> <p>As per the letter dated May 6, 2015 the repayment dates of the loan has been extended for a period of 19 months and the company will repay 10% of all sales receipts towards principal repayment from the 1st month from the date of the first disbursement at HDFC's option, this percentage receivable is subject formula for such percentage calculation. However, the company will ensure that the maximum principal outstanding from the date of the first disbursement of the loan does not exceed as per the schedule below:</p> <p>At the end of May 2019 : ₹ 2,400,000,000</p> <p>At the end of June 2019 : ₹ 1,800,000,000</p> <p>At the end of July 2019 : ₹ 1,200,000,000</p> <p>At the end of August 2019 : ₹ 600,000,000</p> <p>At the end of September 2019 : ₹ Nil</p> <p>or earlier at HDFC's option</p> <p><b>Rate of Interest :</b></p> <p>The above loan carries HDFC Corporate Prime Lending Rate Minus 250 bps (Current floating Interest rate is 15.15% p.a.)</p> |                              |                              |
| <p><b>Tranche 2</b></p> <p><b>Repayment Schedule:</b></p> <p>The company will repay a certain % of all sales receipts towards principal repayment from the 1st month from the date of the first disbursement at HDFC's option, (this percentage receivable is subject formula for such percentage calculation). However, the company will ensure that the maximum principal outstanding from the date of the first disbursement of the loan does not exceed as per the schedule below: (Month of First disbursement: October, 2015)</p> <p>At the end of 53rd Month from the First month of Disbursement : Nil</p> <p>(or earlier at HDFC's option)</p> <p><b>Rate of Interest :</b></p> <p>The above loan carries HDFC Corporate Prime Lending Rate Minus 150 bps (Current floating Interest rate is 16.15% p.a.)</p>                                                                                                                                                                                                                                |                              |                              |
| <p><b>b. From Yes Bank</b></p> <p><b>Loan 1:</b></p> <p><b>Purpose of loan:</b></p> <p>The Company has obtained loan for the purpose of Orchid Height project.</p> <p><b>Rate of Interest:</b></p> <p>The Loan carries interest @13.75% p.a. payable monthly (Yes Bank base rate plus 3.00% p.a. spread)</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <p><b>5,799,768,525</b></p>  | <p><b>3,134,335,128</b></p>  |

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016**

| Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | As at<br>March 31, 2016<br>₹ | As at<br>March 31, 2015<br>₹ |                        |             |                        |             |           |   |                        |             |                        |               |                        |               |  |  |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------------------|------------------------|-------------|------------------------|-------------|-----------|---|------------------------|-------------|------------------------|---------------|------------------------|---------------|--|--|
| <b>Repayment Terms:</b><br>Total Tenor of 54 months including moratorium period of 39 months and repayable in 5 structured quarterly installments at the beginning of the quarter after a moratorium of 13 quarters (39 months) as below:<br>14th quarter (March 2017) - 25.00%<br>15th quarter (June 2017) - 25.00%<br>16th quarter (September 2017) - 16.66%<br>17th quarter (December 2017) - 16.67%<br>18th quarter (March 2018) - 16.67%<br><b>The loan is secured by</b><br>(i) Exculsive charge by in respect of all that pieces and parcels of land of Byculla Division CS no.1906 admeasuring 19434.10 Square Meters and structure constructed or to be constructed thereon.<br>(ii) All moveable fixed and current assets including receivable (present and future) of the project "ORCHID HEIGHT".<br>(iii) Exculsive charge by way of 30% of total shareholding of the company which are held by D B Realty Limited (986,618 class A equity share)<br>(iv) Personal guarantee from Managing Directors of the Company.<br>(v) Corporate Guarantee of DB Realty Ltd Holding Company.<br>(Default - Interest for the month of January, February & March 2016 of ₹ 115,316,056 has not been paid. (Default as on March 31, 2015 : ₹ 69,382,446 for the month of February & March 2015))<br><b>Loan 2:</b><br><b>Rate of Interest:</b><br>These two loans carry interest @10.50% p.a. and 12.75% p.a. payable monthly (Yes Bank base rate plus 3.00% p.a. spread)<br><b>Repayment Terms:</b> <table><tr><th>Year</th><th>Amount</th></tr><tr><td>2016-2017- Term Loan 1</td><td>180,000,000</td></tr><tr><td>2017-2018- Term Loan 1</td><td>312,000,000</td></tr><tr><td>2018-2019</td><td>-</td></tr><tr><td>2019-2020- Term Loan 2</td><td>500,000,000</td></tr><tr><td>2020-2021- Term Loan 2</td><td>1,000,000,000</td></tr><tr><td>2021-2022- Term Loan 2</td><td>1,365,000,000</td></tr></table><br><b>The loan is secured by</b><br>(i) Exclusive charge by way of registered mortgage on the entire developer premises.<br>(ii) Exclusive charge on all the current assets including receivables of the Company.<br>(iii) Cross collateralization of a property of Gaon Hotels and Realty Pvt Ltd would be charged for the company and company security would be charged for Gaon Hotels and Realty Pvt Ltd loan to the extent of ₹ 750,000,000.<br>(iv) Exclusive Pledge of 30% shareholding of the Company.<br>(v) An Irrevocable and unconditional Corporate Guarantee given by Holding Company.<br>(vi) Two of the Promoter/ Director of the Holding Company has given Personal Guarantees.<br>(vii) To be secured by an Exclusive charge by way of registered mortgage of an Agriculture land given by Dynamix Securities which is located at village Taje and Boraj, Dist – Pune and charge over the structures built thereon alongwith all the movable fixed and current assets of the Company. | Year                         | Amount                       | 2016-2017- Term Loan 1 | 180,000,000 | 2017-2018- Term Loan 1 | 312,000,000 | 2018-2019 | - | 2019-2020- Term Loan 2 | 500,000,000 | 2020-2021- Term Loan 2 | 1,000,000,000 | 2021-2022- Term Loan 2 | 1,365,000,000 |  |  |
| Year                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Amount                       |                              |                        |             |                        |             |           |   |                        |             |                        |               |                        |               |  |  |
| 2016-2017- Term Loan 1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 180,000,000                  |                              |                        |             |                        |             |           |   |                        |             |                        |               |                        |               |  |  |
| 2017-2018- Term Loan 1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 312,000,000                  |                              |                        |             |                        |             |           |   |                        |             |                        |               |                        |               |  |  |
| 2018-2019                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | -                            |                              |                        |             |                        |             |           |   |                        |             |                        |               |                        |               |  |  |
| 2019-2020- Term Loan 2                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 500,000,000                  |                              |                        |             |                        |             |           |   |                        |             |                        |               |                        |               |  |  |
| 2020-2021- Term Loan 2                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 1,000,000,000                |                              |                        |             |                        |             |           |   |                        |             |                        |               |                        |               |  |  |
| 2021-2022- Term Loan 2                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 1,365,000,000                |                              |                        |             |                        |             |           |   |                        |             |                        |               |                        |               |  |  |
| c. <b>From ICICI Bank limited</b><br><b>Purpose of loan:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 200,000,000                  | 300,000,000                  |                        |             |                        |             |           |   |                        |             |                        |               |                        |               |  |  |

## D B REALTY LIMITED

(ANNUAL REPORT 2015 - 16)

### NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

| Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | As at<br>March 31, 2016<br>₹ | As at<br>March 31, 2015<br>₹ |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------------------|
| <p>The said loan was received for the purpose of financing the cost of constructions of the project DB Skypark, Sahar, Andheri - East of a joint venture in which the company is a venturer.</p> <p><b>Rate of Interest:</b><br/>The said loan carries floating interest rate of 14.5% p.a. linked to I-Base, payable monthly.</p> <p><b>Repayment Terms:</b><br/>The loan is repayable in 12 quarterly instalments commencing from April 1st 2016.</p> <p><b>The loan is secured by</b></p> <ul style="list-style-type: none"> <li>(i) Exclusive charge on the land situated at project of one of the subsidiary, DB Skypark, Sahar, Andheri East including all the structures thereon both present and future.</li> <li>(ii) First pari-passu charge over Bacchuwadi property, Mumbai Central.</li> <li>(iii) Corporate guarantee from YJ Realty &amp; Aviation Pvt Ltd backed by first pari-passu charge over Dynamix Mall, Juhu.</li> <li>(iv) Corporate guarantee from Milan Theatre Pvt Ltd.</li> <li>(v) Personal guarantee from one of the Managing Directors of the Company.</li> </ul> <p>(Default: Interest amount of ₹ 6,887,821 from February 2016 has not been paid)</p>                                                                                                                                                                                                                                                                                                                                                                                                                           |                              |                              |
| <p><b>d. From STCI Finance Ltd</b></p> <ul style="list-style-type: none"> <li>(i) The said loan was received for General Corporate purpose DB Realty Limited and carries fixed interest rate of 9.75% p.a on monthly rest .</li> <li>(ii) The Tenure of the Loan is of 36 months from the disbursement (i.e February 28 ,2013). The loan amount is repayable at the end of the tenure of the loan and interest cost is payable on a monthly basis. Redemption premium is payable at the end of the tenure so as to yield a nominal IRR of 14.75% p.a. on monthly rest.)</li> <li>(iii) The said loan has been classified as Current Maturities of long term debt. Out of the Outstanding amount, Debt redemption premium of ₹ Nil (Previous year ₹ 50,044,962 is payable at the end of tenure)</li> </ul> <p><b>The loan is secured by</b></p> <ul style="list-style-type: none"> <li>(i) Pledge of 13117020 shares of DB Realty Ltd which are held by Neelkamal Realtors Apartment LLP</li> </ul> <p>(Default - The entire loan is due for repayment. Company is in default of its repayment of principal amounted to ₹ 61,165,488 and Interest of ₹ 8,102,543).</p>                                                                                                                                                                                                                                                                                                                                                                                                                                            | -                            | -                            |
| <p><b>e. Reliance Capital Limited</b></p> <p><b>Loan 1:</b></p> <p><b>Purpose of loan:</b><br/>The said loan was received in the current year for general purpose to group and carries interest rate of 15% p.a.</p> <p><b>Repayment Terms:</b><br/>Loan is repayable in 24 Months with bullet repayment at the end of the loan tenure. Interest to be paid annually.</p> <p><b>The loan is secured by</b></p> <ul style="list-style-type: none"> <li>(i) An exclusive charge on the project land of Orchid Golf View Park S.No. 191A/2A/1/2, Plot No.2 at Yerwada, Pune, together with all buildings and strucutres thereon, both present and future.</li> <li>(ii) An exclusive charge on the scheduled receivables under the documents enteres into with customers by the borrower, all such proceeds both present and future.</li> <li>(iii) An exclusive charge over all rights, titles, interest claim, benifits, demands under the project documents both present and future.</li> <li>(iv) An exclusive charge over escrow account, all monies credited / deposited, therein and all investments in respect thereof (in whatever form they may be).</li> <li>(v) An exclusive charge on TDR - transferable development rights till the same is loaded on the project.</li> <li>(vi) Hypothication of future receivables from sale of proposed residential development project Orchid Golf View Park S.No. 191A/2A/1/2, Plot No.2 at Yerwada, Pune.</li> <li>(vii) Registered mortgage of residential development project Orchid Golf View Park S.No. 191A/2A/1/2, Plot No.2 at Yerwada, Pune.</li> </ul> | 910,000,000                  | -                            |

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016**

| Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | As at<br>March 31, 2016<br>₹ | As at<br>March 31, 2015<br>₹ |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------------------|
| <b>Loan 2:</b><br><b>Repayment Terms:</b><br>The bullet repayment at the end of loan tenure i.e after 24 Months. The tenure can be extended for further term keeping maximum door to door tenure as 24 Months. Interest to be paid annually.<br><b>Rate of Interest :</b><br>The loan carries interest rate of 16% p.a<br><b>Loan is secured by:</b><br>(i) An exclusive charge on the scheduled receivables under the documents entered into with customers by the Borrower, all such proceeds both present & future .<br>(ii) An exclusive charge over all rights, titles, interest, claims , benefits, demands under the Project documents both present & future.<br>(iii) An exclusive charge on the escrow account , all monies credited/ deposited therein & all investments in respect thereof ( in whatever form they may be).<br>(iv) Registered Mortgage on residential units falling under the share of GHRPL in the proposed project located at land bearing CTS No- A/791(pt) of Mahim Bandra Reclamation Area , Bandra (West).<br>(v) Hypothecation of receivables from sale of residential units falling under the share of GHRPL in the proposed project located at land bearing CTS No- A/791(pt) of Mahim Bandra Reclamation Area , Bandra (West).<br>(vi) Pledge of all shares of Goregaon Hotel and Realty Private Limited. |                              |                              |
| <b>f. Indiabulls Housing Finance Limited</b><br><b>Terms of Repayment</b><br>The loan is repayable upto 36 months from the date of first disbursement i.e. August 02, 2014<br><b>Rate of Interest:</b><br>The effective rate of interest for the year is 16.% p.a.<br><b>Loan is secured by:</b><br>Pledge /charges of shares D B Realty Ltd. worth minimum 2 times of the loan amount, as acceptable to the lender, to be pledged in a depository as suggested by lender. Further Mr. Vinod Goenka has given personal guarantee for securing the repayment of loans and dues thereon. The said loan is also secured by 6750000 no. of equity shares held by Ms. Sanjana Goenka.<br>(Default: Interest of ₹ 2,095,969 Principal of ₹ 8,649,907 from March 2016 has not been paid).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 52,764,591                   | 97,841,842                   |
| <b>g. Vehicle Loan from Banks</b><br>(Secured by way of hypothecation of respective vehicles purchased<br><b>Terms of Repayment :</b><br>Payable in equated monthly installment as per the respective loan amortization schedule.)<br>(The rate of interest are in range of 9.50% to 11.50% p.a)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 20,630,350                   | 21,163,308                   |
| <b>h. LIC Housing Finance Limited</b><br>The said loan was received for the purpose of financing the costs of construction and other project implementation costs within its subsidiary companies and jointly controlled companies and carries floating interest rate of 13.5% p.a. linked to LHPLR, payable monthly. The loan was repayable in six structured quarterly installments ending on August, 2013 and the outstanding balance was due in August, 2013. The said loan has been restructured on November 23, 2013 and again on April 27, 2015. The loan tenure has been extended by 12 months and hence the outstanding balance is due on January 31, 2016 and will carry floating interest rate LHPLR Plus 75 bps (Currently 16.25% p.a.). The Loan is guaranteed by personal guarantees of Managing Directors of the Company and corporate guarantee of Esteem Properties Private Limited, a wholly owned subsidiary company, has mortgaged its land at Sahar, Andheri in this regard. (The said loan has been classified as Current Maturities of long term debt).<br>(Default: Interest of ₹ 11,645,034 from December 2015 and Principal of ₹ 306,303,767 from January 2016 has not been paid)                                                                                                                                     | -                            | -                            |
| <b>Total I</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | <b>10,766,190,171</b>        | <b>6,450,546,576</b>         |

## D B REALTY LIMITED

(ANNUAL REPORT 2015 - 16)

### NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

| Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | As at<br>March 31, 2016<br>₹ | As at<br>March 31, 2015<br>₹ |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------------------|
| <b>Unsecured</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                              |                              |
| a. <b>Preference Shares issued by Joint Venture :</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                              |                              |
| 188,008 (188,008) Compulsory Convertible Preference Shares (CCPS) Series 'C' of ₹ 10 each fully paid                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 1,880,085                    | 1,880,085                    |
| 62,760 (62,760) Redeemable Optionally Convertible Cumulative Preference Shares (ROCCPS) Series 'A' and Series 'B' of ₹ 10 each fully paid.<br>(The CCPS/ROCCPS carry minimum coupon rate of 0.001% p.a. or such rate as may be decided by the Board of Directors of the Company, provided in the event the Company declares dividend to the Equity Shares, then the same shall be entitled to the same rate of equity dividend. Tenure of CCPS/ROCCPS is four/five years, subject to earlier redemption at the discretion of the Board of Directors in the event the holders of the series express their desire for redemption to the Company. Compulsory conversion in Equity Shares of part of the CCPS/ROCCPS upon happening of agreed event. The Joint Venture had issued ROCCPS in the year ended March 31, 2007. As per the terms of issue, the ROCCPS are convertible/redeemable. The latest date of redemption was March 26, 2012. Similarly, the Company had issued CCCPS in the year ended March 31, 2008. As per the terms of issue, the CCCPS are compulsorily convertible. The latest date of conversion was January 30, 2012. However, pending reaching any finality in the matter with the ROCCPS/CCPS holders, the Management has decided to keep the decision of conversion/redemption in abeyance.) | 627,600                      | 627,600                      |
| b. <b>Loan from Others</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 480,000                      | 480,000                      |
| There are no specific terms for repayment and are not expected to be repaid in the ensuing financial year. Hence are classified as long term.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                              |                              |
| <b>Total II</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <b>2,987,685</b>             | <b>2,987,685</b>             |
| <b>Total ( I + II)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>10,769,177,857</b>        | <b>6,453,534,261</b>         |

#### Note 5 : Other Long-term Liabilities

| Particulars                                                        | As at March 31,<br>2016<br>₹ | As at March 31,<br>2015<br>₹ |
|--------------------------------------------------------------------|------------------------------|------------------------------|
| a. Trade payables (Refer note (i) below and footnote of note no.8) | 97,575,647                   | 166,255,345                  |
| b. <b>Others</b>                                                   |                              |                              |
| Security Deposit                                                   | 3,751,897,485                | 1,797,485                    |
| <b>Total</b>                                                       | <b>3,849,473,131</b>         | <b>168,052,830</b>           |

(i) Represents amount retained as per the terms of the contract(s) and are due for payment after a period of 12 months from the year-end.

#### Note 6 : Long-term Provisions

| Particulars                            | As at March 31,<br>2016<br>₹ | As at March 31,<br>2015<br>₹ |
|----------------------------------------|------------------------------|------------------------------|
| <b>Provision for Employee Benefits</b> |                              |                              |
| Gratuity (unfunded)                    | 30,167,056                   | 29,290,497                   |
| Leave Encashment (unfunded)            | 23,827,681                   | 23,341,507                   |
| <b>Total</b>                           | <b>53,994,737</b>            | <b>52,632,004</b>            |

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016**
**Note 7 : Short-term Borrowings**

| Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | As at March 31,<br>2016<br>₹ | As at March 31,<br>2015<br>₹ |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------------------|
| <b>I Secured</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                              |                              |
| <b>Loans repayable on demand</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                              |                              |
| <b>a. From Banks-</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                              |                              |
| <b>Oriental Bank of Commerce</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>67,522,327</b>            | 11,873,725                   |
| Bank OD 1 & 2 is Secured by lien on fixed deposit of ₹ 14,000,000 placed by Neelkamal Realtors & Builders Private Limited with Oriental Bank of Commerce.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                              |                              |
| <b>b. Oriental Bank of Commerce</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <b>10,801,662</b>            | -                            |
| Secured by lien on fixed deposit receipt of ₹ 14,000,000 placed by Neelkamal Realtors & Builders Private Limited with Oriental Bank of Commerce.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                              |                              |
| <b>c. Yes Bank</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <b>1,059,074,666</b>         | -                            |
| Cross collateralization of a property of Gaon Hotels and Realty Pvt Ltd would be charged for the company and Company security would be charged for Goan Hotels and Realty Pvt Ltd loan to the extent of ₹ 750,000,000 (Refer Note 4(i)(b)).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                              |                              |
| <b>From Financial Institutions</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                              |                              |
| <b>d. Reliance Capital Limited</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <b>675,000,000</b>           | 610,000,000                  |
| The said loan was received as Loan against Residential Property and carries floating interest rate of 20% p.a subject to BPLR being constant. The tenure of the loan was of 12 months from the date of disbursement. The loan amount was repayable at the end of the tenure of the loan and interest cost was payable on a monthly basis. The said loan has been restructured on October 31, 2015. It is revolving and reviewed every year and carries floating interest rate of 20.75% p.a subject to BPLR being constant. The loan is guaranteed by registered mortgage of immovable property of Pune land situated at S.No. 191/A/2A/1/2, Plot No. 2 & 3 (Block A+C) at Yerwada, Pune. The said loan is secured by personal guarantees of Mr. Vinod K. Goenka and Mr. Shahid U. Balwa. |                              |                              |
| <b>e. ECL Finance Limited</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <b>75,257,299</b>            | 619,950,223                  |
| (i) First charge & Mortgage on Land, on pari-passu basis, including for which development rights are obtained along with buildings constructed / to be constructed thereon. Further, on pari-passu basis, first charge is there on all existing and future receivables.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                              |                              |
| (ii) Pledge of 66% shares of the Company, on pari-passu basis.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                              |                              |
| (iii) Corporate Guarantee from D B Realty Limited.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                              |                              |
| (iv) Personal guarantee from Mr. Vinod K. Goenka and Mr. Shahid U. Balwa of the Company.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                              |                              |
| Details of continuing default as on March 31, 2016: The Company was required to repay loan received from ECL Finance Limited by December 31, 2015, which has remained unpaid as on March 31, 2016 but has been paid subsequently.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                              |                              |
| <b>f. IL&amp;FS Financial Services Ltd</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>331,585,304</b>           | 541,389,287                  |
| <b>The loan is secured by</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                              |                              |
| (i) Pledge of fully paid up, de-materialised, unencumbered, freely transferable equity share of DB Realty Ltd, in favour of IFIN, equivalent to 2 times the outstanding principal amount.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                              |                              |
| (ii) Pledge of 3,838,382 Shares of Marine Drive Hospitality & Realty Pvt. Ltd., constituting 15.53% of the paid share capital of MDHRPL held by DB Realty Ltd.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                              |                              |
| (iii) The loan was repayable within 12 months from the date of first disbursement i.e. November 21, 2014. However, the said loan has been rolled over upto May 21, 2016. The rate of interest for the year is 15.% p.a.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                              |                              |
| (iv) Mortgage and Hypothecation of two TDR Certificates of 85,287 Square meters along with escrow of receivables emanating from sale of these TDR certificates held by Dynamix Realty on a pari passu basis for the term loan granted by IFIN to D B Realty Ltd.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                              |                              |
| (v) First ranking hypothecation and escrow receivables from 614 sold units and 10 unsold units in the project.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                              |                              |

## D B REALTY LIMITED

(ANNUAL REPORT 2015 - 16)

### NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

| Particulars                                                                                                                                                                                                        | As at March 31,<br>2016<br>₹ | As at March 31,<br>2015<br>₹ |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------------------|
| (vi) Mortgage of and Hypothecation of receivables from approx 9000 Sq.Mtr. freehold land near Mumbai Central, owned by one of the subsidiary.                                                                      |                              |                              |
| (vii) Pledge of 22,000,000 Shares of the Holding Company, which are held by Neelkamal Tower Construction LLP                                                                                                       |                              |                              |
| <b>g. Edelweiss Housing Finance Ltd.</b>                                                                                                                                                                           | <b>380,809,936</b>           | -                            |
| <b>Total</b>                                                                                                                                                                                                       | <b>2,600,051,195</b>         | <b>1,783,213,234</b>         |
| <b>II Unsecured</b>                                                                                                                                                                                                |                              |                              |
| <b>a. From Bank</b>                                                                                                                                                                                                |                              |                              |
| Oriental Bank of Commerce                                                                                                                                                                                          | 15,285,372                   | -                            |
| Loan is Secured by:<br>Against the Lien of FD of Orchid Breeze CHS Ltd<br>Rate of Interest : 9.75 % p.a.                                                                                                           |                              |                              |
| <b>b. Inter-corporate Deposits</b>                                                                                                                                                                                 |                              |                              |
| From Related parties (Interest free)                                                                                                                                                                               | 252,570,226                  | 147,819,518                  |
| From other parties*                                                                                                                                                                                                | 416,576,784                  | 1,689,000,784                |
| *(Interest free and repayable on or before the expiry of twelve month from the disbursement date.)                                                                                                                 |                              |                              |
| <b>c. From Financial Institution</b>                                                                                                                                                                               |                              |                              |
| Reliance Capital Limited                                                                                                                                                                                           | -                            | 600,000,000                  |
| The said loan was repayable on demand and carries interest rate of 15% p.a which is payable quarterly .<br>(Default - Interest ₹ Nil (Previous Year- 82,664,384), Principal ₹ Nil<br>(Previous Year- 300,000,000)) |                              |                              |
| <b>Total II</b>                                                                                                                                                                                                    | <b>684,432,381</b>           | <b>2,436,820,302</b>         |
| <b>Total ( I + II)</b>                                                                                                                                                                                             | <b>3,284,483,576</b>         | <b>4,220,033,536</b>         |

#### Note 8 : Trade Payables

| Particulars                                      | As at March 31, 2016<br>₹ | As at March 31, 2015<br>₹ |
|--------------------------------------------------|---------------------------|---------------------------|
| Dues outstanding of micro and small enterprises* | -                         | -                         |
| Dues outstanding of others                       | 1,516,745,381             | 1,447,551,169             |
| <b>Total</b>                                     | <b>1,516,745,381</b>      | <b>1,447,551,169</b>      |

\*Micro and Small Enterprises under the Micro ,Small and Medium Enterprises Development Act, 2006 have been determined based on the information available with the company and the required disclosures are given below:

| Description                                                                                                                                                                                                                                          | As at March 31, 2016<br>₹ | As at March 31, 2015<br>₹ |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|---------------------------|
| a) Principal amount remaining unpaid as at year end                                                                                                                                                                                                  | -                         | -                         |
| b) Interest due thereon as at period / year end                                                                                                                                                                                                      | -                         | -                         |
| c) Interest paid by the Company in terms of section 18 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year.                             | -                         | -                         |
| d) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006. | -                         | -                         |
| e) Interest accrued and remaining unpaid as at period / year end                                                                                                                                                                                     | -                         | -                         |
| f) Further Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.                                                                               | -                         | -                         |

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016**
**Note 9 : Other Current Liabilities**

| Particulars                                                                                           | As at March 31, 2016  | As at March 31, 2015  |
|-------------------------------------------------------------------------------------------------------|-----------------------|-----------------------|
|                                                                                                       | ₹                     | ₹                     |
| Current maturities of long term borrowings (Refer note 4(b), 4(c), 4(d), 4(i) and 4(j))               | 1,649,951,632         | 1,279,814,886         |
| Interest accrued but not due on loans                                                                 | 99,356,930            | 9,665,083             |
| Interest accrued and due on loans (Refer note 4 & 7)                                                  | 175,720,922           | 270,574,261           |
| Advance received from Customers                                                                       | 11,144,845,377        | 10,507,447,992        |
| Advance towards sale of TDR                                                                           | 1,527,276,765         | 1,376,480,953         |
| Due to Partnership Firms towards capital contribution                                                 | 1,241,387,479         | 1,470,113,986         |
| Advance Received agst Tenancy Rights                                                                  | 11,068,624            | 71,852,816            |
| Temporary overdrawn current account balance as per books of subsidiaries / jointly controlled entites | 57,426,223            | 47,792,326            |
| Amount Refundable on Cancellation of Flats                                                            | 545,991,068           | 557,790,491           |
| Employee Benefits Payable                                                                             | 82,160,081            | 72,331,905            |
| Statutory dues including PF and TDS                                                                   | 105,004,281           | 102,447,415           |
| Compensation payable                                                                                  | 17,354,955            | 6,854,955             |
| Payable to Project Partner by one of the Subsidiary                                                   | 572,043,374           | 771,754,165           |
| Refundable Security Deposits                                                                          | 1,250,575,000         | 575,000               |
| Other Payables *                                                                                      | 737,805,578           | 534,698,121           |
| <b>Total</b>                                                                                          | <b>19,217,968,289</b> | <b>17,080,194,355</b> |

\* Other Payables includes outstanding expenses, payables towards purchase of fixed assets, property, tenancy rights and property tax of ₹ 83,968,289 out of which ₹ 70,374,767 pertains to prior period.

**Note 10 : Short-term Provisions**

| Particulars                                                                          | As at March 31, 2016 | As at March 31, 2015 |
|--------------------------------------------------------------------------------------|----------------------|----------------------|
|                                                                                      | ₹                    | ₹                    |
| <b>a. Provision for Employee Benefits</b>                                            |                      |                      |
| Gratuity (unfunded)                                                                  | 9,339,263            | 9,648,567            |
| Leave encashment (unfunded)                                                          | 9,727,670            | 14,197,942           |
| <b>b. Others</b>                                                                     |                      |                      |
| Provision for tax (Net of with Advance Tax ₹ 46,899,374 (Previous Year ₹ 8,074,094)) | 13,849,750           | 16,947,094           |
| Provision for incidental cost related to land                                        | 463,561,832          | 344,630,050          |
| Provision for expenses                                                               | 28,334,740           | 6,686,744            |
| <b>Total</b>                                                                         | <b>524,813,255</b>   | <b>392,110,397</b>   |

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016**

**Note 11 : Fixed Assets**

| Particulars     |                                               | Gross Block                 |             |             |                          |                             | Accumulated Depreciation     |                          |              | Net Block                    |
|-----------------|-----------------------------------------------|-----------------------------|-------------|-------------|--------------------------|-----------------------------|------------------------------|--------------------------|--------------|------------------------------|
|                 |                                               | Balance as at April 1, 2015 | Additions   | Disposals   | Adjustments for the year | Revaluations/ (Impairments) | Balance as at March 31, 2016 | Adjustments for the year | On disposals | Balance as at March 31, 2016 |
| a               | Tangible Assets                               |                             |             |             |                          |                             |                              |                          |              |                              |
|                 | Sample Flat                                   | 347,548,415                 | -           | -           | -                        | -                           | 347,548,415                  | 24,798,268               | -            | 57,046,685                   |
|                 | Land (including Salt Pan Land)                | 1,383,654,667               | -           | -           | -                        | -                           | 1,383,654,667                | -                        | -            | 1,383,654,667                |
|                 | Buildings                                     |                             |             |             |                          |                             |                              |                          |              |                              |
|                 | (Refer Note 11.1)                             |                             |             |             |                          |                             |                              |                          |              |                              |
|                 | - Temporary Structure                         | 31,850,676                  | 179,000     | -           | -                        | -                           | 32,029,676                   | 17,905,630               | -            | 7,030,277                    |
|                 | - Others                                      | 152,476,419                 | -           | -           | -                        | -                           | 152,476,419                  | 2,401,475                | -            | 144,301,323                  |
|                 | Computers                                     | 22,022,731                  | 2,878,236   | -           | -                        | -                           | 24,900,967                   | 20,016,351               | -            | 3,757,194                    |
|                 | Furniture & Fixtures                          | 50,816,478                  | 194,857     | (35,001)    | -                        | -                           | 50,976,334                   | 24,662,543               | (14,287)     | 19,925,049                   |
|                 | Office Equipments                             | 22,262,702                  | 806,738     | -           | -                        | -                           | 23,069,440                   | 16,896,771               | -            | 3,028,697                    |
| b               | Plant & Machinery                             | 94,333,507                  | 69,748,664  | (56,600)    | -                        | -                           | 164,025,571                  | 25,580,844               | (56,600)     | 123,724,018                  |
|                 | Vehicles                                      | 127,186,524                 | 8,162,466   | (5,889,143) | -                        | -                           | 129,459,847                  | 52,107,283               | (3,869,427)  | 64,369,460                   |
|                 | Improvement on Leasehold Property             | 136,509,242                 | -           | -           | -                        | -                           | 136,509,242                  | -                        | -            | -                            |
|                 | Total                                         | 2,368,661,361               | 81,969,961  | (5,980,744) | -                        | -                           | 2,444,650,578                | 565,155,747              | (3,940,314)  | 1,806,837,370                |
|                 | Intangible Assets                             |                             |             |             |                          |                             |                              |                          |              |                              |
|                 | Computer software                             | 61,812,966                  | 195,419     | -           | -                        | -                           | 62,008,385                   | 35,190,395               | -            | 3,054,147                    |
|                 | Goodwill on Amalgamation                      | 319,367,573                 | -           | -           | -                        | -                           | 319,367,573                  | 255,494,063              | -            | -                            |
|                 | Total                                         | 381,180,539                 | 195,419     | -           | -                        | -                           | 381,375,958                  | 290,684,458              | -            | 3,054,147                    |
|                 | Capital Work In Progress                      | 92,198,344                  | -           | -           | -                        | -                           | 92,198,344                   | -                        | -            | 92,198,344                   |
|                 | Total                                         | 92,198,344                  | -           | -           | -                        | -                           | 92,198,344                   | -                        | -            | 92,198,344                   |
| d               | Intangible assets under Development           |                             |             |             |                          |                             |                              |                          |              |                              |
|                 | Computer Software                             | -                           | 7,087,500   | -           | -                        | -                           | 7,087,500                    | -                        | -            | 7,087,500                    |
|                 | Beautification-Bandra-Worli Sea Link (Note.3) | 210,990,518                 | 63,067,693  | -           | -                        | (75,000,000)                | 199,058,211                  | -                        | -            | 199,058,211                  |
|                 | Total                                         | 210,990,518                 | 70,155,193  | -           | -                        | (75,000,000)                | 206,145,711                  | -                        | -            | 206,145,711                  |
| Total (a+b+c+d) |                                               | 3,053,030,762               | 152,320,573 | (5,980,744) | -                        | (75,000,000)                | 3,124,370,591                | 164,235,128              | (3,940,314)  | 1,016,135,019                |
|                 |                                               |                             |             |             |                          |                             |                              |                          |              | 2,108,235,572                |

**Note :**

11.1 Out of gross block of building, flats of ₹ 10,765,400 (Previous Year ₹ 10,765,400) are attached by Enforcement Directorate under Prevention of Money Laundering Act, 2002 (Refer Note 42)

11.2 Depreciation inventorised during the period ₹ 79,951,177 (Previous Year ₹ 57,889,861)

11.3 Out of the cost of beautification of Bandra Worli Sea Link, impairment loss of ₹ 75,000,000 (Previous Year ₹ Nil) has been charged during the year as an exceptional item to the Statement of Profit & Loss. The balance cost amounting to ₹ 199,058,211 (Previous Year ₹ 210,990,518) has been treated as intangible asset under development. As per agreement with IMSRDC, the Company has a right to commercial use of such area for defined purposes as per agreement for next 9 years. The management is of the opinion that the future revenue from this would be higher than the carrying value. The Company is also in the process of entering into contracts with certain group of entities on account of transfer of advertisement rights for their projects.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016**

**Note 11.4 : Fixed Assets**

| Particulars                         | Gross Block                 |                        |              | Accumulated Depreciation |                              |                                                           |                                                   |                                                                                                           | Net Block    |                              |                              |
|-------------------------------------|-----------------------------|------------------------|--------------|--------------------------|------------------------------|-----------------------------------------------------------|---------------------------------------------------|-----------------------------------------------------------------------------------------------------------|--------------|------------------------------|------------------------------|
|                                     | Balance as at April 1, 2014 | Additions for the year | Disposals    | Adjustments for the year | Balance as at March 31, 2015 | Depreciation charge for the period (refer note (1) below) | Depreciation due to change in policy (WDV to SLM) | Depreciation due to change in estimation(useful life) (Impact on retain earning where useful life is Nil) | On disposals | Balance as at March 31, 2015 | Balance as at March 31, 2015 |
| a                                   |                             |                        |              |                          |                              |                                                           |                                                   |                                                                                                           |              |                              |                              |
| Tangible Assets                     |                             |                        |              |                          |                              |                                                           |                                                   |                                                                                                           |              |                              |                              |
| Sample Flat                         | 198,545,427                 | -                      | -            | 149,002,988              | 347,548,415                  | 99,335,326                                                | 71,982,548                                        | (4,966,766)                                                                                               | -            | 265,703,462                  | 81,844,953                   |
| Land (including Salt Pan Land)      | 1,383,654,667               | -                      | -            | -                        | 1,383,654,667                | -                                                         | -                                                 | -                                                                                                         | -            | -                            | 1,383,654,667                |
| Buildings*                          |                             |                        |              |                          |                              |                                                           |                                                   |                                                                                                           |              |                              |                              |
| - Temporary Structure               | 31,850,676                  | -                      | -            | -                        | 31,850,676                   | 9,979,833                                                 | 7,953,033                                         | (27,236)                                                                                                  | -            | 17,905,630                   | 13,945,046                   |
| - Others                            | 152,476,419                 | -                      | -            | -                        | 152,476,419                  | 9,754,446                                                 | 2,415,240                                         | (6,396,065)                                                                                               | -            | 5,773,621                    | 146,702,798                  |
| Computers                           | 19,534,586                  | 1,791,455              | (76,800)     | 773,490                  | 22,022,731                   | 16,532,856                                                | 689,533                                           | (2,721,735)                                                                                               | (64,141)     | 20,016,351                   | 2,006,380                    |
| Furniture & Fixtures                | 50,673,367                  | 62,888                 | -            | 80,223                   | 50,816,478                   | 32,504,982                                                | 43,495                                            | (14,920,285)                                                                                              | 45           | 24,662,543                   | 26,153,935                   |
| Office Equipments                   | 21,076,910                  | 282,886                | -            | 902,906                  | 22,262,702                   | 9,673,954                                                 | 364,242                                           | (5,241,331)                                                                                               | 3,310,975    | 16,896,771                   | 5,365,931                    |
| Plant & Machinery                   | 15,498,932                  | -                      | -            | 78,834,575               | 94,333,507                   | 7,719,775                                                 | 9,265,383                                         | (17,040,384)                                                                                              | 4,510,013    | 25,580,844                   | 68,752,663                   |
| Vehicles                            | 124,309,779                 | 21,640,375             | (25,924,374) | 7,160,744                | 127,186,524                  | 75,137,290                                                | 5,524,487                                         | (28,992,494)                                                                                              | (18,670,756) | 52,107,283                   | 75,079,242                   |
| Improvement on Leasehold Property   | 136,509,242                 | -                      | -            | -                        | 136,509,242                  | -                                                         | -                                                 | -                                                                                                         | -            | 136,509,242                  | -                            |
| Total                               | 2,134,130,005               | 23,777,604             | (26,001,174) | 236,754,926              | 2,368,661,361                | 127,063,140                                               | 127,703,581                                       | (80,306,296)                                                                                              | 12,265,487   | 565,155,747                  | 1,803,505,615                |
| b                                   |                             |                        |              |                          |                              |                                                           |                                                   |                                                                                                           |              |                              |                              |
| Intangible Assets                   |                             |                        |              |                          |                              |                                                           |                                                   |                                                                                                           |              |                              |                              |
| Computer software                   | 60,604,919                  | 371,755                | -            | 836,292                  | 61,812,966                   | 27,749,276                                                | 6,701,884                                         | 293,157                                                                                                   | 38,226       | 35,190,395                   | 26,622,571                   |
| Goodwill on Amalgamation            | 319,367,573                 | -                      | -            | -                        | 319,367,573                  | 191,620,547                                               | 63,873,516                                        | -                                                                                                         | -            | 255,494,063                  | 63,873,510                   |
| Total                               | 379,972,492                 | 371,755                | -            | 836,292                  | 381,180,539                  | 219,369,823                                               | 407,872                                           | 293,157                                                                                                   | 38,226       | 290,684,458                  | 90,496,081                   |
| c                                   |                             |                        |              |                          |                              |                                                           |                                                   |                                                                                                           |              |                              |                              |
| Capital Work In Progress            | 92,198,344                  | -                      | -            | -                        | 92,198,344                   | -                                                         | -                                                 | -                                                                                                         | -            | -                            | 92,198,344                   |
| Total                               | 92,198,344                  | -                      | -            | -                        | 92,198,344                   | -                                                         | -                                                 | -                                                                                                         | -            | -                            | 92,198,344                   |
| d                                   |                             |                        |              |                          |                              |                                                           |                                                   |                                                                                                           |              |                              |                              |
| Intangible assets under Development | 191,419,611                 | 19,570,907             | -            | -                        | 210,990,518                  | -                                                         | -                                                 | -                                                                                                         | -            | -                            | 210,990,518                  |
| (refer note 2 below)                |                             |                        |              |                          |                              |                                                           |                                                   |                                                                                                           |              |                              |                              |
| Total                               | 191,419,611                 | 19,570,907             | -            | -                        | 210,990,518                  | -                                                         | -                                                 | -                                                                                                         | -            | -                            | 210,990,518                  |
| Total (a+b+c+d)                     | 2,797,720,452               | 43,720,266             | (26,001,174) | 237,591,218              | 3,053,030,762                | 16,534,555                                                | 198,279,961                                       | (80,013,139)                                                                                              | 12,303,713   | 855,840,205                  | 2,197,190,558                |

**Note :**

\* Out of gross block of building ₹ 10,765,400 (Previous year ₹ 10,765,400) flats are attached by Enforcement Directorate under Prevention of Money Laundering Act, 2002 (Refer Note 42 )

11.4.1 During the current year, effective from April 1, 2014, the Company has changed its accounting policy for charging depreciation from Written down method ("WDV") to Straight line method ("SLM") in respect of all the fixed assets other than intangible assets and buildings, which are temporary structure in nature, which were already being depreciated under SLM. The Management believes that such changes better reflect the actual use of assets acquired. On account of this change in accounting policy, the Company has in current year, reversed an amount of ₹ 80,013,139 on account of excess depreciation charged for the year up to March 31, 2014. Out of this, ₹ 70,515,083 have been credited as exceptional item (shown under Exceptional Items) in Statement of Profit & Loss and the balance of ₹ 9,498,056 have been reduced from inventory.

11.4.2 In accordance with requirement of schedule II of the Companies Act, 2013, the Company has re-assessed the useful lives of the fixed assets. Due to such change in estimations, an amount of ₹ 10,411,449 has been charged to the financial results of the current period representing the depreciation on the carrying value of assets as on April 1, 2014 on the basis of remaining useful lives. Further, an amount of ₹ 12,303,713 has been charged to the financial results of the current year in respect of assets whose remaining life is NIL as at April 1, 2014.

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## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

### Note 12 : Non-current Investments (at cost, unless otherwise specified)

| Particulars                                                                                                                                                                              | As at<br>March 31, 2016<br>₹ | As at<br>March 31, 2015<br>₹ |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------------------|
| <b>a. Investment in Properties</b>                                                                                                                                                       |                              |                              |
| Investment Properties                                                                                                                                                                    | 67,639,072                   | -                            |
| Less:- Accumulated Depreciation                                                                                                                                                          | (1,041,031)                  | -                            |
| <b>Total (A)</b>                                                                                                                                                                         | <b>66,598,041</b>            | <b>-</b>                     |
| <b>b. Investment in Equity Instruments (Unquoted, Non-trade except stated otherwise)</b>                                                                                                 |                              |                              |
| The Kapol Co-operative Bank Limited                                                                                                                                                      | 50,000                       | 50,000                       |
| [5,000 (Previous Year 5,000) Equity Shares of ₹ 10 each, fully paid up]                                                                                                                  |                              |                              |
| Saraf Chemicals limited                                                                                                                                                                  | 49,600,000                   | 49,600,000                   |
| [310,000 (Previous Year 310,000) Equity Shares of ₹ 10 each, fully paid up]                                                                                                              |                              |                              |
| Marine Drive Hospitality & Realty Private Limited (Refer note 12.1 below) (Trade)                                                                                                        | 783,029,928                  | 783,029,928                  |
| [3,838,382 (Previous Year 3,838,382) Equity Shares of ₹ 10 each, fully paid up]                                                                                                          |                              |                              |
| <b>In Equity Shares of Associate Companies, fully paid up Cost of Investment</b><br>(Refer note below *)                                                                                 |                              |                              |
| Sangam City Township Private Limited                                                                                                                                                     |                              |                              |
| [8,000 (Previous Year 9,500) Equity Shares of ₹ 10 each, fully paid up]                                                                                                                  | 890,353                      | 921,049                      |
| Mahal Pictures Private Limited                                                                                                                                                           | 946,216,158                  | 946,037,147                  |
| [3,600 (Previous Year 3,600) Equity Shares of ₹ 10 each, fully paid up]                                                                                                                  |                              |                              |
| Shiva Buildcon Private Ltd                                                                                                                                                               |                              |                              |
| [6,750 (Previous Year 6,750) Equity Shares of ₹ 10 each, fully paid up]                                                                                                                  | 64,774,784                   | 64,787,917                   |
| Shiva Multitrade Private Ltd                                                                                                                                                             |                              |                              |
| [6,750 (Previous Year 6,750) Equity Shares of ₹ 10 each, fully paid up]                                                                                                                  | 64,774,811                   | 64,787,917                   |
| Shiva Realtors Suburban Private Ltd                                                                                                                                                      |                              |                              |
| [6,750 (Previous Year 6,750) Equity Shares of ₹ 10 each, fully paid up]                                                                                                                  | 64,774,811                   | 64,787,917                   |
| * [Including ₹ 1,080,781,630 (Previous Year ₹ 1,080,781,630) of Goodwill and net of ₹ 1,504,907 (Previous Year ₹ 1,504,907) of Capital Reserve arising on the acquisition of Associates] |                              |                              |
| <b>Total (B)</b>                                                                                                                                                                         | <b>1,974,110,846</b>         | <b>1,974,001,875</b>         |
| <b>c. Investment in Preference Shares (Unquoted, Non-trade)</b>                                                                                                                          |                              |                              |
| Marine Drive Hospitality & Realty Private Limited (Refer note 12.2 & 12.3 below)                                                                                                         |                              |                              |
| [2,470,600 (Previous Year 2,470,600) 0.002% Redeemable Optionally Convertible Cumulative Preference Shares Series "A" of ₹ 10 each, fully paid up]                                       | 504,002,400                  | 504,002,400                  |
| [217,630 (Previous Year 217,630) 0.002% Redeemable Optionally Convertible Cumulative Preference Shares Series "C" of ₹ 10 each, fully paid up]                                           | 4,439,646,084                | 4,439,646,084                |
| [92,600 (Previous Year 92,600) 0.002% Compulsory Convertible Cumulative Preference Shares of ₹ 10 each, fully paid up]                                                                   | 1,889,056,320                | 1,889,056,320                |
| [74,443 (Previous Year 74,443) Cumulative Redeemable Convertible Preference Shares of ₹ 10 each, fully paid up]                                                                          | 7,444,256,000                | 7,444,256,000                |
| [313,478 (Previous Year 313,478) 0.001% Redeemable Compulsory Convertible Cumulative Preference Shares of ₹ 10 each, fully paid up]                                                      | 172,163,649                  | 172,163,649                  |
| [313,478 (Previous Year 313,478) 0.001% Redeemable Optionally Convertible Cumulative Preference Shares of ₹ 10 each, fully paid up]                                                      | 172,163,649                  | 172,163,649                  |
| Konark Realtech Private Limited (Refer note 12.4 below)                                                                                                                                  |                              |                              |
| [1,163,739 (Previous Year 971,664) 0.01% Redeemable Optionally Convertible Preference Shares of ₹ 10 each fully paid-up]                                                                 | 558,594,720                  | 466,398,720                  |
| <b>Total (C)</b>                                                                                                                                                                         | <b>15,179,882,822</b>        | <b>15,087,686,822</b>        |
| <b>d. Investments in Partnership Firms (Unquoted, Non-trade)</b>                                                                                                                         |                              |                              |
| Investment made in Partnership Firm "Om Metal Consortium".                                                                                                                               | 6,425,340                    | -                            |
| <b>Total (D)</b>                                                                                                                                                                         | <b>6,425,340</b>             | <b>-</b>                     |
| <b>Total (A+B+C+D)</b>                                                                                                                                                                   | <b>17,227,017,049</b>        | <b>17,061,688,697</b>        |

12.1 The Company has pledged its investment of 3,838,382 equity shares of Marine Drive Hospitality & Realty Pvt. Ltd., in favour of IL & FS Financials Services Ltd which provided term loan of ₹ 950,000,000 (Previous Year ₹ 350,000,000) to the Company.

12.2 There is no return on investments in preference shares of Marine Drive Hospitality & Realty Private Limited ("DBH") during the year. Further, even though there is a huge investment in these preference shares, there is no control or significant influence on DBH. In view of the management, investments in these entities are considered strategic and long term in nature and the current market values and future prospects of these investments are significantly in excess of Company's investment in DBH.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016**

12.3 During the previous year, 2,470,000 Series A 0.002% ROCCPS of Marine Drive Hospitality & Realty Private Limited held by the Company has been handed over to Enforcement Directorate (ED) under Prevention of Money Laundering Act Case. Hence original copy of the same is not available with the company as on March 31, 2016.

12.4 The tenure of ROCPS is five years from the date of allotment carrying coupon rate of 0.01% on non cumulative basis. The said preference shares shall be convertible at the option of the Company at book value/ issue price at the time of conversion. In the opinion of the management, having regard to the state of affairs of the said company, there is no fall in the value of the Company's investment.

**Notes :**

The particulars of investment in associate companies as of March 31, 2016 are as follows :

| (Amount in ₹) |                                         |                          |                    |                             |                                                             |                                              |                              |
|---------------|-----------------------------------------|--------------------------|--------------------|-----------------------------|-------------------------------------------------------------|----------------------------------------------|------------------------------|
| Sr No         | Name of the Associate                   | Country of Incorporation | Ownership Interest | Original Cost of Investment | Amount of Goodwill / (Capital Reserve) in the Original Cost | Share of post acquisition Reserves & Surplus | Carrying Cost of Investments |
| 1             | Sangam City Township Private Limited    | India                    | 26.67%             | 80,000                      | (1,504,907)                                                 | 810,353                                      | 890,353                      |
|               | Previous Year                           |                          | (26.67%)           | (80,000)                    | (-15,04,907)                                                | (841,049)                                    | (921,049)                    |
| 2             | DB Hi-Sky Private Limited               | India                    | 50%                | 50,000                      | 12,481                                                      | (50,000)                                     | -                            |
|               | Previous Year                           |                          | (50%)              | (50,000)                    | (12,481)                                                    | (-50,000)                                    | (-)                          |
| 3             | Mahal Pictures Private Limited          | India                    | 33.33%             | 892,225,001                 | 886,229,160                                                 | 53,991,157                                   | 946,216,158                  |
|               | Previous Year                           |                          | (33.33%)           | (892,225,001)               | (886,229,160)                                               | (53,812,146)                                 | (946,037,147)                |
| 4             | Shiva Buildcon Private Limited          | India                    | 33.75%             | 64,800,000                  | 64,844,521                                                  | (25,216)                                     | 64,774,784                   |
|               | Previous Year                           |                          | (33.75%)           | (64,800,000)                | (64,844,521)                                                | (-12,083)                                    | (64,787,917)                 |
| 5             | Shiva Multitrade Private Limited        | India                    | 33.75%             | 64,800,000                  | 64,851,084                                                  | (25,189)                                     | 64,774,811                   |
|               | Previous Year                           |                          | (33.75%)           | (64,800,000)                | (64,851,084)                                                | (-12,083)                                    | (64,787,917)                 |
| 6             | Shiva Realtors Suburban Private Limited | India                    | 33.75%             | 64,800,000                  | 64,844,384                                                  | (25,189)                                     | 64,774,811                   |
|               | Previous Year                           |                          | (33.75%)           | (64,800,000)                | (64,844,384)                                                | (-12,083)                                    | (64,787,917)                 |
|               | <b>Total</b>                            |                          |                    | <b>1,086,755,001</b>        | <b>1,079,276,723</b>                                        | <b>54,675,917</b>                            | <b>1,141,430,918</b>         |
|               | <b>Previous Year Total</b>              |                          |                    | <b>(1,086,755,001)</b>      | <b>(1,079,276,723)</b>                                      | <b>(54,566,946)</b>                          | <b>(1,141,321,947)</b>       |

(Figures in brackets denote Previous Year's ownership interest and balances)

Previous year's figures in brackets with negative sign denotes Capital Reserve and without negative sign denotes Goodwill.

**Note 13 : Long-term Loans and Advances**

| Particulars                                                                                  | As at March 31, 2016<br>₹ | As at March 31, 2015<br>₹ |
|----------------------------------------------------------------------------------------------|---------------------------|---------------------------|
| <b>a. Capital Advances</b>                                                                   | <b>15,000,000</b>         | <b>66,986,298</b>         |
| <i>Unsecured, considered good</i>                                                            |                           |                           |
| <b>b. Security Deposits (refer to note 13.1 &amp; 13.2)</b>                                  |                           |                           |
| <i>Unsecured, considered good</i>                                                            |                           |                           |
| Deposits to Related Parties (refer to note 13.2)                                             | <b>3,473,242,175</b>      | 3,697,446,934             |
| Deposits to others                                                                           | <b>1,040,923,612</b>      | 1,047,325,779             |
| <b>c. Loans and Advances to Related Parties (refer to note no. 13.1)</b>                     |                           |                           |
| <i>Unsecured, considered good</i>                                                            |                           |                           |
| Project advance to Associates                                                                | <b>689,375,000</b>        | 687,945,000               |
| Mobilisation Advances                                                                        | <b>201,234,836</b>        | 222,307,486               |
| <b>d. Loans and Advances to Others</b>                                                       |                           |                           |
| <i>Unsecured, considered good</i>                                                            |                           |                           |
| Loans to Others                                                                              | <b>61,750,000</b>         | 1,748,917,630             |
| Advance against Share Purchase (Refer Note 31)                                               | <b>400,000,000</b>        | 400,696,000               |
| Mobilisation Advances                                                                        | <b>45,420,076</b>         | 48,674,666                |
| Due from members of Partnership Firms /Joint ventures                                        | -                         | 5,172,131                 |
| Advance Payment of Taxes (Net of provision for Tax ₹ 22,345,000 (Previous Year ₹ 22,300,000) | <b>80,969,083</b>         | 98,761,531                |
| MAT Credit Entitlement                                                                       | <b>35,872,425</b>         | 39,681,972                |
| Service Tax Receivable                                                                       | <b>26,567,013</b>         | 7,947,437                 |
| Advance recoverable in cash or in kind or for value to be received                           | <b>894,376,821</b>        | 586,999,340               |
| <b>Total</b>                                                                                 | <b>6,964,731,041</b>      | <b>8,658,862,204</b>      |

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## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

- 13.1 Loans and advances due by directors or other officers of the company or any of them either severally or jointly with any other persons or amounts due by firms or private companies respectively in which any director is a partner or a director a member

| Particulars                                                                    | As at March 31, 2016<br>₹ | As at March 31, 2015<br>₹ |
|--------------------------------------------------------------------------------|---------------------------|---------------------------|
| Private Company and Firms in which director is a member or director or partner | 3,134,953,841             | 3,074,933,934             |

- 13.2 Includes security deposits of ₹ 3,575,515,954 (Previous Year ₹ 3,687,785,713) given to various parties for acquisition of development rights. The Company is in process of obtaining necessary approvals with regard to said properties and the said properties have current market values significantly in excess of carrying values and are expected to achieve adequate profitability on substantial completion of their projects.

### Note 14 : Other Non-current Assets

| Particulars                       | As at March 31, 2016<br>₹ | As at March 31, 2015<br>₹ |
|-----------------------------------|---------------------------|---------------------------|
| Margin Money Deposits *           | -                         | 31,128,693                |
| Prepaid Expenses                  | 254,852                   | 4,375,268                 |
| Unbilled Revenue                  | -                         | 34,140,588                |
| Interest accrued but not due      | -                         | 1,900,951                 |
| Cost attributable to Leased Units | -                         | 65,749,116                |
| Other assets                      | 751,640                   | 1,562,324                 |
| <b>Total</b>                      | <b>1,006,492</b>          | <b>138,856,940</b>        |

\* Kept as security for guarantees/other facilities with banks.

### Note 15 : Current Investments (At lower at cost or fair value) (Unquoted, Non-trade)

| Particulars                                          | As at March 31, 2016<br>₹ | As at March 31, 2015<br>₹ |
|------------------------------------------------------|---------------------------|---------------------------|
| Investment in Mutual Funds                           | 1,196,790                 | 5,069,161                 |
| <b>Total</b>                                         | <b>1,196,790</b>          | <b>5,069,161</b>          |
| <b>15.1 Aggregate amount of unquoted investments</b> | <b>1,196,790</b>          | <b>5,069,161</b>          |

### Note 16 : Inventories

| Particulars                                                                                                    | As at March 31, 2016<br>₹ | As at March 31, 2015<br>₹ |
|----------------------------------------------------------------------------------------------------------------|---------------------------|---------------------------|
| <b>Valued at cost or net realisable value, whichever is lower (Refer note (i), (ii), (iii) and (iv) below)</b> |                           |                           |
| a. Project Work in Progress                                                                                    | 27,912,909,385            | 23,048,256,559            |
| b. Material at Site                                                                                            | 4,646,068                 | -                         |
| c. Transferable Development Rights                                                                             | 202,517,926               | -                         |
| d. Finished Goods                                                                                              | 76,118,350                | -                         |
| <b>Total (a+b+c+d)</b>                                                                                         | <b>28,196,191,729</b>     | <b>23,048,256,559</b>     |

#### Note:

- Out of total inventories ₹ 2,786,245,906 (Previous year ₹ 2,543,129,919) are under initial stage of development & expected to have net realizable value greater than the cost.
- Refer note 4(i)(a), (b), (c), (d), (h), (i) & (j), 7(l)(a), (d), (e), & (f) and 30 (a) (ii), (v), (vii), (ix) for securities given of projects by the Company.
- Refer Note 32 for projects under litigation.
- Inventory includes Project management expenses of ₹ 150,000,000 paid to the Company by one of the subsidiary Companies. This is towards the efforts of / services rendered by the Company towards the project of the subsidiary. As determined by the management, this amount represents the actual cost incurred by the Company; consequently, no adjustment for 'unrealised profit' is required to be carried out in the consolidated financial statements.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

**Note 17 : Trade Receivables**

| Particulars                                                                                | As at March 31, 2016<br>₹ | As at March 31, 2015<br>₹ |
|--------------------------------------------------------------------------------------------|---------------------------|---------------------------|
| <b>Outstanding for a period exceeding six month from the date they are due for payment</b> |                           |                           |
| Unsecured, considered good                                                                 | 952,875,385               | 675,019,485               |
| <b>Others</b>                                                                              |                           |                           |
| Unsecured, considered good                                                                 | 198,713,051               | 686,978,882               |
| <b>Total</b>                                                                               | <b>1,151,588,436</b>      | <b>1,361,998,367</b>      |

**Note 18 : Cash and Bank Balances**

| Particulars                             | As at March 31, 2016<br>₹ | As at March 31, 2015<br>₹ |
|-----------------------------------------|---------------------------|---------------------------|
| <b>Cash and Cash Equivalents</b>        |                           |                           |
| Cash on Hand                            | 1,678,601                 | 2,191,263                 |
| Balances with Banks in Current Accounts | 180,837,514               | 88,303,437                |
| <b>Other Bank Balances</b>              |                           |                           |
| Fixed Deposits *                        | 98,504,923                | 97,209,965                |
|                                         | <b>281,021,038</b>        | <b>187,704,664</b>        |

\* Having maturity more than three months but less than twelve months and Includes deposits under lien ₹ 87,929,248 (Previous year ₹ 77,105,923)

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## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

### Note 19 : Short-term Loans and Advances

| Particulars                                                                                   | As at March 31, 2016  | As at March 31, 2015 |
|-----------------------------------------------------------------------------------------------|-----------------------|----------------------|
|                                                                                               | ₹                     | ₹                    |
| <b>a. Security Deposits</b>                                                                   |                       |                      |
| <i>Unsecured, considered good</i>                                                             |                       |                      |
| Deposit placed (related parties)                                                              | 561,000               | 200,612,000          |
| <b>b. Loans and Advances to Related Parties (Refer note 19.1)</b>                             |                       |                      |
| <i>Unsecured, considered good</i>                                                             |                       |                      |
| Loans given (Refer note 19.4)                                                                 | 3,944,491,105         | 2,675,378,050        |
| Mobilisation advances                                                                         | 314,196,022           | 1,057,136,953        |
| Due from members of Partnership Firms /Joint ventures                                         | 1,066,810,563         | 1,450,936,607        |
| Advances recoverable in Cash or in Kind or for Value to be received                           | 32,185,670            | 7,611,780            |
| <b>c. Others</b>                                                                              |                       |                      |
| <i>Unsecured, considered good</i>                                                             |                       |                      |
| Loan to others                                                                                | 1,644,794,756         | 295,984,043          |
| Deposits placed                                                                               | 678,077,332           | 397,369,178          |
| Trade advances                                                                                | 153,564,292           | 137,679,529          |
| Mobilisation advances                                                                         | 1,186,872,326         | 464,018,638          |
| Prepaid expenses                                                                              | 4,740,079             | 2,008,404            |
| Advance Payment of Taxes (Net of provision for Tax ₹ 54,760,770 (Previous Year ₹ 13,974,456)) | 5,053,971             | 24,719,929           |
| Advance against Occupancy Rights                                                              | 22,200,000            | -                    |
| Due from members of Partnership Firms /Joint ventures                                         | 38,271,024            | 30,174,109           |
| Advances recoverable in Cash or in Kind or for Value to be received (Refer Note 19.2)         | 1,426,611,667         | 1,268,963,540        |
| <i>Unsecured, considered doubtful</i>                                                         |                       |                      |
| Advances Given                                                                                | 10,000,000            | 10,000,000           |
| Provision for Doubtful Advances                                                               | (10,000,000)          | (10,000,000)         |
|                                                                                               | <b>10,518,429,807</b> | <b>8,012,592,760</b> |

19.1 Loans and advances due by directors or other officers of the company or any of them either severally or jointly with any other persons or amounts due by firms or private companies respectively in which any director is a partner or a director a member.

| Particulars                                                                    | As at March 31, 2016 | As at March 31, 2015 |
|--------------------------------------------------------------------------------|----------------------|----------------------|
|                                                                                | ₹                    | ₹                    |
| Directors and Other Officers                                                   | 48,462               | -                    |
| Private Company and Firms in which director is a member or director or partner | 368,197,547          | 2,164,617,403        |
|                                                                                | <b>368,246,009</b>   | <b>2,164,617,403</b> |

19.2 In Financial year 2013-2014, the Directorate of Enforcement has taken physical possession of bank balance of ₹ 10,492,892 (Previous year ₹ 8,692,930) against which the company has written a letter to convert the amount so recovered into Fixed Deposits, till date Directorate of Enforcement has not entertained this request. In view of the same, the said balance is shown as part of other loans and advances.

19.3 During the year 2010-11, One of the subsidiary Company has paid ₹ 605,000,000 for mobilization advance and ₹ 685,000,000 as machinery advance to a contractor, out of which ₹ 315,859,291 for mobilization advance and ₹ 627,500,000 as machinery advance is still outstanding as on March 31, 2016 which is refundable from the said contractor due to cancellation of contract and the same is good and recoverable.

19.4 Include loan of ₹ 58,952,877 (previous year ₹ 302,500,000) granted to a company whose net worth is completely eroded. A suit is filed against them before the Hon' Bombay High Court by a foreign investee claiming substantial amounts, which is sub-judiced. In the opinion of the Management, these facts shall not have any adverse impact on the recoverability aspect of the said loan along with interest accrued thereon of ₹ 21,329,974 and hence the same is considered good for recovery.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016**
**Note 20 : Other Current Assets**

| Particulars                                                   | As at March 31, 2016 | As at March 31, 2015 |
|---------------------------------------------------------------|----------------------|----------------------|
|                                                               | ₹                    | ₹                    |
| Interest accrued and due                                      | 314,777,929          | 246,803,170          |
| Interest accrued but not due                                  | 1,232,589            | 1,285,610            |
| Transferable Development Rights                               | 34,032,180           | -                    |
| Expenditure on land for which Development Rights are Assigned | 537,981,082          | -                    |
| Service Tax Receivable                                        | 39,978,363           | 56,801,677           |
| Advance Recoverable                                           | 632,526              | 27,781               |
| Debts due on assignment (Refer Note 33B(ii))                  | 2,605,918,546        | -                    |
| Unbilled Revenue                                              | 181,410,199          | 290,068,937          |
| <b>Total</b>                                                  | <b>3,715,963,414</b> | <b>594,987,175</b>   |

**Note 21 : Revenue from Operations**

| Particulars                             | For the year ended<br>March 31, 2016 | For the year ended<br>March 31, 2015 |
|-----------------------------------------|--------------------------------------|--------------------------------------|
|                                         | ₹                                    | ₹                                    |
| Sale of Properties                      | 1,107,952,209                        | 1,727,615,282                        |
| Sale of Transferable Development Rights | 706,216,421                          | 861,800,978                          |
| Sale of Development Rights              | 287,500,000                          | -                                    |
| Other Operating Income                  | 78,796,415                           | 44,979,497                           |
| <b>Total</b>                            | <b>2,180,465,045</b>                 | <b>2,634,395,757</b>                 |

**Note 22 : Other Income**

| Particulars                            | For the year ended<br>March 31, 2016 | For the year ended<br>March 31, 2015 |
|----------------------------------------|--------------------------------------|--------------------------------------|
|                                        | ₹                                    | ₹                                    |
| Interest Received on Loans - Others    | 128,616,298                          | 187,432,679                          |
| Interest on Bank Fixed Deposit         | 6,478,285                            | 5,591,925                            |
| Interest Received - Other              | 1,249,434                            | 3,333,442                            |
| Foreign Exchange Gain, net             | -                                    | 937                                  |
| Dividend Income                        | 560,298                              | 312,317                              |
| Profit on sale of Current Investments  | 269,984                              | -                                    |
| Profit on sale of long term investment | -                                    | 290,944                              |
| Miscellaneous Income*                  | 24,060,189                           | 29,629,957                           |
| <b>Total</b>                           | <b>161,234,488</b>                   | <b>226,592,201</b>                   |

\*Mainly includes Sundry Balance Written Back

**Note 23 : Project Expenses**

| Particulars                                     | For the year ended<br>March 31, 2016 | For the year ended<br>March 31, 2015 |
|-------------------------------------------------|--------------------------------------|--------------------------------------|
|                                                 | ₹                                    | ₹                                    |
| Land Acquisition and Purchase of Tenancy Rights | 673,952,896                          | 1,364,239,317                        |
| Project Salaries, Wages and Bonus               | 145,367,572                          | 115,782,912                          |
| Depreciation (Refer Note 11.2)                  | 79,951,177                           | 57,889,861                           |
| Other Construction Expenses#                    | 4,954,990,421                        | 3,367,422,063                        |
| <b>Total</b>                                    | <b>5,854,262,066</b>                 | <b>4,905,334,153</b>                 |

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## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

### # Other Construction Expenses

| Particulars                                   | For the year ended<br>March 31, 2016<br>₹ | For the year ended<br>March 31, 2015<br>₹ |
|-----------------------------------------------|-------------------------------------------|-------------------------------------------|
| Construction and Site development Expenses    | 1,245,319,580                             | 1,476,173,402                             |
| Rates & Taxes                                 | 103,048,194                               | 777,948,630                               |
| Rent                                          | 4,896,446                                 | 8,043,005                                 |
| SRA premium paid                              | 977,357,548                               | -                                         |
| Advertisement & Publicity                     | 85,445                                    | 504,128                                   |
| Legal & Professional fees                     | 335,308,468                               | 218,419,722                               |
| Water & Electricity Expenses                  | 5,752,266                                 | 4,917,581                                 |
| Security Charges                              | 10,467,615                                | 14,651,416                                |
| Repairs & Maintenance                         | 35,450                                    | 12,573,836                                |
| Printing and Stationery and Telephone Charges | 2,673,869                                 | 6,147,125                                 |
| Travelling and Conveyance Expenses            | 8,321,522                                 | 9,805,023                                 |
| Interest and finance charges                  | 1,451,083,854                             | 828,442,361                               |
| Miscellaneous Expenses                        | 810,640,164                               | 9,795,835                                 |
|                                               | <b>4,954,990,421</b>                      | <b>3,367,422,063</b>                      |

Note: All the materials consumed in the course of construction are indigenous.

### Note 23A : Purchases of Stock-in-Trade

| Particulars                                 | For the year ended<br>March 31, 2016<br>₹ | For the year ended<br>March 31, 2015<br>₹ |
|---------------------------------------------|-------------------------------------------|-------------------------------------------|
| Purchase of Transferable Development Rights | 490,536,573                               | -                                         |
| <b>Total</b>                                | <b>490,536,573</b>                        | <b>-</b>                                  |

### Note 24 : Changes in Inventories of Project Work in Progress, Material at Site, Finished Goods and Transferrable Development Rights

| Particulars                                                                  | For the year ended<br>March 31, 2016<br>₹ | For the year ended<br>March 31, 2015<br>₹ |
|------------------------------------------------------------------------------|-------------------------------------------|-------------------------------------------|
| <b>Project Work in Progress:</b>                                             |                                           |                                           |
| Opening Inventory                                                            | 22,707,130,089                            | 15,821,790,665                            |
| Taken over on Acquisition                                                    | -                                         | 3,753,229,481                             |
| Adjustment on account of merger                                              | 298,253,202                               | -                                         |
| Transferred to Profit and Loss Account / Capitalised during the year         | (17,898,036)                              | (33,979,081)                              |
| Prior Period Adjustment                                                      | 70,407                                    | -                                         |
| Excess provision for estimated land cost debited to Project work-in-progress | 118,931,782                               | -                                         |
| Adjustment on account of Disposal / Sale of Investment                       | (127,971,603)                             | -                                         |
| Closing Inventory                                                            | (27,993,673,803)                          | (23,048,256,559)                          |
| <b>(Increase) in Project Work in Progress</b>                                | <b>(5,015,157,963)</b>                    | <b>(3,507,215,494)</b>                    |
| <b>Transferable Development Rights</b>                                       |                                           |                                           |
| Opening Balance                                                              | -                                         | 391,230,071                               |
| Closing Balance                                                              | (202,517,926)                             | -                                         |

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016**

| Particulars                                                   |                        | For the year ended<br>March 31, 2016 | For the year ended<br>March 31, 2015 |
|---------------------------------------------------------------|------------------------|--------------------------------------|--------------------------------------|
|                                                               |                        | ₹                                    | ₹                                    |
| <b>(Increase)/Decrease in Transferable Development Rights</b> | <b>Total (b)</b>       | <b>(202,517,926)</b>                 | 391,230,071                          |
| <b>Raw Material At Site:</b>                                  |                        |                                      |                                      |
| Opening                                                       |                        | -                                    | -                                    |
| Add: Adjustment on account of Merger                          |                        | 20,712,351                           | -                                    |
| Closing                                                       |                        | (4,646,068)                          | -                                    |
| <b>(Increase)/Decrease in Transferable Development Rights</b> | <b>Total (c)</b>       | <b>16,066,283</b>                    | -                                    |
| <b>Finished Goods</b>                                         |                        |                                      |                                      |
| Opening Balance                                               |                        | -                                    | -                                    |
| Closing Balance                                               |                        | (76,118,350)                         | -                                    |
| <b>(Increase)/Decrease in Finished Goods</b>                  | <b>Total (d)</b>       | <b>(76,118,350)</b>                  | -                                    |
| (Increase) in Inventory                                       | <b>Total (a+b+c+d)</b> | <b>(5,217,675,889)</b>               | (3,115,985,423)                      |

**Note 25 : Employee Benefits Expenses**

| Particulars                                                   |              | For the year ended<br>March 31, 2016 | For the year ended<br>March 31, 2015 |
|---------------------------------------------------------------|--------------|--------------------------------------|--------------------------------------|
|                                                               |              | ₹                                    | ₹                                    |
| Salaries, Wages and Bonus (Including Managerial Remuneration) |              | 208,217,766                          | 172,227,566                          |
| Contribution to Provident Fund and Others                     |              | 4,703,215                            | 3,293,020                            |
| Staff Welfare and Other Amenities                             |              | 5,781,452                            | 5,769,078                            |
|                                                               | <b>Total</b> | <b>218,702,433</b>                   | 181,289,664                          |

**Note 26 : Finance Cost**

| Particulars           |              | For the year ended<br>March 31, 2016 | For the year ended<br>March 31, 2015 |
|-----------------------|--------------|--------------------------------------|--------------------------------------|
|                       |              | ₹                                    | ₹                                    |
| Interest Expenses     |              | 484,963,848                          | 490,382,742                          |
| Other Borrowing Costs |              | 41,028,103                           | 37,890,936                           |
|                       | <b>Total</b> | <b>525,991,951</b>                   | 528,273,678                          |

**Note 27 : Other Expenses**

| Particulars                                        |  | For the year ended<br>March 31, 2016 | For the year ended<br>March 31, 2015 |
|----------------------------------------------------|--|--------------------------------------|--------------------------------------|
|                                                    |  | ₹                                    | ₹                                    |
| Rent (Including lease rent (Refer Note No. 39(b))) |  | 59,954,501                           | 59,351,069                           |
| Rates and Taxes                                    |  | 2,878,515                            | 3,659,726                            |
| Repairs and Maintenance                            |  | 256,551,285                          | 84,485,752                           |
| Legal and Professional Charges                     |  | 51,422,762                           | 47,329,504                           |
| Auditors Remuneration (Refer Note 36)              |  | 13,241,503                           | 13,411,566                           |
| Donations (Refer note 48 for CSR Expenditure)      |  | 4,082,841                            | 1,330,465                            |
| Directors Sitting Fees                             |  | 1,360,000                            | 980,000                              |
| Advertisement and Publicity                        |  | 60,703,989                           | 124,949,341                          |
| Business Promotions Expenses                       |  | 30,098,858                           | 7,684,435                            |
| Subscription & Membership Fees                     |  | 2,365,893                            | 2,104,112                            |
| Printing & Stationery and Telephone Charges        |  | 2,862,064                            | 2,796,176                            |
| Travelling and Conveyance Expenses                 |  | 4,157,478                            | 4,565,459                            |

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### NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

| Particulars                       | For the year ended<br>March 31, 2016 | For the year ended<br>March 31, 2015 |
|-----------------------------------|--------------------------------------|--------------------------------------|
|                                   | ₹                                    | ₹                                    |
| Commission and Brokerage          | 47,684,911                           | 15,231,479                           |
| Compensation Charges              | 72,081,080                           | 41,087,732                           |
| Loss on Sale of Assets            | 1,275,850                            | 2,630,675                            |
| Foreign Exchange Fluctuation Loss | 907,399                              | 680,198                              |
| Security Charges                  | 15,429,665                           | 13,219,958                           |
| Advances Written Off              | -                                    | 446,530                              |
| Water & Electricity Charges       | 10,094,740                           | 40,317,020                           |
| Sundry Debit Balance Written Off  | 1,590,165                            | 7,788,029                            |
| Miscellaneous Expenses            | 31,717,396                           | 24,494,357                           |
| <b>Total</b>                      | <b>670,460,895</b>                   | <b>498,543,583</b>                   |

28 Entities included in the Consolidated Financial Statements with details of the holdings therein are as under.

a) Subsidiary companies consolidated on 'line by line' basis as per AS 21:

| Name                                                                          | Country of<br>Incorporation | Percentage of<br>Ownership Interest<br>as at March 31, 2016 | Percentage of<br>Ownership Interest as<br>at March 31, 2015 |
|-------------------------------------------------------------------------------|-----------------------------|-------------------------------------------------------------|-------------------------------------------------------------|
| Neelkamal Realtors Tower Private Limited (Refer note i below)                 | India                       | 50.83%                                                      | 50.83%                                                      |
| Neelkamal Realtors Suburban Private Limited                                   | India                       | 66.00%                                                      | 66.00%                                                      |
| Gokuldharm Real Estate Development Company Private Limited<br>(Refer note 49) | India                       | -                                                           | 75.00%                                                      |
| Neelkamal Shantinagar Properties Private Limited (Refer note ii<br>below)     | India                       | 100.00%                                                     | 100.00%                                                     |
| Esteem Properties Private Limited                                             | India                       | 100.00%                                                     | 100.00%                                                     |
| Saifee Bucket Factory Private Limited                                         | India                       | 100.00%                                                     | 100.00%                                                     |
| Real Gem Buildtech Private Limited                                            | India                       | 100.00%                                                     | 100.00%                                                     |
| DB Man Realty Limited                                                         | India                       | 91.00%                                                      | 91.00%                                                      |
| Priya Constructions Private Limited (Refer note iii below)                    | India                       | 100.00%                                                     | 100.00%                                                     |
| Royal Netra Constructions Private Limited                                     | India                       | 50.40%                                                      | 50.40%                                                      |
| Nine Paradise Erectors Private Limited                                        | India                       | 100.00%                                                     | 100.00%                                                     |
| N.A. Estate Private Limited                                                   | India                       | 100.00%                                                     | 100.00%                                                     |
| MIG (Bandra) Realtors and Builders Private Limited                            | India                       | 100.00%                                                     | 100.00%                                                     |
| Spacecon Realty Private Limited (formerly DB Spacecon Private<br>Limited)     | India                       | 74.00%                                                      | 74.00%                                                      |
| Vanita Infrastructure Private Limited                                         | India                       | 100.00%                                                     | 100.00%                                                     |
| DB View Infracon Private Limited (Refer note iv below)                        | India                       | 100.00%                                                     | 100.00%                                                     |
| DB Contractors and Builders Private Limited (Refer note v<br>below)           | India                       | 100.00%                                                     | 100.00%                                                     |
| Goregaon Hotel and Realty Private Limited                                     | India                       | 100.00%                                                     | 100.00%                                                     |

- (i) The Consolidated Financial Statements include financial statements of the said subsidiary of the Company which reflect total assets of ₹ 7,741,485,375, total revenue of ₹ Nil and net loss after tax of ₹ 10,677,311. Such financial statements of the said subsidiary are not approved by its Board. In the opinion of the Company, there would not be any material impact on the financial statements arising out of its adoption at a later point in time. The process of adoption shall be completed in due course.

During the previous year, the said company became subsidiary with effect from April 1, 2014 having economic interest of 50.83% as per the Companies Act, 2013. Hence, the same has been considered as a subsidiary for consolidation purpose under AS 21. However, the same has been considered as an associate for the purpose of all disclosures and presentations required by the Accounting Standards. Further, the voting power held in the said company is 34.03%.

- (ii) The subsidiary company has a Joint Venture agreement with Shankala Realtors Private Limited having profit sharing ratio of 100% (Previous year 100%) for development and construction of a residential complex in the name and style of M/s.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016**

Shree Shantinagar Venture. The said Joint Venture is consolidated as per AS 21 in the accounts of this subsidiary company and consolidated financial statements of the subsidiary have been considered for preparation of Consolidated Financial Statements of the Company.

- (iii) The subsidiary company has an investment in the capital of a partnership firm, viz. M/s. Evergreen Industrial Estate having profit sharing ratio of 67% (including 1% held by Turf Estate Joint Venture) for construction and development of the immovable properties. During the year the said partnership firm is consolidated as per AS 21 in the Consolidated Financial Statement of Ultimate Holding Company directly and hence, accounts of the said partnership firm and standalone financial statements of the subsidiary have been considered for preparation of Consolidated Financial Statements of the Company.
- (iv) The subsidiary company has invested in the capital of a partnership firm, viz. M/s. Suraksha DB Realty, on April 1, 2011 and having profit sharing ratio of 50% for construction and development of the immovable properties. During the year the said partnership firm is consolidated as per AS 27 in the Consolidated Financial Statement of Ultimate Holding Company directly and hence, accounts of the said partnership firm and standalone financial statements of the subsidiary have been considered for preparation of Consolidated Financial Statements of the Company.

"Further, the said subsidiary company has invested for 48% profit sharing in Sneh Developers (i.e. partnership firm) and 1% is invested by another subsidiary company i.e. Nine Paradise Erectors Private Limited. Hence, the said firm has been consolidated as joint venture as per AS 27 with 49% in Consolidated Financial Statements.

- (v) During the previous year, the subsidiary company has invested in "Lokhandwala DB Realty LLP" and considered the said LLP as a joint venture in accordance with AS 27. Further in earlier years, the said subsidiary company had invested in Veer Jijamata Nagar LLP. The said LLPs are consolidated as per AS 27 in the accounts of this subsidiary company and consolidated financial statements of the subsidiary have been considered for preparation of Consolidated Financial Statements of the Company. However, during the previous year, Veer Jijamata Nagar LLP has applied for striking off its name from the records of LLP authority on 28th March, 2015 as there were no business activities being carried out by the said LLP and the same is approved by Registrar of Companies on 8th August 2015.

- b) Association of Person/ Partnership Firms (where control exists) consolidated on a 'line by line' basis (AS 21):

| Name                                                             | Country of Formation | Percentage of ownership interest as at March 31, 2016 | Percentage of ownership interest as at March 31, 2015 |
|------------------------------------------------------------------|----------------------|-------------------------------------------------------|-------------------------------------------------------|
| Conwood DB Joint Venture                                         | India                | 90.00%                                                | 90.00%                                                |
| ECC DB Joint Venture                                             | India                | 75.00%                                                | 75.00%                                                |
| Mira Real Estate Developers* (Formerly Mira Salt Works Co.)      | India                | 100.00%                                               | 100.00%                                               |
| Turf Estate Joint Venture (Refer note (i) below)                 | India                | 66.67%                                                | 66.67%                                                |
| M/s. Evergreen Industrial Estate (refer note 28 (a) (iii) above) | India                | 67.00%                                                | 67.00%                                                |

\*The Holding Company (99%) and DB View Infracon Private Limited (1%), the wholly owned subsidiary of the Holding Company, in total hold 100% stake. Hence, the Company has consolidated it as 100% subsidiary in accordance with AS 21.

- (i) The Consolidated Financial Statements include financials of the said Association of Persons (AOP), where the Company is one of the two partners, which is treated as a subsidiary of the Company and whose financial statements reflect total assets of ₹ 2,486,887,702, total revenue of ₹ Nil and accumulated loss of ₹ 261,377,650. Such financial statements of the AOP are yet to be approved by the other partner. The other partner has proposed for a change from profit/ loss arrangement to area sharing framework in the AOP and the discussion in this regard are underway. Pending the outcome of this matter, consequential effect thereof, if any, is not quantifiable.
- c) **Joint ventures/ partnership firms/ Company/ limited liability partnership firms accounted on proportionate consolidation basis as per AS 27:**

| Name                                                                          | Percentage of Ownership Interest as at March 31, 2016 | Percentage of Ownership Interest as at March 31, 2015 |
|-------------------------------------------------------------------------------|-------------------------------------------------------|-------------------------------------------------------|
| DB Realty and Shreepati Infrastructures LLP (Refer note (i) below)            | 60.00%                                                | 60.00%                                                |
| National Tiles and Industries (Refer note (i) below)                          | 59.40%                                                | 59.40%                                                |
| Dynamix Realty (Partnership Firm in construction TDR) (Refer note (ii) below) | 50.00%                                                | 50.00%                                                |
| DBS Realty (Partnership Firm)                                                 | 33.33%                                                | 33.33%                                                |
| DB (BKC) Realtors Private Limited                                             | 40.80%                                                | 40.80%                                                |
| Lokhandwala Dynamix Balwas JV                                                 | 50.00%                                                | 50.00%                                                |
| Sneh Developers (Refer note 28 (a) (iv) above )                               | 49.00%                                                | 49.00%                                                |
| Daund Warehousing Developers & Builders LLP (Refer note (iv) below)           | -                                                     | 50.00%                                                |
| Saswad Warehousing Developers & Builders LLP (Refer note (iv) below)          | -                                                     | 50.00%                                                |
| Ahmednagar Warehousing Developers & Builders LLP (Refer note (iv) below)      | -                                                     | 50.00%                                                |
| Solapur Warehousing Developers & Builders LLP (Refer note (iv) below)         | -                                                     | 50.00%                                                |
| Latur Warehousing Developers & Builders LLP (Refer note (iv) below)           | -                                                     | 50.00%                                                |

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|                                                                          |        |        |
|--------------------------------------------------------------------------|--------|--------|
| Aurangabad Warehousing Developers & Builders LLP (Refer note (iv) below) | -      | 50.00% |
| Veer Jeejamata Nagar Realty LLP (Refer note 28 (a) (v) above)            | 50.00% | 50.00% |
| Suraksha D B Realty (Refer note 28 (a) (iv) above)                       | 50.00% | 50.00% |
| Lokhandwala D B Realty LLP (Refer note (iii) below)                      | 5.00%  | 5.00%  |

- (i) The Consolidated Financial Statements include financial statements of the said Limited Liability Partnership (LLP) where the Company is one of the two group of partners, which is treated as a joint venture of the Company and whose financial statements reflect total assets of ₹ 55,953,494, total revenue of ₹ Nil and net profit after tax of ₹ 326,000. Such financial statements of the LLP are approved by only three partners representing the Company out of the total six partners of the LLP. The Company is taking steps to complete the process and the financial impact on the accounts would not be significant or material.

The LLP has investment in partnership firm viz M/s. National Tiles and Industries towards 99% share in profit/ loss. During the year, the said partnership firm is consolidated as a joint venture as per AS 27 in the Consolidated Financial Statement of the Company. The said firm has been considered for consolidation directly and hence, standalone financial statement of DB Realty and Shreepati Infrastructures LLP have been considered for consolidation.

- (ii) The said partnership firm has a SRA project by which it is entitled for two components of TDR viz. Land Component of TDR and Construction Component of TDR. The Partners of the firm have amended the terms of profits sharing ratio vide supplementary deed dated February 11, 2012 and accordingly, the said project is divided into two projects viz. a) Project I- Land component of TDR (Partners – Eversmile Construction Company Private Limited – profit/ loss sharing ratio of 99% and Conwood Construction and Developers Private Limited – profit/ loss sharing ratio of 1%) and b) Project II – Construction component of TDR (Partners – DB Realty Limited – profit/ loss sharing ratio of 50% and Eversmile Construction Company Private Limited – profit/ loss sharing ratio of 50%). Since, the Holding Company has share only in the profit/ loss in the Project II, the profit/ loss has been considered for the same on the basis of project wise break-up of the audited accounts.
- (iii) During the previous year, the Company has made investment in M/s. Lokhandwala D B Realty LLP towards 50% share in profit/ loss including 45% through its wholly owned subsidiary. During the year, the said LLP is consolidated as joint venture as per AS 27 in the Consolidated Financial Statement of the Company for 5% and 45% in DB Contractor & Builder Private Limited.
- (iv) The Company has ceased to be a partner in above six LLPs w.e.f. July 1, 2015, since these LLPs had not carried on any business activity.

#### 29 The associates accounted under 'equity method' as per AS 23:

| Name                                                        | Percentage of equity interest as at March 31, 2016 | Percentage of equity interest as at March 31, 2015 |
|-------------------------------------------------------------|----------------------------------------------------|----------------------------------------------------|
| Sangam City Township Private Limited (Refer note (i) below) | 26.67%                                             | 26.67%                                             |
| DB Hi-Sky Construction Private Limited                      | 50.00%                                             | 50.00%                                             |
| Mahal Pictures Private Limited                              | 33.33%                                             | 33.33%                                             |
| Shiva Buildcon Private Limited                              | 33.75%                                             | 33.75%                                             |
| Shiva Multitrade Private Limited                            | 33.75%                                             | 33.75%                                             |
| Shiva Realtors Suburban Private Limited                     | 33.75%                                             | 33.75%                                             |

- (i) The said associate company has received notice from one of the land owner for cancellation of Development Agreement and the said company is in process of taking legal opinion and replying to the said notice. The amount which can be forfeited is ₹ 185,367.

#### 30 Contingent Liabilities and Commitments:

##### (A) Contingent Liabilities

| Particulars                                                                                                                                    | As at March 31, 2016<br>₹ | As at March 31, 2015<br>₹ |
|------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|---------------------------|
| <b>A. Claims against the company not acknowledged as debt</b>                                                                                  |                           |                           |
| Appeal Filed in respect of disputed demand of income tax for Assessment Year 2012-13                                                           | 27,548,990                | -                         |
| Appeal Filed in respect of disputed demand of income tax for Assessment Year 2013-14                                                           | 21,752,440                | -                         |
|                                                                                                                                                | 49,301,430                | -                         |
| <b>B. Guarantees and Securities provided to banks and financial institutions (in India and overseas) against credit facilities extended to</b> |                           |                           |
| <b>i) Jointly controlled entity (Guarantees given &amp; Security provided)</b>                                                                 |                           |                           |
| DB (BKC) Realtors Private Limited (earlier known as M K Mall & Developers Private Limited) (Refer note (i)) (Loan Outstanding is Nil)          | 444,000,000               | 444,000,000               |
| <b>Sub total (i)</b>                                                                                                                           | <b>444,000,000</b>        | <b>444,000,000</b>        |

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016**

| Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                               | As at<br>March 31, 2016<br>₹ | As at<br>March 31, 2015<br>₹ |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------------------|
| <b>ii) Company under the same management</b>                                                                                                                                                                                                                                                                                                                                                                                                              |                              |                              |
| Majestic Infracon Private Limited ((Guarantee given & security provided) (Refer note (ii)) (Loan Outstanding is ₹ 681,146,682 as on March 31, 2016)                                                                                                                                                                                                                                                                                                       | 8,530,000,000                | 8,530,000,000                |
| Heaven Star Hotels (Delhi) Private Limited ((Guarantees given) (Refer note (iii)) (Loan Outstanding is ₹ Nil))                                                                                                                                                                                                                                                                                                                                            | -                            | 1,700,000,000                |
| YJ Realty & Aviation Private Limited ((Guarantee given & security provided) (Refer note (iv)) (Loan Outstanding is ₹ 849,500,000)                                                                                                                                                                                                                                                                                                                         | 850,000,000                  | -                            |
| Pune Buildtech Private Limited ((Guarantee given & security provided) (Refer note (v)) (Loan Outstanding is ₹ 2,398,211,293)                                                                                                                                                                                                                                                                                                                              | 2,555,000,000                | 2,555,000,000                |
| BD&P Hotels (India) Private Limited (Refer note (v) Loan Outstanding is ₹ 460,050,424 as on March 31, 2016)                                                                                                                                                                                                                                                                                                                                               | 790,000,000                  | 790,000,000                  |
| Milan Theatres Private Limited ((Guarantee given) (Refer note (vi)) (Loan Outstanding is ₹ 1,266,639,800)                                                                                                                                                                                                                                                                                                                                                 | 1,745,000,000                | 1,745,000,000                |
| <b>Sub Total (ii)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                     | <b>14,470,000,000</b>        | <b>15,320,000,000</b>        |
| <b>iii) Others</b>                                                                                                                                                                                                                                                                                                                                                                                                                                        |                              |                              |
| Delux Hospitality Limited, Mauritius (earlier known as D B Hospitality Limited) (Term Loan of USD 138 million) & YJ Realty & Aviation Private Limited (Stand by Letter of Credit of USD 65 million) (Overall Guarantee of the Company in USD 138 million) (Refer note (vii)) (Loan Outstanding is USD 20.355 million as on March 31, 2016))                                                                                                               | 9,153,940,200                | 8,637,530,400                |
| <b>Sub Total (iii)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>9,153,940,200</b>         | <b>8,637,530,400</b>         |
| <b>Grand Total ( i + ii + iii)</b>                                                                                                                                                                                                                                                                                                                                                                                                                        | <b>24,067,940,200</b>        | <b>24,401,530,400</b>        |
| C. Arrears of Dividend in respect of 0.001% Redeemable Optionally Convertible Cumulative Preference Shares (ROCCPS)                                                                                                                                                                                                                                                                                                                                       | 222                          | 175                          |
| D. Arrears of Dividend on 0.001% compulsorily Convertible Cumulative Preference shares (CCPS)                                                                                                                                                                                                                                                                                                                                                             | 183                          | 183                          |
| E. Esteem Properties Private Limited, as per terms of Consent Terms entered into with Air Inn Private Limited, is liable to re-imburse to Air Inn Private Limited the liability that may devolve upon it on account of suit pending against it in the Hon'ble High Court of Judicature of Bombay                                                                                                                                                          | 15,000,000                   | 15,000,000                   |
| F. Property Tax Liabilities (Refer note (viii))                                                                                                                                                                                                                                                                                                                                                                                                           | 272,666,043                  | 201,352,313                  |
| G. Interest on delay in payment of dues of service tax upto March 2012                                                                                                                                                                                                                                                                                                                                                                                    | 12,768,254                   | -                            |
| H. Interest on delay in payment of dues of service tax from March 2012 to March 2016                                                                                                                                                                                                                                                                                                                                                                      | Amount unascertainable       | Amount unascertainable       |
| I. Other Contingent Liabilities (Refer note (ix))                                                                                                                                                                                                                                                                                                                                                                                                         | 183,357,289                  | 155,475,289                  |
| J. Contingent payments to the holders of Redeemable Optionally Convertible Cumulative Preference Shares (ROCCPS), Compulsory Convertible Preference Shares (CCPS) and equity shares subscribed by other shareholders of an entity (in which the Holding Company has joint control) - representing the amount payable or adjustable by the Holding Company on exercise of various exit options by such other holders based on agreement entered with them. | Amount unascertainable       | Amount unascertainable       |
| K. Claim against Subsidiaries not acknowledged as debt (for seventeen (previous year eighteen) numbers of cases) petition filed against Subsidiaries, in relation to the Orchid height and Orchid West View projects including one specific legal suit filed by Mr. Byram Rustom Jeejeebhoy against the M/s Jecce Corporation (Lessor) & the Subsidiaries in relation to land litigation.                                                                 | Amount unascertainable       | Amount unascertainable       |
| L. Property Tax for various projects (Refer Note (xii))                                                                                                                                                                                                                                                                                                                                                                                                   | Amount unascertainable       | Amount unascertainable       |
| M. Provisional attachment of assets under Prevention of Money Laundering Act, 2002 for:<br><br>DB Realty Limited (Refer Note 42)<br>Dynamix Realty (Refer Note 33 (A) (iii))                                                                                                                                                                                                                                                                              | Amount unascertainable       | Amount unascertainable       |

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016**

| Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                         | As at<br>March 31, 2016<br>₹ | As at<br>March 31, 2015<br>₹ |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------------------|
| N. One of the Subsidiaries has filed a petition with Bombay High Court against MCGM & MHADA challenging the wrongful levy and imposition of "Offsite Infrastructure Charges" charged by Respondent of ₹137,496,144 in their revised Offer Letter in the pretext of Developmental Charges and have also claimed refund of the Infrastructure charges of ₹120,909,213 which was paid earlier. The High Court has stayed the demand for ₹137,496,144 by interim order. | 137,496,144                  | -                            |
| O. Claim against one of the Subsidiary not acknowledged as debt: The Subsidiary is party to various legal proceedings (7 nos.) in its normal course of business and does not expect any outcome of these proceedings to have any adverse effect on its financial conditions, results of operations or cash flows. Hence, the same is reflected in contingent liabilities.                                                                                           | 2,311,027                    | -                            |
| Income Tax Demand for AY 2013-14 pending at first appellate level                                                                                                                                                                                                                                                                                                                                                                                                   | 7,939,470                    | -                            |
| Objections raised by Project Partner with respect to Share in Project Expenses. (Refer note 33B(x))                                                                                                                                                                                                                                                                                                                                                                 | 30,000,000                   | -                            |
| P. Criminal Complaint filed at Metropolitan Magistrate Court, Borivali for offence of cheating against Roofi Bhure and Ors.                                                                                                                                                                                                                                                                                                                                         | 10,000,000                   | -                            |
| Q. The Group Entities are parties to various legal proceedings in the normal course of business and do not expect the outcome of these proceedings which is unascertainable to have any adverse effect on their financial conditions, results of operations or cash flows. (Refer Note 31 & 32)                                                                                                                                                                     |                              |                              |

**Notes :**

- (i) No amount has been borrowed by the said jointly controlled entity for which the Company had given a corporate guarantee of ₹ 750,000,000 (Previous year ₹ 750,000,000) and also pledged its investment in shares of the said entity as a security. However, as no dues certificate is not yet released by Bank, it is assumed that the corporate guarantee and security provided are not yet discharged by the concerned banks.
- (ii) In earlier years, the Company had given corporate guarantee on behalf of Majestic Infracon Private Limited in which some of the directors of the Company are interested for facility availed from Punjab National Bank, Mumbai and Bank of India, Mumbai, for an amount aggregating ₹ 8,530,000,000 (Previous Year ₹ 8,530,000,000). The Company has also provided collateral securities of its property admeasuring 80,934 sq meters at Malad (East), Mumbai (forming part of Inventory) with all including all development rights, unutilized Floor Space Index (FSI) / or such other FSI that may be granted in future for ₹ 4,250,000,000 out of total loan amounting to ₹ 8,530,000,000.
- The said facility is also secured by (a) pledge of Majestic Infracon Private Limited shareholding consisting of 45,934,000 equity shares in Etisalat DB Telecom Private Limited; (b) a pari passu charge on its property consisting of Hotel Hilton, Mumbai. (c) together with collateral securities of the Company's property admeasuring 80,934 sq meters at Malad (East), Mumbai with all including all development rights, unutilized Floor Space Index (FSI) / or such other FSI that may be granted in future.
- The liability of Punjab National Bank is ₹ Nil and of Bank of India has been increased due to unpaid interest to ₹ 681,146,682 (Previous Year ₹ 652,111,989) as on March 31, 2016. The Company is confident that this company would fulfill the obligations under the credit facilities and does not expect any outflow of resources.
- (iii) The liability under the said loan is Nil as on March 31, 2016. The Company has also obtained No Dues Certificate from IL&FS Financial Services Limited.
- (iv) During the year, the Company had given Corporate Guarantee in respect of loan availed by YJ Realty & Aviation Private Limited from ICICI Bank Limited. for ₹ 850,000,000. The loan is primarily secured against the monthly receivables of the YJ Mall. Other Securities include (i) mortgage of the assets of the borrowing company; (ii) all the moveable assets of the borrowing company; (iii) second charge on the 10 flats of DB Crown flats backed by Corporate Guarantee of Real Gem Buildtech Private Limited; (iv) first pari-passu charge over Bacchuwadi Property, Mumbai (v) personal guarantee of Mr. Vinod Goenka and Mr. Shahid Balwa.
- (v) The Company has given corporate guarantees and has given collateral securities of its property DB Hill Park admeasuring 80,934 sq meters at Malad (East), Mumbai and Resham Bhavan located at Churchgate, Mumbai (forming part of Inventory), on behalf of BD&P Hotels (India) Private Limited and Pune Buildtech Private Limited which are not part of DB consolidated group.
- The said facilities are also secured by (i) charge on fixed assets both present and future of the respective projects other than project land (ii) charge on all current assets including receipt of all the receivables related to the respective project (iii) charge on all bank accounts, insurance contracts of respective company along with the following common securities (iv) a pari passu charge on its property consisting of Hotel Hilton, Mumbai.
- One of the subsidiary Companies has also given security to Punjab National Bank on behalf of Pune Buildtech Private Limited (formerly known as Dynamix Balwas Resorts Private Limited) for ₹ 305,000,000 and had further extended security to Punjab National Bank on behalf of BD & P Hotels (India) Private Limited for ₹ 140,000,000 . However, the said subsidiary company has taken counter guarantee against the same from respective entities.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

- (vi) The Company has given corporate guarantee to ECL Finance Limited on behalf of Milan Theatres Private Limited which is not a part of DB consolidated group.

The said facility is secured by (i) pledge of 20,000,000 shares of DB Realty Limited; (ii) first mortgage and charge on the land admeasuring 3442.20 sq. mtr. situated at Santacruz, Mumbai; (iii) first mortgage and charge on the land admeasuring 72,000 sq. yards situated at S. No. 92, Mahajan wadi, Thane; (iv) first charge on the existing and future receivables; (v) pledge of 66.67% shares of Milan Theatres Pvt. Limited.; (vi) corporate guarantee of Conwood Construction & Developers Private Limited; and (vii) personal guarantee of Mr. Shahid Balwa and Mr. Vinod Goenka.

- (vii) The Company had given corporate guarantee in respect of facilities availed by Delux Hospitality Limited, Mauritius ('DBH, Mauritius') & YJ Realty & Aviation Private Limited (Formally known as Y J Realty Private Limited) from ICICI Bank UK PLC and ICICI Bank Limited respectively of USD 138 millions – ₹ 9,153,940,200 as at the year end March 31, 2016 (Previous Year ₹ 8,637,530,400) and security in respect of Bacchuwadi Property in DB Realty Limited against stand by letter of credit issued by ICICI Bank Limited as an integral part of the arrangement of USD 65 millions. The current outstanding of the loan is USD 20,354,984 as on March 31, 2016 in ICICI Bank UK PLC and ₹ 1,169,768,006 in ICICI Bank India Limited. For the purpose of the said corporate guarantee, the Company has received in its favour irrevocable and unconditional personal guarantees from the two interested directors covering the entire amount of guarantee issued by the Company.

The said facilities are secured by (a) mortgage of its property consisting of Dynamix Mall in YJ Realty & Aviation Private Limited (formally known as Y J Realty Private Limited), and (b) pledge of its entire shareholding of Marine Drive Hospitality & Realty Private Limited (formally known as DB Hospitality Private Limited ('DBHPL')) in DBH, Mauritius (being the wholly owned subsidiary of DBHPL) and (c) pledge of 5,04,09,641 shares of the Company.

The Company is confident that these companies will fulfill their obligations under the credit facilities and does not expect any outflow of resources.

- (viii) During an earlier year, one of the joint ventures had received special notice from Municipal Corporation of Greater Mumbai (M.C.G.M) with regard to payment of property tax. In response to said notice, the Joint venture has filed complaint to M.C.G.M stating that the said property belongs to Government of Maharashtra and therefore the assessment for property tax made on the said joint venture is bad in law and void.

- (ix) Other Contingent Liabilities

- a) One of the subsidiary companies has not recognized brokerages which are due based on the milestone of payment received from customer amounting to ₹ 24,748,255 ( Previous year ₹ 25,539,605) . The same has been considered as contingent liability as all the bookings are under re-negotiation stage with all the customers with new plan and area based on final settlement. Hence, the brokerages which are due based on specific milestone are shown as contingent liability till the time of final settlement.
- b) In case of cancellation of flat, all cancellations for which payment has not been made are not accepted by customers till the date. The Subsidiary has given option to all customers to cancel and get refund with interest or to continue as a customer with Orchid Height project with new plan and area. Hence, interest liability is not certain as on reporting date. However, the Board has already approved interest @ 12% p.a. on all cancellations in Board Meeting dated November 3, 2012. Hence, entire interest on cancelled flats for which payment has not been made is considered as contingent liability amounting to ₹ 158,609,034 (Previous year ₹ 129,935,684).

- (x) a) One of the associates has filed an Appeal before the SDO on January 9, 2012 against Order No.TAH / AND / N.A REC / KAVI / 323 / 2011 dated December 09, 2011 passed by Ld. Tahsildar Andheri who has unilaterally & arbitrarily imposed Non Agricultural Assessment amounting to ₹ 4,425,719 in respect of area admeasuring 72,339.30 sq. mts. in the Residential Zone (covered by Slums) and illegally collecting/ withdrawing the sum of ₹ 4,425,719 directly from the bank accounts No.1101/ 5703 of the associate. The associate has inter-alia claimed that since the land is covered by Slums and has not been converted to Non-Agricultural User by the associate, there is no NA Tax liability.
- b) Ravindra Waikar has filed a suit against Vimlabai Shinde in respect of certain land which appears to be in possession of Vimlabai Shinde. This land is owned by the associate and it appears that the associate agreed to sell the same to Ravindra Waikar under a MOU dated April 30, 2005. Ravindra Waikar and Vimlabai Shinde are claiming interest in the land. The associate is a formal party.
- c) Mr. Ahmed Masoomali Siddique & another has filed suit in City Civil Court, Dindoshi against the associate for title by adverse possession of certain area of land situated at Vyravali.
- d) Mrs. Mahinder Kaur Sandhu has filed suit in City Civil Court, Dindoshi against the associate alleging that she is in full possession of certain area of plot of land situated at Vyravali and that she should not be dispossessed of the suit property.
- e) The associate has filed a Writ Petition before Bombay High Court for challenging the legality and validity of various letters addressed by certain respondent in respect of declaring and acquiring the Certain part of Studio Premises (i.e. Plot adm. 9540 sq mtrs) being a protected monument. Vide this writ petition the associate is seeking court to consider concerned purchase notice in respect of such parcel of land as being under reservation of "Caves" in the sanctioned Development Plan.

Contingent Liability for the legal cases mentioned above as per management's view and considering the status of cases as of date, can not be ascertained in financial terms. The Company is liable only for its share of investment.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016**

- (xi) One of the subsidiary companies has provided security by way of registered mortgage (first charge) in favour of ICICI Bank over the 10 (ten) proposed flats within its Project "DB Crown" having proposed area admeasuring 22,653 square feet. The subsidiary is confident that M/s Y J Realty & Aviation Private Limited would fulfill the obligation under the credit facilities and does not expect any outflow of resources. Further, considering the fact that the 10 flats are to be constructed in future, the amount of contingent liability is not ascertainable.
- (xii) Property tax liability of one of the subsidiary Company for financial year 2010-11 to 2014-15 are not ascertainable due to changes in rates and area of property. However, the Company had made a provision of ₹ 71,179,893 in relation to property tax based on internal working. Any further liabilities in addition to provisions made are not known as on reporting date.

**(B) Capital & Other Commitment**

| (i) | Particulars                                                                                               | As at March 31, 2016 | As at March 31, 2015 |
|-----|-----------------------------------------------------------------------------------------------------------|----------------------|----------------------|
|     |                                                                                                           | ₹                    | ₹                    |
|     | Capital Commitment                                                                                        |                      |                      |
|     | Estimated amount of contracts remaining to be executed on Intangible Assets under Development             | 119,446,507          | 99,000,000           |
|     | Cost to be incurred for completion of Leased Units                                                        | -                    | 1,683,786            |
|     | Other Commitment                                                                                          |                      |                      |
|     | Estimated amount of contracts remaining to be executed other than capital account and not provided        | 6,944,205,030        | 6,979,291,755        |
|     | Investment in Redeemable Optionally Convertible Cumulative Preference Shares of Konark Realtech Pvt. Ltd. | 281,405,280          | 372,905,280          |

- (ii) One of the subsidiary company has been admitted as a partner in M/s Om Metal Consortium ("OMC"), which has been awarded tender by MHADA for construction of Rehabilitation Tenements and Buildings after redevelopment of existing transit camp against which OMC is entitled for Free Sale Premises. As per the terms of the deed, the subsidiary is admitted as a partner with 50% interest subject to it contributing ₹ 600,000,000 as a non refundable amount, out of which as up to year end ₹ 500,000,000 has been contributed and balance ₹ 100,000,000 has not been paid due to litigation filed by the company against OMC. Further, in terms of the deed, the firm, the subsidiary and the other partners of OMC has executed "Construction Agreement" setting out the rights and the obligations of the company and the other group. As per the agreement, the company is entitled for 50% of the Free Sale Premises and has to incur there against the costs detailed out therein (including the liabilities for direct/indirect taxes). Accordingly, the cost which are incurred as part of the subsidiary's obligation are allocated as Project Work in Progress in this account. Similarly, the amount of ₹ 600,000,000, being non refundable contribution is also allocated to Project Work in Progress since it represents non-refundable outflow of resources in the hands of the subsidiary for getting right in Free Sale Premises. Under the circumstances, the balance standing to partners' capital account does not include that of ₹ 500,000,000 paid by the company to OMC."

- 31 During an earlier year, the Company has acquired 1/3rd stake in another Company by paying ₹ 892,225,001. By and under a Share Purchase Agreement dated December 2, 2010, the Company agreed to purchase additional 1/3rd stake from another shareholder of this Company and paid advance of ₹ 400,000,000. However, as per the said agreement, such purchase is subject to settlement of a suit which is pending at the High Court of Judicature at Hon'ble Bombay High Court. The Company has become a party to the said suit on account of demise of that Shareholder The Company, based on legal advice is confident of a favorable resolution in getting the matter resolved favourably and accordingly the said advance paid is considered to be good of recovery.
- 32 a) The Company has incurred a sum of ₹ 174,652,001 (Previous year ₹ 139,346,834) towards acquisition of development rights pertaining to a SRA redevelopment project, which is the subject matter of litigation. There are five litigations pending regarding the same. Based on legal advice, the Company believes that it has a good chance of getting the project and is confident of commencement of redevelopment activities shortly and accordingly the said amount is considered as good of recovery.
- b) In respect of project under development having a value of ₹351,338,711 (forming a part of inventory) The Bombay High Court has ordered payment of money under the award as and by way of part compensation of ₹72,888,368 towards land acquisition (included under current liabilities) the company has moved to Supreme Court against such order of the High Court seeking further compensation of ₹216,813,968. The company also expects to recover amounts paid to other parties towards the project. Pending outcome of the matter, no adjustment have been made in the accounts in this regard.
- 33 Significant matters stated in the notes to the audited financial statements/ audit reports of the subsidiaries/ Partnership firms / joint ventures and jointly controlled entities.

**A) Joint venture / Partnership firm(s)/ Limited Liability Partnership(s) (consolidated as per AS-27)**

- i) Notes to financial statements of Dynamix Realty (Dynamix) relating to outstanding receivables of ₹ 1,105,605,366 (Previous Year ₹ 812,058,783) (including dues aggregating ₹ 549,328,110 (Previous Year ₹ 183,236,799) from companies in which directors of the Holding Company are interested) as at March 31, 2016 as follows:

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

- (a) As at the balance sheet date, the other partner (being an entity in which a director of the Company is interested viz. Eversmile Construction Company Private Limited (ECC)) is having a debit balance of ₹ 549,328,110 (Previous Year ₹ 183,236,799). As represented by partners of the Firm, the said balance shall be recovered in due course of time and hence, the same is considered good of recovery.
- (b) Trade Receivables outstanding more than 6 months of ₹ 556,277,256 (Previous year ₹ 583,777,256) which Includes dues of ₹ 493,033,364 (Previous year ₹ 493,033,364) attached under the PML Act. The Firm has filed legal cases against these parties before the Hon' High Court of Bombay for recovery of outstanding amounts along with interest thereon, which are pending. The Firm is confident that the outcome of these cases would be in its favour and hence, the outstanding amount shall stand realised in the due course of time. Under the circumstances, provision for doubtful debts, if any, is not considered necessary to be provided for.

As regards balance receivable of ₹ 63,243,892 (Previous year ₹ 90,743,892), the Partners of the Firm have taken effective steps for recovery and do not expect any short realisation. Therefore, the Partners of the Firm have framed their opinion that the same are good for recovery.

### (ii) Notes to Financial Statement regarding property tax liabilities:

The Firm has disputed its liability for property tax on the land on which it has constructed the Project as the said land was conveyed to the Municipal Corporation of Greater Mumbai (MCGM), though it provided for such property tax as upto March 31, 2012 and accordingly has not paid ₹ 10,234,515 (Previous Year ₹ 10,234,515). Without prejudice to the same, in any view of the matter, in terms of the agreement with Slum Rehabilitation Authority as well as with MCGM, the Firm is not liable for property tax effective April 2012. Accordingly, the amounts of ₹ 3,374,099 (Previous Year ₹ 3,374,099) paid under protest on or after April 2012 are carried forward as recoverable from MCGM. Adjustment entries shall be passed once the outcome is finalized.

### (iii) Notes to financial statements and reference in auditor's report of Dynamix relating to matter which is sub-judice:

The Firm had granted Loan to Kusegaon aggregating to ₹ 209,25,00,000, (the said loans) as upto March 31, 2010. As of March 31, 2016, the outstanding balance due from Kusegaon is ₹ NIL (Previous year ₹ 9,15,01,379), being part of interest charged. Central Bureau of Investigation Anti-corruption Branch, New Delhi (CBI) in the Supplementary (First) charge sheet RC.DAI.2009.A.0045 (2G Spectrum Case) has alleged that out of the said loans, through the Firm, ₹ 200,00,00,000 is paid as illegal gratification to M/s Kalaingar TV Private Limited (Kalaingar) through Kusegaon and M/s Cineyug Films Pvt. Ltd., in lieu of the undue favours by accused public servants to Swan Telecom Private Limited (SWAN) in 2G Spectrum Case. The CBI have alternatively alleged in the said charge sheet that even if the said transaction of ₹ 200,00,00,000 is accepted as genuine business transaction, the said loans obtained by Kalaingar for a consideration which being known as inadequate, constitutes commission of offence. The Firm is not an accused in the 2G Spectrum Case. In the opinion of the Partners of the Firm, these are preliminary charges based on investigation carried out by the CBI Team and the personnel named in the charge sheet are presumed to be innocent till their alleged offence is established after a fair trial. These preliminary charges have no impact on the business/operations of the Firm.

Further, consequent to above, a complaint was filed under the Prevention of Money Laundering Act, 2002 (the PML Act) (Money Laundering Case) and the Adjudicating Authority vide Order dated January 10, 2012 has confirmed the Provisional Attachment Order (the Order). The Firm being included as one of the defendant, properties in the form of bank balances and sundry debtors aggregating to ₹ 1,338,900,000 (Previous Year ₹ 1,338,900,000) were provisionally attached, out of which, trade receivable of ₹ 497,100,000 (Previous year ₹ 497,100,000) are realised by Enforcement Director, Delhi. An appeal has been preferred against the Order before the Appellate Tribunal under the PML Act. The Directorate of Enforcement has taken physical possession of bank balance of ₹ 3,599,925 (Previous Year ₹ 3,599,925) and has realised the trade receivable of ₹ 345,120,750 (Previous Year 345,120,750). Against such recoveries the Firm has made a representation to convert the amount so recovered into fixed deposits to be held by them in trust, which is pending. These recoveries by Directorate of Enforcement are shown as receivable from Directorate of Enforcement in the financial statement.

Further, on April 24, 2014, the Directorate of Enforcement has filed a complaint before the Hon'ble Special Court in connection with the Prevention of Money Laundering Case relating to the 2G Spectrum Case against 19 accused including the Firm and its partners. The Hon'ble Special Court by an Order have framed charges against the accused persons, including the Firm. The Firm has been alleged to have paid illegal gratification of ₹ 2,000,000,000 to Kalaingar on behalf of an accused public servant, through the process of layering and received back the same again through the process of layering from Kalaingar as ₹ 2,235,500,000. Thus, the Firm is actually involved and has committed an offence of money laundering under section 3 of the PML Act, which is punishable under section 4 of the PML Act. (Refer note 12.3)

As upto the date of signing of the financial statements, the outcome of 2G Spectrum Case/Money Laundering Case are sub-judiced.

### iv) Notes to Financial statements relating to procedures pertaining to direct confirmations:

Balances of trade receivables and payables are subject to confirmation, wherever applicable and reconciliation, if any.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016****v) Group share in loans and advances :**

Includes ₹ 236,994,543 (Previous Year ₹ 236,994,543) paid advances to various parties including associates to facilitate the jointly controlled entity (JCE) and for acquiring the occupancy rights of the occupant(s) in connection with the Project and as such, these parties are acting in fiduciary capacity for and on behalf of the JCE. For the purpose, the associate has executed Memorandum of Understanding with each of the party. The Management of the JCE has decided to appropriate the advances so paid to each of the party to the account of compensation in the year in which the occupancy rights shall get transferred to the JCE. Further, the JCE is in the process of quantifying the amount of stamp duty liability, if any, payable by each of the party in execution of agreement for acquiring occupancy rights from the occupants and shall account the same upon such ascertainment. However, as regards, the capital gain tax liability, if any, the JCE does not expect the same to arise having regard to the market value of the property as per the stamp duty ready reckoner and the value as per the agreement. The aforesaid classification of monies so advanced to parties to acquire occupancy rights at the behest of the JCE and accounting the same to the account of compensation in the year of transfer of such occupancy rights of the JCE has no adverse impact in determination of loss for the year as the amount of compensation, including the stamp duty, if any, and other costs shall stand allocated to the value of Project Work-in-Progress as and when paid.

(vi) One of the Joint venture has issued 0.001% Redeemable Optionally Convertible Cumulative Preference Shares Series "A" & "B" and 0.001% Compulsory Convertible Preference Shares Series "C" the latest date of redemption/ conversion (as applicable) of the share was March 26, 2012 and January 30, 2012 respectively (the said shares). Redemption / conversion (as applicable) in relation to the said shares is not made pending reaching finality in the matter with the respective shareholders. In view of the above, the accounting implications arising due to conversion/ redemption (as applicable) would be carried out in the year of reaching finality with the respective shareholders in relation to the amounts reported under the heads Paid up Share Capital and Securities Premium Account.

(vii) "In respect of project on hand, accounting of compensation/ additional compensation (as applicable), in relation to following categories of occupants, as upto year end, with whom execution of agreement(s) for obtaining of release of rights in the premise and possession thereof and/ or obtaining possession, is pending and shall be accounted in the manner as indicated hereunder, having no impact in determination of loss for the year in view of the accounting policy followed of allocating such expenditure to Project Work-in-Progress. Advances paid to the occupants, including unauthorized, in aggregate of ₹ 6,895,758 (Previous Year ₹ 20,509,372) for which agreements are yet to be executed and consequently, compensation shall be accounted on execution thereof. Though agreements have been executed, but the occupants are demanding additional compensation and consequently, have not given possession of the premises. Provision for additional compensation shall be made on reaching finality in the matter. Other unsettled occupants, the provision for compensation in respect thereof shall be made on execution of agreements and obtaining possession of their respective premises."

(viii) One of the joint venture has accounted for compensation of ₹ 19,734,109 during the year for which agreements were executed in prior years but for which effect was not given. Though, the same has no impact in the determination of loss for the year as the compensation is allocated to the value to Project Work-in-Progress, it represent prior year adjustment(s).

**B) Subsidiaries (Consolidated as per AS 21):**

(i) One of the subsidiary company has granted loan of ₹ 81,400,000 to a company, whose debts amounting to ₹ 228,057,274 have been acquired from Yes Bank Ltd. In the opinion of the Management, the loan outstanding as of year-end though subject to confirmation is good for recovery.

(ii) One of the subsidiary company has acquired Debts of ₹ 2,605,918,546 and all the right, title and interest in and to the Debts along with the Underlying Security Interest from Yes Bank Limited by way of assignment by executing Deed of Assignments. Consequently, the original borrowers are reflected in these accounts as debts due to the Company on assignment. The Underlying Security Interest is yet to be created in favour of the Company and hence these debts are classified as "unsecured". In the opinion of the Management, these debts are good for recovery though the balances are subject to confirmation.

(iii) One of the subsidiary company had received a sum of ₹ 200,000,000 in previous year from Housing Development Infrastructure Limited (HDIL) for which terms and conditions are pending for execution. Accordingly, necessary adjustment entries including reclassification, if any shall be made in the year in which arrangement is executed with HDIL as regards the said amount. Further, the balance is also subject to confirmation. Trade payables of one of the subsidiary company includes ₹ 110,000,000 due to Housing Development Infrastructure Limited being the consideration towards purchase of 5,000 Sq. mtrs of TDR, which has been withheld as the rights for 1,500 Sq. mtrs. of TDR are yet to be transferred. Further, the balance also is subject to confirmation.

(iv) One of the subsidiary company is a partner in firm viz; M/s Om Metal Consortium ("OMC"), which is a jointly controlled entity. The Company has recognised share of profit for FY 2014-15 based on the audited accounts of OMC. However, the said subsidiary company has not recognised the share of profit for FY 2015-16.

(v) In case of one of the subsidiary company, as per the the Draft Development Plan 2034 (Draft DP 2034) dated February 25, 2015, the plot/ property (a part of the Land where the Company is to execute a SRA project) occupied by Jijamata Nagar

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016**

Sankalp Co-Operative Housing Society (JijaMata Society) is now being shown as designated for reservation of Public Open Space and Dispensary/ Health Post as opposed to existing status of the plot which is partly in residential zone and partly in road and partly reserved for playground, vide Letter of Intent (LOI) issued by Slum Rehabilitation Authority dated April 15, 2009. JijaMata Society has filed writ petition in High Court against designating the said Plot as per above and inaction/ refusal on the part of authorities in revalidating the LOI despite all requisite steps have been taken.

- (vi) In case of one of the subsidiary, the Land on which the said company is developing its Project has been acquired by the company on its own account as well as under joint venture agreements. As per the joint venture agreements, that company has to handover agreed constructed area free of cost which represents land cost and the provision made therefore, including movement there against is as under.

| (Amount in ₹)                                                                                                                |                 |                                                                    |                                                      |
|------------------------------------------------------------------------------------------------------------------------------|-----------------|--------------------------------------------------------------------|------------------------------------------------------|
| Particulars                                                                                                                  | Amount Provided | Amount Paid/Cost of Construction allocated as up to March 31, 2016 | Outstanding Amount of Provision as of March 31, 2016 |
| Estimated construction cost referable to the saleable area to be provided by the entity free of cost to the respective party | 345,031,902     | 119,506,505                                                        | 225,525,397                                          |
|                                                                                                                              | (505,638,828)   | (412,574,062)                                                      | (93,064,766)                                         |

(Figures in brackets denote Previous Year's balances).

Notes:

- a) In terms of Joint Venture Agreement, the said subsidiary company was liable to pay compensation of ₹ 2,000,000 per month for the delay in giving possession. The said company, upto March 31, 2013, has paid compensation aggregating to ₹ 42,500,000 and thereafter no such recognition was made. In current year, based on the settlement reached, ₹ 30,500,000 is crystallised as the final compensation. Accordingly, ₹ 20,000,000 which was paid as interest free performance deposit stands adjusted and the balance unpaid amount of ₹ 10,500,000, is payable on or before March 31, 2017.
- b) The Company has entered into an arrangement with the Mumbai Metropolitan Region Development Authority (MMRDA), wherein it has agreed to construct residential complex of self-contained tenements and provide land, in view of the Rental Housing Scheme framed by MMRDA. In consideration thereof, MMRDA has provided additional Floor Space Index on the part of land on which the Company is developing and constructing its Project. Accordingly, the cost of construction thereof, represents land cost in the hands of the Company. Provision in respect thereof has been made as under:

| (Amount in ₹)                                                    |                 |                                                                    |                                                      |
|------------------------------------------------------------------|-----------------|--------------------------------------------------------------------|------------------------------------------------------|
| Particulars                                                      | Amount Provided | Amount Paid/Cost of Construction allocated as up to March 31, 2016 | Outstanding Amount of Provision as of March 31, 2016 |
| Estimated construction cost referable to the residential complex | 987,407,805     | 810,238,370                                                        | 177,169,435                                          |
|                                                                  | (987,407,805)   | (796,709,521)                                                      | (190,698,284)                                        |

(Figures in brackets denote Previous Year's balances).

The entity, keeping in view the maximum potential of the land on which the Project is constructed, is required to purchase Transferrable Development Rights and accordingly, has provided for estimated cost in respect thereof of ₹ 60,867,000.

Necessary adjustments, if any, is made/shall be made for the estimated cost of land so provided for, upon reaching finality in each of the matter. Accordingly, in the current year upon reaching finality as regards one of the joint venture agreement, there was an excess cost allocated to cost of land of ₹ 118,931,782 which has been adjusted.

- (vii) During the year, in case of one of the subsidiary company, on carrying out the measurement of saleable area, there is increase in the area as compared to the earlier estimate. Further, the management of the company has also revised the estimate of project cost. These revisions have the impact of reversal of the profits recognised as upto March 31, 2015 of ₹ 113,425,302, which has resulted into loss for the year. Further, on account of revision in project cost in the preceding financial year, net result included impact of reversal of profits of ₹ 154,710,025 so recognised as upto March 31, 2014, which had also resulted into loss for the preceding year. The project costs and saleable area are as certified by the company and the same have been relied upon by the Statutory Auditors of the subsidiary. Keeping in view the amount recognised on sale of units and the expected amount to be recognised as also the estimated project cost, on an overall basis, the company shall be earning profit from its project.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016**

- (viii) One of the Company's wholly owned subsidiary has plans to construct/ develop/ market project/s on its land, which are delayed due to title dispute concerning the previous landlords. The subsidiary has filed a special leave petition before the Supreme Court of India which is pending and a status quo order has been passed by the Supreme Court of India. The subsidiary has been legally advised that the outcome of the petition before the High Court of Bombay against the Reversed Order and that of the Supreme Court of India against the Order of the Bombay High Court in PIL could be in its favour and accordingly, in the opinion of the Management of the subsidiary, the said land may be available to it for development. Further, the Company is in physical possession of the land. Accordingly, the costs incurred in acquiring the land as well as other costs and expenses considered by the management incurred in relation to the development and construction of the said land have been allocated to Project Work in Progress and the value thereof as of March 31, 2016 is ₹ 857,689,491 (Previous year ₹ 855,044,260).
- (ix) The Letter of Allotment (LOA) issued by Pimpri Chinchwad New Town Development Authority (PCNTDA) for development and construction of the Project was cancelled by them during the earlier financial year. Consequently, PCNTDA refunded the upfront fees of ₹ 500,000,000 to the subsidiary in the said year. The subsidiary has filed writ petition before the Hon' High Court of Bombay against such cancellation. As the Company expects positive outcome from the writ petition whereby it would be able to develop the Project or awarded compensation of an amount not lower than the value of Project work-in-progress. Pending outcome thereof, the Management of the subsidiary has continued to value the Project Work-in-Progress of ₹ 76,592,349 (Previous year ₹ 76,592,349).
- (x) One of the subsidiary Company was formed as a special purpose vehicle for the holding company's bid for development of the Government Colony Plot " Part -I " in Bandra (East), Mumbai which had been accepted by Govt of Maharashtra's P.W.Department in year 2010. For execution of work order for the said project, the P.W.Department has asked the company to pay minimum upfront amount (including maintenance corpus) of ₹ 8,029,500,000. Against the said demand, the company has offered to pay an amount of ₹ 3,629,500,000 simultaneously with the execution of concession agreement with P.W.Department for issuance of work order as per the company's understanding of the provisions contained in the Tender. The P.W.Department cancelled the tender on February 26, 2015. The holding company has filed writ petition No. 2120/2015 in the Bombay High Court in respect of arbitrary cancellation of the tender for development of Government Colony "Part-I". The Management expects positive outcome of the matter, hence considering the same no diminution in the value of inventory is considered necessary."
- (xi) As per the terms of the Development Agreement and Supplementary Agreement entered into by one of the subsidiary company with Bhishma Realty Limited (Bhishma), a proportionate expenditure incurred towards the project by the company has to be recovered from Bhishma. Accordingly, during the year, the company has raised a total debit notes of ₹ 372,023,553 (Previous year ₹ 31,745,082) towards Bhishma's share of project costs, mobilisation advance, etc.
- (xii) One of the subsidiary has entered into an indenture dated November 30, 1977 with Mr. Shabbir H. Salehbhai and others pursuant to which ownership of approximately 10,000 sq. ft land at Byculla, Mumbai, has been transferred to the company. The management is of the opinion that the present value of the said land is more than enough to cover the losses incurred by the company. Further, the Company along with its holding company proposes to merge the land with a larger portion of land held by its holding Company for the purpose of development. The auditors have relied on the above information and are of the opinion that the Company can be regarded as a going concern and hence the accounts of the company have been finalized as a going concern.
- (xiii) The Salt Department, Union of India has filed a petition and the partnership firm has filed cross petitions towards their respective claim for exclusive title over the salt pan land. Though the matter is sub-judice, the firm is of opinion that it has a rightful claim over the ownership of the salt pan land and will be in a position to defend its title.
- (xiv) One of the subsidiary has entered into a Development Agreement with Middle Income Group Co-Operative Society Limited, Bandra East, Mumbai ( MIG ) to redevelop the property admeasuring 15,907.32 square meters or there about . The Society has 176 Members having Occupancy rights titles and Interest in their respective flats allotted to them. The Project was taken over from L & T Urban Infrastructures Limited (LTUIL) and Bombay Dyeing Manufacturing Company limited (BDMC)- (A Joint Venture) as on September 13, 2010. Initial Security deposit plus Additional Security Deposits aggregating to ₹ 21,500,000 is lying with the MIG Society, which will be refunded/adjusted as per the terms of Development Agreement. Further, the said Company has entered into a Agreement for redevelopment with Vishwaroop Estates and Developers Pvt Ltd to jointly undertake the execution of the Re-development project. Both the parties have clearly mentioned their roles and function in relation to the Project. The agreement is exclusively an area sharing agreement executed between the parties."
- (xv) Notes to Financial statements relating to procedures pertaining to direct confirmations:

The Auditors have carried out direct confirmation procedure for verification of balances of certain parties from / to whom unsecured loans, trade receivables, balances held in bank, trade Payables, contractor's retention money and mobilization advance in the financial statements are subject to confirmation. As per the contention of the management the same are good for realization.

**C) Joint Ventures (consolidated as per AS-21)**

In case of one of the joint venture, there are certain on-going litigations relating to the project, the outcome of which is unascertainable. The said joint venture has decided to provide for the liability on its acceptance and does not expect the same to have any material adverse impact in its financial position.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016**

- 34 The Company has made investment in certain associates and one Jointly control entity of ₹ 194,324,406 (Previous year ₹ 194,363,751) and given loans and advance to an associate of ₹ 324,375,000 (Previous year ₹ 324,045,000) which have incurred Losses and has negative net worth. These entities are in early stage of real estate development and the loans and advances and investments are considered good and recoverable based on assessment of the projects under execution.

35 **Managerial Remuneration (pertaining to the Holding Company)**

| (Amount in ₹)           |                                      |                                      |
|-------------------------|--------------------------------------|--------------------------------------|
| Particulars             | For the year ended<br>March 31, 2016 | For the year ended<br>March 31, 2015 |
| Directors' sitting fees | 1,360,000                            | 980,000                              |
| <b>Total</b>            | <b>1,360,000</b>                     | <b>980,000</b>                       |

- a) In view of inadequate profit during the current and previous year, the Company has not paid managerial remuneration to any managing director in both years.
- b) Contributions to provident and other funds are not made as per declarations of non deduction received from the respective directors. Further, gratuity and leave encashment (amount unascertained) payable to the managing directors is waived by them. Such waivers have been approved by the Board of Directors.

36 **Payment to Auditors of the Group (Refer note 27 Other expenses)\* :**

| (Amount in ₹)                          |                                      |                                      |
|----------------------------------------|--------------------------------------|--------------------------------------|
| Particulars                            | For the year ended<br>March 31, 2016 | For the year ended<br>March 31, 2015 |
| Audit Fees (Including Limited Reviews) | 11,340,169                           | 11,006,912                           |
| For Taxation matters                   | 522,750                              | 730,854                              |
| For Other Services (Certification)     | 1,215,713                            | 1,586,316                            |
| Reimbursement of Expenses              | 97,947                               | 117,175                              |
| <b>Total</b>                           | <b>13,176,579</b>                    | <b>13,441,257</b>                    |

\*Excluding Service Tax.

37 The disclosures under the Accounting Standard 15:

**Defined Contribution Plan:**

Contribution to Defined Contribution Plan recognized as an expense for the year is as under:

| (Amount in ₹)                                            |                                      |                                      |
|----------------------------------------------------------|--------------------------------------|--------------------------------------|
| Particulars                                              | For the year ended<br>March 31, 2016 | For the year ended<br>March 31, 2015 |
| Employer's contribution to Provident fund & Other Funds* | 4,499,844                            | 3,160,314                            |
| Employer's contribution to ESIC*                         | 203,371                              | 132,706                              |
|                                                          | <b>4,703,215</b>                     | <b>3,293,020</b>                     |

\* Further, the Group has inventorised contribution to Provident Fund, ESIC & Other Funds amounting to ₹ 2,203,229 (Previous Year ₹ 2,480,148) during the year.

**Defined Benefit Plan:**

The present value of obligation is determined based on actuarial valuation by an independent valuer using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The following table sets out the status of the gratuity plan (unfunded) and the amounts recognised as at March 31, 2016:

a) Reconciliation of opening and closing balances of Defined Benefit Obligation:

| (Amount in ₹)                          |                                      |                                      |
|----------------------------------------|--------------------------------------|--------------------------------------|
| Particulars                            | For the year ended<br>March 31, 2016 | For the year ended<br>March 31, 2015 |
| Liability at the beginning of the year | 38,866,765                           | 23,362,105                           |
| Acquisition Adjustment                 | 7,028,863                            | 15,011,601                           |
| Interest cost                          | 3,029,490                            | 3,264,534                            |
| Current Service cost                   | 8,964,885                            | 7,895,438                            |

# D B REALTY LIMITED

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## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

|                                             | (Amount in ₹)                        |                                      |
|---------------------------------------------|--------------------------------------|--------------------------------------|
| Particulars                                 | For the year ended<br>March 31, 2016 | For the year ended<br>March 31, 2015 |
| Liability transferred                       | (878,081)                            | (36,577)                             |
| Past Service Cost                           | -                                    | -                                    |
| Settlement Cost/(Credit)                    | (4,671,941)                          | (15,395,935)                         |
| Adjustment towards change in group interest | -                                    | 14,960,349                           |
| Actuarial (gain)/loss on obligations        | (11,921,570)                         | (8,837,792)                          |
| Benefit Paid                                | (984,392)                            | (1,356,957)                          |
| <b>Liability at the end of the period</b>   | <b>39,434,019</b>                    | <b>38,866,765</b>                    |

b) Reconciliation of fair value of plan assets and obligations:

|                                                    | (Amount in ₹)                        |                                      |
|----------------------------------------------------|--------------------------------------|--------------------------------------|
| Particulars                                        | For the year ended<br>March 31, 2016 | For the year ended<br>March 31, 2015 |
| Liability at the end of the period                 | 39,434,019                           | 38,866,766                           |
| Fair value of Plan Assets at the end of the period | -                                    | -                                    |
| Difference                                         | (39,434,019)                         | (38,865,561)                         |
| <b>Amount Recognised in the Balance Sheet</b>      | <b>39,434,019</b>                    | <b>38,866,766</b>                    |

c) Expense recognized during the period:

|                                                           | (Amount in ₹)                        |                                      |
|-----------------------------------------------------------|--------------------------------------|--------------------------------------|
| Particulars                                               | For the year ended<br>March 31, 2016 | For the year ended<br>March 31, 2015 |
| Current service cost                                      | 8,964,885                            | 7,895,438                            |
| Acquisition Adjustment                                    | 284,217                              | (558,941)                            |
| Settlement Cost/(Credit)                                  | (179,574)                            | 610,857                              |
| Past Service Cost - Vested Benefit                        | -                                    | -                                    |
| Acquisition (gains)/losses                                | 47,877                               | (18,011)                             |
| Interest cost                                             | 3,029,490                            | 3,264,534                            |
| Actuarial (Gain) or Loss                                  | (11,921,570)                         | (8,837,792)                          |
| Benefits paid                                             | -                                    | 337                                  |
| <b>Expense Recognised in Statement of Profit and Loss</b> | <b>225,325</b>                       | <b>2,356,423</b>                     |

d) Actuarial Assumptions (As considered in the Financial Statements of holding Company)

| Particulars                                                   | For the year ended<br>March 31, 2016 | For the year ended<br>March 31, 2015 |
|---------------------------------------------------------------|--------------------------------------|--------------------------------------|
| Discount rate (per annum)                                     | 7.80%                                | 7.80%                                |
| Rate of escalation in salary (per annum)                      | 10.00%                               | 15.00%                               |
| Expected Average remaining working lives of employees (years) | 6.85                                 | 4.88                                 |

The estimates of rate of escalation in salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is extracted from the report obtained from actuaries.

e) Data for Employee Benefit Workings

| Particulars                               | For the year ended<br>March 31, 2016 | For the year ended<br>March 31, 2015 |
|-------------------------------------------|--------------------------------------|--------------------------------------|
| Retirement Age (Years)                    | 60                                   | 60                                   |
| Average age of employees (Years)          | 39.70                                | 43.41                                |
| Average salary of employees per month (₹) | 6,845,281                            | 6,166,529                            |

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016**
**f) Experience Adjustments**

| Particulars                                       | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 | As at March 31, 2012 |
|---------------------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Present value of defined benefit obligation       | 39,434,019           | 39,228,138           | 38,597,327           | 37,188,662           | 27,463,777           |
| Fair value of plan assets                         | -                    | -                    | -                    | -                    | -                    |
| Experience adjustments on actuarial (gain)/ loss: | (39,434,019)         | (39,228,138)         | (38,597,327)         | (37,188,662)         | (27,463,777)         |
| Plan liabilities (gain)/loss                      | (12,908,311)         | (16,056,848)         | (2,334,728)          | (7,293,165)          | (11,406,559)         |
| Plan assets (gain) loss                           | -                    | -                    | -                    | -                    | -                    |

**g) Other Long Term Employee Benefit:**

The compensated absences charge for the year ended March 31, 2016 based on actuarial valuation carried out using the Projected Unit Credit Method, amounting (₹ 2,483,803) (Previous Year ₹ 11,049,236) has been charged/ (credited) in the Statement of Profit and Loss. Further, the Company has charged to inventory ₹ 143,906 (Previous Year ₹ Nil) of compensated absences during the year.

The amount are shown as negative due to excess recovery from group entities on account of transfer of employees.

**38 Segment Reporting :**

The Group is mainly engaged in the business of real estate development viz. construction of residential buildings/ commercial complexes and activities connected and incidental thereto. The Group has also placed its bid for certain infrastructure projects, outcome of which are awaited. On that basis, the Group has only one reportable business segment – real estate development, the results of which are embodied in the consolidated financial statements. The Group operates in only one geographical segment – within India.

**39 Operating Lease:**
**(A) Assets given on lease**

| Particulars                    | (Amount in ₹)        |                      |
|--------------------------------|----------------------|----------------------|
|                                | As at March 31, 2016 | As at March 31, 2015 |
| Gross Carrying Amount          | 116,708,426          | 182,457,659          |
| Less: Accumulated Depreciation | 5,082,945            | 3,235,065            |
| Net Carrying Amount            | 111,625,481          | 179,222,594          |

One of the Joint ventures has entered into 33 years lease agreement w.e.f. 1st June, 2012 with Pawar Public Charitable Trust (lessee) on 22nd December, 2012 to lease the school building situated at village, Chandivali, Taluka Kurla, Mumbai. In pursuance of the said agreement, the lessee is required to pay the lease rent of ₹ 500,000 (Previous Year ₹ 500,000) per month and interest free security deposit of ₹ 1,350,000 (Previous Year ₹ 1,350,000).

**(ii) Units given on Lease (pertaining to the Holding Company):**

| Particulars                                                          | (Amount in ₹)        |                      |
|----------------------------------------------------------------------|----------------------|----------------------|
|                                                                      | As at March 31, 2016 | As at March 31, 2015 |
| <b>Lease Income recognized in the Statement of Profit &amp; Loss</b> | <b>2,642,000</b>     | 2,000,000            |
| <b>Future Lease Income</b>                                           |                      |                      |
| Within one year                                                      | 3,108,000            | -                    |
| After one year but not more than five years                          | 12,432,000           | 14,374,000           |
| More than five years                                                 | 68,367,000           | 87,380,395           |

**(B) Obligation on Long-term, Non Cancellable operating Lease (Refer note 27 other expenses):**

The Group has taken commercial premises on Non-Cancellable Operating Lease and lease rent of ₹ 60,379,501 (Previous Year ₹ 59,351,069) has been debited to Statement of Profit and Loss which includes rent paid for an employee, as a part of CTC, of ₹ 425,000 (Previous Year Nil) (which is included in Staff Cost-Project Related Expenses) and ₹ 3,659,910 (Previous Year ₹ 4,177,022) has been inventorised for the current year. The future minimum lease payments are as under:

| Particulars                                     | (Amount in ₹)        |                      |
|-------------------------------------------------|----------------------|----------------------|
|                                                 | As at March 31, 2016 | As at March 31, 2015 |
| Within one year                                 | 59,684,050           | 57,199,329           |
| Later than one year but not more than five year | 3,747,260            | 58,350,052           |
| More than five years                            | -                    | -                    |
| <b>Total</b>                                    | <b>63,431,310</b>    | 115,549,381          |

In case of rent paid for an employees as part of CTC, future rent payable is ₹ 1,717,000 (Previous Years Nil).

There are no exceptional/restrictive covenants in the lease agreement.

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The above mentioned amounts debited to Consolidated Statement of Profit and Loss and future minimum lease payments are exclusive of service tax to the extent applicable.

The above future minimum lease rental includes normal escalation rate based on the agreements. Further, normal escalation rates are 5% every year.

The Company does not have any contingent lease rental expenses/ income.

#### 40A Deferred Tax

(i) The components of deferred tax recognised as on March 31, 2016 are as follows:

|                                                |                      | ( Amount in ₹ )      |  |
|------------------------------------------------|----------------------|----------------------|--|
| Particulars                                    | As at March 31, 2016 | As at March 31, 2015 |  |
| <b>(A) Deferred Tax Liabilities</b>            |                      |                      |  |
| - Related to Depreciation                      | 33,893,098           | 38,926,807           |  |
| <b>Total (A)</b>                               | <b>33,893,098</b>    | <b>38,926,807</b>    |  |
| <b>(B) Deferred Tax Assets</b>                 |                      |                      |  |
| - Disallowances under the Income Tax Act       | 23,179,365           | 23,475,447           |  |
| - Related to depreciation                      | 23,650,747           | 13,919,644           |  |
| - Unabsorbed depreciation                      | 24,538,883           | 31,194,647           |  |
| - Carried forward business loss                | 548,348,958          | 491,204,204          |  |
| <b>Total (B)</b>                               | <b>619,717,952</b>   | <b>559,793,941</b>   |  |
| <b>Deferred Tax Assets / (Liability) (B-A)</b> | <b>585,824,854</b>   | <b>520,867,135</b>   |  |

(ii) The components of Unrecognised Deferred Tax Assets are as follows :

Three entities considered in consolidation have not accounted for deferred tax assets taking prudence as consideration as per AS-22 regarding future available profit to be set off against deferred tax assets.

|                                                                             |                      | ( Amount in ₹ )      |  |
|-----------------------------------------------------------------------------|----------------------|----------------------|--|
| Particulars                                                                 | As at March 31, 2016 | As at March 31, 2015 |  |
| <b>(A) Deferred Tax Liabilities</b>                                         |                      |                      |  |
| - Related to Depreciation                                                   | 44,396               | -                    |  |
| <b>Total (A)</b>                                                            | <b>44,396</b>        | <b>-</b>             |  |
| <b>(B) Deferred Tax Assets</b>                                              |                      |                      |  |
| - Disallowances u/s 43B the Income Tax Act 1961 and carry forward of losses | 378,661,941          | 434,267,605          |  |
| - Related to Depreciation                                                   | -                    | 29,609               |  |
| <b>Total (B)</b>                                                            | <b>378,661,941</b>   | <b>434,297,214</b>   |  |
| <b>Deferred Tax Assets / (Liability) (B-A)</b>                              | <b>378,617,545</b>   | <b>434,297,214</b>   |  |

40B MAT Credit Entitlement of ₹ 60,550,222 (Previous Year ₹ 39,681,972), out of which ₹ 35,800,000 (Previous Year ₹ 6,000,000) pertaining to the Holding Company, is based on future performance of the Company as projected by the Management.

41 Earnings Per Share (EPS) is calculated as follows:

|                                                                                                      |                      | ( Amount in ₹ )      |  |
|------------------------------------------------------------------------------------------------------|----------------------|----------------------|--|
| Particulars                                                                                          | As at March 31, 2016 | As at March 31, 2015 |  |
| A Net Profit after tax as per Profit and Loss Account (₹)                                            | (248,976,751)        | 5,679,536            |  |
| Less: Preference Dividend in arrears                                                                 | 405                  | 358                  |  |
| Net Profit after tax available to equity shareholders (Refer note (i) below)                         | (248,977,156)        | 5,679,178            |  |
| B Weighted average number of equity shares outstanding                                               |                      |                      |  |
| - for Basic EPS ( Nos )                                                                              | 243,258,782          | 243,258,782          |  |
| - for Diluted EPS (Nos )                                                                             | 243,258,782          | 243,258,782          |  |
| C Earning per equity shares of face value of Rs 10 each                                              |                      |                      |  |
| - for Basic EPS (₹)                                                                                  | (1.02)               | 0.02                 |  |
| - for Diluted EPS (₹)                                                                                | (1.02)               | 0.02                 |  |
| D Reconciliation between number of shares used for calculating basic and diluted Earnings per share: |                      |                      |  |
| Number of shares used for calculating Basic EPS                                                      | 243,258,782          | 243,258,782          |  |
| Add : Potential Equity Shares (Refer note (i) below)                                                 | -                    | -                    |  |
| Number of shares used for calculating Diluted EPS                                                    | 243,258,782          | 243,258,782          |  |

i) There are no convertible preference share and convertible debentures issued by the Company during the year. Hence, no potential equity shares are considered for diluted EPS as on reporting date.

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- 42 Dynamix Realty ("Partnership Firm") in which DB Realty Limited ("Company") is a partner, had granted Loan to Kusegaon Realty Private Limited aggregating to ₹ 2,092,500,000, (the said loan) as upto March 31, 2010. As of March 31, 2016, the outstanding balance due from Kusegaon Realty Private Limited is ₹ Nil (Previous year ₹ Nil). Central Bureau of Investigation Anti-corruption Branch, New Delhi in the Supplementary (First) charge sheet RC.DAI.2009.A.0045 (2G Spectrum Case) has alleged that out of the said loans granted, ₹ 2,000,000,000 was paid as illegal gratification to M/s Kalaingar TV Private Limited through Kusegaon Realty Private Limited and M/s Cineyug Films Private Limited, in lieu of the undue favours by accused public servant to Swan Telecom Private Limited in 2G Spectrum Case. The Central Bureau of Investigation has alternatively alleged in the said charge sheet that even if the said transaction of ₹ 2,000,000,000 is accepted as genuine business transaction, the interest charged is being inadequate is a favor to a government servant, hence, it constitutes commission of offence. In the opinion of the Partners of the firm and the Management of the Company, these are preliminary charges based on investigation carried out by the Central Bureau of Investigation Team and the key management personnel named in the charge sheet is presumed to be innocent till their alleged offence is established after a fair trial. These preliminary charges have no impact on the business/ operations of the firm and the Company.

Further, The Deputy Director Enforcement vide his attachment order No: 01/2011 dt. August 30, 2011 has provisionally attached Company's bank account number 05211011001053 maintained with Oriental Bank of Commerce, Goregaon (East), having Bank Balance of ₹ 6,892,967. The Enforcement Directorate has also attached two flats belonging to the Company situated at Goregaon (East). The Combined value of these two flats as shown in Company's financial statement is ₹10,765,400 at the time of attachment [WDV as on March 31, 2016 is ₹ 9,796,142 (Previous year ₹ 9,970,065)]. Also, a loan amounting to ₹ 503,963,329 (at the time of attachment) advanced to Goan Hotels & Clubs Private Limited (now Goan Hotels & Realty Private Limited) has also been provisionally attached. However, the above loan was converted into the ROCCPS of Marine Drive Hospitality & Realty Private Limited (Formally known as DB Hospitality Private Limited) ("MDHRPL") holding Company of Goan Hotels & Clubs Private Limited, before the provisional attachment Order via tripartite confirmation. This fact has been brought to the notice of Enforcement Directorate vide this Office Letter dated September 20, 2011.

This provisional attachment order has been upheld by adjudicating authority vide order number 116/2011 dt. January 10, 2012. Appeal has been filed on March 19, 2012 with Appellate Tribunal under Prevention of Money Laundering Act (PML Act). The said appeal is sub-judice.

In an earlier year, the Directorate of Enforcement had taken physical possession of bank balance of ₹ 6,892,967, against which the Firm has written a letter to convert the amount so recovered into Fixed Deposits. Till date Directorate of Enforcement has not entertained this request. In view of the same, the said balance is shown as part of advances. (Refer Note 19.2)

Further, on April 24, 2014, the Directorate of Enforcement has filed a complaint before the Hon'ble Special Court in connection with the Prevention of Money Laundering Case relating to the 2G Spectrum Case against 19 accused including the Firm and its partners. The Hon'ble Special Court by an Order have framed charges against the accused persons, including the Firm. The Firm has been alleged to have paid illegal gratification of ₹ 2,000,000,000 to Kalaingar on behalf of an accused public servant, through the process of layering and received back the same again through the process of layering from Kalaingar as ₹ 2,235,500,000. Thus, the Firm is alleged to be involved as also alleged to have committed an offence of money laundering under section 3 of the PML Act, which is punishable under section 4 of the PML Act. During the year 2014, 2,470,600 Series A ROCCPS shares of the value of ₹ 504,002,400 in lieu of loan advance to Goan Hotels & Club Private Limited, held by the Company have been handed over to Enforcement Directorate by letter dated October 28, 2014. (Refer note 12.3).

As upto the date of signing of these financial statements, the outcome of 2G Spectrum Case/Money Laundering Case are sub-judice.

43 **Prior Period Item (Net):**

**(Amount in ₹)**

| Particulars                                        | As at March 31, 2016 | As at March 31, 2015 |
|----------------------------------------------------|----------------------|----------------------|
| <b>Prior period Income</b>                         |                      |                      |
| Share in Profit in Partnership Firm for FY 2014-15 | 6,425,340            | -                    |
| <b>Total (A)</b>                                   | <b>6,425,340</b>     | <b>-</b>             |
| <b>Prior period Expenses</b>                       |                      |                      |
| Legal Fees                                         | 900,000              | -                    |
| Interest Expenses                                  | 1,347,977            | -                    |
| Advertisement Expenditure                          | -                    | 4,312,882            |
| Repairs & Maintenance                              | 586,646              | -                    |
| Security Charges                                   | 120,000              | -                    |
| Miscellaneous Expenses                             | 102,516              | 4,898                |
| <b>Total (B)</b>                                   | <b>3,057,139</b>     | <b>4,317,780</b>     |
| <b>Net Prior period items (A-B)</b>                | <b>3,368,201</b>     | <b>(4,317,780)</b>   |

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#### 44 Disclosure As Per Guidance Note On Accounting For Real Estate Transactions (Revised 2012)

| (Amount in ₹)                                      |                      |                      |
|----------------------------------------------------|----------------------|----------------------|
| Particulars                                        | As at March 31, 2016 | As at March 31, 2015 |
| Project Revenue Recognised in the reporting period | 1,014,682,027        | 1,727,615,282        |
| The aggregate amount of :                          |                      |                      |
| - Cost incurred till date                          | 5,084,311,225        | 19,725,381,295       |
| - Profits recognised till date                     | -                    | 3,423,654,751        |
| Advances Received (Net of Revenue Recognition)     | 3,071,983,710        | 3,051,644,349        |
| Work in Progress                                   | 13,075,226,623       | 11,448,742,822       |
| Unbilled Revenue                                   | -                    | 324,209,510          |

#### 45 Expenditure in foreign currency:

| (Amount in ₹)                                 |                      |                      |
|-----------------------------------------------|----------------------|----------------------|
| Particulars                                   | As at March 31, 2016 | As at March 31, 2015 |
| Professional Fees                             | 17,974,424           | 2,754,700            |
| Foreign Travelling Expenses                   | 1,138,871            | -                    |
| Exhibition Expenses                           | 133,609              | -                    |
| Advance payment for purchase of Capital goods | 4,340,581            | 27,486,298           |
| <b>Total</b>                                  | <b>23,587,485</b>    | <b>30,240,998</b>    |

#### 45A Foreign Currency Exposure

(Additional information pursuant to the provisions of Guidance Note on Derivative Contracts)

- i. The foreign currency exposures that are not hedged by a derivative instrument or otherwise as at year end are given below:

| (Amount in ₹)                    |                      |                      |
|----------------------------------|----------------------|----------------------|
| Particulars                      | As at March 31, 2016 | As at March 31, 2015 |
| <b>Corporate Guarantee</b>       |                      |                      |
| Amount in foreign currency (USD) | 138 million          | 138 million          |
| Exchange rate                    | 66.3329              | 62.5908              |
| Amount in (₹)                    | 9,153,940,200        | 8,637,530,400        |

- ii. There is no foreign currency exposure hedged by any derivative instrument or otherwise.

46. Recognition of Income and Expenses for on-going projects are based upon actual sales value, estimated costs and work completion status. The work completion status is determined based on the actual costs incurred vis-a-vis the estimated cost of the project. The estimated costs of every project are reviewed periodically and revised whenever required. The consequential effect of such revision is considered in the year of revision and in the balance future period of the project.

47. The Company is in receipt of Summons from Special Court for Prevention of Money Laundering Act (PMLA), Mumbai as one of the accused in connection with a complaint filed by Enforcement Directorate under ECIR No. ECIR/MBZO/07/2015 & ECIR/MBZO/08/2015. The Hon'ble Court has also now summoned one of the KMP's of the Company as one of the accused as per the said complaint. The matter in relation to the Company and the KMP involves certain advances given by the Company in the ordinary course of its business to another company, which was subsequently refunded fully upon cancellation of the understanding. The Company does not expect any financial liability.

#### 48. Corporate Social Responsibility:

- a) Gross Amount required to be spent ₹ 1,245,179 (Previous Year ₹ 1,576,000)
- b) Amount spent during the year on.

|                                           | In Cash          | Yet to be paid in cash | Total            |
|-------------------------------------------|------------------|------------------------|------------------|
| (i) Construction/acquisition of any asset | -                | -                      | -                |
|                                           | (-)              | (-)                    | (-)              |
| (ii) On Chief Minister Relief Fund        | 1,000,000        | -                      | 1,000,000        |
|                                           | (-)              | (-)                    | (-)              |
| <b>Total</b>                              | <b>1,000,000</b> | <b>-</b>               | <b>1,000,000</b> |

(Figures in brackets denote Previous Year's balances/transactions).

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The Company has Corporate Social Responsibility (CSR) policy and is required to incur expenditure towards CSR activity on the basis of last three years profitability statements as per section 135 of the Companies Act, 2013 and the rules made there under. During the Financial Year Company has spent ₹ 1,000,000 on Chief Minister Relief Fund towards CSR expenditure.

- 49 The Scheme of Amalgamation ("the Scheme") of Gokuldham Real Estate Development Co. Pvt. Ltd. ("transferor company") with the Company, under Sections 391 to 394 of the Companies Act, 1956 was sanctioned by the Hon'ble High Courts of Bombay on October 16, 2015. The Scheme became effective on filing of the said order with the Registrar of Companies, Maharashtra and the Registrar of Companies taking the same on record on December 23, 2015.

Pursuant to the approval of the Scheme of Amalgamation and Arrangement between the Holding Company, transferor Company and their respective shareholders (the "Scheme") by the Hon'ble High Court of Judicature at Bombay on October 16, 2015, the transferor company has been amalgamated with the Company with retrospective effect from April 1, 2013 (the "Appointed Date"). The Company was holding 374,990 equity shares for ₹ 37,592,755 which constituted 75% of the equity shareholding of the transferor company before the Scheme. Transferor company carried nature of business activities similar to that of the Company.

The main purpose of the Scheme was to achieve economies of scale with lesser regulatory or procedural compliances, integrate, rationalise and streamline the management structure of the merged business, saving in cost, to facilitate inter transfer of resources, costs and optimum utilization of resources, to reflect consolidated net worth of the company in one balance sheet and synchronizing of efforts to achieve uniform corporate policy. In terms of the Scheme, these 374,990 Equity Shares of the transferor company held by the Company were cancelled and no new shares were allotted in lieu of such cancellation. In case of other equity shareholders, the Company has allotted 71,755,740, 8% redeemable preference shares of ₹ 10 each in lieu of their existing equity shares in the transferor company be redeemed at par at the end of 5 years. And the company has option to redeem such shares at any time after the end of 1 year from the date of allotment. All new preference shares are issued as fully paid up. The number of equity shares of the Company pre and post Scheme therefore remained the same.

### Accounting Treatment:

The amalgamation was accounted as 'amalgamation in the nature of merger' in accordance with the approved Scheme and consequently the pooling of interest method was used as per AS 14 Accounting for Amalgamation.

In accordance with the Scheme, the difference between Net Assets Value of the transferor company and the value of investments in the books of the Company & the purchase consideration paid by way of issue of new Preference Shares as fully paid up has been treated as capital reserve.

All assets and liabilities of transferor company have been recorded in the books of account of the Company at their book values at the close of business day immediately preceding the Appointed Date.

Accordingly, the amalgamation has resulted in transfer of assets and liabilities in accordance with the terms of the Scheme at the following summarised values as on April 1, 2013:

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|          | Particulars                       | Amount in ₹   | Amount in ₹   |
|----------|-----------------------------------|---------------|---------------|
| <b>A</b> | <b>Assets Taken over</b>          |               |               |
|          | <b>Long Term Assets</b>           |               |               |
|          | Tangible assets                   | 1,648,565     |               |
|          | Intangible assets                 | 423,280       |               |
|          | Non-current investments           | 1,243,400,000 |               |
|          | Deferred tax assets               | 7,838,141     |               |
|          | Long-term loans and advances      | 1,088,333,874 |               |
|          | <b>Short Term Assets</b>          |               |               |
|          | Inventories                       | 935,413,112   |               |
|          | Trade receivables                 | 140,030,485   |               |
|          | Cash and bank balances            | 22,181,632    |               |
|          | Short-term loans and advances     | 242,076,174   |               |
|          | Other current assets              | 241,940,410   | 3,923,285,673 |
| <b>B</b> | <b>Liabilities Taken over</b>     |               |               |
|          | <b>Long Term Liabilities</b>      |               |               |
|          | Long term Borrowings              | 171,951,670   |               |
|          | Other Long term liabilities       | 95,110,575    |               |
|          | Long-term provisions              | 22,370,796    |               |
|          | <b>Short Term Liabilities</b>     |               |               |
|          | Trade payables                    | 157,331,780   |               |
|          | Other current liabilities         | 2,200,881,470 |               |
|          | Short-term provisions             | 15,857,782    | 2,663,504,073 |
|          | <b>Net Asset Taken over [A-B]</b> |               | 1,259,781,600 |
|          | Cancellation of Investment        |               | (37,592,755)  |
|          | Purchase Consideration Paid       |               | 717,557,400   |
|          | <b>Capital Reserve Created</b>    |               | 504,631,445   |

Other adjustments / matters arising out of amalgamation:

In terms of the Scheme, the appointed date of the amalgamation being April 1, 2013, net profit from the transferor company during the financial years 2013-14 and 2014-15 aggregating ₹ 767,355,012 has been transferred, to the extent not accounted already, to the Surplus in Statement of Profit and Loss in the books of the Company upon amalgamation.

As the Scheme has become effective from December 23, 2015 the figures for the current period includes the operations of the transferor company. Accordingly, the figures for the year ended March 31, 2016 are after giving effect to the merger, while the comparative figures are before giving effect to the merger and, hence are not comparable.

Further, the Company has initiated the name change formalities to transfer the title in respect of the other properties, contracts etc.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016**

50 Related Parties Disclosure as required by the Accounting Standard 18 (AS 18) "Related Party Disclosure "

**i) List of Related Parties**

| Sr. No. | Name of the Related Party                                                                                                    |
|---------|------------------------------------------------------------------------------------------------------------------------------|
|         | <b>Associates:</b>                                                                                                           |
| 1       | DB Hi-Sky Constructions Private Limited                                                                                      |
| 2       | Mahal Pictures Private Limited                                                                                               |
| 3       | Sangam City Township Private Limited                                                                                         |
| 4       | Shiva Buildcon Private Limited                                                                                               |
| 5       | Shiva Multitrade Private Limited                                                                                             |
| 6       | Shiva Realtors Suburban Private Limited                                                                                      |
|         | <b>Jointly Controlled Entities:</b>                                                                                          |
| 7       | Ahmednagar Warehousing Developers & Builders LLP*                                                                            |
| 8       | Aurangabad Warehousing Developers & Builders LLP*                                                                            |
| 9       | Daund Warehousing Developers & Builders LLP*                                                                                 |
| 10      | DB (BKC) Realtors Private Limited                                                                                            |
| 11      | DB Realty and Shreepati Infrastructure LLP                                                                                   |
| 12      | M/s. DBS Realty                                                                                                              |
| 13      | M/s. Dynamix Realty                                                                                                          |
| 14      | Latur Warehousing Developers & Builders LLP*                                                                                 |
| 15      | Lokhandwala DB Realty LLP                                                                                                    |
| 16      | M/s. Lokhandwala-Dynamix Balwas Joint Venture                                                                                |
| 17      | M/s. Sneh Developers (Jointly Control Entity of DB View Infracon Private Limited and Nine Paradise Erectors Private Limited) |
| 18      | National Tiles & Industries                                                                                                  |
| 19      | Saswad Warehousing Developers & Builders LLP*                                                                                |
| 20      | Solapur Warehousing Developers & Builders LLP*                                                                               |
| 21      | M/s. Suraksha DB Realty                                                                                                      |
| 22      | Veer Jijamata Nagar Realty LLP (Struck off w.e.f. May 09, 2015)                                                              |
|         | * Ceased to be related parties w.e.f. July 01, 2015                                                                          |
|         | <b>Entity in respect of which the Holding Company is an Associate</b>                                                        |
| 23      | Neelkamal Tower Construction LLP                                                                                             |
|         | <b>Key Management Personnel (KMP)</b>                                                                                        |
| 24      | Mr. Vinod Goenka, Chairman & Managing Director                                                                               |
| 25      | Mr. Shahid Balwa, Vice Chairman & Managing Director                                                                          |
|         | <b>Relatives of KMP</b>                                                                                                      |
| 26      | Mrs. Aseela V. Goenka - Wife of Chairman                                                                                     |
| 27      | Mr. Krishna Murari Goenka - Father of Chairman                                                                               |
| 28      | Mr. Jayvardhan V. Goenka - Son of Chairman                                                                                   |
| 29      | Ms. Sanjana Goenka - Daughter of Chairman                                                                                    |
| 30      | Mr. Pramod Goenka - Brother of Chairman                                                                                      |
| 31      | Mrs. Sunita Goenka - Sister of Chairman                                                                                      |
| 32      | Mrs. Shanita Jain - Sister of Chairman                                                                                       |
| 33      | Mr. Usman Balwa - Father of Vice Chairman                                                                                    |
| 34      | Mrs. Sakina U Balwa - Mother of Vice Chairman                                                                                |
| 35      | Mrs. Shabana Balwa - Wife of Vice Chairman                                                                                   |
| 36      | Mr. Arshad S. Balwa - Son of Vice Chairman                                                                                   |
| 37      | Ms. Aaliya S. Balwa - Daughter of Vice Chairman                                                                              |
| 38      | Mr. Salim Balwa - Brother of Vice Chairman                                                                                   |
|         | <b>Enterprises where individuals i.e. KMP and their relatives have significant influence</b>                                 |
| 39      | A G Mercantile Private Limited                                                                                               |
| 40      | Balwas Charitable Trust                                                                                                      |
| 41      | BD&P Hotels (India) Private Limited                                                                                          |

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| Sr. No. | Name of the Related Party                                                                   |
|---------|---------------------------------------------------------------------------------------------|
| 42      | Conwood Agencies Private Limited                                                            |
| 43      | Conwood Associates                                                                          |
| 44      | Conwood Construction & Developers Private Limited                                           |
| 45      | Delux Hospitality Limited, Mauritius                                                        |
| 46      | Dynamix Clubs and Resorts Private Limited                                                   |
| 47      | Dynamix Contractors & Builders Private Limited                                              |
| 48      | Dynamix Securities & Holdings Private Limited                                               |
| 49      | Eon Aviation Private Limited                                                                |
| 50      | Eversmile Construction Company Private Limited                                              |
| 51      | Eversmile Properties Private Limited                                                        |
| 52      | Goan Hotels & Realty Pvt Ltd                                                                |
| 53      | Goan Real Estate and Construction Private Limited                                           |
| 54      | Goenka Family Trust                                                                         |
| 55      | Heaven Star Hotels ( Delhi ) Private Limited                                                |
| 56      | Hotel Balwas Private Limited                                                                |
| 57      | K.G.Enterprises                                                                             |
| 58      | Majestic Infracon Private Limited                                                           |
| 59      | Marine Drive Hospitality & Realty Private Limited                                           |
| 60      | Milan Theatres Private Limited                                                              |
| 61      | Mystical Constructions Private Limited                                                      |
| 62      | Neelkamal Central Apartment LLP                                                             |
| 63      | Neelkamal Realtors & Builders Private Limited                                               |
| 64      | Neelkamal Realtors & Erectors India Private Limited                                         |
| 65      | Pony Infrastructure & Contractors Limited                                                   |
| 66      | Pune Buildtech Private Limited ( formerly known as Dynamix Balwas Resorts Private Limited.) |
| 67      | Top Notch Buildcon LLP                                                                      |
| 68      | Vinod K. Goenka Karta-HUF                                                                   |
| 69      | YJ Realty and Aviation Private Limited                                                      |

The aforesaid related parties are identified by the Holding Company and relied upon by the Auditors.

#### ii) Details of the transactions with Related Parties :

(Figures in brackets denote Previous Year's balances/transactions).

|    |                                                                                                |                                                                               |                                                    |                                |                                                                                        | (Amount in ₹)   |
|----|------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|----------------------------------------------------|--------------------------------|----------------------------------------------------------------------------------------|-----------------|
|    | Particulars                                                                                    | Associates/<br>Enterprises<br>where the Holding<br>Company is an<br>associate | Key Management<br>Personnel and their<br>relatives | Jointly controlled<br>entities | Enterprises over<br>which KMP and<br>their relatives<br>have significant<br>influence. | Total           |
| a) | <b>Loans and Advances Granted</b>                                                              |                                                                               |                                                    |                                |                                                                                        |                 |
|    | Opening Balance                                                                                | -                                                                             | -                                                  | -                              | 3,897,769,269                                                                          | 3,897,769,269   |
|    |                                                                                                | (-)                                                                           | (-)                                                | (-)                            | (1,256,911,173)                                                                        | (1,256,911,173) |
|    | Adjustment on account of Warehousing LLPs<br>ceasing to be related parties w.e.f. July 1, 2015 | -                                                                             | -                                                  | -                              | 312,325                                                                                | 312,325         |
|    |                                                                                                | (-)                                                                           | (-)                                                | (-)                            | (-)                                                                                    | (-)             |
|    | Given during the year                                                                          | -                                                                             | 15,700,000                                         | -                              | 2,840,743,456                                                                          | 2,856,443,456   |
|    |                                                                                                | (-)                                                                           | (-)                                                | (-)                            | (3,237,757,125)                                                                        | (3,237,757,125) |
|    | Repaid during the year                                                                         | -                                                                             | -                                                  | -                              | 2,795,931,328                                                                          | 2,795,931,328   |
|    |                                                                                                | (-)                                                                           | (-)                                                | (-)                            | (596,899,029)                                                                          | (596,898,629)   |
|    | Closing Balance                                                                                | -                                                                             | 15,700,000                                         | -                              | 3,942,269,072                                                                          | 3,957,969,072   |
|    |                                                                                                | (-)                                                                           | (-)                                                | (-)                            | (3,897,769,269)                                                                        | (3,897,769,669) |

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

(Amount in ₹)

|    | Particulars                                     | Associates/<br>Enterprises<br>where the Holding<br>Company is an<br>associate | Key Management<br>Personnel and their<br>relatives | Jointly controlled<br>entities | Enterprises over<br>which KMP and<br>their relatives<br>have significant<br>influence. | Total           |
|----|-------------------------------------------------|-------------------------------------------------------------------------------|----------------------------------------------------|--------------------------------|----------------------------------------------------------------------------------------|-----------------|
| b) | <b>Loans and Advances taken</b>                 |                                                                               |                                                    |                                |                                                                                        |                 |
|    | Opening Balance                                 | -                                                                             | -                                                  | -                              | -                                                                                      | -               |
|    |                                                 | (-)                                                                           | (-)                                                | (73,449,808)                   | (35,000,000)                                                                           | (108,449,808)   |
|    | Taken during the year                           | 107,099,513                                                                   | -                                                  | 5,000,000                      | -                                                                                      | 112,099,513     |
|    |                                                 | (-)                                                                           | (-)                                                | (158,188,884)                  | (54,000,000)                                                                           | (212,188,884)   |
|    | Repaid during the year                          | -                                                                             | -                                                  | -                              | -                                                                                      | -               |
|    |                                                 | (-)                                                                           | (-)                                                | (231,638,692)                  | (89,000,000)                                                                           | (320,638,692)   |
|    | Closing Balance                                 | 107,099,513                                                                   | -                                                  | 5,000,000                      | -                                                                                      | 112,099,513     |
|    |                                                 | (-)                                                                           | (-)                                                | (-)                            | (-)                                                                                    | (-)             |
| c) | <b>Interest Free Security Deposit Given</b>     |                                                                               |                                                    |                                |                                                                                        |                 |
|    | Opening Balance                                 | -                                                                             | 33,125,000                                         | -                              | 3,864,933,934                                                                          | 3,898,058,934   |
|    |                                                 | (-)                                                                           | (33,125,000)                                       | (-)                            | (4,340,545,934)                                                                        | (4,373,670,934) |
|    | Taken during the year                           | -                                                                             | -                                                  | -                              | -                                                                                      | -               |
|    |                                                 | (-)                                                                           | (-)                                                | (-)                            | (275,000,000)                                                                          | (275,000,000)   |
|    | Returned during the year                        | -                                                                             | -                                                  | -                              | 116,130,759                                                                            | 116,130,759     |
|    |                                                 | (-)                                                                           | (-)                                                | (-)                            | (750,612,000)                                                                          | (750,612,000)   |
|    | Closing Balance                                 | -                                                                             | 33,125,000                                         | -                              | 3,748,803,175                                                                          | 3,781,928,175   |
|    |                                                 | (-)                                                                           | (33,125,000)                                       | (-)                            | (3,864,933,934)                                                                        | (3,898,058,934) |
| d) | <b>Project advance</b>                          |                                                                               |                                                    |                                |                                                                                        |                 |
|    | Opening Balance                                 | 687,945,000                                                                   | -                                                  | -                              | -                                                                                      | 687,945,000     |
|    |                                                 | (781,945,000)                                                                 | (-)                                                | (-)                            | (-)                                                                                    | (781,945,000)   |
|    | Taken/ adjusted during the year                 | 1,430,000                                                                     | -                                                  | -                              | -                                                                                      | 1,430,000       |
|    |                                                 | (1,000,000)                                                                   | (-)                                                | (-)                            | (-)                                                                                    | (1,000,000)     |
|    | Repaid / adjusted during the year               | -                                                                             | -                                                  | -                              | -                                                                                      | -               |
|    |                                                 | (95,000,000)                                                                  | (-)                                                | (-)                            | (-)                                                                                    | (95,000,000)    |
|    | Closing Balance                                 | 689,375,000                                                                   | -                                                  | -                              | -                                                                                      | 689,375,000     |
|    |                                                 | (687,945,000)                                                                 | (-)                                                | (-)                            | (-)                                                                                    | (687,945,000)   |
| e) | <b>Mobilisation Advance</b>                     |                                                                               |                                                    |                                |                                                                                        |                 |
|    | Opening Balance                                 | -                                                                             | -                                                  | -                              | 1,279,444,439                                                                          | 1,279,444,439   |
|    |                                                 | (-)                                                                           | (-)                                                | (-)                            | (337,317,918)                                                                          | (337,317,918)   |
|    | Recoverable during the year                     | -                                                                             | -                                                  | -                              | 715,450                                                                                | 715,450         |
|    |                                                 | (-)                                                                           | (-)                                                | (-)                            | (943,359,291)                                                                          | (943,359,291)   |
|    | Recovered during the year                       | -                                                                             | -                                                  | -                              | 21,788,100                                                                             | 21,788,100      |
|    |                                                 | (-)                                                                           | (-)                                                | (-)                            | (1,232,770)                                                                            | (1,232,770)     |
|    | Closing Balance                                 | -                                                                             | -                                                  | -                              | 1,258,371,789                                                                          | 1,258,371,789   |
|    |                                                 | (-)                                                                           | (-)                                                | (-)                            | (1,279,444,439)                                                                        | (1,279,444,439) |
| f) | <b>Interest free security deposits received</b> |                                                                               |                                                    |                                |                                                                                        |                 |
|    | Opening Balance                                 | -                                                                             | -                                                  | 124,177,328                    | 147,819,518                                                                            | 271,996,846     |
|    |                                                 | (-)                                                                           | (-)                                                | (140,942,768)                  | (-)                                                                                    | (140,942,768)   |
|    | Taken / adjusted during the year                | -                                                                             | -                                                  | 384,800                        | 447,600,708                                                                            | 447,985,508     |
|    |                                                 | (-)                                                                           | (-)                                                | (-)                            | (147,819,518)                                                                          | (147,819,518)   |
|    | Repaid / adjusted during the year               | -                                                                             | -                                                  | 11,176,960                     | 342,850,000                                                                            | 354,026,960     |
|    |                                                 | (-)                                                                           | (-)                                                | (16,765,440)                   | (-)                                                                                    | (16,765,440)    |
|    | Closing Balance                                 | -                                                                             | -                                                  | 113,385,168                    | 252,570,226                                                                            | 365,955,394     |
|    |                                                 | (-)                                                                           | (-)                                                | (124,177,328)                  | (147,819,518)                                                                          | (271,996,846)   |

# D B REALTY LIMITED

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## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

(Amount in ₹)

|           | Particulars                                                                                    | Associates/<br>Enterprises<br>where the Holding<br>Company is an<br>associate | Key Management<br>Personnel and their<br>relatives | Jointly controlled<br>entities | Enterprises over<br>which KMP and<br>their relatives<br>have significant<br>influence. | Total            |
|-----------|------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|----------------------------------------------------|--------------------------------|----------------------------------------------------------------------------------------|------------------|
| <b>g)</b> | <b>Other Current Liabilities</b>                                                               |                                                                               |                                                    |                                |                                                                                        |                  |
|           | Opening Balance                                                                                | -                                                                             | -                                                  | 58,872,960                     | -                                                                                      | 58,872,960       |
|           |                                                                                                | (-)                                                                           | (-)                                                | (16,462,800)                   | (-)                                                                                    | (16,462,800)     |
|           | Adjustment on account of Warehousing LLPs<br>ceasing to be related parties w.e.f. July 1, 2015 | -                                                                             | -                                                  | 6,191,600                      | -                                                                                      | 6,191,600        |
|           |                                                                                                | (-)                                                                           | (-)                                                | (-)                            | (-)                                                                                    | (-)              |
|           | Payable during the year                                                                        | -                                                                             | -                                                  | -                              | -                                                                                      | -                |
|           |                                                                                                | (-)                                                                           | (-)                                                | (42,410,160)                   | (-)                                                                                    | (42,410,160)     |
|           | Paid during the year                                                                           | -                                                                             | -                                                  | -                              | -                                                                                      | -                |
|           |                                                                                                | (-)                                                                           | (-)                                                | (-)                            | (-)                                                                                    | (-)              |
|           | Closing Balance                                                                                | -                                                                             | -                                                  | 52,681,360                     | -                                                                                      | 52,681,360       |
|           |                                                                                                | (-)                                                                           | (-)                                                | (58,872,960)                   | (-)                                                                                    | (58,872,960)     |
| <b>h)</b> | <b>Sundry Debtors</b>                                                                          |                                                                               |                                                    |                                |                                                                                        |                  |
|           | Opening Balance                                                                                | -                                                                             | -                                                  | -                              | 205,551,600                                                                            | 205,551,600      |
|           |                                                                                                | (-)                                                                           | (-)                                                | (-)                            | (129,168)                                                                              | (129,168)        |
|           | Receivable during the year                                                                     | -                                                                             | -                                                  | -                              | -                                                                                      | -                |
|           |                                                                                                | (-)                                                                           | (-)                                                | (-)                            | (205,551,600)                                                                          | (205,551,600)    |
|           | Received / adjusted during the year                                                            | -                                                                             | -                                                  | -                              | -                                                                                      | -                |
|           |                                                                                                | (-)                                                                           | (-)                                                | (-)                            | (129,168)                                                                              | (129,168)        |
|           | Closing Balance                                                                                | -                                                                             | -                                                  | -                              | 205,551,600                                                                            | 205,551,600      |
|           |                                                                                                | (-)                                                                           | (-)                                                | (-)                            | (205,551,600)                                                                          | (205,551,600)    |
| <b>i)</b> | <b>Other Receivable</b>                                                                        | -                                                                             | 32,094,786                                         | 1,066,794,947                  | 38,960,464                                                                             | 1,137,850,197    |
|           |                                                                                                | (-)                                                                           | (7,139,786)                                        | (1,451,138,846)                | (30,031,130)                                                                           | (1,488,309,762)  |
| <b>j)</b> | <b>Other Payables</b>                                                                          | -                                                                             | -                                                  | -                              | 43,650,059                                                                             | 43,650,059       |
|           |                                                                                                | (-)                                                                           | (-)                                                | (-)                            | (122,162,040)                                                                          | (122,162,040)    |
| <b>k)</b> | <b>Reimbursement to Other Entities</b>                                                         | -                                                                             | -                                                  | 288,856,472                    | 33,882,025                                                                             | 322,738,497      |
|           |                                                                                                | (-)                                                                           | (-)                                                | (1,138,213)                    | (1,007,061)                                                                            | (2,060,309)      |
| <b>l)</b> | <b>Reimbursement from Other Entities</b>                                                       | -                                                                             | -                                                  | 288,846,368                    | 274,588                                                                                | 289,120,956      |
|           |                                                                                                | (-)                                                                           | (-)                                                | (1,116,724)                    | (922,096)                                                                              | (2,038,820)      |
| <b>m)</b> | <b>Investment in Equity Shares</b>                                                             |                                                                               |                                                    |                                |                                                                                        |                  |
|           | Opening Balance                                                                                | 1,141,321,947                                                                 | -                                                  | -                              | 783,029,928                                                                            | 1,924,351,875    |
|           |                                                                                                | (897,180,420)                                                                 | (-)                                                | (-)                            | (783,029,928)                                                                          | (1,675,399,929)  |
|           | Investment purchased during the year                                                           | -                                                                             | -                                                  | -                              | -                                                                                      | -                |
|           |                                                                                                | (194,400,000)                                                                 | (-)                                                | (-)                            | (-)                                                                                    | (194,400,000)    |
|           | Investments sold/redeemed during the year                                                      | -                                                                             | -                                                  | -                              | -                                                                                      | -                |
|           |                                                                                                | (15,000)                                                                      | (-)                                                | (-)                            | (-)                                                                                    | (15,000)         |
|           | Share in post acquisition Reserves & Surplus<br>(Cumulative)                                   | 108,971                                                                       | -                                                  | -                              | -                                                                                      | 108,971          |
|           |                                                                                                | (49,756,527)                                                                  | (-)                                                | (-)                            | (-)                                                                                    | (49,756,527)     |
|           | Closing Balance                                                                                | 1,141,430,918                                                                 | -                                                  | -                              | 783,029,928                                                                            | 1,924,351,875    |
|           |                                                                                                | (1,141,321,947)                                                               | (-)                                                | (-)                            | (783,029,928)                                                                          | (1,869,784,929)  |
| <b>n)</b> | <b>Investment in Preference Shares</b>                                                         |                                                                               |                                                    |                                |                                                                                        |                  |
|           | Opening Balance                                                                                | -                                                                             | -                                                  | -                              | 14,621,288,102                                                                         | 14,621,288,102   |
|           |                                                                                                | (-)                                                                           | (-)                                                | (-)                            | (14,621,288,102)                                                                       | (14,621,288,102) |
|           | Investment purchased during the year                                                           | -                                                                             | -                                                  | -                              | -                                                                                      | -                |
|           |                                                                                                | (-)                                                                           | (-)                                                | (-)                            | (-)                                                                                    | (-)              |

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016**

(Amount in ₹)

|    | Particulars                                                                                                                        | Associates/<br>Enterprises<br>where the Holding<br>Company is an<br>associate | Key Management<br>Personnel and their<br>relatives | Jointly controlled<br>entities | Enterprises over<br>which KMP and<br>their relatives<br>have significant<br>influence. | Total            |
|----|------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|----------------------------------------------------|--------------------------------|----------------------------------------------------------------------------------------|------------------|
|    | Investments sold/redeemed during the year                                                                                          | -                                                                             | -                                                  | -                              | -                                                                                      | -                |
|    |                                                                                                                                    | (-)                                                                           | (-)                                                | (-)                            | (-)                                                                                    | (-)              |
|    | Closing Balance                                                                                                                    | -                                                                             | -                                                  | -                              | 14,621,288,102                                                                         | 14,621,288,102   |
|    |                                                                                                                                    | (-)                                                                           | (-)                                                | (-)                            | (14,621,288,102)                                                                       | (14,621,288,102) |
| o) | Purchase of Transferable Development Rights (TDR)                                                                                  | -                                                                             | -                                                  | 490,536,573                    | -                                                                                      | 490,536,573      |
|    |                                                                                                                                    | (-)                                                                           | (-)                                                | (125,958,175)                  | (-)                                                                                    | (125,958,175)    |
| p) | Rent paid                                                                                                                          | -                                                                             | -                                                  | -                              | 47,844,067                                                                             | 47,844,067       |
|    |                                                                                                                                    | (-)                                                                           | (-)                                                | (-)                            | (59,781,739)                                                                           | (59,781,739)     |
| q) | Contractor Charges                                                                                                                 | -                                                                             | -                                                  | -                              | -                                                                                      | -                |
|    |                                                                                                                                    | (-)                                                                           | (-)                                                | (-)                            | (27,625,197)                                                                           | (27,625,197)     |
| r) | Interest income on loans given                                                                                                     | -                                                                             | -                                                  | -                              | 90,305,674                                                                             | 90,305,674       |
|    |                                                                                                                                    | (-)                                                                           | (-)                                                | (-)                            | (147,424,980)                                                                          | (147,424,980)    |
| s) | Interest receivable                                                                                                                | -                                                                             | -                                                  | -                              | 213,758,673                                                                            | 213,758,673      |
|    |                                                                                                                                    | (-)                                                                           | (-)                                                | (-)                            | (135,602,999)                                                                          | (135,602,999)    |
| t) | Sale of Transferable Development Rights (TDR)                                                                                      | -                                                                             | -                                                  | -                              | 220,632,721                                                                            | 220,632,721      |
|    |                                                                                                                                    | (-)                                                                           | (-)                                                | (-)                            | (205,551,600)                                                                          | (205,551,600)    |
| u) | Preference Share Issued                                                                                                            | -                                                                             | -                                                  | -                              | 57,400                                                                                 | 57,400           |
|    |                                                                                                                                    | (-)                                                                           | (-)                                                | (-)                            | (-)                                                                                    | (-)              |
| v) | Guarantees/ Securities given by the Company to the lenders on behalf of various entities (Refer note B(i) to B(iii) of note 30(A)) |                                                                               |                                                    |                                |                                                                                        |                  |
|    | Opening Balance                                                                                                                    | -                                                                             | -                                                  | 444,000,000                    | USD 138 million plus ₹15,320,000,000                                                   |                  |
|    |                                                                                                                                    | (-)                                                                           | (-)                                                | (444,000,000)                  | (USD 138 million plus ₹13,130,000,000)                                                 |                  |
|    | Given during the year                                                                                                              | -                                                                             | -                                                  | -                              | ₹ 850,000,000                                                                          |                  |
|    |                                                                                                                                    | (-)                                                                           | (-)                                                | (-)                            | (₹ 2190,000,000)                                                                       |                  |
|    | Released during the year                                                                                                           | -                                                                             | -                                                  | -                              | ₹ 1700,000,000                                                                         |                  |
|    |                                                                                                                                    | (-)                                                                           | (-)                                                | (-)                            | (-)                                                                                    |                  |
|    | Closing Balance                                                                                                                    | -                                                                             | -                                                  | 444,000,000                    | USD 138 million plus ₹ 14,470,000,000                                                  |                  |
|    |                                                                                                                                    | (-)                                                                           | (-)                                                | (444,000,000)                  | (USD 138 million plus ₹15,320,000,000)                                                 |                  |
| w) | Irrevocable and unconditional personal guarantee by each Managing Director to the Company (Refer Note B(iii) of 30(A))             | -                                                                             | -                                                  | -                              | USD 138,000,000                                                                        |                  |
|    |                                                                                                                                    | (-)                                                                           | (-)                                                | (-)                            | (USD 138,000,000)                                                                      |                  |

## DB REALTY LIMITED

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### NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

#### (iii) Guarantees and securities received by the Group for Loans taken from lenders

(Figures in brackets denote Previous Year's balances/transactions).

| Particulars                                      | Relation                                                                              | Opening Balance as on April 1, 2015                                                                                                                                    | Received during the year | Released during the year | Closing Balance as on March 31, 2016 |
|--------------------------------------------------|---------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|--------------------------|--------------------------------------|
| M/s. Dynamix Realty *                            | Joint Venture                                                                         | 350,000,000                                                                                                                                                            | -                        | -                        | 350,000,000                          |
| Vinod Goenka                                     | KMP                                                                                   |                                                                                                                                                                        |                          |                          |                                      |
| Shahid Balwa                                     | KMP                                                                                   |                                                                                                                                                                        |                          |                          |                                      |
|                                                  |                                                                                       | (350,000,000)                                                                                                                                                          | (-)                      | (-)                      | (350,000,000)                        |
| Eversmile Construction Company Private Limited   | Enterprises over which KMP and their relatives have significant influence.            | 300,000,000                                                                                                                                                            | -                        | -                        | 300,000,000                          |
| YJ Realty & Aviation Private Limited             | Enterprises over which KMP and their relatives have significant influence.            |                                                                                                                                                                        |                          |                          |                                      |
| Milan Theatres Private Limited                   | Enterprises over which KMP and their relatives have significant influence.            |                                                                                                                                                                        |                          |                          |                                      |
| Vinod Goenka                                     | KMP                                                                                   |                                                                                                                                                                        |                          |                          |                                      |
| Shahid Balwa                                     | KMP                                                                                   |                                                                                                                                                                        |                          |                          |                                      |
|                                                  |                                                                                       | (300,000,000)                                                                                                                                                          | (-)                      | (-)                      | (300,000,000)                        |
| Neelkamal Realtors & Builders Private Limited    | Enterprises where individuals i.e. KMP and their relatives have significant influence | 600,000,000                                                                                                                                                            | -                        | -                        | 600,000,000                          |
| Shahid Balwa                                     | KMP                                                                                   |                                                                                                                                                                        |                          |                          |                                      |
| Vinod Goenka                                     | KMP                                                                                   |                                                                                                                                                                        |                          |                          |                                      |
|                                                  |                                                                                       | (-)                                                                                                                                                                    | (600,000,000)            | (-)                      | (600,000,000)                        |
| Neelkamal Realtors & Builders Private Limited    | Enterprises where individuals i.e. KMP and their relatives have significant influence | 29,000,000                                                                                                                                                             | -                        | -                        | 29,000,000                           |
|                                                  |                                                                                       | (-)                                                                                                                                                                    | (29,000,000)             | (-)                      | (29,000,000)                         |
| Sanjana Goenka (7,000,000 Shares of the Company) | Relative of KMP                                                                       | 300,000,000                                                                                                                                                            | -                        | -                        | 300,000,000                          |
|                                                  |                                                                                       | (-)                                                                                                                                                                    | (300,000,000)            | (-)                      | (300,000,000)                        |
| Vinod Goenka and Shahid Balwa                    | KMP                                                                                   | 7,910,000,000                                                                                                                                                          | 9,000,000,000            | -                        | 16,910,000,000                       |
|                                                  |                                                                                       | (6,610,000,000)                                                                                                                                                        | (1,300,000,000)          | (-)                      | (7,910,000,000)                      |
| Salim Balwa                                      | Relative of KMP                                                                       | 8,496,575                                                                                                                                                              | -                        | -                        | 8,496,575                            |
| Jayvardhan Goenka                                |                                                                                       | (-)                                                                                                                                                                    | (9,065,269)              | (568,694)                | (8,496,575)                          |
| Goan Hotels & Realty Private Limited             | Enterprises over which KMP and their relatives have significant influence.            | -                                                                                                                                                                      | 2,100,000,000            | 750,000,000              | 1,350,000,000                        |
|                                                  |                                                                                       | (-)                                                                                                                                                                    | (-)                      | (-)                      | (-)                                  |
| Neelkamal Tower Construction LLP                 | Entity in respect of which the Holding Company is an Associate                        | The LLP has given 39,332,053 shares (Previous Year 50,567,020 shares) of DB Realty Limited as security to various lenders on behalf of the Group as on reporting date. |                          |                          |                                      |

\* In case of Dynamix realty guarantee amounts to 50% only.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016**
**(iv) Consideration payable against development rights acquired by the Company**

| Particulars                                       | Nature of Expenditure | Payable against Development Rights                                                                                                                  |
|---------------------------------------------------|-----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------|
| Eversmile Construction Company Private Limited    | Village Sahar         | 30% Build Up Area                                                                                                                                   |
| Eversmile Construction Company Private Limited    | Mahul Project         | Road Amenity TDR- 33.33%, Construction TDR - 24.81% & Reservation TDR - 100%                                                                        |
| Eversmile Construction Company Private Limited    | Ghodbander Land       | 23% of Build Up Area                                                                                                                                |
| Dynamix Clubs & Resorts Private Limited           | Village Eksar         | 20% Build Up Area                                                                                                                                   |
| Neelkamal Realtors & Builders Private Limited     | Johney Castel         | 55% saleable area & 55% parking Space                                                                                                               |
| Mysticle Constructions Private Limited            | Ismalia Co-Op Hsg Soc | Amount spent for acquisition plus 30% additional sum thereon                                                                                        |
| Neelkamal Realtors & Builders Private Limited     | Enclave II            | Independent structure consists of Ground floor plus 10 upper floor with latest amenities or provide area of 29,785 Sq. Ft. in redeveloped building. |
| Usman Ebrahim Balwa                               |                       |                                                                                                                                                     |
| Conwood Construction & Developers Private Limited |                       | 10% of Net Revenue but not less then ₹ 500,000,000                                                                                                  |

**(v) Sharing of Resources / Infrastructure\*\***

Ahmednagar Warehousing Developers &amp; Builders LLP\*\*\*

Aurangabad Warehousing Developers &amp; Builders LLP\*\*\*

DB Hi-Sky Constructions Pvt Ltd

DB Realty &amp; Shreepati Infrastructure LLP

Daund Warehousing Developers &amp; Builders LLP\*\*\*

DB (BKC) Realtors Pvt. Ltd

M/s. DBS Realty

Latur Warehousing Developers &amp; Builders LLP\*\*\*

Saswad Warehousing Developers &amp; Builders LLP\*\*\*

Solapur Warehousing Developers &amp; Builders LLP\*\*\*

Veer Jijamata Nagar Realty LLP#

\*\* Transactions are of non-monetary consideration

\*\*\* Ceased to be related parties w.e.f. July 01, 2015

# Struck off w.e.f. May 09, 2015

**vi) Disclosure in respect of related party transactions having more than 10% of transaction during the year**

(Figures in brackets denote Previous Year's balances / transactions.)

(Amount in ₹)

| Loans and Advances Granted                                                                                                              | Opening Balance as on April 1, 2015 | Given / adjusted during the year | Returned / adjusted during the year | Closing Balance as on March 31, 2016 |
|-----------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|----------------------------------|-------------------------------------|--------------------------------------|
| <b>Enterprises where individuals i.e. KMP and their relatives have significant influence (Interest bearing and repayable on demand)</b> |                                     |                                  |                                     |                                      |
| Milan Theatres Private Limited                                                                                                          | 369,889,172                         | 107,919,496                      | 276,423,910                         | 201,384,758                          |
|                                                                                                                                         | (412,997,766)                       | (207,418,888)                    | (250,527,482)                       | (369,889,172)                        |
| YJ Realty & Aviation Private Limited                                                                                                    | 668,499,877                         | 409,182,988                      | 727,155,859                         | 350,527,006                          |
|                                                                                                                                         | (609,266,140)                       | (75,899,877)                     | (16,666,140)                        | (668,499,877)                        |
| Marine Drive Hospitality & Realty Private Limited                                                                                       | 1,378,722,575                       | 2,300,599,293                    | 1,511,374,436                       | 2,167,947,432                        |
|                                                                                                                                         | (-)                                 | (1,475,681,570)                  | (96,958,995)                        | (1,378,722,575)                      |

(Amount in ₹)

| Loans and Advances Taken                                              | Opening Balance as on April 1, 2015 | Taken during the year | Repaid during the year | Closing Balance as on March 31, 2016 |
|-----------------------------------------------------------------------|-------------------------------------|-----------------------|------------------------|--------------------------------------|
| <b>Entity in respect of which the Holding Company is an Associate</b> |                                     |                       |                        |                                      |
| Neelkamal Tower Construction LLP                                      | -                                   | 107,099,513           | -                      | 107,099,513                          |
|                                                                       | (-)                                 | (-)                   | (-)                    | (-)                                  |

# D B REALTY LIMITED

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## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

(Amount in ₹)

| Interest Free Security Deposit Given                                                                                                    | Opening Balance<br>as on April 1, 2015 | Given / adjusted<br>during the year | Returned /<br>adjusted during<br>the year | Closing Balance<br>as on March 31,<br>2016 |
|-----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|-------------------------------------|-------------------------------------------|--------------------------------------------|
| <b>Enterprises where individuals i.e. KMP and their relatives have significant influence (Interest bearing and repayable on demand)</b> |                                        |                                     |                                           |                                            |
| Eversmile Construction Company Private Limited                                                                                          | 2,000,000,000                          | -                                   | 115,569,759                               | 1,884,430,241                              |
|                                                                                                                                         | (2,675,000,000)                        | (-)                                 | (675,000,000)                             | (2,000,000,000)                            |

(Amount in ₹)

| Project advance given                   | Opening Balance<br>as on April 1, 2015 | Given / adjusted<br>during the year | Returned /<br>adjusted during<br>the year | Closing Balance<br>as on March 31,<br>2016 |
|-----------------------------------------|----------------------------------------|-------------------------------------|-------------------------------------------|--------------------------------------------|
| <b>Associates</b>                       |                                        |                                     |                                           |                                            |
| DB Hi-Sky Constructions Private Limited | 324,045,000                            | 330,000                             | -                                         | 324,375,000                                |
|                                         | (323,445,000)                          | (600,000)                           | (-)                                       | (324,045,000)                              |
| Sangam City Township Private Limited    | 363,900,000                            | 1,100,000                           | -                                         | 365,000,000                                |
|                                         | (458,500,000)                          | (400,000)                           | (95,000,000)                              | (363,900,000)                              |

(Amount in ₹)

| Mobilisation Advance                                                                        | Opening Balance<br>as on April 1, 2015 | Given / adjusted<br>during the year | Returned /<br>adjusted during<br>the year | Closing Balance<br>as on March 31,<br>2016 |
|---------------------------------------------------------------------------------------------|----------------------------------------|-------------------------------------|-------------------------------------------|--------------------------------------------|
| <b>Enterprise where individuals i.e. KMP and their relatives have significant influence</b> |                                        |                                     |                                           |                                            |
| Pony Infrastructure & Contractors Limited                                                   | 1,005,666,777                          | 715,450                             | 21,788,100                                | 984,594,127                                |
|                                                                                             | (62,307,486)                           | (943,359,291)                       | (-)                                       | (1,005,666,777)                            |

(Amount in ₹)

| Interest free security deposits received                                                    | Opening Balance<br>as on April 1, 2015 | Received during<br>the year | Repaid during the<br>year | Closing Balance<br>as on March 31,<br>2016 |
|---------------------------------------------------------------------------------------------|----------------------------------------|-----------------------------|---------------------------|--------------------------------------------|
| <b>Enterprise where individuals i.e. KMP and their relatives have significant influence</b> |                                        |                             |                           |                                            |
| Neelkamal Realtors & Builders Private Limited                                               | 147,819,518                            | 447,600,708                 | 342,850,000               | 252,570,226                                |
|                                                                                             | (-)                                    | (147,819,518)               | (-)                       | (147,819,518)                              |

(Amount in ₹)

| Other Current Liabilities                                                                   | Opening Balance<br>as on April 1, 2015 | Given / adjusted<br>during the year | Returned /<br>adjusted during<br>the year | Closing Balance<br>as on March 31,<br>2016 |
|---------------------------------------------------------------------------------------------|----------------------------------------|-------------------------------------|-------------------------------------------|--------------------------------------------|
| <b>Enterprise where individuals i.e. KMP and their relatives have significant influence</b> |                                        |                                     |                                           |                                            |
| DB (BKC) Realtors Private Limited                                                           | 16,462,800                             | -                                   | 6,191,600                                 | 10,271,200                                 |
|                                                                                             | (16,462,800)                           | (-)                                 | (-)                                       | (16,462,800)                               |
| M/s. Dynamix Realty                                                                         | 42,410,160                             | -                                   | -                                         | 42,410,160                                 |
|                                                                                             | (-)                                    | (42,410,160)                        | (-)                                       | (42,410,160)                               |

(Amount in ₹)

| Sundry Debtors                                                                              | Opening Balance<br>as on April 1, 2015 | Given / adjusted<br>during the year | Returned /<br>adjusted during<br>the year | Closing Balance<br>as on March 31,<br>2016 |
|---------------------------------------------------------------------------------------------|----------------------------------------|-------------------------------------|-------------------------------------------|--------------------------------------------|
| <b>Enterprise where individuals i.e. KMP and their relatives have significant influence</b> |                                        |                                     |                                           |                                            |
| Milan Theatres Private Limited                                                              | 178,378,420                            | -                                   | -                                         | 178,378,420                                |
|                                                                                             | (-)                                    | (178,378,420)                       | (-)                                       | (178,378,420)                              |
| Neelkamal Central Apartment LLP                                                             | 27,173,180                             | -                                   | -                                         | 27,173,180                                 |
|                                                                                             | (-)                                    | (27,173,180)                        | (-)                                       | (27,173,180)                               |

(Amount in ₹)

| Other Receivable                   | Closing Balance<br>as on March 31,<br>2016 |
|------------------------------------|--------------------------------------------|
| <b>Jointly controlled entities</b> |                                            |
| M/s. Dynamix Realty                | 1,066,763,354                              |
|                                    | (1,450,773,054)                            |

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016**

| <b>(Amount in ₹ )</b>                                                                       |                                             |
|---------------------------------------------------------------------------------------------|---------------------------------------------|
| <b>Other Payable</b>                                                                        | <b>Closing Balance as on March 31, 2016</b> |
| <b>Enterprise where individuals i.e. KMP and their relatives have significant influence</b> |                                             |
| Conwood Construction & Developers Private Limited                                           | 7,100,000                                   |
|                                                                                             | (7,100,000)                                 |
| Majestic Infracon Private Limited                                                           | 5,946,761                                   |
|                                                                                             | (74,492,279)                                |
| K.G.Enterprises                                                                             | 11,895,240                                  |
|                                                                                             | (13,455,380)                                |
| Neelkamal Realtors & Builders Private Limited                                               | 18,250,346                                  |
|                                                                                             | (18,288,000)                                |
| <b>Purchase of Transferable Development Rights (TDR)</b>                                    | <b>(Amount in ₹ )</b>                       |
| M/s. Dynamix Realty                                                                         | 490,536,573                                 |
|                                                                                             | (125,958,175)                               |
| <b>Rent paid</b>                                                                            | <b>(Amount in ₹ )</b>                       |
| K.G.Enterprises                                                                             | 47,844,067                                  |
|                                                                                             | (59,261,148)                                |
| <b>Interest Receivable</b>                                                                  | <b>(Amount in ₹ )</b>                       |
| YJ Realty Private Limited                                                                   | 49,930,691                                  |
|                                                                                             | (-99,11,655)                                |
| Milan Theatres Private Limited                                                              | 151,677,982                                 |
|                                                                                             | (121,214,654)                               |
| <b>Interest received on loans given</b>                                                     | <b>(Amount in ₹ )</b>                       |
| YJ Realty Private Limited                                                                   | 59,842,346                                  |
|                                                                                             | (78,666,530)                                |
| Milan Theatres Private Limited                                                              | 30,463,328                                  |
|                                                                                             | (49,088,587)                                |
| <b>Sale of Transferable Development Rights (TDR)</b>                                        | <b>(Amount in ₹ )</b>                       |
| Milan Theatres Private Limited                                                              | 178,378,420                                 |
|                                                                                             | (178,378,420)                               |
| Neelkamal Central Apartment LLP                                                             | 27,173,180                                  |
|                                                                                             | (27,173,180)                                |
| <b>Reimbursement of Expenses to Other Entities</b>                                          | <b>(Amount in ₹ )</b>                       |
| M/s. Dynamix Realty                                                                         | 286,019,687                                 |
|                                                                                             | (353,010)                                   |
| K.G. Enterprise                                                                             | 32,228,570                                  |
|                                                                                             | (-)                                         |
| <b>Reimbursement of Expenses from Other Entities</b>                                        | <b>(Amount in ₹ )</b>                       |
| M/s. Dynamix Realty                                                                         | 286,019,687                                 |
|                                                                                             | (353,774)                                   |
| <b>Preference Share Issued</b>                                                              | <b>(Amount in ₹ )</b>                       |
| Conwood Construction & Developers Private Limited                                           | 28,700                                      |
|                                                                                             | (-)                                         |
| K.G. Enterprises                                                                            | 28,700                                      |
|                                                                                             | (-)                                         |

## D B REALTY LIMITED

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### NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

#### (vii) Disclosure under Regulation 34(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

(Figures in brackets denote Previous Year's balances / transactions.)

(Amount in ₹)

| Loans and Advances                                                                                                                      | Opening Balance as on April 1, 2015 | Given during the year | Returned during the year | Closing Balance as on March 31, 2016 | Maximum Balance Outstanding during the year |
|-----------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|-----------------------|--------------------------|--------------------------------------|---------------------------------------------|
| <b>Enterprises where individuals i.e. KMP and their relatives have significant influence (Interest bearing and repayable on demand)</b> |                                     |                       |                          |                                      |                                             |
| YJ Realty & Aviation Pvt Ltd.                                                                                                           | 668,499,877                         | 409,182,988           | 727,155,859              | 350,527,006                          | 836,433,860                                 |
|                                                                                                                                         | (609,266,140)                       | (75,899,877)          | (16,666,140)             | (668,499,877)                        | (668,499,877)                               |
| Majestic Infracon Pvt Ltd.                                                                                                              | 434,647,267                         | -                     | 243,547,123              | 191,100,144                          | 434,647,267                                 |
|                                                                                                                                         | (62,497,267)                        | (400,418,780)         | (28,268,780)             | (434,647,267)                        | (462,916,047)                               |
| Milan Theatres Private Limited                                                                                                          | 369,889,172                         | 107,919,496           | 276,423,910              | 201,384,758                          | 235,161,678                                 |
|                                                                                                                                         | (412,997,766)                       | (207,418,888)         | (250,527,482)            | (369,889,172)                        | (423,667,694)                               |

#### 51 A. Statement of consolidated net assets and profit or loss attributable to owners and minority interest (F.Y. 2015-16)

| S. No. | Name of Entity                                                                  | Net assets ,i.e. total assets minus total liabilities |                | Share in profit or loss             |               |
|--------|---------------------------------------------------------------------------------|-------------------------------------------------------|----------------|-------------------------------------|---------------|
|        |                                                                                 | As % of Consolidated net assets                       | Amount         | As % of Consolidated profit or loss | Amount        |
| (A)    | Parent                                                                          |                                                       |                |                                     |               |
|        | DB Realty Limited                                                               | 103.27%                                               | 35,496,811,168 | 1.66%                               | 777,481       |
|        | Total (A)                                                                       | 103.27%                                               | 35,496,811,168 | 1.66%                               | 777,481       |
| (B)    | Subsidiaries (Indian)                                                           |                                                       |                |                                     |               |
|        | Goregaon Hotel and Realty Private Limited                                       | -0.25%                                                | (84,730,348)   | -6.22%                              | (2,906,320)   |
|        | Esteem Properties Private Limited                                               | -0.13%                                                | (43,181,915)   | -0.23%                              | (105,450)     |
|        | Neelkamal Shantinagar Properties Private Limited                                | -0.06%                                                | (21,101,734)   | -7.61%                              | (3,557,899)   |
|        | Priya Constructions Private Limited                                             | -0.06%                                                | (20,745,205)   | 2.61%                               | 1,219,727     |
|        | Saifee Bucket Factory Private Limited                                           | -0.01%                                                | (2,566,611)    | -0.10%                              | (47,533)      |
|        | Real Gem Buildtech Private Limited                                              | -0.99%                                                | (340,394,508)  | -263.10%                            | (123,014,226) |
|        | Neelkamal Realtors Suburban Private Limited                                     | 0.65%                                                 | 224,345,374    | -156.51%                            | (73,176,831)  |
|        | DB Man Realty Limited                                                           | 0.38%                                                 | 130,899,960    | -0.18%                              | (82,279)      |
|        | Royal Netra Constructions Private Limited                                       | 0.02%                                                 | 7,330,226      | -0.53%                              | (247,662)     |
|        | Neelkamal Realtors Tower Private Limited                                        | 2.03%                                                 | 697,207,611    | -22.84%                             | (10,677,311)  |
|        | Nine Paradise Erectors Private Limited                                          | 0.00%                                                 | (600,973)      | -0.08%                              | (37,232)      |
|        | N.A. Estates Private Limited                                                    | 0.00%                                                 | (459,559)      | -0.05%                              | (21,438)      |
|        | MIG (Bandra) Realtors And Builders Private Limited                              | -0.18%                                                | (61,265,897)   | -74.40%                             | (34,784,047)  |
|        | Spacecon Realty Private Limited (Formerly known as DB Spacecon Private Limited) | -0.30%                                                | (101,687,827)  | -0.25%                              | (116,023)     |
|        | Vanita Infrastructure Private Limited                                           | 0.01%                                                 | 3,320,053      | -0.03%                              | (16,003)      |
|        | DB View Infracon Private Limited                                                | 1.83%                                                 | 628,208,915    | 149.75%                             | 70,013,386    |
|        | DB Contractors & Builders Private Limited                                       | 0.00%                                                 | (403,412)      | -0.20%                              | (95,679)      |
|        | Turf Estate JV                                                                  | 0.96%                                                 | 330,425,936    | -46.57%                             | (21,772,115)  |
|        | Conwood DB Joint Venture                                                        | -0.02%                                                | (8,155,038)    | -21.79%                             | (10,188,674)  |
|        | ECC DB Joint Venture                                                            | 0.96%                                                 | 329,806,782    | -57.70%                             | (26,975,987)  |
|        | Mira Real Estate Developers (Formerly Mira Salt Works Co)                       | 3.08%                                                 | 1,058,280,199  | -24.88%                             | (11,630,386)  |
|        | Evergreen Industrial Estate                                                     | 0.71%                                                 | 242,663,030    | -9.36%                              | (4,376,030)   |
|        | Shree Shantinagar Venture                                                       | 0.73%                                                 | 251,423,525    | -5.05%                              | (2,358,799)   |
|        | Total (B)                                                                       | 9.36%                                                 | 3,218,618,584  | -545.30%                            | (254,954,811) |

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

| S.<br>No. | Name of Entity                                                                              | Net assets, i.e. total assets<br>minus total liabilities |                 | Share in profit or loss                   |               |
|-----------|---------------------------------------------------------------------------------------------|----------------------------------------------------------|-----------------|-------------------------------------------|---------------|
|           |                                                                                             | As % of<br>Consolidated<br>net assets                    | Amount          | As % of<br>Consolidated<br>profit or loss | Amount        |
| (C)       | Associates (Investment as per Equity Method)<br>(Indian)                                    |                                                          |                 |                                           |               |
|           | D B Hi-Sky Constructions Private Limited                                                    | 0.00%                                                    | -               | 0.00%                                     | -             |
|           | Sangam City Township Private Limited                                                        | 0.00%                                                    | -               | -0.07%                                    | (30,695)      |
|           | Mahal Pictures Private Limited                                                              | 0.00%                                                    | -               | 0.38%                                     | 179,011       |
|           | Shiva Buildcon Private Limited                                                              | 0.00%                                                    | -               | -0.03%                                    | (13,133)      |
|           | Shiva Multitrade Private Limited                                                            | 0.00%                                                    | -               | -0.03%                                    | (13,106)      |
|           | Shiva Realtors Suburban Private Limited                                                     | 0.00%                                                    | -               | -0.03%                                    | (13,106)      |
|           | Total (C)                                                                                   | 0.00%                                                    | -               | 0.23%                                     | 108,971       |
| (D)       | Joint Ventures (as per proportionate consolidation/<br>investment as per the equity method) |                                                          |                 |                                           |               |
|           | DB Realty and Shreepati Infrastructures LLP                                                 | 0.10%                                                    | 33,465,055      | 0.42%                                     | 195,600       |
|           | National Tiles & Industries                                                                 | 0.01%                                                    | 4,833,199       | 0.53%                                     | 246,458       |
|           | Sneh Developers                                                                             | 0.00%                                                    | (5,244)         | -0.02%                                    | (9,813)       |
|           | Dynamix Realty                                                                              | -2.61%                                                   | (897,101,961)   | -408.74%                                  | (191,104,879) |
|           | DBS Realty                                                                                  | -1.72%                                                   | (590,261,359)   | -1.34%                                    | (626,719)     |
|           | DB (BKC) Realtors Private Limited                                                           | 5.03%                                                    | 1,730,079,123   | -5.99%                                    | (2,799,647)   |
|           | Lokhandwala Dynamix Balwas Joint Venture                                                    | 0.06%                                                    | 21,109,021      | 0.10%                                     | 48,841        |
|           | Daund Warehousing Developers & Builders LLP *                                               | 0.00%                                                    | -               | 0.00%                                     | (1,089)       |
|           | Saswad Warehousing Developers & Builders LLP *                                              | 0.00%                                                    | -               | 0.00%                                     | (1,201)       |
|           | Ahmednagar Warehousing Developers & Builders LLP *                                          | 0.00%                                                    | -               | 0.00%                                     | (1,088)       |
|           | Solapur Warehousing Developers & Builders LLP *                                             | 0.00%                                                    | -               | 0.00%                                     | (1,089)       |
|           | Latur Warehousing Developers & Builders LLP *                                               | 0.00%                                                    | -               | 0.00%                                     | (1,201)       |
|           | Aurangabad Warehousing Developers & Builders LLP *                                          | 0.00%                                                    | -               | 0.00%                                     | (1,049)       |
|           | Lokhandwala D B Realty LLP                                                                  | 0.02%                                                    | 5,423,533       | -0.13%                                    | (62,066)      |
|           | Suraksha D B Realty                                                                         | 0.23%                                                    | 77,626,484      | 217.88%                                   | 101,867,676   |
|           | Total (D)                                                                                   | 1.12%                                                    | 385,167,849     | -197.31%                                  | (92,251,264)  |
|           | Total (A to D)                                                                              | 113.75%                                                  | 39,100,597,600  | -740.72%                                  | (346,319,624) |
|           | Adjustment arising out of Consolidation                                                     | -13.97%                                                  | (4,802,649,609) | -940.71%                                  | (439,829,418) |
|           | Minority Interest in all Subsidiaries (Indian)                                              |                                                          |                 |                                           |               |
|           | Neelkamal Realtors Suburban Private Limited                                                 | -0.12%                                                   | (40,577,427)    | 53.21%                                    | 24,880,123    |
|           | DB Man Realty Limited                                                                       | -0.03%                                                   | (11,780,996)    | 0.02%                                     | 7,405         |
|           | Royal Netra Constructions Private Limited                                                   | -0.01%                                                   | (3,635,792)     | 0.26%                                     | 122,840       |
|           | Neelkamal Realtors Tower Private Limited                                                    | -0.99%                                                   | (339,567,248)   | 11.23%                                    | 5,250,034     |
|           | Spacecon Realty Private Limited (Formerly known as<br>DB Spacecon Private Limited)          | 0.08%                                                    | 26,441,886      | 0.06%                                     | 30,169        |
|           | Turf Estate JV                                                                              | 0.80%                                                    | 276,292,550     | 15.52%                                    | 7,257,372     |
|           | Conwood DB JV                                                                               | 0.51%                                                    | 176,363,743     | 2.18%                                     | 1,018,867     |
|           | ECC DB JV                                                                                   | -0.24%                                                   | (81,619,381)    | 14.42%                                    | 6,743,997     |
|           | Evergreen Industrial Estate                                                                 | -0.22%                                                   | (77,051,293)    | 3.09%                                     | 1,444,090     |
|           | Total                                                                                       | -0.22%                                                   | (75,133,959)    | 100.00%                                   | 46,754,897    |
|           | Consolidated Net Assets / Profit after tax                                                  | 100.00%                                                  | 34,373,081,950  | 100.00%                                   | (248,976,751) |

\* The Company has ceased to be a partner in above six LLPs w.e.f. July 1, 2015, since these LLPs had not carried on any business activity. The Company's share in loss of these LLPs amounts to ₹ 6,714 for the three months ended on June 30, 2015.

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## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

### Notes:

- (i) During the year one of the subsidiaries, Gokuldham Real Estate Development Company Private Limited, has been amalgamated with the Holding Company. (Refer note 49)
- (ii) Veer Jijamata Realty LLP has been struck off in the records of ROC w.e.f. May 9, 2015.

### B Statement of consolidated net assets and profit or loss attributable to owners and minority interest (F.Y. 2014-15)

| S. No.                    | Name of Entity                                                                  | Net assets ,i.e total assets minus total liabilities |                | Share in profit or loss             |               |
|---------------------------|---------------------------------------------------------------------------------|------------------------------------------------------|----------------|-------------------------------------|---------------|
|                           |                                                                                 | As % of Consolidated net assets                      | Amount         | As % of Consolidated profit or loss | Amount        |
| (A) Parent                |                                                                                 |                                                      |                |                                     |               |
|                           | DB Realty Limited                                                               | 98.22%                                               | 33,506,489,830 | -4303.25%                           | (244,376,313) |
|                           | Total (A)                                                                       | 98.22%                                               | 33,506,489,830 | -4303.25%                           | (244,376,313) |
| (B) Subsidiaries (Indian) |                                                                                 |                                                      |                |                                     |               |
|                           | Goregaon Hotel and Realty Private Limited                                       | -0.24%                                               | (81,824,028)   | -1204.04%                           | (68,376,299)  |
|                           | Esteem Properties Private Limited                                               | -0.13%                                               | (43,076,466)   | -1.91%                              | (108,743)     |
|                           | Neelkamal Shantinagar Properties Private Limited                                | -0.05%                                               | (17,543,835)   | -33.91%                             | (1,925,602)   |
|                           | Priya Constructions Private Limited                                             | -0.06%                                               | (21,964,935)   | -38.97%                             | (2,213,217)   |
|                           | Saifee Bucket Factory Private Limited                                           | -0.01%                                               | (2,519,078)    | -3.47%                              | (197,311)     |
|                           | Real Gem Buildtech Private Limited                                              | -0.64%                                               | (217,380,282)  | -1548.01%                           | (87,909,957)  |
|                           | Gokuldham Real Estate Development Company Private Limited                       | 5.94%                                                | 2,027,982,680  | 8910.90%                            | 506,039,491   |
|                           | Neelkamal Realtors Suburban Private Limited                                     | 0.87%                                                | 297,522,205    | -691.88%                            | (39,291,172)  |
|                           | DB Man Realty Limited                                                           | 0.38%                                                | 130,982,239    | -2.06%                              | (116,800)     |
|                           | Royal Netra Constructions Private Limited                                       | 0.02%                                                | 7,577,888      | -3.06%                              | (173,782)     |
|                           | Neelkamal Realtors Tower Private Limited                                        | 2.07%                                                | 707,884,922    | -1046.34%                           | (59,420,628)  |
|                           | Nine Paradise Erectors Private Limited                                          | 0.00%                                                | (563,741)      | -1.36%                              | (77,402)      |
|                           | N.A. Estates Private Limited                                                    | 0.00%                                                | (438,121)      | -1.11%                              | (62,850)      |
|                           | MIG (Bandra) Realtors And Builders Private Limited                              | 5.42%                                                | 1,847,984,150  | -16.70%                             | (948,442)     |
|                           | Spacecon Realty Private Limited (Formerly known as DB Spacecon Private Limited) | -0.30%                                               | (101,571,805)  | -2.78%                              | (157,849)     |
|                           | Vanita Infrastructure Private Limited                                           | 0.01%                                                | 3,336,056      | -0.97%                              | (54,873)      |
|                           | DB View Infracon Private Limited                                                | 1.64%                                                | 558,195,529    | -1509.57%                           | (85,726,550)  |
|                           | DB Contractors & Builders Private Limited                                       | 0.00%                                                | (283,708)      | -1.48%                              | (83,973)      |
|                           | Turf Estate JV                                                                  | 2.83%                                                | 964,388,051    | -408.59%                            | (23,203,140)  |
|                           | Conwood DB Joint Venture                                                        | 0.57%                                                | 193,676,128    | -5.54%                              | (314,340)     |
|                           | ECC DB Joint Venture                                                            | 0.98%                                                | 335,959,149    | -400.40%                            | (22,738,425)  |
|                           | Mira Real Estate Developers (Formerly Mira Salt Works Co)                       | 4.09%                                                | 1,395,394,604  | -202.28%                            | (11,487,051)  |
|                           | Evergreen Industrial Estate                                                     | 0.72%                                                | 245,892,666    | -55.37%                             | (3,144,406)   |
|                           | Total (B)                                                                       | 24.12%                                               | 8,229,610,268  | 1731.09%                            | 98,306,678    |

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

| S. No.                                                                                       | Name of Entity                                   | Net assets ,i.e. total assets minus total liabilities |                 | Share in profit or loss             |               |
|----------------------------------------------------------------------------------------------|--------------------------------------------------|-------------------------------------------------------|-----------------|-------------------------------------|---------------|
|                                                                                              |                                                  | As % of Consolidated net assets                       | Amount          | As % of Consolidated profit or loss | Amount        |
| (C) Associates (Investment as per Equity Method) (Indian)                                    |                                                  |                                                       |                 |                                     |               |
|                                                                                              | D B Hi-Sky Constructions Private Limited         | 0.00%                                                 | -               | 0.00%                               |               |
|                                                                                              | Sangam City Township Private Limited             | 0.00%                                                 | -               | -0.50%                              | (28,642)      |
|                                                                                              | Mahal Pictures Private Limited                   | 0.00%                                                 | -               | 877.31%                             | 49,821,418    |
|                                                                                              | Shiva Buildcon Private Limited                   | 0.00%                                                 | -               | -0.21%                              | (12,083)      |
|                                                                                              | Shiva Multitrade Private Limited                 | 0.00%                                                 | -               | -0.21%                              | (12,083)      |
|                                                                                              | Shiva Realtors Suburban Private Limited          | 0.00%                                                 | -               | -0.21%                              | (12,083)      |
|                                                                                              | Total (C )                                       | 0.00%                                                 | -               | 876.17%                             | 49,756,527    |
| (D) Joint Ventures (as per proportionate consolidation/ investment as per the equity method) |                                                  |                                                       |                 |                                     |               |
|                                                                                              | DB Realty and Shreepati Infrastructures LLP      | 0.10%                                                 | 33,207,519      | -7.89%                              | (447,894)     |
|                                                                                              | National Tiles & Industries                      | 0.01%                                                 | 4,586,577       | -7.01%                              | (398,094)     |
|                                                                                              | Sneh Developers                                  | 0.00%                                                 | 4,568           | -0.09%                              | (5,232)       |
|                                                                                              | Dynamix Realty                                   | -4.16%                                                | (1,418,059,535) | 339.33%                             | 19,270,273    |
|                                                                                              | DBS Realty                                       | -1.41%                                                | (482,386,614)   | 59.66%                              | 3,388,053     |
|                                                                                              | DB (BKC) Realtors Private Limited                | 5.08%                                                 | 1,732,738,622   | -106.76%                            | (6,062,723)   |
|                                                                                              | Lokhandwala Dynamix Balwas Joint Venture         | 0.06%                                                 | 20,986,040      | 0.00%                               | -             |
|                                                                                              | Daund Warehousing Developers & Builders LLP      | 0.00%                                                 | (48,845)        | -0.17%                              | (9,438)       |
|                                                                                              | Saswad Warehousing Developers & Builders LLP     | 0.00%                                                 | 34,033          | -0.17%                              | (9,524)       |
|                                                                                              | Ahmednagar Warehousing Developers & Builders LLP | 0.00%                                                 | 58,889          | -0.17%                              | (9,494)       |
|                                                                                              | Solapur Warehousing Developers & Builders LLP    | 0.00%                                                 | 44,530          | -0.17%                              | (9,471)       |
|                                                                                              | Latur Warehousing Developers & Builders LLP      | 0.00%                                                 | 72,443          | -0.13%                              | (7,260)       |
|                                                                                              | Aurangabad Warehousing Developers & Builders LLP | 0.00%                                                 | (9,818)         | -0.09%                              | (4,898)       |
|                                                                                              | Veer Jijamata Nagar Realty LLP                   | 0.00%                                                 | -               | -0.16%                              | (9,351)       |
|                                                                                              | Lokhandwala D B Realty LLP                       | 0.00%                                                 | 547,279         | -0.06%                              | (3,428)       |
|                                                                                              | Suraksha D B Realty                              | 0.15%                                                 | 51,758,808      | -830.51%                            | (47,163,804)  |
|                                                                                              | Total (D)                                        | -0.17%                                                | (56,465,504)    | -554.37%                            | (31,482,283)  |
|                                                                                              | Total (A to D)                                   | 122.17%                                               | 41,679,634,594  | -2250.36%                           | (127,795,391) |

# D B REALTY LIMITED

(ANNUAL REPORT 2015 - 16)

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

| S. No. | Name of Entity                                                                  | Net assets ,i.e. total assets minus total liabilities |                       | Share in profit or loss             |                     |
|--------|---------------------------------------------------------------------------------|-------------------------------------------------------|-----------------------|-------------------------------------|---------------------|
|        |                                                                                 | As % of Consolidated net assets                       | Amount                | As % of Consolidated profit or loss | Amount              |
|        | <b>Adjustment arising out of Consolidation</b>                                  | -24.44%                                               | (8,336,829,546)       | -1130.37%                           | (64,193,221)        |
|        | <b>Minority Interest in all Subsidiaries (Indian)</b>                           |                                                       |                       |                                     |                     |
|        | Gokuldharm Real Estate Development Company Private Limited                      | -1.49%                                                | (507,036,230)         | -2227.65%                           | (126,519,994)       |
|        | Neelkamal Realtors Suburban Private Limited                                     | -0.19%                                                | (65,457,550)          | 235.21%                             | 13,358,999          |
|        | DB Man Realty Limited                                                           | -0.03%                                                | (11,788,401)          | 0.82%                               | 46,850              |
|        | Royal Netra Constructions Private Limited                                       | -0.01%                                                | (3,758,632)           | 1.52%                               | 86,196              |
|        | Neelkamal Realtors Tower Private Limited                                        | -1.01%                                                | (344,817,282)         | 514.43%                             | 29,217,123          |
|        | Spacecon Realty Private Limited (Formerly known as DB Spacecon Private Limited) | 0.08%                                                 | 26,411,717            | 0.72%                               | 41,045              |
|        | Turf Estate JV                                                                  | 0.79%                                                 | 269,035,178           | 136.18%                             | 7,734,380           |
|        | Conwood DB Joint Venture                                                        | 0.00%                                                 | 344,876               | 0.55%                               | 31,434              |
|        | ECC DB Joint Venture                                                            | -0.17%                                                | (56,963,378)          | 100.09%                             | 5,684,606           |
|        | Evergreen Industrial Estate                                                     | -0.23%                                                | (78,495,383)          | 18.27%                              | 1,037,654           |
|        | <b>Total</b>                                                                    | <u>-2.26%</u>                                         | <u>(772,525,086)</u>  | <u>-1219.85%</u>                    | <u>(69,281,707)</u> |
|        | <b>Consolidated Net Assets / Profit after tax</b>                               | <u>100.00%</u>                                        | <u>34,115,330,134</u> | <u>100.00%</u>                      | <u>5,679,536</u>    |

- 52 One of the subsidiary companies is a partner in firm viz; M/s Om Metal Consortium ("OMC"), which is a jointly controlled entity. The financial statements of OMC have not been considered for consolidation due to non-availability of the same. Management is taking steps to obtain audited financial statements of the said partnership firm and does not expect any material impact on consolidated financial statements of the Company.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

53. Disclosure in respect of joint venture

(a) The Group has investments in following joint ventures. All are incorporated in India and are in real estate business. The following amounts represent the Group's interest as per its holding in respective line item in the consolidated financial statements of the Group. In the consolidated financial statements of the Group, the investments made in joint ventures are consolidated as per accounting policy no 1 (b) (vi).

| Particulars                    | Suraksha D B Realty                 | Sneh Developers              | National Tiles & Industries      | Lokhandwala D B Realty LLP       | DB (BKC) Realtors Private Limited        | Lokhandwala Dynamix Balwas Joint Venture | Dynamix Realty                           | DBS Realty                               | DB Realty and Shreepati Infrastructures LLP | Warehousing LLPs*         |
|--------------------------------|-------------------------------------|------------------------------|----------------------------------|----------------------------------|------------------------------------------|------------------------------------------|------------------------------------------|------------------------------------------|---------------------------------------------|---------------------------|
| % of Holding                   | 50.00%<br>(50.00%)                  | 49.00%<br>(49.00%)           | 59.40%<br>(59.40%)               | 50.00%#<br>(50.00%#)             | 40.80%<br>(40.80%)                       | 50.00%<br>(50.00%)                       | 50.00%<br>(50.00%)                       | 33.33%<br>(33.33%)                       | 60.00%<br>(60.00%)                          | 50.00%<br>(50.00%)        |
| <b>Shareholders' Funds</b>     |                                     |                              |                                  |                                  |                                          |                                          |                                          |                                          |                                             |                           |
| Share Capital                  | -24,241,192<br>(98,922,612)         | 4,568<br>(9,800)             | 4,586,740<br>(4,984,671)         | 5,485,599<br>(5,500,000)         | 5,908,653<br>(5,908,653)                 | 21,060,180<br>(20,986,040)               | 250,000<br>(250,000)                     | 3,299,997<br>(3,300,000)                 | 33,269,455<br>(38,919,043)                  | -<br>(569,192)            |
| Reserves and Surplus           | 101,867,676<br>(-47,163,804)        | -9,813<br>(-5,232)           | 246,458<br>(-398,094)            | -62,066<br>(-27,209)             | 1,724,170,572<br>(1,726,970,219)         | 48,841<br>(-)                            | -<br>(-)                                 | -<br>(-)                                 | 195,600<br>(-447,894)                       | -<br>(-59,434)            |
| <b>Non-current Liabilities</b> |                                     |                              |                                  |                                  |                                          |                                          |                                          |                                          |                                             |                           |
| Long-term Borrowings           | -<br>(-)                            | -<br>(-)                     | -<br>(-)                         | -<br>(-)                         | -<br>(-)                                 | -<br>(-)                                 | -<br>(-)                                 | -<br>(-)                                 | -<br>(-)                                    | -<br>(-)                  |
| Other Long Term Liabilities    | -<br>(-)                            | -<br>(-)                     | -<br>(-)                         | -<br>(-)                         | -<br>(-)                                 | -<br>(-)                                 | -<br>(-)                                 | 10,641,213<br>(13,325,962)               | -<br>(-)                                    | -<br>(-)                  |
| Long-term Provisions           | 109,093<br>(109,093)                | -<br>(-)                     | -<br>(-)                         | -<br>(-)                         | 13,862<br>(1,247,164)                    | -<br>(-)                                 | 281,691<br>(321,764)                     | 306,191<br>(304,975)                     | -<br>(-)                                    | -<br>(-)                  |
| <b>Current Liabilities</b>     |                                     |                              |                                  |                                  |                                          |                                          |                                          |                                          |                                             |                           |
| Short-term Borrowings          | 1,358,748<br>(1,358,748)            | 516,151<br>(509,269)         | -<br>(-)                         | -<br>(-)                         | -<br>(-)                                 | -<br>(-)                                 | 1,066,290,300<br>(1,450,300,000)         | -<br>(-)                                 | -<br>(-)                                    | -<br>(-)                  |
| Trade Payables                 | 1,200,453<br>(3,485,822)            | 15,320<br>(12,390)           | 24,773<br>(2,669)                | 471,774<br>(349,094)             | 2,849,421<br>(2,372,938)                 | 21,034<br>(18,118)                       | 31,793,960<br>(43,280,190)               | 191,177<br>(9,180,370)                   | 61,921<br>(88,921)                          | -<br>(68,373)             |
| Other Current Liabilities      | 6,026,822<br>(48,603,012)           | -<br>(-)                     | 490,498<br>(756,754)             | 1,081,935<br>(-)                 | 7,063,141<br>(7,837,295)                 | -<br>(-)                                 | 739,819,903<br>(1,135,390,922)           | 1,527,948,555<br>(1,377,748,570)         | 45,120<br>(3,900)                           | -<br>(33,650,000)         |
| Short-term Provisions          | -<br>(-)                            | -<br>(-)                     | -<br>(-)                         | -<br>(-)                         | 1,745<br>(398,676)                       | -<br>(-)                                 | 31,663,175<br>(11,477,199)               | 371,501<br>(550,748)                     | -<br>(-)                                    | -<br>(-)                  |
| <b>TOTAL</b>                   | <b>86,321,599<br/>(105,315,482)</b> | <b>526,227<br/>(526,227)</b> | <b>5,348,470<br/>(5,346,000)</b> | <b>6,977,242<br/>(5,821,885)</b> | <b>1,740,007,394<br/>(1,744,889,558)</b> | <b>21,130,055<br/>(21,004,158)</b>       | <b>1,870,099,030<br/>(2,641,020,075)</b> | <b>1,542,758,634<br/>(1,404,410,625)</b> | <b>33,572,096<br/>(38,563,970)</b>          | <b>-<br/>(34,228,130)</b> |
| <b>Non-current Assets</b>      |                                     |                              |                                  |                                  |                                          |                                          |                                          |                                          |                                             |                           |
| <b>Fixed Assets</b>            |                                     |                              |                                  |                                  |                                          |                                          |                                          |                                          |                                             |                           |
| Tangible Assets                | 326,984<br>(892,463)                | -<br>(-)                     | 5,346,000<br>(5,346,000)         | 44,156<br>(85,252)               | 67,669<br>(49,571)                       | -<br>(-)                                 | 966,942<br>(2,036,807)                   | 116,265,891<br>(118,080,724)             | -<br>(-)                                    | -<br>(-)                  |
| Intangible Assets              | -<br>(19,301)                       | -<br>(-)                     | -<br>(-)                         | -<br>(-)                         | -<br>(-)                                 | -<br>(-)                                 | -<br>(-)                                 | -<br>(-)                                 | -<br>(-)                                    | -<br>(-)                  |
| Capital Work-in-progress       | -<br>(-)                            | -<br>(-)                     | -<br>(-)                         | -<br>(-)                         | -<br>(-)                                 | -<br>(-)                                 | -<br>(-)                                 | -<br>(-)                                 | -<br>(-)                                    | -<br>(-)                  |
| Non-current Investments        | 50,000<br>(50,000)                  | -<br>(-)                     | -<br>(-)                         | -<br>(-)                         | -<br>(-)                                 | -<br>(-)                                 | -<br>(-)                                 | -<br>(-)                                 | 4,887,229<br>(4,637,770)                    | -<br>(-)                  |
| Long-term Loans and Advances   | -<br>(33,609,547)                   | -<br>(-)                     | -<br>(-)                         | -<br>(-)                         | 244,006,162<br>(263,740,271)             | -<br>(-)                                 | 406,503<br>(-)                           | 50,248,556<br>(44,772,420)               | -<br>(30,466,630)                           | -<br>(-)                  |
| Other Non-current Assets       | -<br>(-)                            | -<br>(-)                     | -<br>(-)                         | -<br>(-)                         | -<br>(-)                                 | -<br>(-)                                 | -<br>(-)                                 | -<br>(4,030,732)                         | -<br>(-)                                    | -<br>(-)                  |

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016**

| Particulars                   | Suraksha D B Realty  | Sneh Developers  | National Tiles & Industries | Lokhandwala D B Realty LLP | DB (BKC) Realtors Private Limited | Lokhandwala Dynamix Balwas Joint Venture | Dynamix Realty         | DBS Realty             | DB Realty and Shreepati Infrastructures LLP | Warehousing LLPs*   |
|-------------------------------|----------------------|------------------|-----------------------------|----------------------------|-----------------------------------|------------------------------------------|------------------------|------------------------|---------------------------------------------|---------------------|
| <b>Current Assets</b>         |                      |                  |                             |                            |                                   |                                          |                        |                        |                                             |                     |
| Inventories                   | 25,352,800           | 516,427          | -                           | 5,283,118                  | 1,416,530,789                     | 17,277,129                               | 6,158,957              | 779,442,818            | 3,401,643                                   | -                   |
|                               | (-)                  | (516,427)        | (-)                         | (2,095,692)                | (1,394,420,731)                   | (17,277,129)                             | (5,706,890)            | (746,830,087)          | (3,401,643)                                 | (-)                 |
| Trade Receivables             | 8,000,000            | -                | -                           | -                          | -                                 | -                                        | 514,579,279            | 224,166                | -                                           | -                   |
|                               | (19,144,267)         | (-)              | (-)                         | (-)                        | (-)                               | (-)                                      | (759,530,368)          | (-)                    | (-)                                         | (-)                 |
| Cash and Bank Balance         | 27,099,239           | 9,800            | 2,470                       | 1,634,045                  | 669,696                           | 3,816,697                                | 150,911                | 2,201,674              | 39,796                                      | -                   |
|                               | (36,376,313)         | (9,800)          | (-)                         | (3,607,785)                | (707,342)                         | (3,669,936)                              | (138,432)              | (4,255,948)            | (14,498)                                    | (196,255)           |
| Short-term Loans and Advances | 25,492,576           | -                | -                           | 15,923                     | 78,733,078                        | 36,230                                   | 1,347,836,438          | 594,249,951            | 25,243,429                                  | -                   |
|                               | (15,223,591)         | (-)              | (-)                         | (17,586)                   | (85,758,827)                      | (57,094)                                 | (1,873,607,578)        | (486,369,562)          | (43,429)                                    | (34,031,875)        |
| Other Current Assets          | -                    | -                | -                           | -                          | -                                 | -                                        | -                      | 125,579                | -                                           | -                   |
|                               | (-)                  | (-)              | (-)                         | (15,571)                   | (212,816)                         | (-)                                      | (-)                    | (-)                    | (-)                                         | (-)                 |
| <b>TOTAL</b>                  | <b>86,321,599</b>    | <b>526,227</b>   | <b>5,348,470</b>            | <b>6,977,242</b>           | <b>1,740,007,394</b>              | <b>21,130,055</b>                        | <b>1,870,099,030</b>   | <b>1,542,758,634</b>   | <b>33,572,096</b>                           | <b>-</b>            |
|                               | <b>(105,315,482)</b> | <b>(526,227)</b> | <b>(5,346,000)</b>          | <b>(5,821,885)</b>         | <b>(1,744,889,558)</b>            | <b>(21,004,158)</b>                      | <b>(2,641,020,075)</b> | <b>(1,404,339,472)</b> | <b>(38,563,970)</b>                         | <b>(34,228,130)</b> |

(Figures in brackets denote Previous Year's balances)

| Particulars                                          | Suraksha D B Realty | Sneh Developers | National Tiles & Industries | Lokhandwala D B Realty LLP | DB (BKC) Realtors Private Limited | Lokhandwala Dynamix Balwas Joint Venture | Dynamix Realty       | DBS Realty         | DB Realty and Shreepati Infrastructures LLP | Warehousing LLPs* |
|------------------------------------------------------|---------------------|-----------------|-----------------------------|----------------------------|-----------------------------------|------------------------------------------|----------------------|--------------------|---------------------------------------------|-------------------|
| <b>I. INCOME</b>                                     |                     |                 |                             |                            |                                   |                                          |                      |                    |                                             |                   |
| Revenue from Operations                              | 79,857,459          | -               | -                           | -                          | -                                 | -                                        | 79,433,373           | -                  | -                                           | -                 |
|                                                      | (2,115,263)         | (-)             | (-)                         | (-)                        | (-)                               | (-)                                      | (287,079,148)        | (1,076,400)        | (-)                                         | (-)               |
| Share of Profit / (Loss) from Partnership Firms, net | -                   | -               | -                           | -                          | -                                 | -                                        | -                    | -                  | 246,458                                     | -                 |
|                                                      | (-)                 | (-)             | (-)                         | (-)                        | (-)                               | (-)                                      | (-)                  | (-)                | (-3,98,094)                                 | (-)               |
| Other Income                                         | 134,020             | -               | 374,800                     | -                          | 269,926                           | 166,364                                  | 4,131,747            | 2,041,206          | -                                           | -                 |
|                                                      | (4,989,509)         | (-)             | (-)                         | (-)                        | (258,393)                         | (-)                                      | (5,417,670)          | (2,271,751)        | (-)                                         | (-)               |
| <b>TOTAL</b>                                         | <b>79,991,479</b>   | <b>-</b>        | <b>374,800</b>              | <b>-</b>                   | <b>269,926</b>                    | <b>166,364</b>                           | <b>83,565,120</b>    | <b>2,041,206</b>   | <b>246,458</b>                              | <b>-</b>          |
|                                                      | <b>(7,104,771)</b>  | <b>(-)</b>      | <b>(-)</b>                  | <b>(-)</b>                 | <b>(258,393)</b>                  | <b>-</b>                                 | <b>(292,496,818)</b> | <b>(3,348,151)</b> | <b>(-3,98,094)</b>                          | <b>(-)</b>        |
| <b>II. EXPENDITURE</b>                               |                     |                 |                             |                            |                                   |                                          |                      |                    |                                             |                   |
| Project Expenses                                     | -                   | -               | -                           | 2,642,546                  | 22,110,057                        | -                                        | 452,067              | 32,542,324         | -                                           | -                 |
|                                                      | (-)                 | (-)             | (-)                         | (2,095,692)                | (2,424,606)                       | (250,644)                                | (131,665,065)        | (119,508,689)      | (20,712)                                    | (-)               |
| (Increase)/Decrease in Inventories                   | -25,352,800         | -               | -                           | -2,642,546                 | -22,110,057                       | -                                        | -452,067             | -32,542,324        | -                                           | -                 |
|                                                      | (-)                 | (-)             | (-)                         | (-20,95,692)               | (-24,24,606)                      | (-2,50,644)                              | (-)                  | (-11,94,37,535)    | (-20,712)                                   | (-)               |
| Employee Benefit Expenses                            | -716,678            | -               | -                           | -                          | 2,177,793                         | -                                        | 1,461,206            | 93,321             | -                                           | -                 |
|                                                      | (281,647)           | (-)             | (-)                         | (-)                        | (3,506,034)                       | (-)                                      | (1,512,858)          | (89,937)           | (-)                                         | (-)               |
| Finance Costs                                        | -                   | -               | -                           | -                          | 109,776                           | -                                        | -                    | 66,948             | -                                           | -                 |
|                                                      | (4,967,834)         | (-)             | (140)                       | (-)                        | (-)                               | (-)                                      | (748)                | (-)                | (-)                                         | (-)               |
| Depreciation and Amortization Expenses               | 564,760             | -               | -                           | 37,314                     | 18,339                            | -                                        | 955,977              | 1,857,515          | -                                           | -                 |
|                                                      | (182,382)           | (-)             | (-)                         | (14,546)                   | (18,190)                          | (-)                                      | (-5,89,874)          | (-11,39,039)       | (-)                                         | (-)               |

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016**

| Particulars                    | Suraksha D B Realty                 | Sneh Developers           | National Tiles & Industries   | Lokhandwala D B Realty LLP  | DB (BKC) Realtors Private Limited | Lokhandwala Dynamix Balwas Joint Venture | Dynamix Realty                      | DBS Realty                          | DB Realty and Shreepati Infrastructures LLP | Warehousing LLPs*     |
|--------------------------------|-------------------------------------|---------------------------|-------------------------------|-----------------------------|-----------------------------------|------------------------------------------|-------------------------------------|-------------------------------------|---------------------------------------------|-----------------------|
| Other Expenses                 | 3,608,501<br>(48,836,713)           | 9,813<br>(5,232)          | 128,342<br>(397,954)          | 24,753<br>(12,663)          | 763,665<br>(2,796,893)            | 117,523<br>(-)                           | 268,089,514<br>(136,255,638)        | 358,475<br>(259,200)                | 50,858<br>(49,800)                          | -<br>(59,434)         |
| Tax Expenses                   | -                                   | -                         | -                             | -                           | -                                 | -                                        | 4,163,303<br>(10,089,000)           | 291,666<br>(750,000)                | -                                           | -                     |
| <b>Total Expenses</b>          | <b>-21,876,197</b><br>(54,268,575)  | <b>9,813</b><br>(5,232)   | <b>128,342</b><br>(398,094)   | <b>62,066</b><br>(27,209)   | <b>3,069,574</b><br>(6,321,116)   | <b>117,523</b><br>(-)                    | <b>274,669,999</b><br>(278,933,435) | <b>2,667,925</b><br>(31,252)        | <b>50,858</b><br>(49,800)                   | <b>-</b><br>(59,434)  |
| <b>Profit (Loss) after Tax</b> | <b>101,867,676</b><br>(4,71,63,804) | <b>-9,813</b><br>(-5,232) | <b>246,458</b><br>(-3,98,094) | <b>-62,066</b><br>(-27,209) | <b>-2,799,647</b><br>(-60,62,723) | <b>48,841</b><br>(-)                     | <b>-191,104,880</b><br>(13,563,383) | <b>-626,719</b><br>(3,316,899)      | <b>195,600</b><br>(-4,47,894)               | <b>-</b><br>(-59,434) |
| <b>Contingent Liability</b>    | <b>-</b>                            | <b>-</b>                  | <b>-</b>                      | <b>-</b>                    | <b>405</b><br>(358)               | <b>-</b><br>(-)                          | <b>-</b><br>(-)                     | <b>272,666,043</b><br>(201,352,313) | <b>-</b><br>(-)                             | <b>-</b><br>(-)       |

(Figures in brackets denote Previous Year's balances)

\* Warehousing LLPs includes following entities

- Daund Warehousing Developers & Builders LLP
- Saswad Warehousing Developers & Builders LLP
- Ahmednagar Warehousing Developers & Builders LLP
- Solapur Warehousing Developers & Builders LLP
- Latur Warehousing Developers & Builders LLP
- Aurangabad Warehousing Developers & Builders LLP

The Company has ceased to be a partner in above six LLPs w.e.f. July 1, 2015, since these LLPs had not carried on any business activity. The Company's share in loss of these LLPs amounts to ₹ 6,714 for the three months ended on June 30, 2015.

b) There are no capital commitments and other commitments related to the Company's interest in the joint ventures and no commitments of venture itself.

# % of shareholding is considered from consolidation perspective. DB Realty Limited holds 5% and DB Contractor & Builders Private Limited (wholly owned subsidiary) holds 45% stake in Lokhandwala DB Realty LLP. DB Contractor & Builders Private Limited has prepared its consolidated financial statement. Hence, figures here are taken at DB Realty's shareholding i.e. 5%. Further Profit & Loss are taken at 6.3% (as agreed between partners).

54 Figures of the Previous year have been regrouped/ reclassified wherever necessary to conform to the presentation of the current year.

Signature to Notes 1 to 54

**For Haribhakti & Co. LLP**  
**Chartered Accountants**  
 ICAI Firm's Registration No. 103523W

**For and on behalf of the Board**  
**Vinod Goenka**  
 Chairman & Managing Director  
 DIN 00029033

**Shahid Balwa**  
 Vice Chairman & Managing Director  
 DIN 00016839

**Chetan Desai**  
 Partner  
 Membership No. 017000

**Mahesh Gandhi**  
 Director  
 DIN 00165638

**N.M. Gattu**  
 Chief Financial Officer

**S A K Narayanan**  
 Company Secretary  
 Membership No A2424

Mumbai, Dated May 27, 2016

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016**
**Annexure -A**
**PART “A” : SUBSIDIARIES**

Statement pursuant to first proviso to sub-section (3) of section 129 of the Companies Act 2013, read with rule 5 of Companies (Accounts) Rules, 2014 in the prescribed Form AOC-1 relating to subsidiary companies

| (Amount in ₹) |                                                                                                          |                    |         |               |                    |               |                   |             |                        |                          |                                       |                         |                   |                   |
|---------------|----------------------------------------------------------------------------------------------------------|--------------------|---------|---------------|--------------------|---------------|-------------------|-------------|------------------------|--------------------------|---------------------------------------|-------------------------|-------------------|-------------------|
| Sr. No.       | Name of the Subsidiary                                                                                   | Reporting Currency | Country | Share Capital | Reserves & Surplus | Total Assets  | Total Liabilities | Investments | Turnover/ Total Income | Profit/(loss) before Tax | Provision for Tax Expenses / (Credit) | Profit/(loss) after Tax | Proposed Dividend | % of Shareholding |
| 1             | Neelkamal Realtors Suburban Private Limited                                                              | INR                | India   | 111,600,000   | 112,745,374        | 2,391,675,738 | 2,167,330,364     | -           | 319,950,336            | (111,029,941)            | (37,853,109)                          | (73,176,832)            | -                 | 66%               |
| 2             | Esteem Properties Private Limited                                                                        | INR                | India   | 1,000,000     | (44,181,915)       | 1,110,482,541 | 1,153,664,456     | -           | -                      | (105,450)                | -                                     | (105,450)               | -                 | 100%              |
| 3             | Neelkamal Shantinagar Properties Private Limited                                                         | INR                | India   | 160,000       | (21,261,734)       | 94,750,555    | 115,852,289       | 94,594,291  | -                      | (3,557,899)              | -                                     | (3,557,899)             | -                 | 100%              |
| 4             | Salfee Bucket Factory Private Limited                                                                    | INR                | India   | 248,000       | (2,814,611)        | 52,239        | 2,618,850         | -           | -                      | (47,533)                 | -                                     | (47,533)                | -                 | 100%              |
| 5             | Real Gem Build Tech Private Limited                                                                      | INR                | India   | 135,100,000   | (475,494,508)      | 9,658,004,216 | 9,998,398,724     | 50,796,790  | 1,207,958              | (150,674,295)            | (27,660,069)                          | (123,014,226)           | -                 | 100%              |
| 6             | Priva Constructions Private Limited                                                                      | INR                | India   | 100,000       | (20,845,205)       | 246,421,089   | 267,166,294       | 157,117,848 | 78,200,000             | 1,569,727                | 350,000                               | 1,219,727               | -                 | 100%              |
| 7             | D B Man Realty Limited                                                                                   | INR                | India   | 140,000,000   | (9,100,040)        | 131,995,591   | 1,095,631         | -           | -                      | (82,279)                 | -                                     | (82,279)                | -                 | 91%               |
| 8             | Royal Netra Constructions Private Limited                                                                | INR                | India   | 15,000,000    | (7,669,774)        | 719,977,288   | 712,647,062       | -           | 748,068                | (247,662)                | -                                     | (247,662)               | -                 | 50.40%            |
| 9             | N. A. Estates Private Limited                                                                            | INR                | India   | 100,000       | (559,559)          | 211,167,102   | 211,626,661       | -           | -                      | (21,438)                 | -                                     | (21,438)                | -                 | 100%              |
| 10            | Nine Paradise Erectors Private Limited                                                                   | INR                | India   | 100,000       | (700,973)          | 235,735,151   | 236,336,124       | 700         | 1,756                  | (37,232)                 | -                                     | (37,232)                | -                 | 100%              |
| 11            | MIG (Bandra) Realtors and Builders Private Limited (Formerly DB MIG Realtors & Builders Private Limited) | INR                | India   | 19,034,000    | (80,299,897)       | 9,152,057,246 | 9,213,323,144     | -           | 533,898                | (34,784,047)             | -                                     | (34,784,047)            | -                 | 100%              |
| 12            | Spacecon Realty Private Limited (Formerly DB Spacecon Private Limited)                                   | INR                | India   | 135,140       | (101,822,968)      | 475,529,260   | 577,217,088       | -           | -                      | (116,024)                | -                                     | (116,024)               | -                 | 74%               |
| 13            | Vania Infrastructure Private Limited                                                                     | INR                | India   | 100,000       | 3,220,053          | 145,314,345   | 141,994,292       | -           | 9,225                  | (16,003)                 | -                                     | (16,003)                | -                 | 100%              |
| 14            | DB View Infracon Private Limited                                                                         | INR                | India   | 100,000       | 628,108,915        | 3,620,019,099 | 2,991,810,184     | 424,983,749 | 101,743,717            | 70,013,386               | -                                     | 70,013,386              | -                 | 100%              |
| 15            | DB Contractors & Builders Private Limited                                                                | INR                | India   | 100,000       | (503,412)          | 745,931       | 1,149,343         | 327,695     | -                      | (95,679)                 | -                                     | (95,679)                | -                 | 100%              |
| 16            | Goregaon Hotel and Realty Private Limited                                                                | INR                | India   | 100,000       | (84,830,348)       | 695,453,888   | 780,184,236       | 6,425,340   | -                      | (2,906,320)              | -                                     | (2,906,320)             | -                 | 100%              |
| 17            | Neelkamal Realtors Tower Private Limited                                                                 | INR                | India   | 32,887,250    | 664,320,361        | 7,741,485,375 | 7,044,277,764     | -           | 6,704,421              | (5,886,426)              | 4,790,884                             | (10,677,311)            | -                 | 50.83%            |

**Notes**

A There are no Subsidiaries which have been liquidated or sold except Gokuldharm Real Estate Development Company Private Limited, which has been amalgamated with the Holding Company. (Refer note 49)

B There are no Subsidiaries which are yet to commence operations.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

**PART “B” : ASSOCIATES AND JOINT VENTURES**

Statement pursuant to first proviso to sub-section (3) of section 129 of the Companies Act 2013, related to Associate Companies and Joint Ventures

(Amount in ₹)

| S. No.        | Name of Associates /Joint venture                  | Latest Audited Balance Sheet Date | “Shares of Associate/Joint Ventures held by the company on the year end” |              |                   | Extend of Holding % | Network attributable to Shareholding as per latest audited Balance Sheet | Profit / (Loss) for the year                         |                             | Description of how there is significant influence                               | Reason why the associate/ joint venture is not consolidated |
|---------------|----------------------------------------------------|-----------------------------------|--------------------------------------------------------------------------|--------------|-------------------|---------------------|--------------------------------------------------------------------------|------------------------------------------------------|-----------------------------|---------------------------------------------------------------------------------|-------------------------------------------------------------|
|               |                                                    |                                   | Equity Shares                                                            | No. of Share | Preference Shares |                     |                                                                          | Amount of Investment in Associates and Joint Venture | Considered in Consolidation |                                                                                 |                                                             |
| Associates    |                                                    |                                   |                                                                          |              |                   |                     |                                                                          |                                                      |                             |                                                                                 |                                                             |
| 1             | Sangam City Township Private Limited               | 31-Mar-16                         | 8000                                                                     | -            | -                 | 80,000              | 26.67%                                                                   | 2,395,260                                            | (30,695)                    | Due to Share holding                                                            |                                                             |
| 2             | DB Hi-Sky Private Limited                          | 31-Mar-16                         | 5000                                                                     | -            | -                 | 50,000              | 50%                                                                      | (3,785,447)                                          | -                           | Due to Share holding                                                            |                                                             |
| 3             | Mahal Pictures Private Limited                     | 31-Mar-16                         | 3600                                                                     | -            | -                 | 892,225,001         | 33.33%                                                                   | 58,471,715                                           | 179,011                     | Due to Share holding                                                            |                                                             |
| 4             | Shiva Buildcon Private Limited                     | 31-Mar-16                         | 6750                                                                     | -            | -                 | 64,800,000          | 33.75%                                                                   | (69,737)                                             | (13,133)                    | Due to Share holding                                                            |                                                             |
| 5             | Shiva Multitrade Private Limited                   | 31-Mar-16                         | 6750                                                                     | -            | -                 | 64,800,000          | 33.75%                                                                   | (76,273)                                             | (13,106)                    | Due to Share holding                                                            |                                                             |
| 6             | Shiva Realtors Suburban Private Limited            | 31-Mar-16                         | 6750                                                                     | -            | -                 | 64,800,000          | 33.75%                                                                   | (69,573)                                             | (13,106)                    | Due to Share holding                                                            |                                                             |
| Joint Venture |                                                    |                                   |                                                                          |              |                   |                     |                                                                          |                                                      |                             |                                                                                 |                                                             |
| 1             | DB Realty and Shreepati Infrastructures LLP        | 31-Mar-16                         | -                                                                        | -            | -                 | 60,000              | 60%                                                                      | 33,465,055                                           | 195,600                     | Due to Share in LLP by holding Company along with its wholly owned subsidiaries |                                                             |
| 2             | National Tiles & Industries                        | 31-Mar-16                         | -                                                                        | -            | -                 | 9,000,000           | 59.40%                                                                   | 4,833,199                                            | 246,458                     | Due to Indirect Share in Firm                                                   |                                                             |
| 3             | Sneh Developers                                    | 31-Mar-16                         | -                                                                        | -            | -                 | 9,900               | 49%                                                                      | (5,244)                                              | (9,813)                     | Due to Share in Firm by wholly owned subsidiaries                               |                                                             |
| 4             | Dynamix Realty                                     | 31-Mar-16                         | -                                                                        | -            | -                 | 250,000             | 50%                                                                      | (897,101,961)                                        | (191,104,880)               | Due to Share in Firm                                                            |                                                             |
| 5             | DBS Realty                                         | 31-Mar-16                         | -                                                                        | -            | -                 | 3,300,000           | 33.33%                                                                   | (590,261,359)                                        | (626,657)                   | Due to Share in Firm                                                            |                                                             |
| 6             | DB (BKC) Realtors Private Limited                  | 31-Mar-16                         | 187015                                                                   | 375170       | 2,466,613,304     | 40.80%              | 1,730,079,123                                                            | (2,799,647)                                          |                             | Due to Share holding                                                            |                                                             |
| 7             | Lokhandwala Dynamix Balwas Joint Venture           | 31-Mar-16                         | -                                                                        | -            | -                 | 24,165,841          | 50%                                                                      | 21,109,021                                           | 48,841                      | Due to Share in Joint Venture                                                   |                                                             |
| 8             | Daund Warehousing Developers & Builders LLP *      | 30-Jun-15                         | -                                                                        | -            | -                 | -                   | 50%                                                                      | -                                                    | (1,089)                     | Due to Share in LLP                                                             |                                                             |
| 9             | Saswad Warehousing Developers & Builders LLP *     | 30-Jun-15                         | -                                                                        | -            | -                 | -                   | 50%                                                                      | -                                                    | (1,201)                     | Due to Share in LLP                                                             |                                                             |
| 10            | Ahmednagar Warehousing Developers & Builders LLP * | 30-Jun-15                         | -                                                                        | -            | -                 | -                   | 50%                                                                      | -                                                    | (1,088)                     | Due to Share in LLP                                                             |                                                             |
| 11            | Solapur Warehousing Developers & Builders LLP *    | 30-Jun-15                         | -                                                                        | -            | -                 | -                   | 50%                                                                      | -                                                    | (1,089)                     | Due to Share in LLP                                                             |                                                             |
| 12            | Latur Warehousing Developers & Builders LLP *      | 30-Jun-15                         | -                                                                        | -            | -                 | -                   | 50%                                                                      | -                                                    | (1,201)                     | Due to Share in LLP                                                             |                                                             |
| 13            | Aurangabad Warehousing Developers & Builders LLP * | 30-Jun-15                         | -                                                                        | -            | -                 | -                   | 50%                                                                      | -                                                    | (1,049)                     | Due to Share in LLP                                                             |                                                             |
| 14            | Lokhandwala D B Realty LLP                         | 31-Mar-16                         | -                                                                        | -            | -                 | 500,000             | 5%                                                                       | 5,423,533                                            | (62,066)                    | Due to Share in LLP                                                             |                                                             |
| 15            | Suraksha D B Realty                                | 31-Mar-16                         | -                                                                        | -            | -                 | 80,646,051          | 50%                                                                      | 77,626,484                                           | 101,867,676                 | Due to Indirect Share in Firm                                                   |                                                             |

Note A There are no Associates or Joint Ventures which have been sold or liquidated except for following:

(i) Veer Jijamata Realty LLP has been struck off in the records of ROC w.e.f. May 9, 2015.

(ii) \* The Company has ceased to be a partner in six LLPs w.e.f. July 1, 2015, since these LLPs had not carried on any business activity. The Company's share in loss of these LLPs amounts to ₹ 6,714 for the three months ended on June 30, 2015.

B There are no Associates and joint ventures which are yet to commence operations.

## NOTES

[illegible]

## PROXY FORM



### D B REALTY LIMITED

**CIN L70200MH2007PLC166818**

**Registered Office:** DB House, Gen.A.K.Vaidya Marg, Goregaon (East), Mumbai 400063

**Website:** www.dbrealty.co.in **Phone:** 91-22-4077 8600 **Fax:** 91-22-2841 5550/2842 1667

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the Member (s) :

Registered address :

E-mail id :

Folio No. / Client Id :

DP ID :

I / We, being the member(s) of \_\_\_\_\_ Equity Shares of D B REALTY LIMITED, hereby appoint

1. Name : \_\_\_\_\_

Address : \_\_\_\_\_

E-mail Id : \_\_\_\_\_

Signature : \_\_\_\_\_, or failing him / her

2. Name : \_\_\_\_\_

Address : \_\_\_\_\_

E-mail Id : \_\_\_\_\_

Signature : \_\_\_\_\_, or failing him / her

3. Name : \_\_\_\_\_

Address : \_\_\_\_\_

E-mail Id : \_\_\_\_\_

Signature : \_\_\_\_\_, or failing him / her

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the Tenth Annual General Meeting of the Company, to be held on Thursday, the 29th day of September, 2016 at 3.00 p.m. at Lakshdham High School Auditorium, Lakshdham High School, Gokuldham, Goregaon (East), Mumbai 400 063. or at any adjournment thereof, in respect of such resolutions set out in the AGM Notice convening the meeting, as are indicated overleaf.

Signed this \_\_\_\_\_ day of September, 2016

Signature of the Shareholder

Signature of Proxy holder(s)

Affix  
Revenue  
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting

| Resolution No | Subject matter of the Resolution                                                                                        | Optional |         |
|---------------|-------------------------------------------------------------------------------------------------------------------------|----------|---------|
|               |                                                                                                                         | For      | Against |
| 1.            | Adoption of financial statements                                                                                        |          |         |
| 2.            | Re-appointment of Mr. Shahid Balwa, who retires by rotation and, being eligible, offers himself for re-appointment      |          |         |
| 3.            | Re-appointment of Mr. Jayvardhan Goenka, who retires by rotation and, being eligible, offers himself for re-appointment |          |         |
| 4.            | Ratification of appointment of Statutory Auditors                                                                       |          |         |
| 5.            | Appointment of Cost Auditor                                                                                             |          |         |





Registered Office:

DB House, General A.K. Vaidya Marg,  
Goregaon East, Mumbai 400063.

Phone: (+91-22)- 40778600

Email: [investors@dbg.co.in](mailto:investors@dbg.co.in)

Website: [www.dbrealty.co.in](http://www.dbrealty.co.in)

## ATTENDANCE SLIP



### D B REALTY LIMITED

CIN L70200MH2007PLC166818

**Registered Office :** DB House, Gen. A.K.Vaidya Marg, Goregaon (East), Mumbai – 400 063.

**Website:** www.dbrealty.co.in; **Phone:** 91 22 40778600; **Email:** investors@dbg.co.in

Sr. No. \_\_\_\_\_

|                                        |  |
|----------------------------------------|--|
| Name and address of the shareholder(s) |  |
| Joint Holder 1                         |  |
| Joint Holder 2                         |  |
| Folio No. /DPID No. and Client ID No.  |  |
| Shares                                 |  |

I/We hereby record my/our presence at the **10<sup>th</sup> ANNUAL GENERAL MEETING** of the Company held on Thursday, the 29<sup>th</sup> day of September, 2016 at 3.00 p.m. at Lakshdham High School Auditorium, Lakshdham High School, Gokuldham, Goregaon (East), Mumbai 400 063.

Name of the Shareholder/Proxy \_\_\_\_\_

Folio No. /DP ID No. and Client ID No. of Shareholder \_\_\_\_\_

Address \_\_\_\_\_

No. of shares held \_\_\_\_\_

\_\_\_\_\_  
Signature of the Member / Authorised Representative / Proxy

Note: Please complete this Attendance Slip and hand it over at the entrance of the place of the meeting

#### ELECTRONIC VOTING PARTICULARS

| Electronic Voting Event Number<br>(EVEN) | User ID | Password |
|------------------------------------------|---------|----------|
| 105076                                   |         |          |

**Note:** Please read the instructions printed under the Note No. 21 & 22 to the Notice of 10<sup>th</sup> Annual General Meeting. The e-voting period commences on 26<sup>th</sup> September, 2016 (9:00 a.m. IST) and ends on 28<sup>th</sup> September, 2016 (5.00 p.m. IST). The voting module shall be disabled by NSDL for voting thereafter.