

Date: September 6, 2019

<b>The General Manager, Listing Department BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001</b>	<b>The Vice-President, Listing Department National Stock Exchange of India Limited "Exchange Plaza", Bandra – Kurla Complex, Bandra (E), Mumbai – 400 051</b>
Scrip Code : 533160	Scrip Symbol : DBREALTY
Fax No.: 022 – 2272 3121/ 2039	Fax No.: 022 – 26598237/38

Dear Sir,

**Sub: Compliance under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Pursuant to Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Annual Report for the Financial Year ended 31<sup>st</sup> March, 2019 *interalia* containing the Notice of the 13<sup>th</sup> Annual General Meeting of the Company to be held on Monday, 30<sup>th</sup> September, 2019 at 3.00 p.m. at Lakshdham High School Auditorium, Lakshdham High School, Gokuldham, Goregaon (East), Mumbai- 400 063, which have been sent to the members of the Company. The same are also available on the website of the Company on [www.dbrealty.co.in](http://www.dbrealty.co.in).

Kindly take the same on record.

Thanking You,

Yours faithfully,

For D B Realty Limited



Jignesh Shah  
Company Secretary



## Avinash Mane

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**From:** Denver D'souza /SECADM/L PAREL [denverd@cdslindia.com] on behalf of Green Initiative [GreenInitiative@cdslindia.com]  
**Sent:** Friday, September 06, 2019 6:13 PM  
**To:** 'Avinash Mane'; ""mailto:denverd@cdslindia.com""@mx.spamh.com; Green Initiative  
**Cc:** 'Jignesh Shah'; Ankit Bandivadekar /BD/L PAREL  
**Subject:** RE: Annual Report\_2018-19\_D B Realty Ltd.

Dear Sir ,

We have initiated the process of dipatch of the emails to shareholders

Thanks and Regards ,  
Denver D'souza ,  
Officer – Admission Cell  
Central Depository Services India Ltd.  
Marathon Futurex, 25<sup>TH</sup> Floor, N M Joshi Marg, Lower Parel ,  
Mumbai – 400 013  
Extension no : +91 022 2305 8715

# SHREE PROGRESSIVE SERVICE

AN ISO 9001 : 2008 CERTIFIED COMPANY

Email: progressivecourier1@gmail.com, samir@progressivecourier.com • Web: www.progressivecourier.com

Shop No.1, Ashapura Building, Nr. Jain Mandir Road No.2, Off. Nehru Road, Santacruz (E), Mumbai 400055 (M). 9320485308

Ref No. :

Date :

Date: 06/09/2019

To,  
D B Realty Ltd  
D B House,  
Opp.Dindoshi Bus Depo  
Gen. A K Vaidya Marg,  
Goregaon (E), Mumbai - 400063

## SUB.: Dispatch Certificate of Annual Report

### TO WHOM SO EVER IT MAY CONCERN

This is to certify that SHREE PROGRESSIVE COURIER SERVICE having its office at Shop No: 1, Ashapura Building, Nr. Jain Mandir Road No.2, Santacruz(E), Mumbai-400055 received (6009) Nos. of Annual Reports of the of D B Realty Ltd for dispatch through courier to the Shareholders of the Company.

The Total Quantity of (6009) Nos. of Annual Reportas stated above were duly processed and dispatched by us through courier on 06/09/2019

For **SHREE PROGRESSIVE COURIER SERVICE**

  
Samir Patel  
Proprietor



# ANNUAL REPORT 2019





# DEAR SHAREHOLDERS



Dear Shareholders,

It gives us immense pleasure to share with you the important developments at DB Realty in the year gone by 2019 has been a significant year for the Nation and the economy. A decisive mandate was handed to the incumbent government in the general elections, confirming a big win for reforms, growth and stability. In its first term, the government had brought in ground-breaking reforms, particularly in the real estate industry. Reforms like GST, Insolvency Code, RERA, and other similar initiatives have reinvigorated the real estate sector as well as the country's economy. Now that this government is back at the helm, we can expect stable governance and policy continuity in the next five years.

The 2018-19 fiscal brought in consolidation to the real estate sector, as the central government's transformative agenda of the previous few years started to take effect. The long-term impact of these regulatory measures look largely positive, leading to stronger administration, more transparency better compliance and a more level playing field. Moreover, the Maharashtra Government's sustained emphasis on developing infrastructure and improving connectivity has boosted the market and led to renewed optimism.

DB Realty's associate company Mahal Pictures Private Limited ("MPPL") has recently entered into an agreement with the Bengaluru-based real estate firm RMZ Corporation to transform Mumbai's six-decade old Kamalistan studio, also known as Kamal Amrohi Studio, into an office park. Pursuant to this understanding, MPPL, along with RMZ Corporation, will develop a part of the land into one of India's largest corporate office destination. Mumbai is starved of quality office spaces.

Another major development has been the launch of a residential project in Dahisar under the brand name "Aradhya High Park". It is one of the largest and most sought after residential developments in the heavily undersupplied micro-market of Dahisar. The project has raised the bar of quality and design in Dahisar, and its response has been unprecedented as a result, with over 400 units sold at launch. The project is a joint venture between one of the step-down subsidiary of your Company and ManVastucon LLP, a subsidiary of Man Infraconstruction Limited.

In the coming year, we are set to continue our journey with renewed determination and strive to set new benchmarks in urban living in Mumbai. With the Maharashtra government's Development Control and Promotion Regulations (DCPR) 2034 clearing the air on many sticky regulatory aspects with respect to real estate development in the city, construction is now in full swing on many of our projects, and we have embarked on the planning process for a number of our other land assets. In view of this, we expect to see increased sales volume in the next few years and therefore, deliver more shareholder value.

Sd/-  
VINOD GOENKA  
CHAIRMAN & MANAGING DIRECTOR

Sd/-  
SHAHID BALWA  
VICE CHAIRMAN & MANAGING DIRECTOR

# ABOUT US

DB Realty Limited, founded in 2007, has in a short span of time covered enormous ground, thereby establishing its place as a leading real estate developer in India. Our growth story and legacy will be built on a strong reputation of excellence in residential and commercial developments. This is why, even during these challenging times, we remain deeply committed to our mission of creating superior developments in each of our market segments, and fulfilling our promise to all of our stakeholders.

We have an expanding portfolio comprising about more than 100 million sq. ft of prime property scrupulously managed by renowned global real estate industry experts and professionals. We have successfully managed to serve a growing number of satisfied customers till date. Most of the projects are based in and around Mumbai, and are undergoing various stages of planning and construction.

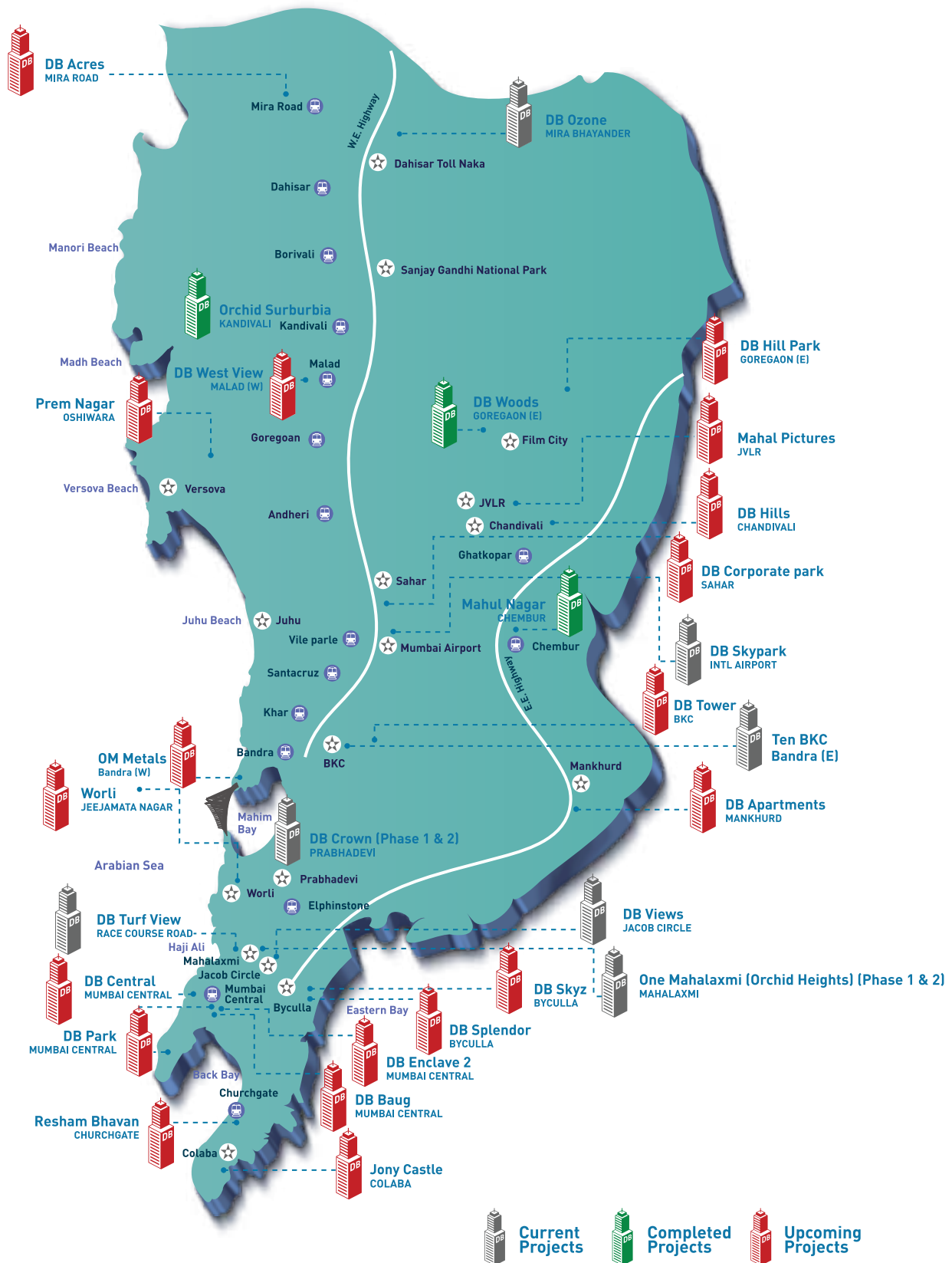
Widely accredited with redefining luxury living in Mumbai, DB Realty constantly seeks to design aesthetically striking residences, responding to changing needs and evolving lifestyles. Our residential projects include a wide range of condominiums compact flats and duplexes across North and South Mumbai, built in partnership with best contractors and architects.

With a notable and consistent track record of growth, customer satisfaction and innovation, DB Realty is known to execute challenging projects with efficiency, speed and confidence. And being backed by a highly experienced team of experts from diverse backgrounds only strengthens our ability to do so.

Going forward, DB Realty hopes to continue changing the landscape of Mumbai with growth and sustainability; it is committed to being environment friendly.

For more information on the company, please visit, [www.dbrealty.co.in](http://www.dbrealty.co.in)





\*This visual representation of the projects is not an advertisement and only for the purpose of information to the shareholders of the company as part of the Directors Report



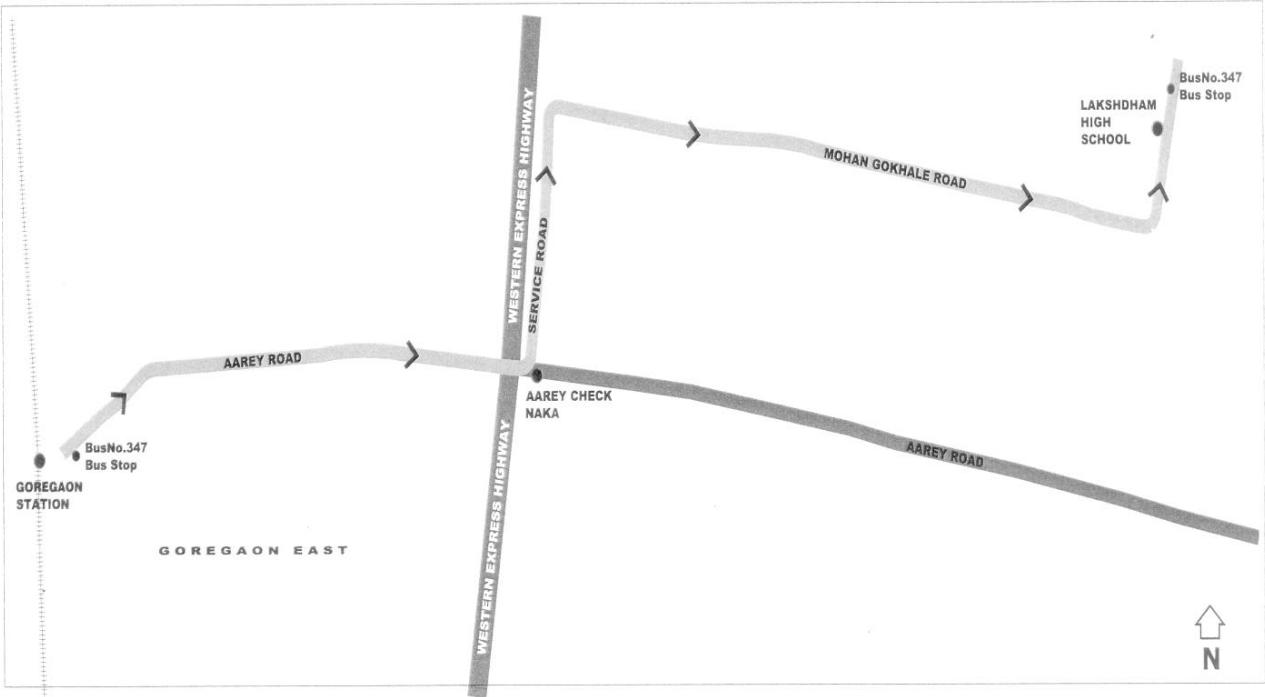
# PROJECTS REGISTERED UNDER MAHARERA

Sr. No.	Project Name & Phase	RERA Reg. No.
1	Ten BKC	P51800004889
2	One Mahalaxmi (Phase 1)	P51900005216
3	One Mahalaxmi (Phase 2)	P51900006299
4	DB Ozone	P51700003433
5	DB Turf View	P51900003617
6	DB Views	P51900004016
7	DB Skypark	P51800012155
8	DB Crown (Phase 1)	P51900003268
9	DB Crown (Phase 2)	P51900006367

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MAP SHOWING THE ROUTE TO THE VENUE OF AGM



## CORPORATE INFORMATION

### Board of Directors as on 31.03.2019

**Mr. Vinod Goenka**

(Chairman, Managing Director,  
Non-Independent Director)

Chief Financial Officer

**Mr. Asif Balwa**

**Mr. Shahid Balwa**

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

Chief Operating Officer

**Mr. Rajiv Agarwal**

**Mr. Jagat Killawala**

(Independent Director)

Company Secretary and Compliance Officer

**Mr. Jignesh Shah**

**Mr. N.M. Rafique**

(Independent Director)

Statutory Auditors

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

Chartered Accountants

**Ms. Sunita Goenka**

(Non-Independent Director)

General Counsel

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

Advocates & Solicitors

**Mr. Mahesh Gandhi**

(Independent Director upto 27.03.2019)

**Ms. Maryam Khan**

(Independent Director)

**Mr. Salim Balwa**

(Non-Independent Director)

**Registered Office:**

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

**Mr. Jayvardhan Goenka**

(Non-Independent Director upto 27.06.2019)

Tel: +91 22 4077 8600

Fax: +91 22 28422444

**Mr. Sundaram Rajagopal**

(Independent Director upto 27.05.2019)

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

CIN: L70200MH2007PLC166818

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### **CORPORATE INFORMATION**

#### **Board Committees as on 31.03.2019**

##### **Audit Committee:**

Mr. Jagat Killawala - Chairman (w.e.f. 29.03.2019)

Mr. Mahesh Gandhi - Chairman (upto 27.03.2019)

Mr. Shahid Balwa

Mr. N.M. Rafique

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

Mr. Vinod Goenka - Chairman

Mr. Mahesh Gandhi (upto 27.03.2019)

Mr. Jagat Killawala

Mr. N. M. Rafique (w.e.f. 29.03.2019)

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

Mr. Jagat Killawala - Chairman (w.e.f. 29.03.2019)

Mr. Mahesh Gandhi - Chairman (upto 27.03.2019)

Mr. N.M. Rafique

Ms. Maryam Khan (w.e.f. 29.03.2019)

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

Mr. N.M. Rafique - Chairman

Mr. Shahid Balwa

Mr. Jagat Killawala

##### **CSR Committee:**

Mr. Jagat Killawala - Chairman (w.e.f. 29.03.2019)

Mr. Mahesh Gandhi - Chairman (upto 27.03.2019)

Mr. Vinod K. Goenka (w.e.f. 27.06.2019)

Mr. N.M. Rafique

Mr. Jayvardhan Goenka (upto 27.06.2019)

## NOTICE

NOTICE is hereby given that the 13<sup>th</sup> Annual General Meeting of the Members of the Company will be held on Monday, the 30<sup>th</sup> September, 2019 at 3.00 pm at Lakshdham High School Auditorium, Lakshdham High School, Gokuldham, Goregaon (East), Mumbai - 400 063 to transact the following business:

### ORDINARY BUSINESS:

#### 1. Adoption of the Financial Statements and Report thereon:

To consider and adopt the audited financial statements (including audited consolidated financial statements) for the Financial Year ended March 31, 2019 and the Reports of the Directors and Auditors thereon and to pass the following resolutions as **Ordinary Resolutions**:

- (a) **“RESOLVED THAT** the audited financial statement of the Company for the financial year ended March 31, 2019 and the Reports of the Board of Directors and Auditors thereon laid before the meeting be and are hereby considered and adopted.”
- (b) **“RESOLVED THAT** the audited consolidated financial statement of the Company for the financial year ended March 31, 2019 and the Reports of the Auditors thereon laid before the meeting be and are hereby considered and adopted.”

#### 2. Appointment of Director in place of one retiring by rotation:

To appoint Ms. Sunita Goenka (DIN: 01010145), who retires by rotation and being eligible, offers herself for re-appointment as a Director and in this regard to pass the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Ms. Sunita Goenka (DIN: 01010145), who retires by rotation at this meeting and being eligible, has offered herself for re-appointment be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

#### 3. Retirement of Director by rotation

To resolve not to fill the vacancy caused by the retirement of Mr. Salim Balwa (DIN: 00017899) who retires by rotation at the conclusion of this meeting, but does not offer himself for reappointment and in this regard to pass the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** Mr. Salim Balwa (DIN:00017899), Non Executive Non Independent Director, who retires by rotation at the thirteenth Annual General Meeting, does not offer himself for re-appointment be not re-appointed as Director of the Company and the vacancy so caused on the Board of the Company be not filled up.”

### SPECIAL BUSINESS:

#### 4. To consider and, if thought fit, approve with or without modification(s) the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to Section 14 and other applicable provisions, if any of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the draft regulations contained in the Articles of Association be and are hereby approved and adopted in substitution and to the entire exclusion of the regulations contained in the existing Articles of Association of the Company and the same be approved and adopted as the new Articles of Association of the Company.”

**RESOLVED FURTHER THAT** the Board of Directors and/or the Company Secretary be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

#### 5. To consider and if thought fit, to pass with or without modification(s) the following resolutions as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and Rules made thereunder, read with Schedule IV of the said Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) (including any statutory modification(s) or re-enactment thereof for time being in force, Mr. Jagat Killawala (DIN: 00262857), Independent Director of the Company, who has submitted a declaration that he meets the criteria of Independence as provided in the Act and Listing Regulations, and who is eligible for re-appointment and in respect of whom based on his evaluation of performance, the Nomination and Remuneration Committee has recommended his re-appointment to the Board, be and is hereby re-appointed as an Independent Director of the Company to hold office for second term of 5 consecutive years commencing from 27<sup>th</sup> September, 2019 to 26<sup>th</sup> September, 2024.”

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6. To consider and if thought fit, to pass with or without modification(s) the following resolutions as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and Rules made thereunder, read with Schedule IV of the said Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) (including any statutory modification(s) or re-enactment thereof for time being in force, Mr. Nasir Mahmud Rafique (DIN: 01623598), Independent Director of the Company, who has submitted a declaration that he meets the criteria of Independence as provided in the Act and Listing Regulations, and who is eligible for re-appointment and in respect of whom based on his evaluation of performance, the Nomination and Remuneration Committee has recommended his re-appointment to the Board, be and is hereby re-appointed as an Independent Director of the Company to hold office for second term of 5 consecutive years commencing from 27<sup>th</sup> September, 2019 to 26<sup>th</sup> September, 2024.”

By Order of the Board  
For **D B Realty Limited**

**Jignesh Shah**  
**Company Secretary**  
(Membership No:A19129)

13<sup>th</sup> August, 2019

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

Web Site: 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 business to be transacted at the meeting, is hereto annexed.
3. The particulars of Ms. Sunita Goenka, Mr. Jagat Killawala and Mr. Nasir Mahmud Rafique proposed to be appointed / re-appointed as required under Regulation 36(3) of the SEBI (Listing Obligation & Disclosure Requirement) Regulation, 2015 and Secretarial Standard 2 are 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.
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 21<sup>st</sup> September, 2019 to 30<sup>th</sup> September, 2019 (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



Registered 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 are requested to submit a self attested copy of their Permanent Account Number (PAN) card and Original Cancelled Cheque leaf / attested bank passbook showing name of the account holder to the Company / Registrar and Transfer Agent, as mandated by the Securities and Exchange Board of India (SEBI) vide circular no. SEBI/HO/ MIRSD/DOP1/CIR/P/2018/73 dated 20<sup>th</sup> April, 2018.

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. SEBI has decided that securities of listed companies can be transferred only in dematerialised form with effect from 1<sup>st</sup> April, 2019. In view of the above and to avail the benefits of dematerialisation and ease portfolio management, members are requested to consider dematerialised shares held by them in physical form. Members can contact the Company or RTA for assistance in this regard.
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 unclaimed shares suspense account are as under:

Particulars	No of Shareholders	No of Shares
Outstanding Shares as on 1 <sup>st</sup> April, 2018	7	294
Investors who have approached the Company / Registrar and Share Transfer Agent for transfer of shares to their demat account	-	-
Investors to whom shares were transferred from the unclaimed account	-	-
Outstanding Shares in the unclaimed Suspense account as on March 31, 2019	7	294

17. The route map showing directions to reach the venue of the Thirteenth AGM is annexed.
18. 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.
19. Mr. Vicky Kundaliya, Practicing Company Secretary (FCS-7716 & COP-10989) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
20. 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 Central Depository Services (India) Limited (CDSL). The members may cast their votes using the electronic voting system from a place other than the venue of the meeting ("remote e-voting").

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### 21. A. The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 27<sup>th</sup> September, 2019 (9.00 AM IST) and ends on 29<sup>th</sup> September, 2019 (5.00 PM IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23<sup>rd</sup> September, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"><li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.</li></ul>
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"><li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li></ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for D B Realty Limited on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Apple and Windows phone. Please follow the instructions as prompted by the mobile app while voting on your mobile.**

(xix) **Note for Non-Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same, and also e-mailed to the scrutinizer at e-mail id : [vickyscrutinizer@gmail.com](mailto:vickyscrutinizer@gmail.com)

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**B. Other Information / Instructions**

- i) 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).
- ii) The voting rights of shareholders shall be in proportion to their member of shares in the paid up equity share capital of the Company as on 23<sup>rd</sup> September, 2019 as per the Register of Members of the Company.
- iii) 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 “Polling Paper” for all those members who are present at the AGM but have not cast their votes by availing the e-voting facility.
- iv) The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and within a period of three working days from the date of conclusion of e-voting period 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 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.
- v) 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 CDSL [www.evotingindia.com](http://www.evotingindia.com) within two days of the passing of the resolutions at the Thirteenth AGM of the Company on 30<sup>th</sup> September, 2019 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.4**

The present Articles of Association (“AOA”) of the Company were based on the Companies Act, 1956 and several regulations in the existing AOA of the Company contain references to specific sections of the Companies Act, 1956 and some of the regulations in the existing AOA are no longer in conformity with the Companies Act, 2013. Considering the vast number of alterations required to be done, it is considered expedient to replace the existing AOA by a new set of AOA.

The new AOA to be substituted in place of the existing AOA, inter alia, incorporates various provisions of the Companies Act, 2013 and also carries forward certain provisions from the existing AOA suitably rephrased and which are not in conflict with the provisions of the Companies Act, 2013.

The proposed new draft AOA of the Company is being uploaded on the Company’s website for perusal by the members. It is also available for inspection by members at the Registered Office of the Company during business hours between 11.00 a.m. to 1.00 p.m. except on holidays, upto the date of Annual General Meeting.

Your Directors recommend the resolution set out at Item no.4 to be passed as a Special resolution by the members.

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.

## **D B REALTY LIMITED**

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### **Item No. 5 & 6**

As per Section 149(10) of the Act, an Independent Director shall hold office for a term of upto 5 (five) consecutive years on the Board of a Company but shall be eligible for re-appointment on passing a special resolution by the Company for another term upto 5 (five) consecutive years on the Board of a Company.

The Members of the Company had at the Annual General Meeting held on 27<sup>th</sup> September, 2014 approved the appointment of Mr. Jagat Killawala and Mr. Nasir Mahmud Rafique for a period of 5 years commencing from 27<sup>th</sup> September, 2014 till 26<sup>th</sup> September, 2019.

Based on their performance evaluation and recommendation of Nomination and Remuneration Committee and in terms of the provisions of Section 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and Rules made thereunder, read with Schedule IV and all other applicable provisions of the Act and the Listing Regulations, Mr. Jagat Killawala and Mr. Nasir Mahmud Rafique are eligible for re-appointment as Independent Directors and had offered themselves for re-appointment. The Board of Directors recommends the proposal to re-appoint them as Independent Directors for another term of 5 years.

The Company has received notice under Section 160 of the Companies Act, 2013 from Mr. Jagat Killawala and Mr. Nasir Mahmud Rafique signifying their candidature as an Independent Director of the Company. The Company has also received a declaration of Independence from them.

In the opinion of the Board, Independent Directors fulfill the conditions under the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the Listing Regulations for re-appointment as an Independent Director of the Company and are independent of the management. A copy of the draft Letter of Appointment is available for inspection at the Registered Office of the Company during business hours on any working day. The Board considers that association of the Independent Directors would be of immense benefit to the Company considering their expertise and experience and it is desirable to avail services of these Independent Director.

A brief profile of Independent Directors is provided on page nos 14 & 15 of this Annual Report.

None of the Independent Directors hold by himself or for any other person on a beneficial basis, any shares in the Company. None of the Directors who are proposed to be re-appointed is related to any Director or Key Managerial Personnel of the Company or their relatives.

The Explanatory Statement together with the accompanying Notice of the AGM may also be regarded as disclosure under Regulation 36(3) of the Listing Regulations and Secretarial Standards on General Meetings (SS-2) of ICSI.

The Board recommends the Special Resolution set out at Item No. 5 & 6 for the approval of members.

By Order of the Board  
For **D B Realty Limited**

**Jignesh Shah**  
**Company Secretary**  
**(Membership No:A19129)**

13<sup>th</sup> August, 2019

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

Web Site: www.dbrealty.co.in

## Annexure/ Profile:

### Details of Directors retiring by rotation / proposed for re-appointment at the forthcoming Annual General Meeting

#### 1. Ms. Sunita Goenka

Date of Birth	28.01.1962
Age	57 years
Date of appointment on the Board	30.03.2015
Qualification	Graduate
Expertise in specific functional areas	Construction / Operation
Terms and conditions of appointment	A Non- Executive Director of the Company and liable to retire by rotation.
Remuneration sought to be paid	Nil (other than Sitting Fees)
Remuneration last drawn	Nil (Except Sitting Fees)
Brief Biography	Ms. Sunita Goenka, is a Non Executive & Non -Independent Director of our Company. She has been on the Board of our Company since 30 <sup>th</sup> March, 2015. She hails from promoter family and is the sister of Mr. Vinod K. Goenka. She has more than decades of experience in Management of Educational institutions and also construction industry in the family business. She is in charge of construction/operation of the family business of Dynamix Group.
List of other Companies in which she holds Directorship as on 31.03.2019	<ol style="list-style-type: none"> <li>1. Sahapur Plantations and Orchard Private Limited</li> <li>2. Modern Hi-tech Developers Private Limited</li> <li>3. Maldunge Farming and Agro Produce Private Limited</li> <li>4. Maldunge Retreat and Farming Private Limited</li> <li>5. Sahyadri Agro and Dairy Private Limited</li> <li>6. Densewood Private Limited</li> <li>7. Aniline Construction Company Private Limited</li> <li>8. The Crescent Iron and Steel Corporation Limited</li> <li>9. Kalpataru Plaza Private Limited</li> <li>10. Goan Real Estate and Construction Private Limited</li> <li>11. Hillside Constructions Company Private Limited</li> <li>12. Consort Hotels Private Limited</li> <li>13. Dynamix Clubs and Resorts Private Limited</li> <li>14. Excon Developers Private Limited</li> <li>15. Hiracon Properties Private Limited</li> <li>16. Astalakshmi Financial and Investment Services Private Limited</li> <li>17. Conwood Agencies Private Limited</li> <li>18. Schreiber Dynamix Dairies Private Limited</li> </ol>
Chairperson/ member of Committees of the Board of the other companies in which she is a Director (as on 31.03.2019)	Not Applicable
No. of Meetings attended during FY 2018-19	4
Relationship with other Director/s, Manager and Key Managerial Personnel	Ms. Sunita Goenka is sister of Mr. Vinod Goenka, Managing Director of the Company (Promoter Group)
Equity Shares held in the Company (as on 31.03.2019)	Nil

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### 2. Mr. Jagat Killawala

Date of Birth	07.05.1961
Age	58 years
Date of appointment on the Board	17.05.2011
Qualification	GCD Diploma in Business Management
Expertise in specific functional areas	Switching Technology and Techniques and Extensive experience in different fields of Telecom.
Terms and conditions of appointment	A Non-Executive Independent Director of the Company, and not liable to retire by rotation.
Remuneration sought to be paid	Nil (other than Sitting Fees)
Remuneration last drawn	Nil (Except Sitting Fees)
Brief Biography	Mr. Jagat Killawala aged 58 years is a Non Executive Independent Director of our Company and has been on the Board since 17 <sup>th</sup> May, 2011. He is an industrialist and has been engaged in the business of manufacture of electrical switches, Step lights for theatre applications and LED Products for Lighting applications. He has been a Premium distributor for Vimar Spa of Italy, for Modular Switches and accessories, Ili Luce, Italy and Advance Fibre Optics for Fiber Optic Lighting etc for Mundocolor Spain for Theatre Lighting and a Government Contractor & Railway Contractor in Signal & Telecom Dept.
List of other Companies in which he holds Directorship as on 31.03.2019	1. Yogi Cotex Private Limited 2. Chandreshwar Textile Private Limited 3. Shri Krishnashray (India) Private Limited 4. Real Gem Buildtech Private Limited 5. Spacecon Realty Private Limited 6. DB Man Realty Limited 7. Jash Buildtech Private Limited 8. Esteem Properties Private Limited 9. The All India Plastics Manufactures Association
Chairman/ member of Committees of the Board of the other companies in which he is a Director (as on 31.03.2019)	<b><u>Member of the Audit Committee of the following Companies</u></b> 1. Esteem Properties Private Limited 2. Real Gem Buildtech Private Limited 3. Spacecon Realty Private Limited 4. DB Man Realty Limited <b><u>Member of the Nomination and Remuneration Committee of the following Companies</u></b> 1. Esteem Properties Private Limited 2. Real Gem Buildtech Private Limited 3. Spacecon Realty Private Limited 4. DB Man Realty Limited
No. of Meetings attended during FY 2018-19	3
Relationship with other Director/s, Manager and Key Managerial Personnel	Not related to any Director / Key Managerial Personnel.
Equity Shares held in the Company (as on 31.03.2019)	Nil

### 3. Mr. Nasir Mahmud Rafique

Date of Birth	12.12.1949
Age	69 years
Date of appointment on the Board	17.05.2011
Qualification	Engineering Hotel Management
Expertise in specific functional areas	Consultancy and Advisory services in the field of Education and Hospitality Sector.
Terms and conditions of appointment	A Non-Executive Independent Director of the Company, and not liable to retire by rotation.
Remuneration sought to be paid	Nil (other than Sitting Fees)
Remuneration last drawn	Nil (Except Sitting Fees)
Brief Biography	Mr. Nasir M Rafique aged 69 years is a Non Executive Independent Director of our Company and has been on the Board since 17 <sup>th</sup> May, 2011. He has completed Engineering from IIT, Kanpur / AMU and Hotel Management from IHM, PUSA, New Delhi. He is Freelance Consultant from 2005 onwards and CEO of N.M. Balwa High School BK. He has worked as Advisor to Dadabhai Group, Baharin (1998-2005) and as Principal of IHMA (1974-1998).
List of other Companies in which he holds Directorship as on 31.03.2019	1. Real Gem Buildtech Private Limited 2. Spacecon Realty Private Limited 3. DB Man Realty Limited 4. Neelkamal Realtors Suburban Private Limited 5. Esteem Properties Private Limited
Chairman/ member of Committees of the Board of the other companies in which he is a Director (as on 31.03.2019)	<b><u>Member of the Audit Committee of the following Companies</u></b> 1. Esteem Properties Private Limited 2. Real Gem Buildtech Private Limited 3. Spacecon Realty Private Limited 4. DB Man Realty Limited 5. Neelkamal Realtors Suburban Private Limited <b><u>Member of the Nomination and Remuneration Committee of the following Companies</u></b> 1. Esteem Properties Private Limited 2. Real Gem Buildtech Private Limited 3. Spacecon Realty Private Limited 4. DB Man Realty Limited
No. of Meetings attended during FY 2018-19	4
Relationship with other Director/s, Manager and Key Managerial Personnel	Not related to any Director / Key Managerial Personnel
Equity Shares held in the Company (as on 31.03.2019)	Nil



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## DIRECTORS' REPORT

To

The Members

D B REALTY LIMITED

Your Directors have pleasure in presenting the 13<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, 2019.

Rs. In Lacs

Particulars	Standalone		Consolidated	
	F.Y.2018-19	F.Y.2017-18	F.Y.2018-19	F.Y.2017-18
Revenue from Operations	418.69	405.28	36,521.04	11,986.16
Other Income	5,366.53	12,321.62	9,545.96	16,808.93
<b>Total Income</b>	<b>5,785.22</b>	<b>12,726.90</b>	<b>46,067.00</b>	<b>28,795.09</b>
<b>Expenses</b>				
Operating Expenses	8731.36	17,909.35	45583.64	43,567.15
Deprecation and Amortization	120.41	395.93	190.87	588.63
<b>Total Expenses</b>	<b>8,851.77</b>	<b>18,305.28</b>	<b>45,774.51</b>	<b>44,155.78</b>
Profit Before Finance Cost and Tax	(3,066.55)	(5,578.38)	292.49	(15,360.69)
Finance Cost	8,589.02	4,428.69	16,030.25	11,902.30
<b>Profit/ Loss before extraordinary items and tax</b>	<b>(11,655.57)</b>	<b>(10,007.07)</b>	<b>(15,737.76)</b>	<b>(27,262.99)</b>
Exceptional Items	-	-	12900.00	-
<b>Profit/ Loss after extraordinary items and tax</b>	<b>(11,655.57)</b>	<b>(10,007.07)</b>	<b>(28,637.76)</b>	<b>(27,262.99)</b>
Share of Profit/ (Loss) from associates and joint ventures	-	-	(2,242.30)	(1,667.42)
<b>Profit Before Tax (PBT)</b>	<b>(11,655.57)</b>	<b>(10,007.07)</b>	<b>(30,880.06)</b>	<b>(28,930.41)</b>
Tax Expense	394.4	(2,209.05)	(4913.81)	(1166.30)
<b>Profit after Tax (PAT)</b>	<b>(12,049.98)</b>	<b>(7,798.02)</b>	<b>(25,966.25)</b>	<b>(30,096.73)</b>
Other Comprehensive Income	2445.36	(191.05)	2617.02	(1,605.86)
<b>Total Comprehensive Income/ Loss for the year</b>	<b>(9,604.62)</b>	<b>(7,989.07)</b>	<b>(23,349.24)</b>	<b>(31,702.58)</b>

### Status of Projects of the Company / its Subsidiaries

"DB Ozone" at Dahisar is a large residential project comprising of 25 residential buildings. The company, Neelkamal Realtors Suburban Private Limited., a subsidiary of the Company, is executing the Project, and has initiated fit out handover process for 9 buildings out of the total 25 residential towers of the project. The project is registered under RERA.

"One Mahalaxmi" at Mahalaxmi 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 project offers quick access to any part of the city. The work on the project has been revived. The work of Rehab Tower 1 is completed and Company is expecting Occupation Certificate for the same. During the year, the Sale tower A was launched with the name "OPUS" and slab has been casted upto 14<sup>th</sup> level. On approval front, Company has received revised IOD upto 54<sup>th</sup> floor and 10<sup>th</sup> floor for Tower A and B respectively.

"X BKC" at Bandra is having strategic location near Bandra Kurla Complex. The project is spread over 5 acres of land, one of largest integrated residential complex in upscale Bandra east in Mumbai Suburbs. The company, MIG (Bandra) Realtors and Builders Private Limited, a wholly owned subsidiary of the Company is executing the project in a joint venture with Radius Group. The company has received additional FSI approval letter from MHADA during the year and has also obtained revised IOD for the project. The construction work of the said project is in full swing and the project is being developed in 3 wings as per plans.

"DB Crown" at Prabhadevi was developed by one of the wholly owned subsidiary of the Company viz, Real Gem Buildtech Private Limited. Real Gem has arrived at an arrangement with Kingmaker Developers Private Limited, a Group company of Rustomjee (a subsidiary of Keystone Realtors Private Limited) for the development management of Real Estate Project and had also filed an application under NCLT for complete transfer of the project to Kingmaker during the year. The project work has been reinstated by Kingmaker and the project has been renamed is now known as "Rustomjee Crown".

"DB Skypark" is situated at the centre of the hospitality district of Mumbai, a 5-minute drive away from the Mumbai International Airport. DB Skypark makes for a highly coveted address. The 2, 3 and 4 BHK flats are designed to offer first-class comforts along with an array of common amenities, including a swimming pool, manicured gardens and a coffee lounge. The project is being developed in through a joint venture on approx. 1.5 acres of land with 6 residential wings. The project also includes rehabilitation of tenants at site for which second rehab tower is completed and Occupation Certificate is awaited from SRA.

One of its Step-down subsidiaries namely Horizontal Realty & Aviation Pvt. Ltd. is engaged in the business of real estate development. The Company has granted development rights of its land along with other co-owners to Man Vastucon LLP. As per the terms and conditions of the Agreements, the company is entitled to share the revenue from sale of units forming part of the project being developed and constructed by Man Vastucon LLP. Man Vastucon LLP has launched the project under the brand name "Aaradhya High Park" during the year and the step down subsidiary has recognized revenue to the extent of its share upon the amounts as received from the Man Vastucon customers.

The Turf View, DB Views and Enclave II projects in Mumbai are awaiting certain approvals, which will offer substantial revenue in future.

Further, Project in another company viz. Marine Drive Hospitality & Realty Private Limited (MDHRPL) wherein Company has considerable investments and developing a residential tower had tie up with a reputed partner and commenced work at site. Also, revised plans were approved from competent statutory authority during the year of the project.

#### **Status of 2G Spectrum case**

It was informed in the Annual Report of the previous year and as explained in detail in Note no. 46A(iii) of the Standalone Financial Statements for the current year that in the matter of 2G spectrum allocation case pertaining to grant of 2G License acquitting Mr. Vinod Goenka and Mr. Shahid Balwa, Managing Directors and Key Managerial Personnels of your Company from all allegations, the Order was passed by the Hon'ble CBI Special Court on 21<sup>st</sup> December, 2017. In other matter of complaint filed by Directorate of Enforcement before the same Hon'ble CBI Special Court in connection with Prevention of Money Laundering case relating to 2G Spectrum case against both the Managing Directors of the Company, Senior Official / a member of the Promoters Group and the Company, the Hon'ble CBI Special Court has passed the Order on 21<sup>st</sup> December, 2017 acquitting all the parties.

Further, in PMLA Case, the Special Court has also given Order for release of properties attached by the Directorate of Enforcement including of the Firm - "after the period of appeal is over". Against the said Orders, CBI as well as the Directorate of Enforcement have filed Criminal Leave Petitions before the Hon' Delhi High Court which are pending for admission Further, the Directorate of Enforcement has also filed petition for stay against Order of release of the attached properties for which "status-quo" has been granted by Hon' Delhi High Court vide Order dated 21<sup>st</sup> March, 2018. The next hearing date is fixed for 24<sup>th</sup> October, 2019.

#### **Scheme of Arrangement by a wholly owned subsidiary**

The Wholly Owned Subsidiary company of the Company i.e. Real Gem Buildtech Private Limited ("WOS / RGBPL") has filed the Scheme of Arrangement ("Scheme") with National Company Law Tribunal, Mumbai Bench on 29<sup>th</sup> March, 2019 for transferring right, title and interest including all receivables and all obligations/liabilities of the Project "DB Crown" (now known as "Rustomjee Crown" hereinafter referred to as "Project"/ "Project Undertaking") situated at Gokhale Road (South), Prabhadevi, Mumbai-400 025 by way of slump sale to Kingmaker Developers Private Limited ("KDPL"), a company of Rustomjee Group in accordance with the provisions as contained in the Scheme subject to all requisite regulatory and other approvals and sanction by the National Company Law Tribunal, Mumbai Bench

#### **Dividend**

In the absence of profits, your Directors do not recommend dividend for the current year under review.

#### **Subsidiaries, Associate companies and Joint ventures**

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 in accordance with the provisions of the Companies Act, 2013, applicable Ind AS and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and include the financial information of its subsidiaries/associates and joint venture entities / partnership firms in which your Company holds stake. The audited financial statements of the subsidiary companies will 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 in Form AOC-1 is attached to the 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 Secretarial 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. Ms. Sunita Goenka (DIN:01010145) retires by rotation at the forthcoming Annual General Meeting and being eligible, offer herself for reappointment.

Mr. Salim Balwa (DIN 00017899) will retire by rotation at the ensuing Annual General Meeting of the Company in accordance with the provisions of Section 152 of the Companies Act, 2013. Mr. Salim Balwa, who is eligible for re-appointment, has conveyed that he does not intend to seek re-appointment and will retire upon completion of his current term at the ensuing Annual General Meeting. The Board placed on record its appreciation for the valuable services rendered by Mr. Salim Balwa.

##### **2. Appointment of Independent Director**

Ms. Maryam Khan (DIN: 01263348) was appointed as Additional Independent Director with effect from 14<sup>th</sup> August, 2018 and was appointed as an Independent Director on approval of the shareholders in the Annual General Meeting held on 29<sup>th</sup> September, 2018 for a term of five years till 13<sup>th</sup> August, 2023 commencing from 14<sup>th</sup> August, 2018.

## **D B REALTY LIMITED**

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### **3. Re-appointment of Independent Directors**

In terms of the requirements of the Companies Act, 2013, the Independent Directors of the Company were appointed for a period of five years on 27<sup>th</sup> September, 2014. Such term of appointment of the Independent Directors shall come to an end on 26<sup>th</sup> September, 2019. In view of the same, the Board of Directors on the basis of recommendation of the Nomination and Remuneration Committee proposed to re-appoint Mr. Jagat Killawala and Mr. Nasir Mahmud Rafique as the Independent Directors of the Company for a second term. A resolution proposing re-appointment of Independent Directors of the Company for the second term pursuant to Section 149(6) of the Companies Act, 2013 forms part of the Notice of Annual General Meeting.

### **4. Resignation of Independent Directors**

Mr. Devender K. Vasal, Independent Director (DIN:06858991) of the Company has resigned from the office of Director with effect from 18<sup>th</sup> June, 2018 due to his personal reason.

Mr. Mahesh Gandhi, Independent Director (DIN:00165638) of the Company has resigned from the office of the Director with effect from 27<sup>th</sup> March, 2019 due to his personal business commitments. Consequent upon resignation of Mr. Mahesh Gandhi as an Independent Director, he has also ceased to be member of the Finance & Investment Committee and the Chairman of Audit Committee, Nomination & Remuneration Committee and CSR Committee.

Mr. Sundaram Rajagopal, Independent Director (DIN: 01951392) of the Company has resigned from the office of the Director with effect from 27<sup>th</sup> May, 2019 due to his professional obligations.

The Board places on record its appreciation for the valuable services rendered by Mr. Devender Vasal, Mr. Mahesh Gandhi and Mr. Sundaram Rajagopal during their tenure as Independent Directors of the Company.

### **5. 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.

### **6. Key Managerial Personnel**

Mr. Vinod Goenka, Chairman and Managing Director and Mr. Shahid Balwa, Vice Chairman and Managing Director, Mr. Asif Balwa, Chief Financial Officer and Mr. Jignesh Shah, Company Secretary of the Company are Key Managerial Personnels as per the provisions 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, Committees 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/transactions as specified in Section 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 Personnels 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 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 Transaction and also on dealing with Related Party Transaction 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/pdf/DBRL\\_Policy%20of%20Related%20Party%20Transaction.pdf](http://www.dbrealty.co.in/pdf/DBRL_Policy%20of%20Related%20Party%20Transaction.pdf)

### **Statutory Auditors**

The members, at the 10<sup>th</sup> Annual General Meeting held on 29<sup>th</sup> September, 2016, appointed M/s. Haribhakti & Co.LLP, Chartered Accountants, (Firm Registration No. 103523W) as the Statutory Auditors of the Company, to hold office for a term of five years from the conclusion of the 10<sup>th</sup> Annual General Meeting (AGM) of the Company until the conclusion of 15<sup>th</sup> AGM of the Company on such remuneration as may be determined by the Board of Directors.

### **Auditors' Report and Audit Observation**

The Statutory Auditors have (without qualifying) made observations under the headings 'Emphasis of matter' and 'Other Matters' in their reports on the Standalone Financial Statements and Consolidated Financial Statements, respectively, which together with the relevant Notes are self explanatory and do not call for further information/clarification.

### **Qualification by Auditors and our comments thereon**

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

1. Para 2(a) of the Audit Report on the Standalone Financial Statements (SFS) and Consolidated Financial Statements (CFS) read with Note Nos.57 and 56 of SFS and CFS, respectively, refer to Financial Guarantees issued by the Company to banks / financial institutions on behalf of various entities including Subsidiaries, Joint Ventures and other entities, which have not been re-measured, at fair value. Your Directors state that these financial guarantees were issued in terms of the sanction letters by banks/financial institutions which generally also prohibited the Company to charge any commission on giving such guarantees and hence in compliance with the terms of the sanction letters/loan documents, no commission was charged on such financial guarantees which were provided as collateral securities. The notes referred to in the Report are self explanatory.
2. Para 2(b) of the Audit Report on the SFS and CFS read with Note Nos. 51 and 62 of SFS and CFS, respectively, refer to evaluation of provision for impairment for credit losses in the case of loans and advances to certain subsidiaries and related parties, which have incurred losses and have negative net worth. Your Directors state that the Company has economic interests in these entities which are at different stages of execution of the Projects where revenue recognition has not started and the Company is confident of recovering the same. Such loans and advances are towards the costs to be incurred / being incurred by these entities for their projects and to facilitate proper execution and will be repaid and / or recovered in due course. The notes referred to in the Report are self explanatory.
3. Para 2(c) and Para 2(d) of the Audit Report on the SFS and CFS, respectively, read with Note No. 2(B)(i)(d) of SFS and CFS refer the Company has measured its investments in equity instruments of one of its subsidiary company at fair value through other comprehensive income which the Management has not considered as a subsidiary. Your Directors state that the said entity is not within its control, as it is managed by its own Board of Directors and the Company has not nominated any director on the Board of the said entity. Further, the investments by the Company in this entity are not just in equity shares but the same is in the form of different preference shares having maturity terms in future and the Company together with one of its wholly owned subsidiary company hold around 17.58% of current total paid-up share capital in the said entity. Hence control does not vest in the Company through its investment or otherwise and not required to be consolidated. Therefore, the management is of the opinion that the Company has rightly measured its investments in equity instruments of the said entity at fair value instead of measuring it at cost and has given accounting treatments accordingly. The notes referred to in the Report are self explanatory.
4. Para 2(c) of the Audit Report on CFS read with Note No. 2(B)(i)(d) refer to non consolidation by the Company of another company and its subsidiaries/associates etc, on the basis of control assumed to be exercised by your Company on the same under the applicable Ind AS 110. As mentioned in detail in above point no. 3, your Directors again state that the said company is not under the control of your Company and hence your Directors are of the opinion that this is not required to be consolidated. The same is also detailed in Note 2(B)(i)(d) in Significant Accounting Judgements, Estimates and Assumptions. The note referred to in the Report is self explanatory.
5. Para 2(e) of the Audit Report on CFS read with Note 4.1 regarding non impairment of goodwill created for one of the subsidiary company. As stated in the said note, your Directors again state that during the year, the said subsidiary company which is wholly owned by the Company ("WOS") has filed a Scheme with NCLT whereby it has proposed to transfer its all the assets and liabilities pertaining to Identified Project Undertaking, being "DB Crown" Project, on going concern basis as Slump Sale to Kingmaker Developers Private Limited (KDPL) for a consideration of Rs. 10 lakh. Additionally, as mentioned in the scheme, upon achieving certain milestones to be mutually agreed between said WOS and KDPL, said WOS shall be entitled to receive the such realization / sale proceeds of the Project Undertaking as Contingent consideration from KDPL. The Management is hopeful that the said Project Undertaking will be able to achieve those milestones and above Contingent consideration will accrue to the said WOS. Accordingly, no provision of impairment of goodwill is considered necessary by the Company. The note referred to in the Report is self explanatory.

### **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 2018-19. The Company has provided all assistance and facilities to the Secretarial Auditor for conducting their audit. The Report of Secretarial Auditor for the FY 2018-19 is annexed to this report (Annexure E).

The said report does not contain any qualifications or adverse marks except that the composition of the Board and its Committees is not as per the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 due to disqualification of one of the Independent Directors pursuant to first proviso of Section 167(1)(a) of the Companies Act, 2013. Your Directors have to state that the said Director has tendered his resignation w.e.f. 27<sup>th</sup> March, 2019 and the Board has re-constituted its Committees on 29<sup>th</sup> March, 2019 and thus the Company has complied with the Act and Listing Regulations.

### **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 observation has been received from the Statutory Auditors and the Internal Auditors of the Company on the inefficiency or inadequacy of such controls and the Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate.

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## **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 to the Directors 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 employee/Director of the Company 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 [http://www.dbrealty.co.in/pdf/Whistler\\_Blower.pdf](http://www.dbrealty.co.in/pdf/Whistler_Blower.pdf)

## **Fraud Reporting**

During the year under review, no instances of fraud were reported by the Statutory Auditors and Secretarial Auditors of the Company.

## **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.

However, during the financial year under review, in view of the average losses in the last three financial years, the provisions set out under Section 135 of the Companies Act, 2013 read with rules made thereunder were not attracted. Hence, the compliances to the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, are not required.

## **Extract of the Annual Return**

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of the annual return for the financial year ended March 31, 2019 in MGT 9 is attached as (Annexure A) to this report. The same is available on [www.dbrealty.co.in](http://www.dbrealty.co.in) under the section "Investors".

## **Number of Board Meetings during 2018-19**

The Board met Four (4) times during the financial year 2018-19 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, 2019, 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, 2019 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.

## **Familiarization Programs for Independent Directors**

The various programs undertaken for familiarizing Independent Directors with the functions and procedures of the Company are disclosed in the Corporate Governance Report, which forms part of this Annual Report.

## **Committees of the Board**

The Company has five (5) Committees of the Board which have been established as a part of the best corporate governance practices and are in compliance with the requirements of the relevant provisions of applicable laws and statutes. The Company has following Committees of the Board:

1. Audit Committee
2. Corporate Social Responsibility Committee
3. Nomination and Remuneration Committee

4. Finance and Investment Committee
5. Stakeholders Relationship Committee

On account of resignation of Mr. Mahesh Gandhi, Independent Director of the Company w.e.f March 27, 2019, the Board of Directors of the Company vide Circular resolution passed on March 29, 2019, have approved and reconstituted the Committees (except Stakeholders Relationship Committees). The composition of the committees of the Board of Directors is stated in the Corporate Governance Report annexed to this Report.

#### Secretarial Standards

The Company has complied with the applicable Secretarial Standards notified by the Institute of Company Secretaries of India.

#### 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 earnings and outgo are as under (Stand alone Amounts):

Particulars	31.03.2019 (Rs. in lacs)	31.03.2018 (Rs. in lacs)
Earnings in Foreign Currency	Nil	Nil
Expenditure in Foreign Currency		
Foreign Travel	Nil	18.16
Business Promotion	Nil	5.90
	Nil	24.06

##### 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. Since no remuneration except sitting fees has been paid to any Director, the ratio of such remuneration to the median employees' remuneration has not been stated. During the year no increase in remuneration of any Director or KMP or manager has been effected. The number of permanent employees at the end of the financial year was 6 (No. of employees was 61 in FY 2017-18) as the employees were transferred to one of its wholly owned Subsidiary as it has a major project which required various resources to finish the project. The aforesaid transfer of employees will not impact the working of the Company, as the said employees are carrying out the work of the Company. The other remuneration details of Directors/KMPs/employees are disclosed in Annexure F to this 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,  
30<sup>th</sup> May, 2019

Vinod K. Goenka  
Chairman & Managing Director  
(DIN:00029033)

Shahid U. Balwa  
Vice- Chairman & Managing Director  
(DIN:00016839)



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**Annexure A****FORM NO. MGT 9****EXTRACT OF ANNUAL RETURN****As on financial year ended on 31.03.2019****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, Goregaon (East), Mumbai 400063 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, C 101, 247 Park, L. B. S. Marg, Vikhroli West, Mumbai 400083 Tel: +91 22 49186270 Fax: +91 22 49186060

**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 -**

SN.	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	Turf Estate Joint Venture Pvt. Ltd. (Formerly known as Priya Constructions Pvt. Ltd.)	U45200MH1986PTC039169	Subsidiary	100	2(87)
8	Goregaon Hotel & Realty Pvt. Ltd.	U55204MH2012PTC232397	Subsidiary	100	2(87)
9	DB Contractors & Builders Pvt. Ltd.	U45400MH2007PTC171057	Subsidiary	100	2(87)
10	Vanita Infrastructures Pvt. Ltd.	U45202MH2010PTC199461	Subsidiary	100	2(87)
11	N A Estates Pvt. Ltd.	U45200MH1996PTC100412	Subsidiary	100	2(87)
12	Nine Paradise Erectors Pvt. Ltd.	U70102MH2008PTC187276	Subsidiary	100	2(87)
13	Saifee Bucket Factory Pvt. Ltd.	U27100MH1960PTC011822	Subsidiary	100	2(87)
14	DB Man Realty Ltd.	U45400MH2008PLC186121	Subsidiary	91	2(87)
15	Royal Netra Constructions Pvt. Ltd.*	U45202MH2009PTC194430	Subsidiary	50.40	2(87)
16	Spacecon Realty Pvt. Ltd.	U45203MH2007PTC176104	Subsidiary	74	2(87)
17	Neelkamal Realtors Tower Pvt. Ltd.\$	U70100MH2005PTC158322	Associate	42.82	2(6)



SN.	Name and Address of the Company	CIN / GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
18	DB (BKC) Realtors Pvt. Ltd.@	U70100MH2006PTC159708	Associate	40.80	2(6)
19	Sangam City Township Pvt. Ltd.#	U70101MH1997PTC109824	Associate	26.67	2(6)
20	DB Hi-Sky Constructions Pvt. Ltd.	U45202MH2007PTC175973	Associate	50.00	2(6)
21	Mahal Pictures Pvt. Ltd.**	U92100MH1956PTC017616	Associate	33.33	2(6)
22	Shiva Buildcon Pvt. Ltd.***	U45201MH2006PTC165576	Associate	44.43	2(6)
23	Shiva Multitrade Pvt. Ltd.***	U51909MH2006PTC165575	Associate	44.43	2(6)
24	Shiva Realtors Suburban Pvt. Ltd.***	U45201MH2006PTC165577	Associate	44.43	2(6)
25	Milan Theatres Pvt. Ltd. ****	U92120MH2008PTC185498	Associate	20.58	2(6)
26	Horizontal Realty And Aviation Pvt. Ltd. (Formerly known as Eon Aviation Pvt. Ltd.)	U45100MH2007PTC173394	Step down Subsidiary	62.85	2(87)

All the companies excepts Sr.No.16, 20, 21, 22, 23,24 and 25 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

\$ Based on equity holding. Economic interest is 50.83% as on 31.03.2019.

@ Based on equity holding.

# 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.

\*\*\*\* Registered Office Address: Milan Theatre, Subway Road, Santacruz (West), Mumbai - 400054 and the details holding of this Associate company is mentioned in Directors Report.

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

##### A) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter s</b>									
(1) <b>Indian</b>									
a) Individual/ HUF	71029449	0	71029449	29.20	71970179	0	71970179	29.59	0.39
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.	80588078	0	80588078	33.13	79639348	0	79639348	32.74	-0.39
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>	<b>151617527</b>	<b>0</b>	<b>151617527</b>	<b>62.33</b>	<b>151609527</b>	<b>0</b>	<b>151609527</b>	<b>62.32</b>	<b>-0.01</b>
<b>B. Public Shareholding</b>									
1. <b>Institutions</b>									
a) Mutual Funds	0	0	0	0.00					
b) Banks / FI	1670164	0	1670164	0.69	1529424	0	1529424	0.63	-0.06
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	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
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

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Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Foreign Portfolio Investors (Individual)	-	-	-	-	20000	0	20000	0.01	0.01
Foreign Portfolio Investors (Corporate)	25317610	0	25317610	10.41	13704176	0	13704176	5.63	-4.78
<b>Sub-total (B)(1):-</b>	26987774	0	26987774	11.10	15253600	0	15253600	6.27	-4.83
<b>2.. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	10582495	0	10582495	4.35	13642132	0	13642132	5.61	1.26
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	10350631	601	10351232	4.26	25596761	501	25597262	10.52	6.26
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	18773679	0	18773679	7.72	14937263	0	14937263	6.14	-1.58
c) Others (specify)									
Non Resident Indians(Repat)	2643402	0	2643402	1.09	1404201	0	1404201	0.58	-0.51
Non Resident Indians(Non Repat)	132197	0	132197	0.05	263857	0	263857	0.11	0.06
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
Foreign Nationals	780	0	780	0.00	66	0	66	0.00	0.00
Clearing Members	1746616	0	1746616	0.72	1091179	0	1091179	0.45	-0.27
Trusts	0	0	0	0	1683	0	1683	0.00	0.00
Foreign Bodies - D R (Foreign Companies)	19147136	0	19147136	7.87	17368637	0	17368637	7.14	-0.73
HUF	1275944	0	1275944	0.52	1852792	0	1852792	0.76	0.24
NBFCs registered with RBI	-	-	-	-	236583	0	236583	0.10	0.10
<b>Sub-total (B)(2):-</b>	64652880	601	64653481	25.58	76395154	501	76395655	31.41	5.83
Total Public Shareholding (B)=(B)(1)+(B)(2)	91640654	601	91641255	37.67	91648754	501	91649255	37.68	0.01
<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>	243258181	601	243258782	100	243258281	501	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	6.26	1732108	0.71	0.65	-5.60
2	Vinod Goenka HUF	3182037	1.31	0.16	4130767	1.70	0.16	0.39
3	Aseela Goenka, Sunita Goenka, Alok Agarwal	12000000	4.93	0	12000000	4.93	0	0
4	Aseela Vinod Goenka	14769958	6.07	1.14	14769958	6.07	4.48	0
5	Sanjana Vinod Goenka	22382108	9.20	4.11	22382108	9.20	8.92	0
6	Jayvardhan Vinod Goenka	0	0	0	13632108	5.60	0	5.60
7	Sunita Goenka	1669327	0.69	0	0	0	0	-0.69
8	Shravan Kumar Bali	0	0	0	1669327	0.69	0	0.69
9	Shanita Deepak Jain	191081	0.08	0	191081	0.08	0	0
10	Top Notch Buildcon LLP	273207	0.11	0	273207	0.11	0	0
11	V S Erectors and Builders Pvt. Ltd.	0	0	0	5244750	2.16	0	2.16
12	Karim Gulamali Morani	399643	0.17	0	399643	0.17	0	0

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	
13	Mohammed Gulamali Morani	380612	0.16	0	380612	0.16	0	0
14	Ali Gulamali Morani	60026	0.02	0	55026	0.02	0	-0.00
15	Shabana Balwa	153090	0.06	0	153090	0.06	0	0
16	Mohammad Salim Balwa	105886	0.04	0	105886	0.04	0	0
17	Wahida Asif Balwa	71500	0.03	0	68500	0.03	0	-0.00
18	Usman Balwa	74445	0.03	0	74445	0.03	0	0
19	Ishaq Balwa	74340	0.03	0	74340	0.03	0	0
20	Mohammed Yusuf Balwa	69840	0.03	0	69840	0.03	0	0
21	Salim Balwa	74340	0.03	0	74340	0.03	0	0
22	Abdul Hafeez Salim Balwa	7000	0.00	0	7000	0.00	0	0
23	Neelkamal Tower Construction LLP	80314871	33.02	32.89	74121391	30.47	24.38	-2.55

**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 Inter se transfer 13632108 shares on 03.09.2018 to Jayvardhan Vinod Goenka towards repayment of equity shares borrowed in the past.	1,53,64,216	6.3160	17,32,108	0.7120
2	Vinod Goenka HUF Inter se transfer 948730 shares on 03.09.2018 from Neelkamal Tower Construction LLP upon repayment of equity shares borrowed in the past.	31,82,037	1.3081	41,30,767	1.6981
3	Jayvardhan Vinod Goenka Inter se transfer 13632108 shares on 03.09.2018 from Vinod Goenka upon repayment of equity shares borrowed in the past.	Nil	0.0000	1,36,32,108	5.6040
4	Sunita Goenka Inter se transfer 1669327 shares on 11.04.2018 to Shravan Kumar Bali by way of gift.	16,69,327	0.6862	NIL	0.0000
5	Shravan Kumar Bali Inter se transfer 1669327 shares on 11.04.2018 from Sunita Goenka upon gift of shares.	Nil	0.0000	16,69,327	0.6862
6	Neelkamal Tower Construction LLP Inter se transfer 948730 shares on 03.09.2018 to Vinod Goenka HUF towards repayment of equity shares borrowed in the past. Inter se transfer 5244750 shares on 03.09.2018 to V S Erectors and Builders Pvt. Ltd. towards repayment of equity shares borrowed in the past.	8,03,14,871	33.0162	7,93,66,141 7,41,21,391	32.6262 30.4702
7.	V S Erectors and Builders Pvt. Ltd. Inter se transfer 5244750 shares on 03.09.2018 from Neelkamal Tower Construction LLP upon repayment of equity shares borrowed in the past.	Nil	0.0000	52,44,750	2.1560
8.	Ali Gulamali Morani Sold 5000 shares on 11.04.2018 in market	60,026	0.0247	55,026	0.0226
9.	Wahida Asif Balwa, Asif Balwa Sold 3000 shares on 25.04.2018 in market	71,500	0.0294	68,500	0.0282
10.	Others Promoter Group where there is no change	5,09,55,550	20.9471	5,09,55,550	20.9471
	At the end of the year	15,16,17,527	62.3277	15,16,09,527	62.3244

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### 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	1,30,38,650	5.3600	No Change	
2	Jhunjhunwala Rekha Rakesh	50,00,000	2.0554	No Change	
3	Bollywood Mauritius Holding Sold 27845 shares on 13.04.2018 in Market Sold 492131 shares on 20.04.2018 in Market Sold 400000 shares on 27.04.2018 in Market Sold 702139 shares on 04.05.2018 in Market Sold 142591 shares on 11.05.2018 in Market Sold 13793 shares on 18.05.2018 in Market	61,08,486	2.5111	60,80,641 55,88,510 51,88,510 44,86,371 43,43,780 43,29,987	2.4997 2.2974 2.1329 1.8443 1.7857 1.7800
4	Nomura Singapore Limited Sold 102005 shares on 22.02.2019 in Market Sold 307284 shares on 01.03.2019 in Market Sold 295235 shares on 08.03.2019 in Market Sold 237000 shares on 15.03.2019 in Market Sold 105500 shares on 22.03.2019 in Market Sold 650200 shares on 29.03.2019 in Market	55,64,582	2.2875	54,62,577 51,55,293 48,60,058 46,23,058 45,17,558 38,67,358	2.2456 2.1193 1.9979 1.9005 1.8571 1.5898
5	East Bridge Capital Master Fund Limited	37,84,842	1.5559	No Change	
6	Elara Capital PLC A/C Elara Global Funds- Elara Emerging Markets Fund Purchase 150000 shares on 06.04.2018 from Market Purchase 100000 shares on 04.05.2018 from Market Purchase 100000 shares on 11.05.2018 from Market Purchase 100000 shares on 06.07.2018 from Market	32,54,730	1.3380	34,04,730 35,04,730 36,04,730 37,04,730	1.3996 1.4407 1.4818 1.5230
7	Master Capital Services Ltd. Sold 2384 shares on 06.04.2018 in Market Purchase 10840 shares on 13.04.2018 from Market Sold 4266 shares on 20.04.2018 in Market Sold 3534 shares on 27.04.2018 in Market Purchase 9414 shares on 04.05.2018 from Market Purchase 337 shares on 11.05.2018 from Market Sold 9516 shares on 18.05.2018 in Market Purchase 10069 shares on 25.05.2018 from Market Sold 385 shares on 01.06.2018 in Market Purchase 17273 shares on 08.06.2018 from Market Sold 206 shares on 15.06.2018 in Market Sold 3271 shares on 22.06.2018 in Market Purchase 1135 shares on 30.06.2018 from Market Sold 1616 shares on 06.07.2018 in Market Purchase 148557 shares on 13.07.2018 from Market Purchase 317 shares on 20.07.2018 from Market Purchase 1088 shares on 27.07.2018 from Market Sold 100638 shares on 03.08.2018 in Market Purchase 4106 shares on 10.08.2018 from Market Purchase 9510 shares on 17.08.2018 from Market Purchase 19593 shares on 24.08.2018 from Market Purchase 11997 shares on 31.08.2018 from Market Purchase 12988 shares on 07.09.2018 from Market Sold 11749 shares on 14.09.2018 in Market Sold 1930 shares on 21.09.2018 in Market Sold 8430 shares on 29.09.2018 in Market Sold 8775 shares on 05.10.2018 in Market Purchase 4938 shares on 12.10.2018 from Market Sold 2328 shares on 19.10.2018 in Market	7,194	0.0030	4,810 15,650 11,384 7,850 17,264 17,601 8,085 18,154 17,769 35,042 34,836 31,565 32,700 31,084 1,79,641 1,79,958 1,81,046 80,408 84,514 94,024 1,13,617 1,25,614 1,38,602 1,26,853 1,24,923 1,16,493 1,07,718 1,12,656 1,10,328	0.0020 0.0064 0.0047 0.0032 0.0071 0.0072 0.0033 0.0075 0.0073 0.0144 0.0143 0.0130 0.0134 0.0128 0.0738 0.0740 0.0744 0.0331 0.0347 0.0387 0.0467 0.0516 0.0570 0.0521 0.0514 0.0479 0.0443 0.0463 0.0454

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
	Purchase 182 shares on 26.10.2018 from Market Purchase 8830 shares on 02.11.2018 from Market Sold 31160 shares on 09.11.2018 in Market Purchase 14609 shares on 16.11.2018 from Market Purchase 7033 shares on 23.11.2018 from Market Sold 6218 shares on 30.11.2018 in Market Purchase 323000 shares on 07.12.2018 from Market Purchase 47048 shares on 14.12.2018 from Market Sold 215208 shares on 21.12.2018 in Market Purchase 133048 shares on 28.12.2018 from Market Sold 21350 shares on 31.12.2018 in Market Purchase 654307 shares on 04.01.2019 from Market Purchase 279902 shares on 11.01.2019 from Market Sold 1259940 shares on 18.01.2019 in Market Purchase 1802119 shares on 25.01.2019 from Market Purchase 16958 shares on 01.02.2019 from Market Purchase 71024 shares on 08.02.2019 from Market Purchase 64949 shares on 15.02.2019 from Market Purchase 21846 shares on 22.02.2019 from Market Sold 218700 shares on 01.03.2019 in Market Sold 55891 shares on 08.03.2019 in Market Sold 1630 shares on 15.03.2019 in Market Purchase 1925 shares on 22.03.2019 from Market Purchase 6717 shares on 29.03.2019 from Market Purchase 101 shares on 30.03.2019 from Market			1,10,510 1,19,340 88,180 1,02,789 1,09,822 1,03,604 4,26,604 4,73,652 2,58,444 3,91,492 3,70,142 10,24,449 13,04,351 44,411 18,46,530 18,63,488 19,34,512 19,99,461 20,21,307 18,02,607 17,46,716 17,45,086 17,47,011 17,53,728 17,53,829	0.0454 0.0491 0.0362 0.0423 0.0451 0.0426 0.1754 0.1947 0.1062 0.1609 0.1522 0.4211 0.5362 0.0183 0.7591 0.7661 0.7952 0.8219 0.8309 0.7410 0.7180 0.7174 0.7182 0.7209 0.7210
8	Saravana Stocks Pvt. Ltd. Purchase 50000 shares on 13.04.2018 from Market Purchase 300150 shares on 27.04.2018 from Market Sold 150 shares on 04.05.2018 in Market Purchase 100000 shares on 11.05.2018 from Market Purchase 115301 shares on 11.05.2018 from Market Purchase 58943 shares on 26.10.2018 from Market Purchase 25756 shares on 30.11.2018 from Market	11,50,000	0.4727	12,00,000 15,00,150 15,00,000 16,00,000 17,15,301 17,74,244 18,00,000	0.4933 0.6167 0.6166 0.6577 0.7051 0.7294 0.7400
9	Pareesh Pethani Purchase 150000 shares on 06.04.2018 from Market	NIL	0.0000	15,94,000	0.6553
10	Life Insurance Corporation of India	1456044	0.5986	No Change	
11	Nilesh Rameshchandra Pethani Sold 1664000 shares on 22.03.2019 in Market	16,64,000	0.6840	NIL	0.0000
12	Alpine Global Premier Properties Fund Sold 723485 shares on 03.08.2018 in Market Sold 331988 shares on 10.08.2018 in Market Sold 184169 shares on 17.08.2018 in Market Sold 1156353 shares on 24.08.2018 in Market Sold 1001865 shares on 31.08.2018 in Market Sold 765676 shares on 07.09.2018 in Market	41,63,536	1.7116	34,40,051 31,08,063 29,23,894 17,67,541 7,65,676 NIL	1.4142 1.2777 1.2020 0.7266 0.3148 0.0000
13	Alpine International Real Estate Equity Fund Sold 295190 shares on 03.08.2018 in Market Sold 138085 shares on 10.08.2018 in Market Sold 77928 shares on 17.08.2018 in Market Sold 469662 shares on 24.08.2018 in Market Sold 406915 shares on 31.08.2018 in Market Sold 310985 shares on 07.09.2018 in Market	16,98,765	0.6983	14,03,575 12,65,490 11,87,562 7,17,900 3,10,985 NIL	0.5770 0.5202 0.4882 0.2951 0.1278 0.0000

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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
14	Goldman Sachs (Singapore) PTE Sold 86803 shares on 20.07.2018 in Market Sold 251232 shares on 27.07.2018 in Market Sold 35762 shares on 03.08.2018 in Market Sold 197144 shares on 10.08.2018 in Market Sold 70240 shares on 17.08.2018 in Market Sold 337645 shares on 24.08.2018 in Market Sold 622320 shares on 23.11.2018 in Market	16,01,146	0.6582	15,14,343 12,63,111 12,27,349 10,30,205 9,59,965 6,22,320 NIL	0.6225 0.5192 0.5045 0.4235 0.3946 0.2558 0.0000
15	Nilesh Rameshchandra Pethani Sold 1664000 shares on 29.03.2019 in Market	16,64,000	0.6840	NIL	0.0000

### 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	1732108	0.7120
2.	Salim Balwa	74340	0.0306	74340	0.0306
3.	Sunita Goenka	1669327	0.6862	Nil	0.0000
4.	Jayvardhan Goenka	Nil	0.0000	13632108	5.6040

## 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	2,260,988,171	3,618,972,096	Nil	5,335,080,952
ii) Interest due but not paid	17,770,384	Nil	Nil	17,770,384
iii) Interest accrued but not due	160,818,516	Nil	Nil	160,818,516
<b>Total (I + ii+ iii)</b>	<b>2,439,577,071</b>	<b>3,618,972,096</b>	<b>Nil</b>	<b>5,513,669,852</b>
<b>Changes in the indebtedness during the financial year</b>				
Addition	3,996,879,417	6,131,394,532	Nil	10,128,273,949
Reduction	529,400,881	5,644,937,953	Nil	6,174,338,834
<b>Net Change</b>	<b>3,467,478,535</b>	<b>486,456,579</b>	<b>Nil</b>	<b>16,302,612,783</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	5,312,268,222	4,105,428,676	Nil	9,417,696,898
ii) Interest due but not paid	592,295,862	Nil	Nil	592,295,862
iii) Interest accrued but not due	2,491,522	Nil	Nil	2,491,522
<b>Total (I + ii + iii)</b>	<b>5,907,055,606</b>	<b>4,105,428,676</b>	<b>Nil</b>	<b>10,012,484,282</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/MTD/ Manager		Total Amount
		Vinod K. Goenka (C M D)	Shahid U. Balwa (VC M.D)	
1	Gross salary (Rs.)	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

SN.	Particulars of Remuneration	Name of MD/WT/ Manager		Total Amount
		Vinod K. Goenka (C M D)	Shahid U. Balwa (VC M.D)	
	(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 - as % of profit - others, specify...	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil
	Total (A)	Nil	Nil	Nil
	Ceiling as per the Act	Minimum Remuneration as per Schedule V of the 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 Upto 27.03.2019	Jagat Killawala	N.M. Rafique	Sundaram Rajagopal	Maryam Khan	Devender K. Vasal Upto 18.06.2018	
1	<b>Independent Directors</b>							
	Fee for attending board committee meetings	3,00,000	1,80,000	2,40,000	20,000	40,000	20,000	8,00,000
	Commission	Nil	Nil	Nil	Nil	Nil	Nil	
	Others, please specify	Nil	Nil	Nil	Nil	Nil	Nil	
	Total (1)	3,00,000	1,80,000	2,40,000	20,000	40,000	20,000	8,00,000
2	<b>Other Non-Executive Directors</b>	Jayvardhan Goenka	Salim Balwa	Sunita Goenka				
	Fee for attending board committee meetings	1,00,000	40,000	80,000				2,20,000
	Commission	Nil	Nil	Nil				
	Others, please specify	Nil	Nil	Nil				
	Total (2)	1,00,000	40,000	80,000				2,20,000
	Total (B)=(1+2)							10,20,000
	Total Managerial Remuneration							10,20,000
	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		
		CS	CFO	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	43,36,264	Nil	43,36,264
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	0
2	Stock Option	Nil	Nil	0
3	Sweat Equity	Nil	Nil	0
4	Commission			
	- as % of profit	Nil	Nil	0
	others, specify...	Nil	Nil	0
5	Others, please specify	Nil	Nil	0
	<b>Total</b>	<b>43,36,264</b>	<b>Nil</b>	<b>43,36,264</b>



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### 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,  
30<sup>th</sup> May, 2019

**Vinod K. Goenka**  
Chairman & Managing Director  
(DIN:00029033)

**Shahid U. Balwa**  
Vice- Chairman & Managing Director  
(DIN:00016839)

## MANAGEMENT DISCUSSION AND ANALYSIS

### ECONOMIC REVIEW

#### GLOBAL ECONOMY

After strong growth in 2017 and early 2018, global economic activity slowed notably in the second half of last year, due to a confluence of factors affecting major economies. According to The World Economic Outlook (WEO), global growth is now projected to grow at 3.3 percent in 2019 and 3.6 percent in 2020, a downward revisions for several economies after signs of a slowdown in the second half of 2018. This growth pattern reflects a persistent decline in the growth rate of advanced economies together with a temporary decline in the growth rate for emerging market and developing economies in 2019 due to the impact of trade actions on China and other Asian economies.

Growth in advanced economies is projected to slow from an estimated 2.2 percent in 2018 to 1.8 percent in 2019 and 1.7 percent in 2020. Growth in the Euro area is set to moderate from 1.8 percent in 2018 to 1.3 percent in 2019 and 1.5 percent in 2020. Growth rates have been marked down for several economies including Germany following the introduction of new automobile fuel emission standards and Italy where concerns about sovereign and financial risks have weighed down on domestic demand. The International Monetary Fund (IMF) has also cut its forecast for U.S. growth to 2.3 percent in 2019. The downgrade reflects the impact of the partial government shutdown as well as lower-than-expected public spending.

Growth across emerging market and developing economies is projected to stabilise slightly below 5 percent though with variations by region and country. Despite fiscal stimulus that offsets some of the impact of higher US tariffs, China's economy is expected to slow down due to the combined influence of financial regulatory tightening and trade tensions with the United States. India's economy is poised to pick up, benefiting from lower oil prices and a slower pace of monetary tightening than previously expected, as inflation pressures ease. The IMF estimates India's economic growth at 7.3% in FY20 and 7.5% in FY21. According to the IMF's database, India's contribution to world growth has risen from 7.6% during 2000-2008 to 14.5% in 2018.

#### INDIAN ECONOMY

India has emerged as the fastest growing major economy in the world and is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships.

As per the Central Statistics Office (CSO), GDP growth stood at 6.8 per cent in FY19, lower than 7.2 per cent in FY18. However, India's labour force is expected to touch 160-170 million by 2020, based on rate of population growth, increased labour force participation, and higher education enrolment, among other factors, according to a study by ASSOCHAM and Thought Arbitrage Research Institute.

India has retained its position as the third largest startup base in the world with over 4,750 technology start-ups.

India's foreign exchange reserves were US\$ 405.64 billion in the week up to March 15, 2019, according to data from the RBI.

According to the Asian Development Bank, growth is expected to pick up in FY20 on revived rural consumption, continued growth in private investment in response to improved bank and corporate balance sheets, more competitive domestic firms and products under the Goods and Services Tax. Domestic demand is expected to remain the main driver of growth. Steps to alleviate agriculture distress such as income support to farmers and strong hikes in procurement prices for food grains are expected to bolster rural demand. In urban areas, consumption demand is expected to receive a boost from interest rate cuts, continued low prices for food, and declining fuel prices. The continuation of a stable government at the center also augurs well for the economy as it is more likely to initiate reforms, boost infrastructure investment and revive the investment climate.

### REAL ESTATE SECTOR

The Real Estate Sector is one of the most globally recognized sectors. It's a key sector of the Indian economy, contributing 6-7 per cent to India's GDP. The growth of this sector is well complemented by the growth of the corporate environment and the demand for office space as well as urban and semi-urban accommodations. In addition, the sector employs a 52 million strong workforce and is expected to generate over 15 million jobs over the next five years. As per PMG survey in association with National Real Estate Development Council (NAREDCO) and Asia Pacific Real Estate Association (APREA), the Indian real estate sector would be the third largest global sector which is estimated to grow to USD 650 billion by 2025 and surpass USD 850 billion by 2028 to touch USD 1 trillion by 2030. Hospitality, Retail and commercial real estate will be providing the much needed infrastructure for India's growing needs. The government also launched key policies for the real estate sector like RERA, Benami Transactions Act, emergence of affordable housing, Goods and Service Tax, Dividend Distribution Tax exemption to name a few.

During FY 2019, the sector has shown growth of around 8% which is primarily due to some green shoots at the beginning of 2018 for the real estate sector, but they drooping away later in the second half of the financial year as the NBFC crisis led to financial pressures for the sector. Non availability of funds could lead to a substantial business slowdown for developers who were primarily reliant on NBFC financing. NBFCs were the key lenders to the real estate developers over many past years but with current financial crises with them, NBFC's are reluctant to continue to aggressively fund real estate developers. While deep pocket established developers with steady delivery track records still have ample access to capital through both debt and equity, however, many other real estate developers are facing the pressure. If this tight liquidity environment persists, there will be a lot of

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consolidation in the sector as real estate developers with weaker processes and systems exit the industry due to the higher cost of doing business. Well capitalized developers would expand their business with a lot of strategic acquisition opportunities available in the industry.

Sectors such as IT and ITeS, retail, consulting and e-commerce have registered high demand for office space in recent times. Commercial office stock in India is expected to cross 600 million square feet by 2018 end while office space leasing in the top eight cities is expected to cross 100 million square feet during 2018-20. Gross office absorption in top Indian cities has increased 26 per cent year-on-year to 36.4 million square feet between Jan-Sep 2018. Co-working space across top seven cities has increased sharply in 2018 (up to September), reaching 3.44 million square feet, compared to 1.11 million square feet for the same period in 2017.

### **Investments/Developments**

The Indian real estate sector has witnessed high growth in recent times with the rise in demand for office as well as residential spaces. Private Equity and Venture Capital investments in the sector have reached US\$ 1.47 billion between Jan-Mar 2019. Institutional investments in India's real estate are expected to reach US\$ 5.5 billion for 2018, the highest in a decade. According to data released by Department of Industrial Policy and Promotion (DIPP), the construction development sector in India has received Foreign Direct Investment (FDI) equity inflows to the tune of US\$ 25.04 billion in the period April 2000-March 2019. Some of the major investments and developments in this sector are as follows:

- New housing launches across top seven cities in India are expected to increase 32 per cent year-on-year by 2018 end to 193,600 units.
- In September 2018, Embassy Office Parks announced that it would raise around Rs 52 billion (US\$ 775.66 million) through India's first Real Estate Investment Trust (REIT) listing.
- New housing launches across top seven cities in India increased 50 per cent quarter-on-quarter in April-June 2018.
- In May 2018, Blackstone Group acquired One Indiabulls in Chennai from Indiabulls Real Estate for around Rs 900 crore (US\$ 136.9 million).
- In February 2018, DLF bought 11.76 acres of land for Rs 15 billion (US\$ 231.7 million) for its expansion in Gurugram, Haryana.

### **Government Initiatives**

The Government of India along with the governments of the respective states has taken several initiatives to encourage the development in the sector. The Smart City Project, where there is a plan to build 100 smart cities, is a prime opportunity for the real estate companies. Below are some of the other major Government Initiatives:

- Under the Pradhan Mantri Awas Yojana (PMAY) Urban, more than 8.09 million houses have been sanctioned up to May 2019.
- In February 2018, creation of National Urban Housing Fund was approved with an outlay of Rs 60,000 crore (US\$ 9.27 billion).

### **RESIDENTIAL REAL ESTATE MARKET**

As per Knight Frank Survey, last Calendar Year 2018 was the only year in the decade to see increase in sales on YoY basis. Top eight cities showed a 6% increase in total sales volume in CY2018 to 242,328 million units. The performance during the year could have been even better but the NBFC liquidity crunch impacted sales during H2 2018. This came after a slump in 2017 when the sector struggled under the impact of demonetization and RERA implementation. New launches were increased by 76% and stood at 182,207 units across eight cities including Mumbai, Bengaluru and the National Capital Region (NCR). Mumbai being the leading the new launches spot with the growth being at 220%, followed by Pune at 157%, which Knight Frank attributed to successful RERA implementation in both the cities and the Supreme Court judgement which allowed resumption of construction in Mumbai.

Over the last five years, retail inflation has been softening owing to strict measures adopted by both the RBI and the government, which has led to household disposable income increasing over the same period with a CAGR of about 5%. On the other hand, residential prices have remained almost stable / declined in certain cities over these years. This is resulting in a period where the affordability of the household is strong, and when this is seen in conjunction with the regulatory reforms for the residential sector, it presents a clear case of recovery in the coming year. As developers align themselves with structural policy reforms implemented in the past few years and with changing characteristics of demand, we can expect residential supply to improve in 2019. The residential market is better placed this year as speculation-led investment activity has reduced significantly and financial checks are in place to prevent over-gearing. In terms of segments, mid-end projects will still garner the major chunk of supply, followed by the affordable segment (owing to government incentives and increase in end-user demand). An uptick in launches is expected to be witnessed in Bangalore, Mumbai, Hyderabad and Chennai, whereas launches in Kolkata and Pune are expected to be stable. The year 2018 witnessed demand inching past supply, resulting in a dip in unsold inventory levels. The confidence levels of end-users and fence sitters was also relatively higher than previous years. However, with the implementation of the GST and the confusion surrounding the transfer of ITC from developers to homebuyers, the appetite for completed developments was much higher; even

though they form a miniscule proportion of the unsold inventory. With the government announcing GST rate cuts for residential properties in Feb 2019, the GST taxation gap between an under-construction and completed property has been narrowed (from an end-user perspective), and this could result in a pick-up in demand for under -construction properties as well (Table 6-3). On the other hand, incentives for affordable housing coupled with lower GST rate has increased demand for this segment, a trend which is expected to continue in 2019 as well. In terms of cities, Hyderabad (West Hyderabad – Madhapur, Gachibowli, Nanakramguda), Bangalore (North Bangalore, Sarjapur ORR), Mumbai (Extended Western and Eastern Suburbs, Thane, Navi Mumbai), Chennai (OMR and GST Road), Kolkata (Rajarhat, Garia) are expected to drive demand in 2019. At their end, developers will try and stoke this demand by rolling up schemes and incentives (Table 6-2). In the affordable segment, developers are likely to draw up appropriate marketing strategies, phase-out launches and defend their margins by managing construction costs.

### **Mumbai Real Estate**

The Mumbai Metropolitan Region (MMR) recorded strong growth in launches in CY2018. The strong growth in launches came on the back of a low base in CY2017, which witnessed the lowest launches in the current decade at 23,253 units. The Bombay High Court had ordered a stay on construction of new buildings in the BMC region (Mumbai city) in March 2016 to address the oversaturation of the city's landfills due to construction debris. This verdict affected all new launches in the BMC region resulting in a significant slump in the overall launch numbers for Mumbai during the ensuing period. In March 2018 the country's Supreme Court lifted the ban for a period of 6 months which resulted in a significant rise in the overall launches in the Mumbai region. The annual sales increased marginally by 3% YoY to 63,893 units in CY2018. On account of the strong growth in new launches, the unsold inventory levels in MMR inched up 9% YoY to 126,434 units in CY2018.

### **Opportunities**

1. Demand will remain concentrated in the affordable and the mid end segments. Projects having developed infrastructure will garner more positive response in the coming year.
2. A conducive environment for equity participation has been created which presently is dominated by debt inflows.
3. Consolidation among developers to continue in the coming year. With the reforms like implementation of GST, Insolvency and Bankruptcy Code and RERA implementation and the impact of NBFC liquidity crunch, small developers who are over-leveraged shall result in accelerated consolidation.

### **Challenges**

1. Unfavorable changes in government policies and the regulatory environment can adversely impact the performance of the sector. There are substantial procedural delays with regards to land acquisition, land use, project launches and construction approvals.
2. Inflation in the raw-materials procurement cost, man-power cost and other inputs.

### **COMPANY STRENGTHS**

The Company socio-economic objectives are echoed in its credo that includes commitment to uphold highest ethical standards in conduct of business and valuing the opportunity and responsibility to make a meaningful difference in people's lives as well as it is reflected in one of its core values, concern for people. Company continues to capitalize on the market opportunities by leveraging its key strengths. The key strengths include:

#### **Outsourcing**

Promoters and senior management focus is on Project Planning and getting the project at the execution level. Activities such as architectural design and construction are outsourced to the best-in-class practices in the Industry for contemporary design and quality construction.

#### **Highly Qualified Execution Team**

The Project management team comprises of expert resources that have proven experience in their functional areas. The organizational framework has been designed in such a way that the team oversees all aspects of project development with focus on delivery of developments of International standards.

#### **Strategic Alliance**

Company has good ability to do strategic alliances/Joint Ventures and Development Management Agreements with Developers, Real estate and Construction companies for business growth.

#### **Execution**

Project execution skills are an important enabler of scale .The Company has always maintained the International level Standard in Quality and Safety.

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

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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.

### **Business Overview**

The Company remains committed for a high quality state-of-art construction and delivery of projects. Despite the subdued performance, the progress on our key business parameters continues at reasonable pace. The Company simultaneously has evolved looking for strategic investment/ joint ventures/tie-ups for various projects with various other real estate developers. Last Financial year i.e. 2019, reaped in the profit of one such joint venture with Man Vastucon LLP wherein the project have an unprecedented launched during the year. Also during the year, the one of Subsidiary Company, Real Gem Buildtech Pvt. Ltd. has presented a scheme of arrangement for approval with NCLT for transfer of all of its assets and liabilities pertaining to Project Undertaking to Kingmaker Developers Private Limited (Rustomjee Group Company) automatically without requirement of execution of any further documents for registering the name of Kingmaker Developers Pvt. Ltd. as owner or developers thereof.

In FY 2019 as well, Company focus remains to make most of the advantage of its various land banks by either monetizing it or follow the Joint Venture / Joint Development strategic route for its ongoing / upcoming projects in the near future. Company is at advance level of conversation with few of Industry leaders for signing joint agreements for development of its couple of projects.

A brief description on development across each project is given below:

#### **DB Ozone**

DB Ozone has been carefully designed to enhance comfort and connectivity for its residents. The project is located in Dahisar adjoining the Western Express Highway, amidst the scenic and tranquil hills of the National Park. Company has initiated fit out handover process for 9 of its building out of the total 25 residential building.

Total units in project: 3,396

Cumulative units sold: 3,275

Total Sales Value: Rs 1,00,660.1 lakh, of which Rs 85,593.7 lakh has been realized.

#### **X BKC**

The project is placed in the premium business hub of Mumbai with easy connectivity to Santacruz, Chembur Link Road and a few minute drive to Chhatrapati Shivaji International Airport. Ten BKC is an iconic residential address that offers variety of spacious residential apartments ranging from 1 BHK to 6 BHK (Duplex). The project is a 5 acre development with 3 acres of elevated landscaping. It is truly an oasis of convenience, space and luxury with 45,000 sq.ft clubhouse and Sky Gym. This project is being developed in a joint venture with Radius Estates and Developers Private Limited (earlier known as Vishwaroop Estate & Developers Private Limited).

DB Share units in project: 353

Cumulative units sold: 132

Total Sales Value: Rs 62,304.0 lakh of which 11534.09 lakh has been recognized from this project during the year.

#### **One Mahalaxmi**

One Mahalaxmi is an ode to spacious living with two iconic towers spread over a luxurious 3.8 acres. The project offers its elite residents the luxury of size and space along with an unmatched view of the ocean on the one side and the race course on the other. The project house the best and most opulent clubhouse in the vicinity spread over three levels alongwith some of the best amenities in the project. Neelkamal Realtors Tower Private Ltd (a subsidiary of DB Realty Limited ) in joint venture with Indo Global Soft solutions and Technologies Private Limited ( Indo ) a Radius Group Company launched Opus during the year to its business partners.

Total units in project: 365

Cumulative units sold: 135

Total Sales Value: Rs 88,892.0 lakh. The Company shall recognize revenue as per applicability of IndAS 115 on it.

#### **DB Skypark**

DB Skypark situated at the centre of the hospitality district of Mumbai, is a luxury residential project located at Sahar, Andheri. The project is being developed on ~1.5 acres of land with 6 residential wings. The project site is minutes away from a range of hotels, ITC Grand Maratha and Hilton International Airport Hotel and is well connected by way of Metro, road network and railways.

Total units in project: 279

Cumulative units sold: 47

Total Sales Value: Rs 9572.0 lakh . There is no revenue recognition from this project as the project is yet to reach the requisite threshold limit.

## Rustomjee Crown

Rustomjee Crown is one of the most distinguished address in South Mumbai. It's designed by the sought after name like Hafeez Contractor works at crafting these living spaces. It has luxury of amplexness of space and an endless view of the sea. It offers to its resident's state of the art amenities and the added luxury of access to a multitude of prominent shopping areas in the vicinity. RealGem Buildtech Pvt Ltd ( a wholly owned subsidiary of DB Realty Limited ) has presented a scheme of arrangement for approval with NCLT for transfer of all of its assets and liabilities pertaining to Project Undertaking to Kingmaker Developers Private Limited, a Group company of Rustomjee.

## Financial Performance Overview

A comparative table showing synopsis of FY 2019 versus FY 2018 Balance Sheet is as follows:

Consolidated Balance Sheet as at March 31, (In Mn)	FY 2019	FY 2018	Increase/ (Decrease)	% Increase / (Decrease)
<b>ASSETS</b>				
Non-current Assets	24,181.20	24,285.40	(104.20)	(0.43%)
Current Assets	45,495.55	42,175.44	3,320.11	7.87%
<b>Total</b>	<b>69,676.75</b>	<b>66,460.84</b>	<b>3,215.91</b>	<b>4.84%</b>
<b>EQUITY AND LIABILITIES</b>				
Shareholders' Funds	20,756.68	23,447.93	(2,615.50)	(11.15%)
Non-current Liabilities	14,413.30	13,171.68	1,241.62	9.43%
Current Liabilities	34,506.77	29,841.23	4,665.54	15.63%
<b>Total</b>	<b>69,676.75</b>	<b>66,460.84</b>	<b>3,215.91</b>	<b>4.83%</b>

A comparative table showing synopsis of FY 2019 versus FY 2018 of statement of Profit and Loss is as follows:

Particulars	Rs. in Mn			
	2019	2018	Increase/ (Decrease)	% Increase / (Decrease)
Revenue from Operations	3,652.10	1,198.61	2,453.49	205%
Other Income	954.6	1,680.89	(726.29)	(43%)
Total Revenue	4,606.70	2,879.50	1,727.20	60%
Total Expenses	6,180.47	5,605.80	574.67	10%
Profit/ (Loss) before tax	(3,088.00)	(2,893.04)	194.96	(7%)
Profit after tax	(2,596.62)	(3,009.67)	(413.05)	14%

During FY 2019, Company has registered stagnant / sluggish sales due to various macro factors. 2019 Company is at very advance level of conversation with few of Industry leaders for signing joint agreements for development of its various projects and expects better cash flow visibility going forward. Company has worked on joint development for its few projects during the year and foresees to follow the JV / JD strategic route for its ongoing / upcoming projects in the near future.

## 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 M/s JMT & Associates. The Audit Committee and the Board of Directors review the internal audit reports. The statutory audit of the company is conducted by Haribhakti & Co. LLP. 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 ERP 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

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### OUTLOOK GOING FORWARD

The year witnessed a number of significant events being happening in the real estate sector. The developers are focussing on completion of their projects and selling their existing inventory. Given the liquidity situation in the sector, which has become even more apparent in light of the NBFC crisis, the visibility on business development is the strongest we have ever witnessed.

Indian real estate developers have shifted gears and accepted fresh challenges. The most marked change has been the shift from family owned businesses to professionally managed ones. Financially prudent and organized Company shall strengthen faster as compared to its competition.

At DB Realty Ltd, we have always endeavored to give the best services and transparent processes as we fulfill the dreams of our customers. We have been launching projects across various segments, right from affordable to best-in-class luxury complexes. Our landmark properties continue to enhance the beauty. We are currently well-placed with a wide range of product offerings that willhelp us grab the business opportunities in a flourishing economy.

### CAUTIONARY STATEMENT

Certain statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be forward-looking statements within the meaning of applicable securities laws and regulations. Actual results could differ from those expressed or implied.

### ANNEXURE

Key Financial Ratios (Consolidated)				
In accordance with SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the details of significant changes (change of 25% or more as compared to the immediately previous financial year) are given below:				
Ratios	2019	2018	Definition	Explanations
Debtors Turnover	4.05	2.14	Revenue from Operations/ Trade Receivables	Higher Sales on Similar Debtors
Inventory Turnover	0.17	0.04	Revenue from Operations/ Inventory	Higher Sales on Similar Inventory level
Interest Coverage Ratio	0.40	(0.07)	Earning before interest, taxes/ Finance Costs	Increase in EBIT due to higher sales resulted into increase in interest coverage ratio.
Current Ratio	1.32	1.41	Current Assets / Current Liabilities	
Debt-Equity Ratio	0.88	0.62	Total Debt/ Equity	Growth in Debt is higher as compared to Equity
EBITDA Margin %	23.26%	-3.93%	Earning before interest, taxes, depreciation, amortization expenses / Total Income	Increase in EBITDA Margin ratio is on account of revenue recognized of one additional project during current year as compared to previous year.
Net Profit Margin %	-56.37%	-104.52%	Profit after tax / Total Income	Increase in Net Profit Margin ratio is on account of revenue recognized of one additional project during current year as compared to previous year.
Return on Net Worth %	-12.51%	-12.84%	Profit after tax / Total Shareholder's Equity	

## CORPORATE GOVERNANCE REPORT 2018-2019 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 March 31, 2019:

### 1. 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.

### 2. Board of Directors and its Committees

#### A] Composition and Category of Directors

Your Company has the combination of Executive and Non-Executive Directors in conformity with Regulation 17 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

The present strength of the Board of Directors as on March 31, 2019 is 9 (nine) out of which 4 (four) are Independent Directors including woman Director. 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 as on March 31, 2019 and category of Directors is as follows:

No.	Name of the Director	Category
1	Mr. Vinod K. Goenka, Chairman & Managing Director	Executive Director (Promoter)
2	Mr. Shahid U. Balwa, Vice Chairman & Managing Director	Executive Director (Promoter)
3	Mr. Jagat A. Killawala	Non Executive Independent Director w.e.f. 17.05.2011 (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)
4	Ms. Maryam Khan	Non Executive Independent Director w.e.f. 14.08.2018 (appointed w.e.f. 29.09.2018 for a period of five years pursuant to Companies Act 2013 and the Companies (Appointment and Qualification of Directors) Rules 2014)
5	Mr. Nasir M. Rafique	Non Executive Independent Director w.e.f. 17.05.2011 (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)
6	Mr. Salim U. Balwa	Non Executive Non Independent Director (Promoter Group) w.e.f. 10.12.2011
7	Mr. Jayvardhan V. Goenka	Non Executive Non Independent Director (Promoter Group) w.e.f. 10.12.2011



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No.	Name of the Director	Category
8	Ms. Sunita K. Goenka	Non Executive Non Independent Director (Promoter Group) w.e.f.30.03.2015
9	Mr. Sundaram Rajagopal	Non Executive Independent Director w.e.f. 09.12.2016 (appointed w.e.f. 09.12.2016 for a period of five years pursuant to Companies Act 2013 and the Companies (Appointment and Qualification of Directors) Rules 2014)

Note

1. Mr. Devender K. Vasal resigned from Board of Directors w.e.f 18.06.2018.
2. Mr. Mahesh M. Gandhi resigned from Board of Directors w.e.f 27.03.2019.
3. Mr. Sundaram Rajagopal resigned from Board of Directors w.e.f. 27.05.2019.

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

### B) The Composition of Board of Directors as on March 31, 2019 and other relevant details are as under

Name	Category	Attendance Particulars			No. of other Directorships <sup>(A)</sup> and Committee Memberships / Chairmanships <sup>(B)</sup>		
		Number of Board Meetings		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	4	2	No	2	Nil	1
Mr. Shahid U. Balwa	ED** Vice Chairman & Managing Director	4	4	Yes	Nil	Nil	2
Mr. Jagat A. Killawala	NE & ID*	4	3	Yes	4	1	5
Ms. Maryam Khan	NE & ID*	3***	2***	Yes	Nil	Nil	Nil
Mr. Nasir M. Rafique	NE & ID*	4	4	Yes	5	1	6
Mr. Salim U. Balwa	NE & NID"	4	2	No	1	Nil	Nil
Mr. Jayvardhan V. Goenka	NE & NID"	4	4	No	Nil	Nil	Nil
Ms. Sunita K. Goenka	NE & NID"	4	4	Yes	1	Nil	Nil
Mr. Sundaram Rajagopal	NE & ID*	4	1	No	Nil	Nil	Nil
Mr. Devender K. Vasal	NE & ID*	1***	1***	No	N.A	N.A	N.A
Mr. Mahesh M. Gandhi	NE & ID***	4	4	Yes	N A	N A	N A

- 1) \* Non-Executive & Independent Director
- 2) \*\* Executive Director
- 3) " Non Executive and Non Independent
- 4) \*\*\*Indicates the number of meetings held and attended after the appointment / before ceasing to the Director

Note - Mr. Devender K. Vasal and Mr. Mahesh M. Gandhi resigned from Board of Directors w.e.f. 18.06.2018 and 27.03.2019 respectively.

#### 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 ten Board level Committees and the Chairman of more than five such committees as per regulation 26(1).

Also, a separate meeting of Independent Directors was held on February 12, 2019 which was attended by the following Independent Directors:

1. Mr. Mahesh M. Gandhi
2. Mr. Jagat A. Killawala
3. Mr. Nasir M. Rafique
4. Mr. Sundram Rajagopal

#### **C] 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 met four times during the Financial Year under review 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 2018-19, meetings of the Board of Directors were held on:

- May 28, 2018
- August 14, 2018
- October 26, 2018
- February 12, 2019

#### **D] Procedure of Board/ Committee Meetings**

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 through electronic means to the Directors/ Committee Members to enable them to have discussion and take informed decisions.

#### **E) Relationship between Directors inter-se**

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

#### **F] Shareholding of Directors in the Company as on March 31, 2019**

<b>Name</b>	<b>Number of Equity Shares</b>	<b>% of total paid up share capital</b>
Mr. Vinod K. Goenka	1732108	0.71
Mr. Shahid U. Balwa	0	0
Mr. Jagat A. Killawala	0	0
Mr. Nasir M Rafique	0	0
Mr. Salim U. Balwa	74340	0.03
Mr. Jayvardhan V. Goenka	13632108	5.60
Ms. Sunita K. Goenka	0	0
Mr. Sundaram Rajagopal	0	0
Ms. Maryam Khan	0	0

The Company has not issued any convertible securities.

#### **G] 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/pdf/Familiarisation\\_Programme.pdf](http://www.dbrealty.co.in/pdf/Familiarisation_Programme.pdf)

#### **H] Core Competencies of the Board of Directors**

The following are the core skills/ expertise/competencies which in the assessment of the Board as required in the context of your Company's business and sector for the Company to function effectively:

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- Strategy and Business.
- Building effective sales & marketing strategies, corporate branding and advertising functions.
- Understanding of legal and regulatory framework in general, and that specific to the Company.
- Knowledge of Accounts, Finance & Taxation.
- Human Resources management.
- Understanding of Consumer and Customer Insights in diverse environments and conditions.
- Understanding of the changing regulatory landscape.

All the above skills are available with the Board as a collective body.

### **I] Board Confirmation regarding Independence of the Independent Directors**

All the Independent Directors of the Company have given their respective declaration/disclosures under section 149(7) of the Act and Regulation 25(8) of the Listing Regulations and have confirmed that they fulfil the independence criteria as specified under section 149(6) of the Act and Regulation 16 of the Listing Regulations and have also confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective of independent judgement and without any external influence. Further, the Board after taking these declaration / disclosures on record and acknowledging the veracity of the same, concluded that the Independent Directors are persons of integrity and possess the relevant expertise and experience to qualify as Independent Directors of the Company and are Independent of the Management.

### **J] Resignation of Independent Director before the expiry of the tenure**

Mr. Devender K. Vasal was appointed as Additional Director (to act in the capacity of “Independent Director”) with effect from 14<sup>th</sup> February, 2018 for tenure of five (5) years and his appointment as Independent Director is subject to the approval of shareholders at the then AGM. However, he has resigned as an Independent Director from the Board of Directors of the Company vide a letter dated 18<sup>th</sup> June, 2018 with immediate effect owing to his personal reason before the expiry of his tenure.

Mr. Mahesh M. Gandhi has resigned as an Independent Director from the Board of Directors of the Company vide a letter dated 27<sup>th</sup> March, 2019 with immediate effect due to his personal business commitments, before the expiry of his tenure.

Mr. Sundaram Rajagopal has resigned as an Independent Director from the Board of Directors of the Company vide a letter dated 27<sup>th</sup> May, 2019 with immediate effect due to his professional obligations before the expiry of his tenure. Mr. Sundaram Rajagopal has vide another letter dated 28<sup>th</sup> May, 2019 confirmed that there are no material reason for resignation other than those provided in the resignation letter.

### **K] 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 has one material non-listed subsidiary company within the meaning of the Listing Regulations, definition, in which one of the independent Directors of the Company was nominated as Independent Director.

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

- a) 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.
- b) A statement containing all significant transactions and arrangements entered into by the unlisted subsidiary company is placed before the board for its review.
- c) 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.
- d) The policy on Material Subsidiaries has been framed and displayed on the Company's website at [http://www.dbrealty.co.in/pdf/DBRL\\_Policy%20on%20Material%20Subsidiaries.pdf](http://www.dbrealty.co.in/pdf/DBRL_Policy%20on%20Material%20Subsidiaries.pdf)
- e) The policy of dealing with Related Party has been framed and displayed on the Company's website at [http://www.dbrealty.co.in/pdf/DBRL\\_Policy%20of%20Related%20Party%20Transaction.pdf](http://www.dbrealty.co.in/pdf/DBRL_Policy%20of%20Related%20Party%20Transaction.pdf)

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 the 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 behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. 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.

### 3] Audit Committee

**The composition of the Audit Committee as on March 31, 2019 is as under:**

Name of Member	Category
Mr. Jagat A. Killawala (Chairman) appointed as chairman & member w.e.f. March 29, 2019	Non-Executive Independent Director
Mr. Mahesh M. Gandhi (ceased to be chairman & member w.e.f. March 27, 2019)	Non-Executive Independent Director
Mr. Shahid U. Balwa	Executive Director
Mr. Nasir M. Rafique	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 five times on:

- May 28, 2018
- July 17, 2018
- August 14, 2018
- October 26, 2018
- February 12, 2019

The attendance of members of Audit Committee at the committee meetings during the year ended March 31, 2019 is as under:

Name of Member	Audit Committee Meetings	
	Held	Attended
Mr. Mahesh M. Gandhi *	5	5
Mr. Shahid U. Balwa	5	5
Mr. Nasir. M. Rafique	5	5
Mr. Jagat A. Killawala **	0	0

\* Ceased to be chairman & member of Audit Committee w.e.f. March 27, 2019

\*\* Appointed as chairman & member of Audit Committee w.e.f. March 29, 2019

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, reviewing the quarterly / half yearly / annual financial statements/ results, 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.

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### 4 Nomination and Remuneration Committee

The composition of this Committee as on March 31, 2019 is as under:

Name of Member	Category
Mr. Jagat A. Killawala (Chairman) appointed as chairman w.e.f. March 29, 2019	Non-Executive Independent Director
Mr. Mahesh M. Gandhi (ceased to be chairman & member w.e.f. March 27, 2019)	Non-Executive Independent Director
Mr. Nasir M. Rafique	Non-Executive Independent Director
Ms. Maryam Khan appointed as member w.e.f. March 29, 2019	Non-Executive Independent Director

During the year under review, the Committee meeting was held once on August 14, 2018.

The attendance of members of Nomination and Remuneration Committee at the committee meeting during the year ended March 31, 2019 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. Nasir M Rafique	1	1
Ms. Maryam Khan ***	0	0

\*Ceased to be chairman & member of Nomination & Remuneration Committee w.e.f. March 27, 2019.

\*\* appointed as Chairman of Nomination & Remuneration Committee w.e.f. March 29, 2019.

\*\*\* appointed as Member of Nomination & Remuneration Committee w.e.f. March 29, 2019.

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 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.

### 5 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 Rs. 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 at their requests.

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

**The details of remuneration of the Executive and Non-Executive Directors for the year ended March 31, 2019 is as follows:**

Name of Director	Category	Remuneration paid during 2018-2019		Total (Rs.)
		Sitting Fees (Rs.)	Salary & perquisites (Rs.)	
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*	3,00,000	N.A.	3,00,000

Name of Director	Category	Remuneration paid during 2018-2019		Total (Rs.)
		Sitting Fees (Rs.)	Salary & perquisites (Rs.)	
Mr. Jagat A. Killawala	NE & ID*	1,80,000	N.A.	1,80,000
Mr. Nasir M. Rafique	NE & ID*	2,40,000	N.A.	2,40,000
Mr. Salim U. Balwa	NE & NID***	40,000	N.A.	40,000
Mr. Jayvardhan V. Goenka	NE & NID***	1,00,000	N.A.	1,00,000
Ms. Sunita K. Goenka	NE & NID***	80,000	N.A.	80,000
Mr. Sundaram Rajagopal	NE & ID*	20,000	N.A.	20,000
Ms. Maryam Khan	NE & ID*	40,000	N.A.	40,000
Mr. Devender K. Vasal	NE & ID*	20,000	N.A.	20,000

\* Non-Executive & Independent Director

\*\* Executive Director

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

Note - Mr. Devender K. Vasal and Mr. Mahesh M. Gandhi resigned from Board of Directors w.e.f. 18.06.2018 and 27.03.2019 respectively

#### 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

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

#### 6 Stakeholders Relationship Committee

The composition of this Committee as on March 31, 2019 is as under:

Name of Member	Category
Mr. Nasir M. Rafique	Non-Executive Independent Director
Mr. Shahid U. Balwa	Executive Managing Director
Mr. Jagat A. Killawala	Non-Executive Independent 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 12, 2019.

The attendance of members of Stakeholders Relationship Committee at the committee meetings during the year ended March 31, 2019 is as under:

Name of Member	Stakeholders Relationship Committee meetings	
	Held	Attended
Mr. Jagat A. Killawala	1	1
Mr. Shahid U. Balwa	1	1
Mr. Nasir M. Rafique	1	1

The Committee has been constituted to specifically look into the matter of the redressal of stakeholder's, security holders

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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 shareholder's 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	0
• Disposed off during the financial year	0
• Pending at the end of the financial year	NIL

### 7 Corporate Social Responsibility Committee

The composition of this Committee as on March 31, 2019 is as under:

Name of Member	Category
Mr. Jagat A. Killawala (Chairman) (appointed as chairman & member w.e.f. March 29, 2019)	Non-Executive Independent Director
Mr. Mahesh M. Gandhi (ceased to be chairman & member w.e.f. March 27, 2019)	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 12, 2019.

The attendance of members of the Committee at the committee meetings during the year ended March 31, 2019 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
Mr. Jagat A. Killawala **	0	0

\* Ceased to be chairman & member of CSR Committee w.e.f. March 27, 2019.

\*\* Appointed as chairman & member of CSR Committee w.e.f. March 29, 2019.

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.

### 8 Finance & Investment Committee

The composition of this Committee as on March 31, 2019 is as under:

Name of Member	Category
Mr. Vinod K. Goenka (Chairman)	Executive, Managing Director
Mr. Mahesh M. Gandhi (ceased to be member w.e.f. March 27, 2019)	Non-Executive Independent Director
Mr. Jagat A. Killawala	Non-Executive Independent Director
Mr. Nasir. M. Rafique (appointed as member w.e.f. March 29, 2019)	Non-Executive Independent Director

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

- April 14, 2018
- July 17, 2018
- September 10, 2018
- September 26, 2018

The attendance of members of the Committee at the committee meetings during the year ended March 31, 2019 is as under:

Name of the Member	Finance & Investment Committee meetings	
	Held	Attended
Mr. Vinod K. Goenka (Chairman)	4	4
Mr. Mahesh M. Gandhi *	4	4
Mr. Jagat A. Killawala	4	4
Mr. Nasir M. Rafique **	0	0

\* Ceased to be member of Finance & Investment Committee w.e.f. March 27, 2019.

\*\* appointed as member of Finance & Investment Committee w.e.f. March 29, 2019.

## 9 Directors' Appointment, Tenure and Remuneration

In terms of Section 152 read with Section 149(13) of the Companies Act, 2013, Ms. Sunita K. Goenka is liable to retire by rotation. The said Director has offered herself for reappointment and resolution for her reappointment is 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 Ms. Sunita K. Goenka appears below:

### Ms. Sunita K. Goenka :

Ms. Sunita K. Goenka, aged 57 years, is a Non Executive & Non-Independent Director of our Company. She has been on the Board of our Company since March 30, 2015. She hails from promoter family and is the sister of Mr. Vinod K. Goenka. She has more than decades of experience in Management of Educational institutions and also construction industry. She is in charge of construction / operation of the family business of Goenka Group. Ms. Sunita K. Goenka does not holds any shares of D B Realty Limited as on March 31, 2019.

Sr. No.	The details of directorship (other than in the Company) of Ms. Sunita Goenka are as follows
1.	Sahapur Plantations and Orchard Private Limited
2.	Modern Hi-tech Developers Private Limited
3.	Maldunge Farming and Agro Produce Private Limited
4.	Maldunge Retreat and Farming Private Limited
5.	Sahyadri Agro and Dairy Private Limited
6.	Densewood Private Limited
7.	Aniline Construction Company Private Limited
8.	The Crescent Iron and Steel Corporation Limited
9.	Kalpataru Plaza Private Limited
10.	Goan Real Estate and Construction Private Limited
11.	Hillside Constructions Company Private Limited
12.	Consort Hotels Private Limited
13.	Dynamix Clubs and Resorts Private Limited
14.	Excon Developers Private Limited
15.	Hiracon Properties Private Limited
16.	Astalakshmi Financial and Investment Services Private Limited
17.	Conwood Agencies Private Limited
18.	Schreiber Dynamix Dairies Private Limited
	Ms. Sunita Goenka does not hold position of Chairmanship and Membership of Committees of any other company.



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### 10 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
2017- 2018 12 <sup>th</sup> Annual General Meeting	Lakshdham High School Auditorium, Lakshdham High School, Gokuldharm, Goregaon (East), Mumbai 400063	29.09.2018	03.00 P.M
2016- 2017 11 <sup>th</sup> Annual General Meeting	Lakshdham High School Auditorium, Lakshdham High School, Gokuldharm, Goregaon (East), Mumbai 400063	29.09.2017	03.00 P.M
2015- 2016 10 <sup>th</sup> Annual General Meeting	Lakshdham High School Auditorium, Lakshdham High School, Gokuldharm, Goregaon (East), Mumbai 400063	29.09.2016	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
2017- 2018 29-09-2018	12 <sup>th</sup> Annual General Meeting	None
2016- 2017 29-09-2017	11 <sup>th</sup> Annual General Meeting	Appointment of Mr. Sundaram Rajagopal as an Independent Director.
2015- 2016 29-09-2016	10 <sup>th</sup> Annual General Meeting	None

During FY 2018-19, no Special resolutions were passed through postal ballot. As on date, the Company does not have any proposal to pass any **special resolution** by way of postal ballot.

### 11. 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, if any shareholding pattern, Policies required to be published under SEBI (LODR) Regulations, 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. 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.

### 12. General shareholder 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	September 30, 2019. 3.00 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 and ends on March 31 of the succeeding year.
Rate of Dividend and dividend declaration date	Dividend Not declared

Listing on Stock Exchanges	<b>BSE Limited</b> Phiroze Jeejeebhoy Towers Dalal Street, Mumbai- 400001 <b>National Stock Exchange of India Ltd.,</b> Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051
Listing fees	The listing fees of BSE and NSE for FY 2018-19 has been paid.
Stock Code	The BSE scrip code of equity shares is 533160 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, 2019 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 Share Transfer agents	M/s. Link Intime India Private Limited C 101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai – 400 083, India Tel No: 022 – 4918 6000 Website: <a href="http://www.linkintime.co.in">www.linkintime.co.in</a> 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. For shares held in dematerialized form, kindly contact the depository participant with whom their 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 March 31, 2019, 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 Construction 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 2019-20	For the quarter ended June 30, 2019 – by the mid of August, 2019. For the quarter and half year ended September 30, 2019 - by the mid of November 2019. For the quarter ended December 31, 2019 - by the mid of February 2020. For the quarter and year ended March 31, 2020 - by the end of May 2020.

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### Market Price Data

Month	Stock Exchanges					
	BSE			NSE		
	Share Price		Sensex	Share Price		Nifty
	High (Rs.)	Low (Rs.)	Close	High (Rs.)	Low (Rs.)	Close
April, 2018	72.55	46.50	35160.36	72.50	47.10	10739.35
May, 2018	69.85	46.90	35322.38	69.95	46.35	10736.15
June, 2018	50.35	35.20	35423.48	50.40	35.40	10714.30
July, 2018	42.25	31.40	37606.58	42.55	31.40	11356.50
August, 2018	35.80	28.00	38645.07	35.90	28.35	11680.50
September, 2018	29.60	20.60	36227.14	29.45	20.25	10930.45
October, 2018	22.60	15.90	34442.05	22.40	15.85	10386.60
November, 2018	24.95	19.25	36194.30	25.00	19.05	10876.75
December, 2018	30.00	20.40	36068.33	29.80	20.30	10862.55
January, 2019	34.55	24.00	36256.69	34.60	24.10	10830.95
February, 2019	26.90	19.95	35905.43	26.80	19.60	10792.50
March, 2019	22.00	19.20	38672.91	22.00	19.10	11623.90

### Distribution of Shareholding as on March 31, 2019

Equity Shares held	No. of Shareholders	Percent (%) of shareholders	No. of Equity Shares	Percent (%) of Shareholding
1 – 500	23175	76.0060	3533677	1.4526
501 – 1000	3125	10.2489	2645781	1.0876
1001 – 2000	1778	5.8312	2837738	1.1666
2001 – 3000	668	2.1908	1736647	0.7139
3001 – 4000	314	1.0298	1145365	0.4708
4001 – 5000	276	0.9052	1321627	0.5433
5001 – 10000	514	1.6857	3832614	1.5755
10001 and above	641	2.1023	226205333	92.9896
	<b>30491</b>	<b>100.0000</b>	<b>243258782</b>	<b>100.0000</b>

### Shareholding Pattern as on March 31, 2019

Category		Number of Equity Shares	Percentage of Holding
<b>A</b>	<b>Promoter's Holding</b>		
1	Indian Promoter	151609527	62.32
	<b>Sub Total (A)</b>	<b>151609527</b>	<b>62.32</b>
<b>B</b>	<b>Non Promoter's Holding</b>		
	<b>Institutional Investors</b>		
1	Mutual Funds/UTI	0	0.00
2	Financial Institution/Banks	1529424	0.63
3	Venture Capital Funds	0	0.00
4	Foreign Institutional Investors/ Foreign Portfolio Investor Corporate	13724176	5.64
	<b>Non Institutional Investors</b>		
1	Bodies Corporate	13642132	5.61
2	Individuals	40534525	16.66
3	Non-resident Individuals	1668058	0.69
4	Trusts	1683	0.00
5	Foreign Company	17368637	7.14
6	Clearing Members	1091179	0.45
7	Hindu Undivided Family	1852792	0.76
8	Foreign Nationals	66	0.00
9	NBFCs registered with RBI	236583	0.10
	<b>Sub Total (B)</b>	<b>91649255</b>	<b>37.68</b>
	<b>Grand Total (A+B)</b>	<b>243258782</b>	<b>100.00</b>

### **Status of dematerialization of shares**

As at March 31, 2019, 243258281 (99.99%) Equity Shares were held in dematerialized form with NSDL and CDSL, while 501 (Nil %) Equity Share was held in physical form.

### **Reconciliation of Share Capital Audit**

As stipulated by SEBI, a qualified Practising 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.

### **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

## **13. Other 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 sitting fees.

### Status of Regulatory Compliances:

The Company has complied with all the material requirements of the Listing Agreement/ SEBI (LODR) Regulations, 2015 except as stated in the Certificate of Corporate Governance issued by the Practising Company Secretary, 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 Vigil Mechanism & Whistleblower Policy in place. During the year under review no personnel have either approached the Audit Committee or been denied access to the Audit Committee.

### MD/CFO Certificate:

The MD /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.

### Certificate from Practising Company Secretaries:

M/s V. M. Kundaliya, Practising Company Secretaries has issued a certificate that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority is annexed and forms part of the Annual Report.

### Approval of Board on recommendation by the Committee:

During F. Y. 2018-19 there were no instances where the Board has not accepted any recommendation of any committee of the Board

### Audit Fees:

The total fees for F.Y2018 - 19 for all services availed by your Company and its subsidiaries, on a consolidated basis, from the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part is not applicable. None of the subsidiaries of the Company have availed services from M/s Haribhakti & Co LLP in the F.Y 2018-19. The total fees paid by the Company to M/s Haribhakti & Co LLP in the F.Y 2018-19 is as under:

<b>Type of Service</b>	<b>Amount ( In lacs)</b>
Audit Fees	47.50
Others	0.61
<b>Total</b>	<b>48.11</b>

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### Sexual Harassment of Women at Workplace

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

- a. number of complaints filed during the financial year - Nil
- b. number of complaints disposed of during the financial year - Nil
- c. number of complaints pending as on end of the financial year - Nil

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

The Company has complied with the requirements of Corporate Governance Report of Paras (2) to (10) mentioned in Part 'C' of Schedule V of the Listing Regulations.

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

As on Financial Year ended March 31, 2019, the Company has complied with all the Listing Regulations except 25 (6). Further, the Listing Regulations 21 (1), (2), (3) & (4) are not applicable to the Company.

#### **16. 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 Vice-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 F.Y. 2018-19.

Mumbai, May 30, 2019

**Vinod K. Goenka**  
Chairman & Managing Director  
(DIN:00029033)

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

Date: May 30.2019  
Place: Mumbai

**Vinod K. Goenka**  
Chairman & Managing Director  
(DIN:00029033)

## 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") 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 for the Financial Year ended March 31, 2019.

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 *except the composition of the Board and its Committees as per Regulation 17(b), 18 and 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 due to disqualification of one of the Independent Director pursuant to first proviso of Section 167(1)(a) of the Companies Act, 2013.*

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

Vicky M. Kundaliya  
(Proprietor)  
FCS No.7716  
C.P. No. 10989

Place: Mumbai  
Date: 30<sup>th</sup> May, 2019

## **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: MD / 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 March 31, 2019 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**

Sd/-

**Vinod K. Goenka**

Chairman & Managing Director

(DIN: 00029033)

Sd/-

**Asif Balwa**

C.F.O

(DIN: 00017934)

Place: Mumbai

Date : May 30, 2019

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

*(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)*

To,

The Members,

**DB REALTY LIMITED**

DB House, Gen. A. K. Vaidya Marg,

Goregaon (East), Mumbai – 400063

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **DB Realty Limited** having CIN L70200MH2007PLC166818 and having registered office at DB House, Gen. A.K.Vaidya Marg, Goregaon (East) Mumbai - 400063 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	SHAHID USMAN BALWA	00016839	10 <sup>th</sup> December, 2011
2.	SALIM USMAN BALWA	00017899	10 <sup>th</sup> December, 2011
3.	VINOD KUMAR GOENKA	00029033	8 <sup>th</sup> January, 2007
4.	JAGAT ANIL KILLAWALA	00262857	17 <sup>th</sup> May, 2011
5.	SUNITA GOENKA	01010145	30 <sup>th</sup> March, 2015
6.	NASIR MAHMUD RAFIQUE	01623598	17 <sup>th</sup> May, 2011
7.	SUNDARAM VIDYATHEERTHA RAJAGOPAL	01951392	9 <sup>th</sup> December, 2016
8.	JAYVARDHAN VINOD GOENKA	03546392	10 <sup>th</sup> December, 2011
9.	MARYAM KHAN	01263348	14 <sup>th</sup> August, 2018

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **V. M. Kundaliya & Associates**  
Company Secretaries

**Vicky M. Kundaliya**  
(Proprietor)  
FCS No.7716  
C.P. No. 10989

Place: Mumbai  
Date: 30<sup>th</sup> May, 2019



**D B REALTY LIMITED**

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**Annexure D****FORM NO. AOC.2**

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

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

**1. Details of contracts or arrangements or transactions not at arm's length basis**

Not Applicable

**2. Details of material contracts or arrangement or transactions at arm's length basis**

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transaction	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
1.	i) Neelkamal Realtors & Builders Private Limited (Developer)  ii) It is a company in which Promoters /KMPs and their relatives have significant influence.	Hardship Compensation due to delay of execution of supplemental agreement in respect of the development of the property in the favour of the Company.	Further extension of 48 months pertaining to the execution of the supplemental agreement, approved at Board Meeting held on 12 <sup>th</sup> February, 2019.	The Developer paid an amount of Rs. 4 Crore as and by way of onetime hardship compensation for the past delay caused with respect to the execution of the Supplemental Agreement and also partly refunded security deposit of Rs. 10 Crores to the Company.	12 <sup>th</sup> February, 2019	Nil
2.	i) BD & P Hotels (India) Pvt. Ltd  ii) It is subsidiary of Marine Drive Hospitality & Realty Pvt. Ltd., a company in which KMPs and Promoters/their relatives have significant influence and the Company has considerable interest.	Arrangement for providing space to advertise unit Hilton Mumbai International Airport at 75 number of designation location at Bandra Worli Sea Link.	1 <sup>st</sup> January, 2019 till 31 <sup>st</sup> March, 2019.	Arrangement for providing space to advertise unit Hilton Mumbai International Airport at 75 number of designation location at Bandra Worli Sea Link for the period of 1 <sup>st</sup> January, 2019 till 31 <sup>st</sup> March, 2019 at a consideration of Rs.40,00,000/-and subject to the compliance of provisions of the Companies Act, 2013, the aforesaid arrangement be extended for another period of 3 months on the same terms and conditions .	12 <sup>th</sup> February, 2019	Nil
3.	i) MIG Bandra Realtors & Builders Pvt. Ltd  (ii) Wholly Owned Subsidiary	Arrangement for providing space to advertise Ten BKC Project" at 75 number of designation location at Bandra Worli Sea Link.	1 <sup>st</sup> January, 2019 till 31 <sup>st</sup> March, 2019	Arrangement for providing space to advertise Ten BKC Project" at 75 number of designation location at Bandra Worli Sea Link for the period of 1 <sup>st</sup> January, 2019 till 31 <sup>st</sup> March, 2019 at a consideration of Rs.40,00,000/-	12 <sup>th</sup> February, 2019	Nil

On behalf of the Board of Directors

**For D B Realty Limited****Vinod K. Goenka**Mumbai, Chairman & Managing Director  
(DIN: 00029033)**Shahid U. Balwa**Vice- Chairman & Managing Director  
(DIN: 00016839)30<sup>th</sup> May, 2019

## Form No. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2019

*[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, 2019 ('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, 2019 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, 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;**
  - (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 / proposed 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 / proposed 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 Acts, Laws and Regulations

## D B REALTY LIMITED

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as specifically applicable to the Company out of the list of major head/groups as identified and confirmed by the management are given below--

- (i) Maharashtra Regional and Town Planning Act, 1966
- (ii) Development Control Regulations for Greater Mumbai, 1991
- (iii) Real Estate (Regulation and Development) Act, 2016 for all states as applicable
- (iv) Maharashtra Ownership Flats (Regulation of the Promotion, Construction, Sale, Management and Transfer) Act, 1963
- (v) Maharashtra Apartment Ownership Act, 1970

I further report that, for all the above laws and in relation to the compliances for Goods and Service 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 issued by The Institute of Company Secretaries of India.
- (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 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, *except the composition of the Board and its Committees as per the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 due to disqualification of one of the Independent Director pursuant to first proviso of Section 167(1)(a) of the Companies Act, 2013.* The said Director has tendered his resignation w.e.f. 27<sup>th</sup> March, 2019 and the Board has re-constituted its Committees on 29<sup>th</sup> March, 2019.

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 except as reported above. 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 under review, the Company has no specific events like Public Issue/Right Issue/Sweat Issue, etc/Redemption / Buy-back of Securities / Foreign Technical Collaborations.

For **V. M. Kundaliya & Associates**  
Company Secretaries

**Vicky M. Kundaliya**  
(Proprietor)  
FCS No.7716  
C.P. No. 10989

Place: Mumbai  
Date: 30<sup>th</sup> May, 2019

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

## Annexure A

To,  
The Members,  
D B REALTY LIMITED

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

**Vicky M. Kundaliya**  
(Proprietor)  
FCS No.7716  
C.P. No. 10989

Place: Mumbai  
Date: 30<sup>th</sup> May, 2019

**DISCLOSURE OF REMUNERATION DETAILS**

- Ratio of the remuneration of each director to the median remuneration of the employees for the financial year-** 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. Asif Balwa	Chief Financial Officer	Nil
Mr. Jignesh Shah	Company Secretary	Nil

**Note-** Mr. Asif Balwa, Chief Financial Officer was working on honorary basis without any remuneration.

- The percentage increase in the median remuneration of employees in the financial year:** 15.14%
- Number of permanent employees on the rolls of the Company:**  
There were total 6 employees on the pay rolls of the Company as on March 31, 2019.
- Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and Justification thereof and point out if there are 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 15.14%. The percentage increase in the managerial remuneration was Nil.

**Affirmation:**

I, Vinod Goenka, Managing Director of D B Realty Limited hereby confirm that the remuneration paid during FY 2018-19 is as per the remuneration policy of the Company.

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

Mumbai,  
30<sup>th</sup> May, 2019

**Vinod K. Goenka**  
Chairman & Managing Director  
(DIN:00029033)

**Shahid U. Balwa**  
Vice- Chairman & Managing Director  
(DIN:00016839)

## INDEPENDENT AUDITOR'S REPORT

**To the Members of D B Realty Limited**

**Report on the Audit of Standalone Ind AS Financial Statements**

### **Qualified Opinion**

We have audited the accompanying Standalone Ind AS Financial Statements of D B Realty Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the Standalone Ind AS Financial Statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Ind AS Financial Statements").

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 matters described in the Basis for Qualified Opinion section of our report, the aforesaid Standalone Ind AS Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS"), of the state of affairs of the Company as at March 31, 2019, its loss (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

### **Basis for Qualified Opinion**

- a. As stated in Note 57 to the Standalone Ind AS Financial Statements, regarding non recognition/ re-measurement of financial guarantees aggregating Rs. 293,552.00 lacs issued to banks/ financial institutions on behalf of various entities at fair value as required under Ind AS 109 – 'Financial Instruments'. In absence of measurement of financial guarantees at fair value, we are unable to comment on the effects on the loss for the year ended March 31, 2019.
- b. As stated in Note 51 to the Standalone Ind AS Financial Statements, regarding non-evaluation of impairment provision for expected credit losses in accordance with Ind AS 109 – 'Financial Instruments', for loans and receivables aggregating Rs. 50,886.65 lacs and investments aggregating Rs. 87,368.26 lacs respectively as on March 31, 2019 to certain subsidiaries and related parties which have incurred significant losses or have negative net worth as on that date. We are unable to comment on the effects on the loss for the year ended March 31, 2019.
- c. As stated in Note 2(B)(i)(d) to the Standalone Ind AS Financial Statements, regarding measurement of its investments in equity instruments of one of its subsidiary company at fair value through other comprehensive income which the Management has not considered as a subsidiary. Had it been treated as a subsidiary, then as per accounting policy, it should be measured at cost. Consequently, investments in these instruments and other comprehensive income are higher by Rs. 15,228.96 lacs and Rs. 12,061.34 lacs (net of tax) respectively as on March 31, 2019.

We conducted our audit in accordance with Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Ind AS Financial Statements under the provisions of the Act and Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Ind AS Financial Statements of the current year. This matter was addressed in the context of our audit of the Standalone Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matters described in the Basis for Qualified Opinion section, we have determined the matter described below to be the key audit matter to be communicated in our report.

### **Key Audit Matter How the matter was addressed in the audit**

<p><b><u>Valuation of Inventory</u></b></p> <p><i>(Refer Note 2.10 and 13 to the Standalone Ind AS Financial Statements – Significant Accounting Policies)</i></p> <p>Inventory consisting of projects under development have an aggregate value of Rs. 28,228.16 lacs as on March 31, 2019.</p> <p>These projects are under initial stages of development and the management estimates that net realizable value of these projects will be greater than the carrying cost based on the approved initial plans, future projections and future prospects of these projects. As on March 31, 2019, there is no much progress in development activities of these projects.</p>	<p>Our audit procedures in respect of this area includes:</p> <p>Obtained an understanding of management's process and evaluated design and tested operating effectiveness of controls for valuation of inventories.</p> <p>Obtained valuation reports from independent valuer engaged by the management for projects Work-in-progress and evaluated the appropriateness of the underlying data, methodology applied by independent valuer and assumption given by the management for inventory valuation.</p>
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Considering the materiality of the amount involved and degree of management judgment in valuation, we have identified valuation of inventory as a key audit matter for the current year audit.	Carried out sensitivity analysis of projected cost and revenue expected from key projects. Verified, on test check basis, the project related expenditure incurred during the year and analysed the movement of project work-in-progress during the year.
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### Emphasis of Matter

We draw attention to the following matters in the notes to the Standalone Ind AS Financial Statements:

- a. As stated in Note 9.2 to the Standalone Ind AS Financial Statements, regarding security deposits aggregating Rs. 4,653.74 lacs as on March 31, 2019, given to various parties for acquisition of development rights, as explained by the 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.
- b. As stated in Note 7.3 to the Standalone Ind AS Financial Statements, regarding return on investments of Rs. 79,790.67 lacs in preference shares in a subsidiary company as on March 31, 2019. As explained by the Management, such investments are considered strategic and long term in nature and the current market value and future prospects of such investments are significantly in excess of Company's investment in the investee company.
- c. As stated in Note 13.1 to the Standalone Ind AS Financial Statements, regarding status of inventory consisting of projects having aggregate value of Rs. 28,228.16 lacs as on March 31, 2019 and the opinion framed by the Management about net realizable value of the cost incurred, being a technical matter, has been relied upon by us.
- d. As stated in Note 49 to the Standalone Ind AS Financial Statements, regarding loans and advances aggregating Rs. 4,000.00 lacs as on March 31, 2019 which are under litigation and are sub-judice. Based on the Management's assessment of the outcome, no adjustments are considered necessary in respect of recoverability of balances. The impact, if any, of the outcome is unascertainable.
- e. As stated in Note 52 to the Standalone Ind AS Financial Statements, regarding certain allegations made by the Enforcement Directorate against the Company and its two 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.
- f. As stated in Note 54 to the Standalone Ind AS Financial Statements, regarding attachment order issued by adjudicating authority under Prevention of Money Laundering Act, 2002, by which the Company's assets aggregating Rs. 2,450.40 lacs have been attached on August 30, 2011. Consequently, the adjudicating authority has taken over the bank balance of Rs. 68.93 lacs and Investment in Redeemable Optionally Convertible Cumulative Preference Shares – Series A and Series C of a subsidiary company of Rs. 2,288.81 lacs in earlier years. The impact of the matter, if any, of its outcome is currently unascertainable.
- g. As stated in Note 46(A)(i),(ii) and (iii) to the Standalone Ind AS Financial Statements, regarding the Audited Financial Statements of a Firm where the Company is one of the partners has following disclosures:
  - i. As regards recoverability of Trade Receivables of Rs. 2,722.98 lacs, the Partners of the Firm had taken effective steps for recovery and are not expecting any short realisation. In the event of shortfall in realisation, the same shall increase the debit balance of the Partners.
  - ii. 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.  
These matters are sub-judice and the impact, if any, of its outcome is currently unascertainable.
  - iii. As regards pending dispute towards liability of property tax of the Firm with Municipal Corporation of Greater Mumbai / Slum Rehabilitation Authority.
  - iv. As regards non-provision of disputed income tax liability of Rs. 2,911.63 lacs.
- h. As stated in Note 47(ii) to the Standalone Ind AS Financial Statements, regarding order passed by Hon'ble Delhi High Court in one of the Partnership Firm where the Company is a partner directing the Airport Authority of India (AAI) to conduct Aeronautical Studies without demolishing the structure of SRA buildings. In the opinion of the Management, the firm is hopeful for favorable outcome and hence it does not expect any financial outflow in this matter.
- i. As stated in Note 47(ii) to the Standalone Ind AS Financial Statements, regarding significant uncertainty relating to completion of the Project in one of the partnership firm based on its management and accordingly, the firm has not recognised revenue till such significant uncertainty exists.

Our opinion is not modified in respect of these matters.

### Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Corporate Governance and Directors' Report, but does not include the Standalone Ind AS Financial Statements and our auditor's report thereon.

Our opinion on the Standalone Ind AS Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.



In connection with our audit of the Standalone Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Ind AS Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management and Those Charged with Governance for the Standalone Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Ind AS Financial Statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under Section 133 of the Act, read with relevant rules issued thereunder. 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, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Ind AS Financial Statements, the Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Standalone Ind AS Financial Statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Ind AS Financial Statements, including the disclosures, and whether the Standalone Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Ind AS Financial Statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Other Matters**

As stated in Note 46 to the Standalone Ind AS Financial Statements, regarding share of loss (net) from investment in three



## **D B REALTY LIMITED**

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partnership firms, one Limited Liability Partnership and one Joint Venture aggregating Rs. 1,072.50 lacs for the year ended March 31, 2019, included in the Standalone Ind AS Financial Statements, is based on the Ind AS Financial Statements of such entities. These Ind AS Financial Statements have been audited by the auditors of these entities, whose reports have been furnished to us by the Management and our audit report on the Standalone Ind AS Financial Statements is based solely on such audit reports of the other auditors.

The Standalone Ind AS Financial Statements also includes share of loss from investment in one Limited Liability Partnership aggregating Rs. 0.03 lacs which is based on the Ind AS Financial Statements of such entity. This Ind AS Financial Statements is unaudited and have been furnished to us by the Management, and our audit report on the Standalone Ind AS Financial Statements is based solely on such unaudited Ind AS Financial Statements. According to the information and explanations given to us by the Management, this Ind AS Financial Statements is not material to the Company.

Our opinion is not modified in respect of these matters.

### **Report on Other Legal and Regulatory Requirements**

- (1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) 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, we report as under to the extent applicable:
  - a. We have sought and except for the matters described in the Basis for Qualified Opinion section of our report, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. Except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, 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 (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;
  - d. Except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, in our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rules issued there under;
  - e. The matters described under the Basis for Qualified Opinion and Emphasis of Matter section of our report above, in our opinion, may have an adverse effect on the functioning of the Company;
  - f. On the basis of the written representations received from the directors as on March 31, 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 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 with reference to financial statements of the Company and the operating effectiveness of such controls, we give our separate report in "Annexure 2";
  - h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act;  
In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid any remuneration to its directors during the year;
  - 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 Ind AS Financial Statements – Refer Note 45 on Contingent Liabilities and Note 46A to 49, 52 and 54 on litigations to the Standalone Ind AS Financial Statements;
    - (ii) The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;
    - (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 /W100048

**Snehal Shah**

Partner

Membership No. 048539

Mumbai: May 30, 2019

## 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** ('the Company') on the Standalone Ind AS Financial Statements for the year ended March 31, 2019]

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets. In case of identification and situation of fixed assets, the Company is in 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:

(Rs. in lacs)

Land/ Building	Total number of cases	Leasehold/ Freehold	Gross Block as on March 31, 2019	Net Block as on March 31, 2019	Remarks
Sale Office - Pune	1	Freehold	139.45	-	Company has acquired Development Rights on the said property.

- (ii) Inventories comprise of payments for acquisition of lands, tenancy rights, related compensation, contract payments and other expenditure on construction and development of the project of the Company. As informed to us, site visits were carried out during the year by the Management at reasonable intervals. 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 and Joint ventures 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 loans granted by the Company to seven parties covered in the register maintained under section 189 of the Act, (total loan amount granted Rs. 6,557.22 lacs and balance outstanding as on March 31, 2019 is Rs. 6,527.81 lacs are prejudicial to the Company's interest as they are interest-free loans.
  - (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 whether the repayments or receipts are regular and report amounts overdue for more than ninety days, if any, as required under clause 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 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) The Central Government has prescribed the maintenance of cost records for the products of the Company under sub-section (1) of section 148 of the Act and the rules framed there under. However, at present the Company does not fall under the criteria for which such records are required to be maintained. Hence, the said rules are not applicable to the Company.
- (vii)
  - (a) The Company is not regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and service tax, cess and any other material statutory dues applicable to it, and there have been serious delays in large number of cases.  
According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, goods and service tax, customs duty, excise duty, cess and any other material statutory dues applicable to it, were outstanding at the year end, for a period of more than six months from the date they became payable.  
However, undisputed amounts payable in respect of employees' state insurance, service tax, wealth tax and property tax, outstanding at the year end, for a period of more than six months from the date they became payable, are as follows:

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Name of the statute	Nature of the dues	Amount (Rs. in lacs)	Period to which the amount relates	Due Date	Date of Payment
Finance Act, 1994	Service Tax Liability and interest thereon	4.55	April 2010 to March 2012	Various Dates	Not Paid
Finance Act, 1994	Krishi Kalyan Cess	0.05	August 2016 to June 2017	Various Dates	Not paid
Finance Act, 1994	Swachh Bharat Cess	0.04	August 2016 to June 2017	Various Dates	Not paid
Employee's State Insurance Act, 1948	Employee ESIC	0.00	March and June 2018	Various Dates	Not paid
Mumbai Municipal Corporation Act, 1888	Property Tax	581.72	April 2010 to September 2018	Various Dates	Not paid
Wealth Tax Act, 1957	Wealth Tax	9.38	April 2013 to March 2015	Various Dates	Not paid

- (b) According to the information and explanation given to us, there are no disputed dues of value added tax, goods and service tax, customs duty and excise duty as at March 31, 2019. The particulars of dues outstanding with respect to income tax and service tax which have not been deposited on account of disputes, are as follows:

Name of the statute	Nature of dues	Amount (Rs. in lacs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	64.02	A.Y. 2010-11	Income Tax Appellate Tribunal, Mumbai
Income Tax Act, 1961	Income Tax	908.54	A.Y. 2012-13	Income Tax Appellate Tribunal, Mumbai
Income Tax Act, 1961	Income Tax	92.25	A.Y. 2013-14	Commission of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	170.55	A.Y. 2014-15	Income Tax Appellate Tribunal, Mumbai
Income Tax Act, 1961	Income Tax	1,210.54	A.Y. 2015-16	Commission of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	39.97	A.Y. 2016-17	Demand under Section 154
Finance Act, 1994	Service Tax	5,419.40*	F.Y. 2011-12 to F.Y. 2015-16	Commission of Service Tax

(\*Excluding interest and penalty as the case may be)

- (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, except for the details given below:

Sr. No	Particulars	Amount of default as at March 31, 2019 (Rs. in lacs)	Period of Default
<b>1</b>	<b>ICICI Bank Limited</b>		
	Principal	1,645.92	Since January, 2018
	Interest	499.96	Since July, 2017 Onwards
<b>2</b>	<b>Reliance Home Finance Limited</b>		
	Principal	6,670.00	Since March 2019
	Interest	2,753.13	Since December 2017 Onwards
<b>3</b>	<b>Reliance Commercial Finance Limited</b>		
	Principal	200.00	Since December 2018
	Interest	96.86	Since December 2017 Onwards
<b>4</b>	<b>Yes Bank Limited</b>		
	Interest	223.79	Since December 2018 onwards
	Facility Fees	1,600.00	Since June 2018 Onwards
<b>5</b>	<b>LIC Housing Finance Limited</b>		
	Principal	218.69	Since December, 2018 Onwards

Sr. No	Particulars	Amount of default as at March 31, 2019 (Rs. in lacs)	Period of Default
	Interest	29.67	Since December, 2018 Onwards
<b>6</b>	<b>Bank of India</b>		
	Interest	0.30	Since February, 2019 Onwards
<b>7</b>	<b>HDFC Bank</b>		
	Interest	235.19	Since March 2019

Note: Interest includes penal interest.

- (ix) In our opinion and according to the information and explanation given to us, the Company has not raised money by way of initial public issue offer / further public offer (including debt instruments) during the year. However, the Company has obtained term loans and, 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 2010-2011, 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 54) which is alleged to have paid an amount of Rs. 20,000 lacs as illegal gratification in the same connection. As explained to us, the Company is not directly a party to the allegations and Special Court has passed the order acquitting all the accused via order dated 21.12.2017. However, the matter is sub-judice in the Delhi High Court as on reporting date due to appeal filed by CBI against the order of Special court. The matter is listed for October 24, 2019.
- 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 and ECIR/MBZO/08/2015. The Hon'ble Court has also now summoned two of the Key Managerial Personnel's (KMP) of the Company as accused as per the said complaint. The matter in relation to the Company and the KMPs 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 (Refer Note 52).
- (xi) According to the information and explanations given to us, the Company has not paid / provided the managerial remuneration. Accordingly, clause 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, clause 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 Act, where applicable and the details have been disclosed in the Standalone Ind AS 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 audit. Therefore, clause 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year.
- (xvi) According to the information and explanation given to us and based on legal opinion obtained, the Company is not required to be registered under Section 45-IA of Reserve Bank of India Act, 1934.

**For Haribhakti & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration No. 103523W / W100048

**Snehal Shah**  
Partner  
Membership No. 048539

Place: Mumbai  
Date: May 30, 2019

## **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 Ind AS Financial Statements for the year ended March 31, 2019]

### **Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to financial statements of **D B Realty Limited** ("the Company") as of March 31, 2019 in conjunction with our audit of the Standalone Ind AS 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 with reference to financial statements 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 (the "Guidance Note") 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 Act.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls 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 with reference to financial statements.

#### **Meaning of Internal Financial Controls with reference to Financial Statements**

A company's internal financial control with reference to financial statements 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 with reference to financial statements 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 with reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements 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, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2019, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.103523W / W100048

**Snehal Shah**

Partner

Membership No. 048539

Mumbai: May 30, 2019

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## STANDALONE BALANCE SHEET AS AT MARCH 31, 2019

(Rs. in lacs)

Particulars	Note No.	As at March 31, 2019		As at March 31, 2018	
<b>I ASSETS</b>					
<b>1 Non-current assets</b>					
(a) Property, Plant and Equipment	3	235.30		345.28	
(b) Investment Property	5	468.34		476.25	
(c) Intangible assets	4	21.93		2.12	
(d) Intangible assets under development	4	-		15.00	
(e) Investment in subsidiaries, associates and joint ventures	6	74,043.25		69,262.42	
(f) Financial Assets					
(i) Investments	7	128,689.86		127,626.87	
(ii) Loans	8	4,207.35		3,538.12	
(iii) Other Financial Assets	9	26,481.26		6,128.82	
(g) Deferred tax assets (Net)	10	13,207.02		14,195.24	
(h) Income tax assets (Net)	11	633.06		596.36	
(i) Other non-current assets	12	4,974.75	<b>252,962.12</b>	5,193.39	<b>227,379.87</b>
<b>2 Current assets</b>					
(a) Inventories	13	28,228.16		30,693.96	
(b) Financial Assets					
(i) Investments	14	36,886.16		29,057.03	
(ii) Trade receivables	15	151.45		1,579.41	
(iii) Cash and cash equivalents	16	70.35		427.24	
(iv) Bank balance other than (iii) above	16A	135.62		328.85	
(v) Loans	17	52,965.96		64,687.80	
(vi) Other Financial Assets	18	274.62		174.28	
(c) Other current assets	19	5,624.84	<b>124,337.16</b>	6,583.33	<b>133,531.90</b>
<b>TOTAL</b>			<b>377,299.28</b>		<b>360,911.77</b>
<b>II EQUITY AND LIABILITIES</b>					
<b>1 Equity</b>					
(a) Equity Share capital	20	24,325.88		24,325.88	
(b) Other Equity	21	252,644.01	<b>276,969.89</b>	2,62,248.63	<b>286,574.51</b>
<b>2 Liabilities</b>					
<b>A Non-current liabilities</b>					
(a) Financial Liabilities					
(i) Borrowings	22	6,321.64		17,647.88	
(ii) Other financial liabilities	23	6.80		-	
(b) Provisions	24	91.81	<b>6,420.25</b>	181.47	<b>17,829.35</b>
<b>B Current liabilities</b>					
(a) Financial Liabilities					
(i) Borrowings	25	30,036.55		30,740.93	
(ii) Trade and other payables	26				
- Total outstanding dues to micro enterprises and small enterprises		11.18		7.10	
- Total outstanding dues to others		2,059.03		2,303.05	
(iii) Other financial liabilities	27	60,916.27		22,244.56	
(b) Other current liabilities	28	835.07		1,070.86	
(c) Provisions	29	51.04	<b>93,909.14</b>	141.41	<b>56,507.91</b>
<b>TOTAL</b>			<b>377,299.28</b>		<b>360,911.77</b>

The accompanying notes 1 to 61 form an integral part of the financial statements.

As per our report of even date.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Regn No. 103523W/ W100048

For and on behalf of the Board

Vinod Goenka

Chairman & Managing Director  
DIN 00029033

Shahid Balwa

Vice Chairman & Managing Director  
DIN 00016839

Snehal Shah

Partner

Membership No. 048539

Place: Mumbai

Date: 30 May, 2019

Jagat Killawala

Director

DIN 00262857

Asif Balwa

Chief Financial Officer

Jignesh Shah

Company Secretary

Membership No. A19129

## STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

(Rs. in lacs)			
Particulars	Note No.	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>I Income</b>			
II Revenue from Operations	30	418.69	405.28
III Other Income	31	5,366.53	12,321.62
<b>IV Total Income (II+III)</b>		<b>5,785.22</b>	<b>12,726.90</b>
<b>V Expenses:</b>			
Project expenses	32	1,161.53	2,047.50
Changes in Inventories of Project Work in Progress, Transferable Development Rights and Finished Goods	33	(1,051.61)	(1,854.07)
Employee benefits expenses	34	682.42	1,551.37
Finance costs	35	8,589.02	4,428.69
Depreciation and Amortization Expense	3, 4 and 5	120.41	395.93
Other expenses	36	7,939.02	16,164.55
<b>Total Expenses</b>		<b>17,440.79</b>	<b>22,733.97</b>
<b>VI (Loss) before exceptional items and tax (IV-V)</b>		<b>(11,655.57)</b>	<b>(10,007.07)</b>
VII Exceptional items		-	-
<b>VIII (Loss) before Tax (VI-VII)</b>		<b>(11,655.57)</b>	<b>(10,007.07)</b>
<b>Tax expense:</b>	38		
Current Tax		-	-
Deferred tax		344.45	(2,209.05)
Prior Period Tax Adjustment		49.96	-
<b>IX (Loss) for the year</b>		<b>(12,049.98)</b>	<b>(7,798.02)</b>
<b>X Other Comprehensive Income for the year</b>		<b>2,445.36</b>	<b>(191.05)</b>
<b>Items that will not be reclassified to profit or loss</b>			
(i) Remeasurement of net defined benefit plans (Refer Note 39)		14.81	26.00
(ii) Income tax relating to defined benefit plans that will not be reclassified to profit and loss		(4.31)	(7.57)
(iii) Fair value adjustment in the value of investments		3,074.30	(264.50)
(iv) Income tax relating to items that will not be reclassified to profit and loss		(639.46)	55.02
<b>XI Total Comprehensive Income for the year</b>		<b>(9,604.62)</b>	<b>(7,989.07)</b>
<b>XII Earnings per equity share</b> (Nominal Value Per Share Rs. 10 each (Previous Year Rs. 10)):			
Basic	37	<b>(4.95)</b>	<b>(3.21)</b>
Diluted	37	<b>(4.95)</b>	<b>(3.21)</b>

The accompanying notes 1 to 61 form an integral part of the financial statements.

As per our report of even date.

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

ICAI Firm Regn No. 103523W/ W100048

**For and on behalf of the Board**

**Vinod Goenka**  
 Chairman & Managing Director  
 DIN 00029033

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

**Snehal Shah**  
**Partner**  
**Membership No. 048539**

**Jagat Killawala**  
 Director  
 DIN 00262857

**Asif Balwa**  
 Chief Financial Officer

**Jignesh Shah**  
 Company Secretary  
 Membership No. A19129

Place: Mumbai  
 Date: 30 May, 2019



# D B REALTY LIMITED

(ANNUAL REPORT 2018 - 19 )

## STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019

### A. Equity Share Capital (Refer Note 20)

(Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Balance as at the beginning of the year	24,325.88	24,325.88
Changes in equity share capital during the year	-	-
<b>Balance as at the end of the year</b>	<b>24,325.88</b>	<b>24,325.88</b>

### B. Other Equity (Refer Note 21)

(Rs. in lacs)

Particulars	Retained Earnings	Capital Reserve	Securities Premium Reserve	Other Comprehensive Income	Total
<b>Balance as at April 1, 2017</b>	16,922.51	<b>5,046.31</b>	<b>238,432.90</b>	<b>9,835.98</b>	<b>270,237.70</b>
Profit/(Loss) for the year FY 2017-18	(7,798.02)	-	-	-	(7,798.02)
Fair value adjustments in value of investments, net of tax	-	-	-	(209.48)	(209.48)
Remeasurement gains on defined benefit plan, net of tax	18.43	-	-	-	18.43
Total Comprehensive Income for the year	<b>(7,779.59)</b>	-	-	<b>(209.48)</b>	<b>(7,989.07)</b>
<b>Balance As at March 31, 2018</b>	<b>9,142.92</b>	<b>5,046.31</b>	<b>238,432.90</b>	<b>9,626.50</b>	<b>262,248.63</b>
Profit/(Loss) for the year FY 2018-19	(12,049.98)	-	-	-	(12,049.98)
Fair value adjustments in value of investments, net of tax	-	-	-	2,434.86	2,434.86
Remeasurement gains on defined benefit plan, net of tax	10.50	-	-	-	10.50
Total Comprehensive Income for the year	<b>(12,039.48)</b>	-	-	<b>2,434.86</b>	<b>(9,604.62)</b>
<b>Balance As at March 31, 2019</b>	<b>(2,896.56)</b>	<b>5,046.31</b>	<b>238,432.90</b>	<b>12,061.36</b>	<b>252,644.01</b>

The accompanying notes 1 to 61 form an integral part of the financial statements.

As per our report of even date.

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

ICAI Firm Regn No. 103523W/ W100048

**For and on behalf of the Board**

**Vinod Goenka**  
Chairman & Managing Director  
DIN 00029033

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

**Snehal Shah**  
**Partner**  
**Membership No. 048539**

**Jagat Killawala**  
Director  
DIN 00262857

**Asif Balwa**  
Chief Financial Officer

**Jignesh Shah**  
Company Secretary  
Membership No. A19129

Place: Mumbai  
Date: 30 May, 2019

## STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED ON MARCH 31, 2019

(Rs. in lacs)		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>A. CASH FLOWS FROM THE OPERATING ACTIVITIES</b>		
<b>NET PROFIT/ (LOSS) BEFORE TAX AND AFTER EXCEPTIONAL ITEMS</b>	(11,655.57)	(10,007.07)
<b>Adjustments for:</b>		
Depreciation and amortisation expense	120.41	395.93
Impairment Loss	-	1,686.47
Finance cost	8,589.02	4,428.69
Unrealised foreign exchange gain/ (loss)	11.91	0.21
Interest Income	(4,882.79)	(2,806.99)
Provision for impairment in value of investment	470.33	-
Fair value loss on financial instruments (Net)	605.22	7,164.67
Share of loss from partnership firms (Net)	1,072.53	1,381.81
Fair value gain on financial instruments (Net)	-	(9,334.05)
(Profit)/ Loss on disposal of property, plant and equipment and investment property (net)	(1.68)	43.37
Loans and Advances written off	2.50	1,649.81
Provision for doubtful debts	831.34	2,286.39
Provision for doubtful advances	897.37	666.61
Inventory written off	2,793.53	79.25
Liabilities no longer required- written back	-	(90.81)
<b>Operating Profit Before Working Capital Changes</b>	<b>(1,145.88)</b>	<b>(2,455.71)</b>
<b>Adjustments for:</b>		
(Increase)/ Decrease in Inventories	(1,047.76)	(456.70)
(Increase)/ Decrease in Trade Receivables	596.62	365.79
Increase/ (Decrease) in Non-Current Financial Assets	(22,550.00)	-
(Increase)/ Decrease in Current Financial Assets	(100.72)	145.52
Increase/ (Decrease) in Non-Current Assets- Others	422.33	145.26
(Increase)/ Decrease in Current Assets- Other	74.33	3,507.39
Increase/ (Decrease) in Trade Payable	(251.85)	(33.64)
Increase/ (Decrease) in Other Financial Liabilities	(411.31)	177.17
Increase/ (Decrease) in Other current Liabilities	(235.79)	30.81
Increase/ (Decrease) in Provisions	(165.22)	24.45
<b>Cash Generated From Operations</b>	<b>(24,815.25)</b>	<b>1,450.36</b>
Income-tax paid	(86.66)	(15.98)
<b>Net Cash (Outflow) From Operating Activities</b>	<b>(24,901.91)</b>	<b>1,434.38</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of investments (net)	(6,141.68)	(45,794.34)
Sale of Investments	-	4,900.08
Interest Income	16.34	657.21
Redemption of Fixed Deposits	195.56	196.52
Purchase of Fixed Assets (including WIP)	(14.28)	(23.47)
Proceeds from sale of fixed assets	4.79	1.16
Sale /(Purchase) of Investment Property	-	127.50
Loans and advances to related parties and others (Net)	11,316.92	28,004.76
<b>Net Cash Inflow From Investing Activities</b>	<b>5,377.65</b>	<b>(11,930.57)</b>

**D B REALTY LIMITED**

(ANNUAL REPORT 2018 - 19 )

**STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED ON MARCH 31, 2019**

Particulars	(Rs. in lacs)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Finance cost	(3,427.04)	(4,340.55)
Repayment of Long term borrowing	(832.99)	(10,524.82)
Proceeds of Long term borrowing	24,131.78	10,705.00
Proceeds from/ (Repayment of ) Short Term Borrowings (Net)	(8,054.15)	15,132.39
Proceeds from Borrowing from Bank	7,349.77	-
<b>Net Cash Inflow/(Outflow) From Financing Activities</b>	<b>19,167.37</b>	<b>10,972.02</b>
Net (decrease) in cash and cash equivalents	(356.89)	475.82
Cash and cash equivalents at the beginning of the year	427.24	(48.58)
<b>Cash and cash equivalents at the end of the year</b>	<b>70.35</b>	<b>427.24</b>
<b>Components of cash and cash equivalents: (Refer Note 16)</b>		
a. Balances with banks in current accounts	65.94	425.58
b. Cash on hand	4.41	1.66
	<b>70.35</b>	<b>427.24</b>
Less: Overdraft facility (considered as cash and cash equivalent for cash flow) - Refer Note 25	-	-
	<b>70.35</b>	<b>427.24</b>

**Explanatory notes to Statements of cash flow:**

- Statement of cash flow is prepared in accordance with the format prescribed by Securities and Exchange Board of India and as per IND - AS 7 as notified by Ministry of Corporate Affairs.
- In Part A of the Cash flow Statement, figures in bracket indicates deduction made from the net profit for deriving the net cash flow from operating activities. In Part B and Part C, figures in brackets indicate cash outflows.
- Refer Note 59 for reconciliation of liabilities arising from Financing Activities.

The accompanying notes 1 to 61 form an integral part of the financial statements.

As per our report of even date.

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

ICAI Firm Regn No. 103523W/ W100048

**For and on behalf of the Board**

**Vinod Goenka**  
Chairman & Managing Director  
DIN 00029033

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

**Snehal Shah**  
**Partner**  
**Membership No. 048539**

**Jagat Killawala**  
Director  
DIN 00262857

**Asif Balwa**  
Chief Financial Officer

**Jignesh Shah**  
Company Secretary  
Membership No. A19129

Place: Mumbai  
Date: 30 May, 2019

## Notes to the Standalone Financial Statements for the year ended March 31, 2019

### 1 Company Overview

D B Realty Limited (the "Company") is engaged primarily in the business of real estate construction, development and other related activities. The Company is public company domiciled in India and was incorporated under the provisions of the Companies Act, 1956. 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 has its principal place of business in Mumbai and its Registered Office is at DB House, Gen. A. K. Vaidya Marg, Goregaon (East), Mumbai - 400063. The Company is jointly promoted by Mr. Vinod K. Goenka and Mr. Shahid Balwa.

The Company's standalone financial statements were authorised for issue in accordance with a resolution of the Board of Directors on the 30th May, 2019 in accordance with the provisions of the Companies Act, 2013 and are subject to the approval of the shareholders at the Annual General Meeting.

### 2 Significant Accounting Policies Accounting Judgements, Estimates and Assumptions:

#### (A) Significant Accounting Policies

##### 2.1 Basis of Preparation and Measurement

##### (a) Basis of preparation

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amendment.

The standalone financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the standalone financial statements.

The standalone financial statements are presented in Indian Rupee ("INR"), the functional currency of the Company and all values are rounded to the nearest INR Lacs, except when otherwise indicated. Items included in the standalone financial statements of the Company are recorded using the currency of the primary economic environment in which the Company operates (the 'functional currency').

##### (b) Basis of measurement

These standalone financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value (refer accounting policy no. 2.12 regarding financial instruments). Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

##### 2.2 Operating Cycle

An asset is considered as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

## Notes to the Standalone Financial Statements for the year ended March 31, 2019

All other assets are classified as non-current.

A liability is considered as current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The Company's normal operating cycle in respect of operations relating to the construction of real estate projects may vary from project to project depending upon the size of the project, type of development, project complexities and related approvals. Accordingly project related assets and liabilities have been classified in to current and non current based on operating cycle of respective project . All other assets and liabilities have been classified into current and non-current based on a period of twelve months.

### 2.3 Recent Accounting Developments

#### (a) Standards issued but not yet effective

##### Ind AS 116- Leases

On 30th March 2019, the Ministry of Corporate Affairs (MCA) has notified Ind AS 116 Leases, under Companies (Indian Accounting Standards) Amendment Rules, 2019 which is applicable with effect from 1st April, 2019 and it replaces Ind AS 17 "Leases" .

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor, Ind AS 116 introduces a single lease accounting model for lessee and requires the lessee to recognize right of use assets and lease liabilities for all leases with a term of more than twelve months, unless the underlying asset is low value in nature. Currently, operating lease expenses are charged to the statement of profit and loss. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17. The Company will use practical expedient and there will not be any impact in opening retained earnings and will recognise right to use and lease liability as on April 1 2019 accordingly comparatives for the year ending or ended March 31, 2019 will not be retrospectively adjusted.

As per Ind AS 116, the lessee needs to recognize depreciation on rights of use assets and finance costs on lease liabilities in the statement of profit and loss. The lease payments made by the lessee under the lease arrangement will be adjusted against the lease liabilities. The Company is currently evaluating the impact on account of implementation of Ind AS 116 which might have impact on key profit & loss and balance sheet ratio i.e. Earnings before interest, tax, depreciation and amortisation (EBITDA), interest coverage, etc

#### (b) Amendments to existing Ind AS:

The following amendments to existing standards are not expected to have a significant impact on the Company's financial statements. This assessment is based on currently available information and may be subject to changes arising from further reasonable and supportable information being made available to the Company when it will adopt the respective amended standards.

##### Amendment to Ind AS 12 Income Taxes :Appendix C, Uncertainty over Income Tax Treatments:

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS12 Appendix C, Uncertainty over Income Tax Treatments. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit / (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition:

- Retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and
- Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives (Cumulative catch - up approach).

The effective date for adoption of Ind AS 12 Appendix C is financial periods beginning on or after April 1, 2019.

The Company will adopt the standard on April 1, 2019 by using the Cumulative catch - up transition method and accordingly comparatives for the year ending or ended March 31, 2019 will not be retrospectively adjusted.

The effect on adoption of Ind AS 12 Appendix C is not expected to be material.

There are no other standards that are issued but not yet effective and that are expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

### 2.4 Property, plant and equipment

Property, plant and equipment are recorded at their cost of acquisition, less accumulated depreciation and impairment losses, if any. The cost thereof comprises of 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.

## Notes to the Standalone Financial Statements for the year ended March 31, 2019

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit or Loss when the asset is derecognised.

Borrowing costs relating to acquisition / construction / development of tangible assets, which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

When significant components of property, plant and equipments are required to be replaced at intervals, recognition is made for such replacement of components as individual assets with specific useful life and depreciation, if these components are initially recognised as separate asset. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred.

### 2.5 Capital Work in Progress and Capital Advances

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 property, plant and equipment are shown separately as capital advances under the head Other Non-Current Assets.

### 2.6 Depreciation

Depreciation on property, plant and equipment is provided on Straight Line Method 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. The Management believes that the estimated useful lives as per the provisions of Schedule II to the Companies Act, 2013, are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

### 2.7 Intangible Assets and amortisation thereof

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

An item of Intangible Asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

The residual values, useful lives and methods of amortisation of Intangible Assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

### 2.8 Impairment of Non Financial Assets

Carrying amount of tangible and intangible assets are reviewed at each Balance Sheet date. These are treated as impaired when the carrying cost thereof 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.

### 2.9 Investment Property

Investment property is property held to earn rentals and / or for capital appreciation and are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Depreciation on Investment Property is provided on Straight Line Method basis in accordance with the provisions of Schedule II to the Companies Act, 2013. The Management believes that the estimated useful life as per the provisions of Schedule II to the Companies Act, 2013, are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The residual values, useful lives and methods of depreciation of investment property are reviewed at each financial year end and adjusted prospectively, if appropriate.

An item of investment property initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit or Loss when the asset is derecognised.

The fair values of investment property is disclosed in the notes. Fair value is determined by an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

### 2.10 Inventories

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

Inventories other than raw material are valued at lower of cost and net realisable value. Raw Materials are valued at weighted average method. Project work in progress cost includes cost of land/ development rights, materials, services, depreciation on assets used for project purposes

## Notes to the Standalone Financial Statements for the year ended March 31, 2019

and other expenses (including borrowing costs) attributable to the projects. It also 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 Project 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.

### 2.11 Revenue Recognition

The Company derives revenues primarily from sale of properties. Effective from 01 April 2018, the Company has adopted Indian Accounting Standard 115 (Ind AS 115) - 'Revenue from contracts with customers' using the modified retrospective approach, applied to contracts that were not completed as on the transition date i.e. 01 April 2018. Accordingly, the comparative amounts of revenue and the corresponding contract assets / liabilities have not been retrospectively adjusted. The effect on adoption of Ind-AS 115 was insignificant to the company considering current operation.

#### i) Revenue from real estate projects

Revenue from sale of properties under construction is recognized when it satisfies a performance obligation by transferring control of promised good or service to a customer in accordance with Ind AS 115. An entity 'transfers' a good or service to a customer when the customer obtains control of that asset. Control may be transferred either at a point in time or over time.

An entity transfers control of a good or service over time and, therefore, satisfies a performance obligation and recognises revenue over time if one of the following criteria is met :

- (i) the customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs;
- (ii) the entity's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- (iii) the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

Revenue is recognised at a point in time if it does not meet the above criteria.

The Cost in relation to properties under development is charged to the Statement of Profit and Loss in proportion to the revenue recognised during the period in respect of contracts recognised and the balance cost to fulfil the contracts is carried over under other current assets. Impairment loss is recognised in the Statement of Profit and Loss to the extent carrying amount exceeds the remaining amount of consideration of the contracts entered into with the customers as reduced by the costs that have not been recognised as expenses.

#### (ii) Revenue from lease rental income

Lease income is recognised 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.

#### (iii) Interest Income

For all financial instruments measured at amortised cost, interest income is measured using the Effective Interest Rate (EIR).

#### (iv) Income from Investment in Partnership Firms & LLP, AOPs

Share of profit/loss in Partnership firms ,LLP and AOPs is recognized when the right to receive is established.

### 2.12 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### (i) Financial Assets

##### Initial Recognition and Measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

##### Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

- Financial assets at amortized cost
- Financial assets measured at fair value through other comprehensive income (FVOCI)
- Financial assets measured at fair value through profit and loss (FVTPL)

##### Financial Assets at Amortized Cost

A financial asset is measured at the amortized cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and



## Notes to the Standalone Financial Statements for the year ended March 31, 2019

- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any fees or costs that are an integral part of the EIR.

### Financial Assets at FVTOCI

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option.

- Business model test: The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

### Financial Assets at FVTPL

Even if an instrument meets the two requirements to be measured at amortised cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an “accounting mismatch”) that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

All financial assets which are not measured on amortised cost and FVTOCI are measured at fair value through profit or loss.

### Equity Instruments at FVTOCI

For equity instruments not held for trading, an irrevocable choice is made on initial recognition to measure it at FVTOCI. All fair value changes on such investments, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale or disposal of the investment. However, on sale or disposal the company may transfer the cumulative gain or loss within equity.

### Investments in associates, subsidiaries and joint ventures

Investments in equity instrument subsidiaries, associates and joint ventures are carried at cost less accumulated impairment losses, if any.

Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, associates and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

### Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Company’s statement of financial position) when:

- i) The rights to receive cash flows from the asset have expired, or
- ii) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a “pass-through” arrangement and either;
  - a. the Company has transferred substantially all the risks and rewards of the asset, or
  - b. the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

### Impairment of financial assets

The company applies the expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposures:

- Fair value through other comprehensive income
- Financial assets at amortized cost.
- Financial guarantee contracts.

The company follows ‘simplified approach’ for recognition of impairment loss allowance on trade receivables. Under this approach the company does not track changes in credit risk but recognizes impairment loss allowance based on lifetime ECLs at each reporting date. For this purpose the company uses a provision matrix to determine the impairment loss allowance on the portfolio of trade receivables. The said matrix is based on historically observed default rates over the expected life of the trade receivables duly adjusted for forward looking estimates.

For recognition of impairment loss on other financial assets and risk exposures, the company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month expected credit loss(ECL) is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the company reverts to recognizing impairment loss allowance based on 12-month ECL.



## Notes to the Standalone Financial Statements for the year ended March 31, 2019

For assessing increase in credit risk and impairment loss, the company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events on a financial instrument that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. The ECL impairment loss allowance (or reversal) recognized during the period in the statement of profit and loss and the cumulative loss is reduced from the carrying amount of the asset until it meets the write off criteria, which is generally when no cash flows are expected to be realised from the asset.

### (ii) Financial Liabilities

#### Initial Recognition and Measurement

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts.

#### Subsequent Measurement

This is dependent upon the classification thereof as under:

- (i) At Amortised Cost
- (ii) At Fair value through Profit & loss Account

#### Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

#### Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the Derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

### (iii) Offsetting of Financial Instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realise an asset and settle the liabilities simultaneously.

### (iv) Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity in accordance with the substance of the contractual arrangements. These are recognized at the amount of the proceeds received, net of direct issue costs.

### (v) Compound Financial Instruments

These are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements.

On the date of the issue, the fair value of the liability component is estimated using the prevailing market rate for similar non-convertible instruments and recognized as a liability on an amortized cost basis using the EIR until extinguished upon conversion or on maturity. The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole and recognized as equity, net of the tax effect and remains in equity until the conversion option is exercised, in which case the balance recognized in equity will be transferred to another component of equity. If the conversion option remains unexercised on the maturity date, the balance recognized in equity will be transferred to retained earnings and no gain or loss is recognized in profit or loss upon conversion or expiry of the conversion option.

Transaction costs are allocated to the liability and equity component in proportion to the allocation of the gross proceeds and accounted for as discussed above.

## 2.13 Employee Benefits

### (i) Short term employee benefits

Short term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

## Notes to the Standalone Financial Statements for the year ended March 31, 2019

### (ii) Post Employment Benefits

#### Defined contribution plans

Defined Contribution Benefit Plans is charged to Statement of Profit and Loss or Project Work in Progress, if it is directly related to a project.

#### Defined benefit plans

Provision for Gratuity is recorded on the basis of actuarial valuation certificate provided by the actuary using Projected Unit Credit Method.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised immediately in 'Other comprehensive income' and subsequently not reclassified to the Statement of Profit and Loss. Net interest expense / (income) on the defined liability / (assets) is computed by applying the discount rate, used to measure the net defined liability / (asset). Net interest expense and other expenses related to defined benefit plans are recognised in the Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in the Statement of Profit and Loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

#### Compensated Absences

Company's liability towards compensated absences is determined by an independent actuary using Projected Unit Credit Method. Past services are recognised on a straight line basis over the average period until the benefits become vested. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss as income or expense. Obligation is measured at the present value of the estimated future cash flows using a discounted rate that is determined by reference to the market yields at the Balance Sheet date on Government Bonds where the currency and terms of the Government Bonds are consistent with the currency and estimated terms of the defined benefit obligation. Accumulated leave which is expected to be utilised within the next 12 months is treated as short term employee benefit and is shown under current provisions in the balance sheet.

### 2.14 Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

#### As a Lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss unless they are directly attributable to qualifying assets in which case they are capitalised in accordance with the companies general policy on borrowing cost.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term, unless the payments are structured to increase in line with the expected general inflation to compensate the lesser.

#### As a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

### 2.15 Foreign currency transactions and translation

Transactions in foreign currencies are initially recorded at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

## Notes to the Standalone Financial Statements for the year ended March 31, 2019

Differences arising on settlement or translation of monetary items are recognised as income or expenses in the period in which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

### 2.16 Borrowing Costs

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 Statement of Profit and Loss in the year in which they are incurred.

### 2.17 Taxes on Income

Income Tax expense comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to items recognised directly in Equity or in Other Comprehensive Income.

#### (i) Current Income Taxes

Current tax is the expected tax payable/receivable on the taxable income/loss for the year using applicable tax rates at the Balance Sheet date, and any adjustment to taxes in respect of previous years. Interest expenses and penalties, if any, related to income tax are included in finance cost and other expenses respectively. Interest Income, if any, related to Income tax is included in current tax expense.

#### (ii) Deferred Taxes

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and its tax base.

A deferred tax liability is recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantively enacted, by the end of the reporting period.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except, when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

#### (iii) Minimum Alternate Tax

Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which give rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax after the specified years. Accordingly, MAT is recognised as an asset in the Balance Sheet when the asset can be measured reliably and it is probable that the future economic benefits associated with it will flow to the Company.

### 2.18 Provisions and Contingent Liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

When the Company expects some or all of a provision to be reimbursed, the same is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, 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 the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a

## Notes to the Standalone Financial Statements for the year ended March 31, 2019

reliable estimate of the amount cannot be made.

Contingent assets are not recognised in the standalone financial statements if the inflow of the economic benefit is probable than it is disclosed in the standalone financial statements.

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.

### 2.19 Earnings per share

Basic earnings 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.

### 2.20 Cash and Cash Equivalent

Cash and cash equivalent for the purpose of Cash Flow Statement comprise cash at bank and in hand and short term highly liquid investments which are subject to insignificant risk of changes in value.

### 2.21 Cash Flow Statement

Cash Flow Statement is prepared under the "Indirect Method" as prescribed under the Indian Accounting Standard (Ind AS) 7 —Statement of Cash Flows.

The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

### 2.22 Commitments

Commitments are future liabilities for contractual expenditure. The commitments are classified and disclosed as follows:

- (a) The estimated amount of contracts remaining to be executed on capital accounts and not provided for; and
- (b) Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of the Management.

### 2.23 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker regularly monitors and reviews the operating result of the whole Company as one segment of "Real Estate Development".

### (B) Significant Accounting Judgements, Estimates and Assumptions:

The preparation of Standalone Financial Statements is in conformity with the recognition and measurement principles of Ind AS which requires the management to make judgements for estimates and assumptions that affect the amounts of assets, liabilities and the disclosure of 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.

#### (i) Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the standalone financial statements:

- a) Assessment of the status of various legal claims and other disputes where the company does not expect any material outflow of resources and hence these are reflected as contingent liabilities. (Refer Note 45)
- b) In several cases, assessment of the management regarding executability of the projects undertaken. (Refer Note 13.1 and 13.3)
- c) Assessment of the recoverability of various financial assets.
- d) Note on "Control" of the Company in Marine Drive Hospitality & Realty Private Limited (MDHRPL):
  - i) Total 24,70,600 nos. of ROCCPS Series A and 29,415 nos. of ROCCPS Series C of Marine Drive Hospitality & Realty Private Limited (MDHRPL) held by the Company amounting to Rs 2,288.81 lacs has been attached by an attachment order issued by adjudicating authority under Prevention of Money Laundering Act (PMLA) and therefore, all the rights of the Company as a shareholder have been suspended till the time attachment continues. Therefore, the Company is of the view that the aforesaid shares can not be considered while applying the test of "Control" on MDHRPL.
  - ii) The Company is presently holding 92,600 nos of CCCPS – Series C. The CCCPS - Series C which shall be convertible, in part or full in the ratio of 1:100 viz. 100 (One Hundred) fully paid up new Equity shares of Rs. 10/- each against 1 (one) CCCPS – Series C of Rs. 10/- each held by the Company. As per existing terms, the latest date of conversion of the aforesaid CCCPS – Series C is July, 2021. However, this being strategic investment the Company has decided not to exercise the option of conversion before maturity date.
  - iii) In addition to the above, the Company is presently holding (i) 188,215 nos. of ROCCPS - Series C and (ii) 74,443 nos. of CRCPS,

## Notes to the Standalone Financial Statements for the year ended March 31, 2019

which are having option of either redemption or conversion on different dates up to March 2021 and March 2022 respectively. As on date, the Management has decided not to opt for conversion of aforesaid shares.

- iv) The Company has not nominated any director on the Board of MDHRP.

On the basis of the above facts, the Management is not having effective control over MDHRPL. Further, equity instruments of MDHRPL are measured at fair value through other comprehensive income based on irrevocable designation at inception.

### (ii) Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

#### (a) Project estimates

The Company, being a real estate development company, prepares budgets in respect of each project to compute project profitability. The major components of project estimate are 'budgeted costs to complete the project' and 'budgeted revenue from the project'. While estimating these components various assumptions are considered by the management such as (i) Work will be executed in the manner expected so that the project is completed timely (ii) consumption norms will remain same (iii) Estimates for contingencies and (iv) price escalations etc. Due to such complexities involved in the budgeting process, contract estimates are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

#### (b) Useful life and residual value of Property, Plant and Equipment and Intangible Assets

Useful lives of tangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on technical advice. Assumptions also need to be made when the Company assesses whether an asset may be capitalised and which components of the cost of the asset may be capitalised.

#### (c) Impairment of Non Financial Assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the assets recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risk specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

#### (d) Impairment of Financial Assets

The impairment provisions for financial assets are based on assumptions about the risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs for impairment calculation. Based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

#### (e) Deferred Tax Assets

In assessing the realisability of deferred tax assets, management considers whether some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible.

Management considers the scheduled reversals of deferred tax assets, projected future taxable income. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred tax assets are deductible, management believes that the Company will realize the benefits of those deductible differences.

The Company has not recognised Deferred tax assets on unrealised tax losses and credits, unabsorbed depreciation considering no reasonable certainty on reversal of deferred tax assets on prudence basis in near future.

#### (f) Defined benefit plans

The cost and present value of the gratuity obligation and compensated absences are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, attrition rate and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

#### (g) Fair value measurements

When the fair values of the financial assets and liabilities recorded in the Balance Sheet cannot be measured based on the quoted market prices in active markets, their fair value is measured using valuation technique. The inputs to these models are taken from the observable market wherever possible, but where this is not feasible, a review of judgement is required in establishing fair values. Any changes in assumptions could affect the fair value relating to financial instruments.

## Notes to the Standalone Financial Statements for the year ended March 31, 2019

### 3 Property, Plant & Equipment

(Rs. in lacs)								
Particulars	Buildings-Flats (Refer Note 3.2)	Sales Office-Building	Plant and Equipment	Furniture and Fittings	Vehicles (Refer Note 3.1 and 3.3)	Office & Other Equipment	Computer	Total
<b>Gross block</b>								
Balance as at April 1, 2017	99.70	139.45	6.87	256.23	435.78	48.57	14.06	1,000.67
Additions	-	-	-	-	5.75	0.91	-	6.66
Disposals	-	-	-	-	(2.76)	-	(0.47)	(3.22)
Balance as at March 31, 2018	99.70	139.45	6.87	256.23	438.77	49.48	13.60	1,004.11
Additions	-	-	-	0.45	-	0.17	1.91	2.53
Disposal	-	-	-	-	(60.10)	-	-	(60.10)
Balance as at March 31, 2019	99.70	139.45	6.87	256.69	378.67	49.65	15.51	946.54
<b>Accumulated Depreciation</b>								
Balance as at April 1, 2017	3.47	123.54	4.32	123.88	199.38	31.54	6.18	492.31
Depreciation	1.83	15.91	0.39	55.34	85.59	6.46	3.49	169.01
Disposals	-	-	-	-	(2.29)	-	(0.19)	(2.49)
Balance as at March 31, 2018	5.30	139.45	4.71	179.22	282.68	38.00	9.48	658.83
Depreciation for the year	1.73	-	1.46	41.74	55.67	6.39	2.42	109.41
Disposal	-	-	-	-	(57.00)	-	-	(57.00)
Balance as at March 31, 2019	7.03	139.45	6.17	220.96	281.35	44.39	11.90	711.24
<b>Net block</b>								
Balance as at March 31, 2018	94.40	-	2.16	77.01	156.10	11.48	4.13	345.28
Balance as at March 31, 2019	92.67	-	0.70	35.73	97.33	5.26	3.61	235.30

Notes:

3.1 During the year depreciation inventorised Rs.3.86 lacs (Previous Year - Rs. 3.95 lacs)

3.2 The said flats are attached by Enforcement Directorate under Prevention of Money Laundering Act, 2002. (Refer Note 54)

3.3 **Property, plant and equipment pledged**

Carrying amount of property, plant and equipment pledged as security by the Company are as follows:

(Rs. in lacs)		
Particulars	As at March 31, 2019	As at March 31, 2018
Vehicles	67.32	82.74

### 4 Intangible Assets and Intangible Assets under development

(Rs. in lacs)

Particulars	Intangible Asset			Intangible asset under development	
	Computer Software	Beautification-Bandra-Worli Sea Link	Total	Computer Software	Total
<b>Gross block</b>					
Balance as at April 1, 2017	332.13	2,087.14	2,419.27	-	-
Additions	1.80	-	1.80	15.00	15.00
Disposal	-	-	-	-	-
Balance as at March 31, 2018	333.93	2,087.14	2,421.07	15.00	15.00
Additions	26.75	-	26.75	11.75	11.75
Transfer To Fixed Assets	-	-	-	(26.75)	(26.75)
Balance as at March 31, 2019	360.68	2,087.14	2,447.82	-	-
<b>Accumulated Depreciation</b>					
Balance as at April 1, 2017	283.82	226.21	510.03	-	-
Depreciation	47.99	174.46	222.45	-	-
Impairment loss (Refer Note 4.1)	-	1,686.47	1,686.47	-	-
Balance as at March 31, 2018	331.81	2,087.14	2,418.95	-	-
Depreciation charged for the year	6.94	-	6.94	-	-
Balance as at March 31, 2019	338.75	2,087.14	2,425.89	-	-
<b>Net block</b>					
Balance as at March 31, 2018	2.12	-	2.12	15.00	15.00
Balance as at March 31, 2019	21.93	-	21.93	-	-

- 4.1 In accordance with Ind AS 36 - "Impairment of Assets" the Company does not expect any future economic benefit from beautification for Bandra-Worli Sea Link as agreements for rendering advertisement rights with group entities have been cancelled and the Company is not expecting future revenue from the said Assets. Hence, the Company had fully impaired the said assets by Rs Nil (Previous Year - Rs 1,686.47 Lacs) in 2017-2018. However, the Company will still have beautification and advertisement rights in the said area till March 2025.



## D B REALTY LIMITED

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### Notes to the Standalone Financial Statements for the year ended March 31, 2019

#### 5 Investment property

(Rs. in lacs)		
Particulars	As at March 31, 2019	As at March 31, 2018
<b>Gross block</b>		
Opening Balance	499.63	677.09
Addition	-	-
Disposals	-	(177.46)
<b>Closing Balance</b>	<b>499.63</b>	<b>499.63</b>
<b>Less : Accumulated Depreciation</b>		
Opening Balance	23.37	21.13
Depreciation charged during the year	7.92	8.42
Disposals	-	(6.17)
<b>Closing Balance</b>	<b>31.29</b>	<b>23.37</b>
<b>Net block</b>	<b>468.34</b>	<b>476.25</b>

#### 5.1 Amount recognised in Statement of Profit and Loss for investment properties

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Rental income derived from investment properties	22.68	24.78
Less: Depreciation charged during the year	(7.92)	(8.42)
<b>Profit from investment properties</b>	<b>14.76</b>	<b>16.36</b>

(a) The Company had executed lease deeds for certain Units forming part of a Project for a period of 25 years. In terms of agreements, the lease rentals shall become due and payable on possession being granted.

(b) **The future minimum lease receivables are as under:**

(Rs. in lacs)		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Lease income recognized in the Statement of Profit and Loss, for non- cancellable lease arrangement	22.68	22.68
Future Lease Income		
(a) Not later than one year.	22.68	22.68
(b) Later than one year but not later than five years.	90.72	90.72
(c ) Later than five years.	495.54	518.22
<b>Total of future lease income</b>	<b>608.94</b>	<b>631.62</b>

#### 5.2 Fair Value

(Rs. in lacs)		
Particulars	As at March 31 2019	As at March 31 2018
Investment Property#	1,043.92	1,099.45

#### # Estimation of Fair value

In view of the recent sale of investment property and similar assets, the management is of the opinion that the fair value of the investment property can be considered as Level 3 valuation based on market value as per sale deed.

## Notes to the Standalone Financial Statements for the year ended March 31, 2019

### 6 Investment in Subsidiaries, Associates & Joint Ventures

#### A At Cost

(Rs. in lacs)

Sr. No.	Particulars	As at March 31, 2019	As at March 31, 2018
<b>I</b>	<b>Investment in subsidiaries</b>		
	(i) Investment in equity shares	25,792.30	21,426.06
	(ii) Investment in partnership firms	10,000.00	10,000.00
	(iii) Others (AOP)	5,425.20	5,011.36
	<b>Total</b>	<b>41,217.50</b>	<b>36,437.42</b>
<b>II</b>	<b>Investment in Associates</b>		
	Investment in equity shares	22,680.30	22,680.30
	<b>Total</b>	<b>22,680.30</b>	<b>22,680.30</b>
<b>III</b>	<b>Investment in Joint ventures</b>		
	(i) Investment in equity shares	9,865.04	9,865.04
	(ii) Investment in partnership firms	35.50	35.50
	(iii) Others	244.91	244.16
	<b>Total</b>	<b>10,145.45</b>	<b>10,144.70</b>
	<b>Grand Total</b>	<b>74,043.25</b>	<b>69,262.42</b>

#### I Investment in subsidiaries

##### (i) Investment in equity shares (At cost, trade, fully paid & unquoted) (Refer Note 51)

(Rs. in lacs)

Sr. No.	Name of the Body Corporate	Nominal Value per share	No. of Shares		Amount	
			As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
1	Esteem Properties Private Limited	100	10,000	10,000	3,120.19	3,120.19
2	Goregaon Hotel & Realty Private Limited (Refer Note 6.1 and 6.5(a))	10	10,000	10,000	2,569.37	1.00
3	NeelKamal Realtors Suburban Private Limited (Refer Note 6.2)	10	435,600	4,35,600	984.09	513.76
	Less: Provision for Diminution in value of Investment				(470.33)	-
4	NeelKamal Shantinagar Properties Private Limited (Refer Note 6.5(b))	10	16,000	16,000	1,799.46	1.60
5	D B Man Realty Limited	10	12,740,000	1,27,40,000	719.60	719.60
6	Real Gem Buildtech Private Limited	10	10,000	10,000	15,602.68	15,602.68
7	Saifee Bucket Factory Private Limited	1,000	248	248	701.75	701.75
8	Turf Estate JV Private Limited (Formerly Priya Constructions Private Limited)	10	10,000	10,000	1.00	1.00
9	N.A. Estate Private Limited	100	1,000	1,000	1.00	1.00
	Less: Provision for Diminution in value of Investment				(1.00)	(1.00)
10	Royal Netra Constructions Private Limited	100	75,600	75,600	75.60	75.60
11	Nine Paradise Erectors Private Limited	10	10,000	10,000	1.00	1.00
12	MIG Bandra Realtor & Builder Private Limited (Refer Note 6.3)	10	19,03,400	19,03,400	684.88	684.88
13	Spacecon Realty Private Limited	10	10,000	10,000	1.00	1.00
	Less: Provision for Diminution in value of Investment				(1.00)	(1.00)
14	Vanita Infrastructure Private Limited	10	10,000	10,000	1.00	1.00
15	DB Contractors & Builders Private Limited	10	10,000	10,000	1.00	1.00
16	DB View Infracon Private Limited	10	10,000	10,000	1.00	1.00
	<b>Total</b>				<b>25,792.30</b>	<b>21,426.06</b>



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### Notes to the Standalone Financial Statements for the year ended March 31, 2019

#### (ii) Investments in partnership firms (At cost, trade & unquoted)

(Rs. in lacs)

Sr. No.	Name of the Body Corporate	Nominal Value per share	No. of Shares/ Units		Amount	
			As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
1	Mira Real Estate Developers	N.A.	N.A.	N.A.	10,000.00	10,000.00
	<b>Total</b>				<b>10,000.00</b>	<b>10,000.00</b>

#### (iii) Others (At cost, trade & unquoted) AOP

(Rs. in lacs)

Sr. No.	Name of the Body Corporate	Nominal Value per share	No. of Shares/ Units		Amount	
			As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
1	Conwood - DB Joint Venture (AOP)	N.A.	N.A.	N.A.	1,277.35	1,265.25
2	ECC - DB Joint Venture (AOP)	N.A.	N.A.	N.A.	4,122.85	3,721.11
3	Turf Estate Joint Venture (AOP)	N.A.	N.A.	N.A.	25.00	25.00
	<b>Total</b>				<b>5,425.20</b>	<b>5,011.36</b>

## II Investment in Associate

#### Investment in equity shares (At cost, trade, fully paid & unquoted)

(Rs. in lacs)

Sr. No.	Name of the Body Corporate	Nominal Value per share	No. of Shares		Amount	
			As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
1	NeelKamal Realtors Tower Private Limited (Refer Note 6.4)	10	11,25,153	11,25,153	6,574.06	6,574.06
2	Sangam City Town Ship Private Limited	10	8,000	8,000	2,530.26	2,530.26
3	D B Hi-Sky Construction Private Limited	10	5,000	5,000	2,094.85	2,094.85
4	Mahal Pictures Private Limited	10	3,600	3,600	8,922.25	8,922.25
5	Shiva Realtors Suburban Private Limited	10	8,885	8,885	852.96	852.96
6	Shiva Buildcon Private Limited	10	8,885	8,885	852.96	852.96
7	Shiva Multitrade Private Limited	10	8,885	8,885	852.96	852.96
	<b>Total</b>				<b>22,680.30</b>	<b>22,680.30</b>

## III Investment in Joint ventures

#### (i) Investment in equity shares (At cost, fully paid & unquoted unless otherwise specified)

(Rs. in lacs)

Sr. No.	Name of the Body Corporate	Nominal Value per share	No. of Shares		Amount	
			As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
1	DB (BKC) Realtors Private Limited	10	187,015	187,015	9,865.04	9,865.04
	<b>Total</b>				<b>9,865.04</b>	<b>9,865.04</b>

#### (ii) Investments in partnership firms (At cost, trade & unquoted)

(Rs. in lacs)

Sr. No.	Name of the Body Corporate	Nominal Value per share	No. of Shares		Amount	
			As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
1	M/s Dynamix Realty (Project II)	N.A.	N.A.	N.A.	2.50	2.50
2	M/s DBS Realty	N.A.	N.A.	N.A.	33.00	33.00
	<b>Total</b>				<b>35.50</b>	<b>35.50</b>

## Notes to the Standalone Financial Statements for the year ended March 31, 2019

### (iii) Others (At cost, trade & unquoted)

(Rs. in lacs)

Sr. No.	Name of the Body Corporate	Nominal Value per share	No. of Shares/ Units		Amount	
			As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
1	Lokhandwala Dynamix-Balwas JV	N.A.	N.A.	N.A.	243.82	243.07
2	DB Realty and Shreepati Infrastructures Limited Liability Partnership	N.A.	N.A.	N.A.	0.59	0.59
3	Lokhandwala DB Realty LLP(Fixed Capital)	N.A.	N.A.	N.A.	0.50	0.50
	<b>Total</b>				<b>244.91</b>	<b>244.16</b>

(Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Aggregate amount of quoted investments and its fair value	-	-
Aggregate amount of unquoted investments	74,043.25	69,262.42
Aggregate amount of provision for impairment in value of investments	472.33	2.00

6.1 The Company has pledged its investment of 9,998 (Previous Year: 10,000) equity shares in Goregaon Hotel and Realty Private Limited in favour of Reliance Commercial Finance Limited (Previous Year : Reliance Capital Limited) which sanctioned a Term Loan of Rs. 12,098 lacs (Previous Year: Rs.14,000 lacs) to the said subsidiary. (Refer Note 42(vii))

6.2 The Company has pledged its investment of 435,600 (Previous Year: 435,600) equity shares of Neelkamal Realtors and suburban Private Limited, a subsidiary company, in favour of Edelwis Housing Finance Limited and ECL Finance Limited which provided term loan to the said company. The said loans have been fully repaid and release of pledged investments is in process.

During the year, the Company's investment in 10.05% Redeemable Cumulative Preference shares of Neelkamal Realtors Suburban Private Limited (subsidiary company) of Rs. 1,050 Lacs was due for maturity on March 31, 2019. In view of current financial and cash flow position of the subsidiary company, the Company expects to recover the entire amount by March 31, 2023. In view of the above and in compliance with provisions of accounting standard the Company has fair valued investment in preference share at Rs. 579.67 Lacs and difference of Rs. 470.33 lacs has been adjusted in the cost of equity investment of the subsidiary company .

6.3 The Company has pledged its investment of 19,03,398 (Previous Year: 3,000) equity shares of MIG (Bandra) Realtors and Builders Private Limited, in favour of HDFC (Previous Year - Yes Bank Ltd.) which sanctioned a Term Loan of Rs. 1,10,000 lacs (Previous Year Rs. 60,000 lacs) to the said Subsidiary. (Refer Note 42(iii))

6.4 The Company has pledged its investment of 986,618 (Previous Year: 986,618) equity shares of Neelkamal Realtors Tower Private Limited, an associate company, in favour of Yes Bank which provided term loan of Rs. 35,000 lacs to the said associate. The said loan has been fully repaid and release of pledged investments is in process.

6.5 (a) During the year, the Company has given interest free deposit of Rs 10,000 Lacs for 2 years to Goregaon Hotel & Realty Private Limited which has been rates under initial recognition of deposit. Consequent to the same, Rs 2,568.37 lacs has been added to Investment which is difference between actual deposit amount and fair rate of deposit

(b) During the year, the Company has given interest free deposit of Rs 7,000 Lacs for 2 years to NeelKamal Shantinagar Properties Private Limited which has been rates under initial recognition of deposit. Consequent to the same, Rs 1,797.86 lacs has been added to Investment which is difference between actual deposit amount and fair rate of deposit

(c) During the year, the Company has given interest free deposit of Rs 7,000 Lacs for 2 years to Mira Real Estate Developers which has been rates under initial recognition of deposit. Consequent to the same, Rs 1,797.86 lacs has been added to Investment which is difference between actual deposit amount and fair rate of deposit

### 6.6 Details of investment in Partnership Firms:

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

(Rs. in lacs)

Name of the Partners	As at March 31, 2019		As at March 31, 2018	
	Share of each Partner	Total Capital	Share of each Partner	Total Capital
	(%)	Amount	(%)	Amount
DB Realty Limited	50.00	2.50	50.00	2.50
Conwood Constructions and Developers Private Limited	-	2.50	-	2.50
Eversmile Construction Company	50.00	2.50	50.00	2.50
<b>Total Capital</b>	<b>100.00</b>	<b>7.50</b>	<b>100.00</b>	<b>7.50</b>

\*DB Realty Limited. is only a partner in Project II (Construction TDR of SRA project) of Dynamix Realty

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### Notes to the Standalone Financial Statements for the year ended March 31, 2019

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

(Rs. in lacs)

Name of the Partners	As at March 31, 2019		As at March 31, 2018	
	Share of each Partner	Total Capital	Share of each Partner	Total Capital
	(%)	Amount	(%)	Amount
DB Realty Limited.	33.33	33.00	33.33	33.00
Bharat Shah	16.67	16.50	16.67	16.50
Manakchand Loonkar	8.33	8.25	8.33	8.25
Mahendra Loonkar	8.33	8.25	8.33	8.25
Real Street Developers	16.67	16.50	16.67	16.50
Vision Finstock Limited	16.67	16.50	16.67	16.50
<b>Total</b>	<b>100.00</b>	<b>99.00</b>	<b>100.00</b>	<b>99.00</b>

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

(Rs. in lacs)

Name of the Partners	As at March 31, 2019		As at March 31, 2018	
	Share of each Partner	Total Capital	Share of each Partner	Total Capital
	(%)	Amount	(%)	Amount
DB Realty Limited	99.00	10,000.00	99.00	10,000.00
DB View Infracon Pvt Limited.	1.00	-	1.00	-
<b>Total</b>	<b>100.00</b>	<b>10,000.00</b>	<b>100.00</b>	<b>10,000.00</b>

#### 7 Non-current investments

(Rs. in lacs)

Sr. No.	Particulars	As at March 31, 2019	As at March 31, 2018
<b>A</b>	<b>At Amortised cost</b>		
<b>I</b>	<b>Investment in subsidiaries</b>		
	Investment in preference shares	579.67	2,069.97
	<b>Total</b>	<b>579.67</b>	<b>2,069.97</b>
<b>B</b>	<b>At Fair Value Through Profit and Loss</b>		
<b>I</b>	<b>Investment in Associate</b>		
	Investment in preference shares	865.95	1,097.26
<b>II</b>	<b>Investment in Joint venture</b>		
	Investment in preference shares	32,790.31	32,879.14
<b>III</b>	<b>Investment in Others</b>		
	Investment in preference shares	52,504.11	52,704.98
	<b>Total</b>	<b>86,160.37</b>	<b>86,681.39</b>
<b>C</b>	<b>Fair Value Through Other Comprehensive Income</b>		
<b>I</b>	<b>Investment in others</b>		
	(i) Investment in equity shares	12,293.08	11,392.18
	(ii) Investment in preference shares	29,656.75	27,483.34
	<b>Total</b>	<b>41,949.83</b>	<b>38,875.51</b>
	<b>Total (A+B+C)</b>	<b>128,689.86</b>	<b>127,626.87</b>

## Notes to the Standalone Financial Statements for the year ended March 31, 2019

### A At Amortised cost

#### I Investment in subsidiaries

##### Investment in Preference Shares (At cost, trade, fully paid & unquoted)

(Rs. in lacs)

Sr. No.	Name of the Body Corporate	Nominal Value per share	No. of Shares		Amount	
			As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
1	NeelKamal Realtors Suburban Private Limited (10.50% Redeemable Cumulative Preference Shares) (Note (i))	100	1,050,000	1,050,000	579.67	905.17
2	Real Gem Buildtech Private Limited (0.01% Redeemable Cumulative Preference Shares) (Note (ii))	10	-	13,500,000	-	1,164.80
	<b>Total</b>				<b>579.67</b>	<b>2,069.97</b>

- (i) The Preference Shares are redeemable at any time on or after expiry of 3 years from the date of allotment i.e. 07.11.2005 for 1,000,000 shares and 08.12.2005 for 50,000 shares, but not later than 20 years from the date of allotment. Further, the Board of Directors of Neelkamal Realtor Suburban Private Limited shall, at its absolute discretion, decide the time of redemption after the expiry of 3 years, whether to be redeemed fully or partially, in one or more lots but in not more than three yearly installments.
- (ii) The Preference Shares are redeemable at any time on or after expiry of 3 years from the date of allotment i.e. 1,500,000 shares on August 1, 2011 and 12,000,000 shares on September 6, 2011 to a maximum up to 20 years in not more than five lots. The RCPS shall carry cumulative preferential dividend @ 0.1% p.a.

### B Fair Value through Profit and Loss

#### I Investment in Associates

##### Investments in Preference Shares (Fully paid, trade & unquoted)

(Rs. in lacs)

Sr. No.	Name of the Body Corporate	Nominal Value per share	No. of Shares		Amount	
			As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
1	NeelKamal Realtors Tower Private Limited (0.002% Redeemable Optionally Convertible Cumulative Preference Shares)	10	660,918	660,918	865.95	1,097.26
	<b>Total</b>				<b>865.95</b>	<b>1,097.26</b>

#### II Investment in Joint Venture

##### Investments in Preference Shares (Fully paid, trade & unquoted)

(Rs. in lacs)

Sr. No.	Name of the Body Corporate	Nominal Value per share	No. of Shares		Amount	
			As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
1	DB (BKC) Realtors Private Limited					
	i) 0.001% Redeemable Optionally Convertible Cumulative Preference Shares	10	304,518	304,518	8,905.20	8,909.48
	ii) 0.001% Compulsory Convertible Cumulative Preference Shares	10	336,359	336,359	23,885.11	23,969.66
	<b>Total</b>				<b>32,790.31</b>	<b>32,879.14</b>

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### Notes to the Standalone Financial Statements for the year ended March 31, 2019

#### III Investment in others

##### Investments in Preference Shares (Fully paid, trade & unquoted)

(Rs. in lacs)

Sr. No.	Name of the Body Corporate	Nominal Value per share	No. of Shares		Amount	
			As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
1	Konark Realtech Private Limited (0.01% Redeemable Optionally Convertible Preference Shares)- (Refer Note 7.1)	10	1,163,739	1,163,739	2,370.18	2,259.83
2	Marine Drive Hospitality Private Limited - (Refer Note 7.3)					
	i) Series C- 0.002% Redeemable Optionally Convertible Cumulative Preference Shares- (Refer Note 7.4)	10	217,630	217,630	199.24	224.44
	ii) Series A- 0.002% Redeemable Optionally Convertible Cumulative Preference Shares- (Refer Note 7.4)	10	2,470,600	2,470,600	2,261.88	2,547.90
	iii) Cumulative Redeemable Convertible Preference Shares	10	74,443	74,443	47,672.81	47,672.81
	<b>Total</b>				<b>52,504.11</b>	<b>52,704.98</b>

#### C Fair Value Through Other Comprehensive Income

##### I Investment in others

##### (i) Investment in Equity Instruments (Fully paid, non trade & unquoted)

(Rs. in lacs)

Sr. No.	Name of the Body Corporate	Nominal Value per share	No. of Shares		Amount	
			As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
1	Marine Drive Hospitality & Realty Private Limited (Refer Note 7.2)	10	3,838,382	3,838,382	12,293.08	11,392.18
	<b>Total</b>				<b>12,293.08</b>	<b>11,392.18</b>

##### (ii) Investments in Preference Shares (Fully paid, non trade & unquoted)

(Rs. in lacs)

Sr. No.	Name of the Body Corporate	Nominal Value per share	No. of Shares		Amount	
			As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
1	Marine Drive Hospitality Private Limited - Refer Note 7.3					
	0.002% Compulsory Convertible Cumulative Preference Shares	10	92,600	92,600	29,656.75	27,483.34
	<b>Total</b>				<b>29,656.75</b>	<b>27,483.34</b>

(Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Aggregate amount of quoted investments and its fair value	-	-
Aggregate amount of unquoted investments	128,689.86	127,626.87
Aggregate amount of impairment in value of investments	-	-

7.1 During the year, below mentioned omission is observed which relates to 2017-2018. As per the requirement of Ind AS -8 "Accounting Policies, Changes in Accounting Estimates and Errors", impacts of these errors are given in the comparative financial statement and the financial preceeding prior to the previous financial year. Impact of such transactions and other details are as described hereunder:

During FY 2017-18, valuation of Investment of Rs. 1,153.58 lacs was omitted to be included in the financial of that year. Now, the same has been included in the FY 2017-18 by restating the required figures and affected line items of the financial statement. Hence, Other Income has been increased by Rs. 1,153.58 lacs, deferred tax income is reduced by Rs. 239.95 lacs, Investment has been Increased by Rs. 1,153.58 lacs and profit has been increased by Rs. 913.63 lacs (net of Deferred tax 239.95 Lacs) in Financial Year 2017-18.

## Notes to the Standalone Financial Statements for the year ended March 31, 2019

- 7.2 The Company had pledged its investment of 3,838,382 (Previous Year: 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 Rs Nil (Previous Year: Rs.9,500 Lacs) to the Company. The said loan has been fully repaid and release of pledged investment is in process.
- 7.3 There is no return except fair value gain or loss on investments in preference shares of Marine Drive Hospitality & Realty Private Limited("MDH") during the year. In view of the management, these 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 carrying value of Company's investment in MDH.
- 7.4 2,470,000 (Previous Year: 2,470,000) shares Series A 0.002% ROCCPS and 29,415 (Previous Year: 29,415) shares of Series C 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 54)

### 8 Non-current financial assets: Loans

(Rs. in lacs)		
Particulars	As at March 31, 2019	As at March 31, 2018
<b>Loans and advances to related parties</b>		
<b>(Unsecured, considered good)</b>		
Project Advances to Associates (Refer Note 51 and 58)	4,207.35	3,538.12
<b>Total</b>	<b>4,207.35</b>	<b>3,538.12</b>

There are no 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.

### 9 Non-current financial assets: Others

(Rs. in lacs)		
Particulars	As at March 31, 2019	As at March 31, 2018
<b>Security Deposits</b>		
<b>(Unsecured, considered good)</b>		
To Related Parties (Refer Note 6.5, 9.2, 51 and 58 )	25,419.20	5,211.32
Others (Refer Note 9.2)	1,062.06	917.50
<b>Total</b>	<b>26,481.26</b>	<b>6,128.82</b>

- 9.1 There are no 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.
- 9.2 Security deposits includes Rs. 4,653.74 lacs (Previous Year Rs. 6,476.33 lacs) 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.

### 10 Deferred Tax Asset (Net)

#### Component and Movement in Deferred Tax Assets (Net)

(Rs. in lacs)				
Particulars	As at March 31, 2018	Recognised in Profit and Loss	Recognised in OCI	As at March 31, 2019
Disallowance under section 43B of the Income Tax Act, 1961	115.29	(44.00)	(4.31)	66.98
Related to Depreciation	715.48	(128.86)	-	586.62
Fair value adjustment of Financial Instruments	13,087.93	(465.50)	(639.46)	11,982.97
Unwinding of financial liabilities	(721.69)	(145.15)	-	(866.84)
Provision for doubtful debts/ advances	998.23	439.06	-	1,437.29
<b>Total</b>	<b>14,195.24</b>	<b>(344.45)</b>	<b>(643.77)</b>	<b>13,207.02</b>

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## Notes to the Standalone Financial Statements for the year ended March 31, 2019

(Rs. in lacs)				
Particulars	As at April 1, 2017	Recognised in Profit and Loss	Recognised in OCI	As at March 31, 2018
Disallowance under section 43B of the Income Tax Act, 1961	152.38	(29.51)	(7.57)	115.29
Related to Depreciation	446.29	269.19	-	715.48
Fair value adjustment of Financial Instruments	12,346.76	686.15	55.02	13,087.92
Unwinding of financial liabilities	(966.01)	244.31	-	(721.69)
Provision for doubtful debts/ advances	(40.67)	1,038.90	-	998.23
<b>Total</b>	<b>11,938.76</b>	<b>2,209.03</b>	<b>47.45</b>	<b>14,195.24</b>

The Company has not recognised deferred tax assets of Rs. 7,626.49 lacs (Previous Year: Rs.5,332 lacs) on unabsorbed depreciation and carry forward losses on prudence basis.

### 11 Income tax asset (Net)

(Rs. in lacs)		
Particulars	As at March 31, 2019	As at March 31, 2018
Advance Tax (Net of Provision for taxation of Rs. 696.32 Lacs (Previous Year Rs. 766.31 Lacs)	633.06	596.36
<b>Total</b>	<b>633.06</b>	<b>596.36</b>

### 12 Other Non current assets

(Rs. in lacs)		
Particulars	As at March 31, 2019	As at March 31, 2018
<b>Advances other than capital advances</b>		
<b>(Unsecured, considered good, unless otherwise stated)</b>		
<b>Security Deposits</b>		
Related Parties (Refer Note 9.2, 12.1 and 58)	300.00	750.00
Others considered good (Refer Note 9.2)	458.20	443.39
<b>Unsecured, considered doubtful</b>		
Others considered doubtful	247.84	235.00
Less: Allowance for bad and doubtful advance	(247.84)	(235.00)
<b>Other Advances</b>		
Advance against Share Purchase (Refer Note 49)	4,000.00	4,000.00
Advance against flat Purchase	216.55	-
<b>Total</b>	<b>4,974.75</b>	<b>5,193.39</b>

12.1 There are no 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.

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

(Rs. in lacs)		
Particulars	As at March 31, 2019	As at March 31, 2018
a. Project Work in Progress	28,228.16	30,584.05
b. Finished Goods	-	109.92
<b>Total</b>	<b>28,228.16</b>	<b>30,693.96</b>

13.1 All projects are under initial stage of development & expected to have net realisable value greater than the cost based on initial plans and projections.

13.2 Refer Note 42 for projects given as security by the Company.

13.3 Refer Note 50 for projects under litigation.

13.4 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.

## Notes to the Standalone Financial Statements for the year ended March 31, 2019

### 14 Current Investments

(Rs. in lacs)		
Particulars	As at March 31, 2019	As at March 31, 2018
<b>Investment in Subsidiaries</b>		
a. Investment in Preference Shares	1,350.00	-
b. Investments in Partnership Firms	14,243.87	12,658.34
c. Other Current Investments	21,292.29	16,398.69
<b>Total</b>	<b>36,886.16</b>	<b>29,057.03</b>

(Rs. in lacs)			
Sr. No.	Name of the Body Corporate	As at March 31, 2019	As at March 31, 2018
	<b>Investment in subsidiaries</b>		
a.	<b>Investment in Preference Shares (At cost, trade, fully paid &amp; unquoted)</b>		
	Real Gem Buildtech Private Limited (0.01% Redeemable Cumulative Preference Shares) (1,35,00,000 Share @ Rs 10 each)	1,350.00	-
	<b>Total (a)</b>	<b>1,350.00</b>	<b>-</b>
b.	<b>Investments in partnership firms (At Cost, Trade)</b>		
	Mira Real Estate Developers (Refer Note 6.5(c))	5,228.35	3,803.47
	Dynamix Realty	9,015.51	8,854.87
	<b>Total (b)</b>	<b>14,243.87</b>	<b>12,658.34</b>
c.	<b>Other Current Investments (At Cost, Trade)</b>		
	Turf Estate Joint Venture (AOP)	20,584.94	15,691.34
	DB Realty and Shreepati Infrastructures LLP	644.57	644.55
	Lokhandwala DB Realty LLP	62.78	62.80
	<b>Total (c)</b>	<b>21,292.29</b>	<b>16,398.69</b>
	<b>Total (a+b+c)</b>	<b>36,886.16</b>	<b>29,057.03</b>

### 15 Trade Receivables

(Rs. in lacs)		
Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured, considered good		
Dues from related party (Refer Note 58)	46.40	-
Others	105.05	1,579.41
Unsecured, considered doubtful	3,352.27	2,520.93
Less: Allowance for bad and doubtful debts	(3,352.27)	(2,520.93)
<b>Total</b>	<b>151.45</b>	<b>1,579.41</b>

There are no trade receivables whose credit risk has been significantly increased or impaired as on March 31, 2019.

### 16 Cash and Cash equivalents

(Rs. in lacs)		
Particulars	As at March 31, 2019	As at March 31, 2018
a. Balances with banks in current accounts	65.94	425.58
b. Cash on hand	4.41	1.66
<b>Total</b>	<b>70.35</b>	<b>427.24</b>



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### Notes to the Standalone Financial Statements for the year ended March 31, 2019

#### 16A Bank Balances other than cash and cash equivalents

(Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Fixed Deposits with bank (Refer Note 16.1 )	135.62	328.85
<b>Total</b>	<b>135.62</b>	<b>328.85</b>

16A.1 Fixed Deposit having maturity more than 3 months but less than 12 months kept, as security for guarantees/ other facilities with banks.

#### 17 Current Financial Assets-Loans

(Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Unsecured, Considered Good</b>		
Loan to subsidiaries (Refer Note 17.1, 51 and 58)	52,960.79	64,283.60
Loan to other related parties (Refer Note 58)	0.17	180.15
Loan to others, Unsecured, considered Good	5.00	224.05
<b>Unsecured, Considered Doubtful</b>		
Loan to others which have significant increase in credit risk	123.26	123.26
Less: Allowance for bad and doubtful loans	(123.26)	(123.26)
<b>Total</b>	<b>52,965.96</b>	<b>64,687.80</b>

17.1 There are no 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.

17.2 There are no loan whose credit risk has been significantly increased or impaired as on March 31, 2019.

#### 18 Other Financial assets

(Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Security deposit to related party (Refer Note 18.2 and 58)	5.00	5.00
<b>Other Receivable</b>		
Receivable from related party (Refer Note 58 )	0.69	0.34
Receivable from related party - Considered Doubtful (Refer Note 58 )	11.65	11.27
Less: Allowance for bad and doubtful Advance	(11.65)	(11.27)
Others - Considered good-(Refer Note 18.1)	268.94	168.94
Others Considered Doubtful	4.55	4.55
Less: Allowance for bad and doubtful Advance	(4.55)	(4.55)
<b>Total</b>	<b>274.62</b>	<b>174.28</b>

18.1 During the financial year 2013-2014, the Directorate of Enforcement has taken physical possession of bank balance of Rs. 68.93 lacs 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 receivable. (Refer Note 54)

## Notes to the Standalone Financial Statements for the year ended March 31, 2019

18.2 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.

(Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Private Companies in which director is a member or director	5.00	5.00
<b>Total</b>	<b>5.00</b>	<b>5.00</b>

### 19 Other Current Assets

(Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Unsecured, considered good unless stated otherwise</b>		
<b>a. Advances other than capital advances</b>		
Advance for TDR / Development rights		
To Related Parties (Refer Note 58)	2,774.33	2,774.33
To Others Considered Good	2,070.00	2,900.00
Others Considered Doubtful	600.00	-
Less: Allowance for bad and doubtful Advance	(600.00)	-
<b>b. Other Advance</b>		
Other Advances Considered Good	314.06	603.90
Other Advances Considered Doubtful	842.47	558.31
Less: Allowance for bad and doubtful Advance	(842.47)	(558.31)
Balance with government authorities	455.53	286.95
Prepaid Expenses	10.93	18.14
<b>Total</b>	<b>5,624.84</b>	<b>6,583.33</b>

### 20 Share Capital

(Rs. in lacs)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number	Rs. in lacs	Number	Rs. in lacs
<b><u>Authorised</u></b>				
Equity Shares of Rs. 10/- each	270,000,000	27,000.00	270,000,000	27,000
8% Redeemable Preference shares of Rs. 10/- each	75,000,000	7,500.00	75,000,000	7,500
<b>Total</b>		<b>34,500.00</b>		<b>34,500.00</b>
<b><u>Issued, Subscribed and Fully Paid up</u></b>				
Equity Shares of Rs. 10/- each	243,258,782	24,325.88	243,258,782	24,325.88
<b>Total</b>	<b>243,258,782</b>	<b>24,325.88</b>	<b>243,258,782</b>	<b>24,325.88</b>

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### Notes to the Standalone Financial Statements for the year ended March 31, 2019

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

(Rs. in lacs)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number	Rs. in lacs	Number	Rs. in lacs
Shares outstanding at the beginning of the year	243,258,782	24,325.88	243,258,782	24,325.88
Shares Issued / (bought back) during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>243,258,782</b>	<b>24,325.88</b>	<b>243,258,782</b>	<b>24,325.88</b>

#### 20.2 Rights, preferences and restriction attached to shares

##### 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 Rs. 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.

#### 20.3 Details of equity shares held by shareholders holding more than 5% shares in the Company

(Rs. in lacs)

Name of Shareholder	As at March 31, 2019		As at March 31, 2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Neelkamal Tower Construction LLP	74,121,391	30.47%	80,314,871	33.02%
Walkinson Investment Limited	13,038,650	5.36%	13,038,650	5.36%
Vinod Goenka	1,732,108	0.71%	15,364,216	6.32%
Sanjana Vinod Goenka	22,382,108	9.20%	22,382,108	9.20%
Aseela Vinod Goenka	14,769,958	6.07%	14,769,958	6.07%
Jayvardhan Vinod Goenka	13,632,108	5.60%	-	0.00%

20.4 The Company has paid up capital in the form of 71,755,740 8% Redeemable Cumulative Preference Shares of Rs. 10/- each which have been considered as part of "Borrowings".

#### 21 Other Equity

(Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>a. Capital Reserve</b>	5,046.31	5,046.31
<b>b. Securities Premium Reserve</b>	238,432.90	238,432.90
<b>c. Retained Earnings</b>		
Opening balance	9,142.92	16,922.51
Net Profit / (Loss) for the Current Year	(12,049.98)	(7,798.02)
Employee Benefit (Net of Tax)	10.50	18.43
Closing Balance	<b>(2,896.56)</b>	<b>9,142.92</b>
<b>d. Other Comprehensive Income</b>		
Opening balance	9,626.50	9,835.98
Fair value adjustments in value of investments, net of tax	2,434.86	(209.48)
Closing Balance	<b>12,061.35</b>	<b>9,626.50</b>
<b>Total</b>	<b>252,644.01</b>	<b>262,248.63</b>

##### 21.1 Capital Reserve

Capital Reserve is created on account of merger of Gokuldharm Real Estate Development Co. Pvt. Ltd. (erstwhile subsidiary) into the Company.

##### 21.2 Securities Premium Reserve

Securities Premium Reserve is used to record premium on issue of shares. The reserve can be utilised as per the provisions of the Act.

##### 21.3 Retained Earnings

Retained Earnings represent the surplus/ accumulated earnings of the Company and are available for distribution to shareholders.

##### 21.4 Other Comprehensive Income

Other Comprehensive Income consists of income that will not be reclassified to Statement of Profit and Loss

## Notes to the Standalone Financial Statements for the year ended March 31, 2019

### 22 Borrowings (Non Current Liabilities)

(Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>I. Secured</b>		
<b>(a) Term Loans</b>		
<b>From Bank</b>		
<b>ICICI Bank Limited</b>	1,645.92	1,645.92
Less : Transfer to current maturities	(1,645.92)	(1,645.92)
Net Balance	-	-
(Default: Interest amount of Rs. 499.96 lacs since July 2017 and Principal amount of Rs. 1,645.92 Lacs Since January 2018, Previous year default: Interest Rs 203.69 lacs Since July 2017 and Principal amount of Rs. 645.98 Lacs from January 2018) (Refer Note 22.1 for terms of the said loan)		
<b>Yes Bank Limited</b>	24,380.00	-
Less : Transfer to current maturities	(24,380.00)	-
Net Balance	-	-
(Default: Interest amount of Rs. 223.79 lacs since December 2018 and Facility Fees Rs. 1,600 Lacs since June 2018, Previous year default: Interest Rs. Nil and Facility Fees Rs. Nil) (Refer Note 22.2 for terms of the said loan)		
<b>From Others</b>		
<b>Reliance Home Finance Limited</b>	6,670.00	6,670.00
Less : Transfer to current maturities	(6,670.00)	(6,670.00)
Net Balance	-	-
(Default: Interest amount of Rs. 2,753.13 lacs since December 2017 and Principal amount of Rs. 6,670.00 lacs since March 2019, Previous year default: Interest Rs. 1,198.47 lacs since December 2017) (Refer Note 22.3 for terms of the said loan)		
<b>Reliance Commercial Finance Limited</b>	200.00	200.00
Less : Transfer to current maturities	(200.00)	(200.00)
Net Balance	-	-
(Default: Interest amount of Rs. 96.85 lacs since December 2017 and Principal amount of Rs. 200.00 lacs since December 2018, Previous year default: Interest Rs. 36.20 lacs since December 2017) (Refer Note 22.4 for terms of the said loan)		
<b>Reliance Commercial Finance Limited</b>	10,705.00	10,705.00
Less : Transfer to current maturities	(10,705.00)	-
Net Balance	-	10,705.00
(Refer Note 22.5 for terms of the said loan)		
<b>LIC Housing Finance Limited</b>	2,530.45	3,340.92
Less : Transfer to current maturities	(1,659.24)	(1,118.52)
Net Balance	871.21	2,222.40
(Default: Interest of Rs. 29.67 lacs and Principal amount of Rs. 218.69 lacs since December 2018 Previous Year - Nil) (Refer Note 22.6 for terms of the said loan)		
<b>(b) Vehicle Loans</b>		
<b>Vehicle Loans from Banks</b>	25.73	48.26
Less : Transfer to current maturities	(24.10)	(25.02)
Net Balance		
(Default: Interest of Rs. 0.30 lacs since February 2019, Previous Year - Nil) (Refer Note 22.7 for terms of the said loan)	1.64	23.24
<b>II. Unsecured</b>		
<b>Preference Shares</b>		
8% Redeemable Preference shares of Rs. 10/- each (Refer Note 22.8 for terms of the preference shares)	5,448.79	4,697.24
<b>Total</b>	<b>6,321.64</b>	<b>17,647.88</b>

**Notes to the Standalone Financial Statements for the year ended March 31, 2019**

22.1 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 effective interest rate of 13.35%- 13.75% p.a. linked to I-Base, payable monthly. The loan is repayable in 12 quarterly instalments commencing from April 1st 2016. The loan has been reclassified into current maturities of long term debts. 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 Limited) 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 Limited backed by first pari-passu charge over Dynamix Mall, Juhu.
4. Corporate guarantee from Milan Theatres Pvt Limited.
5. Personal Guarantee of one of the Managing Directors.

22.2 The said loan was received during the year for the purpose of placement of refundable contractual deposits and meeting expenses related to PMC/ DM/ service related agreements entered for various projects of subsidiaries (DB Acres, OM Metal and DB View). It carries effective interest rate of 10.00% p.a i.e 0.75% p.a (spread) over 1 year. Loan is repayable on March 29, 2020. The loan has been reclassified into current maturities of long term debts. The said loan is secured by :-

1. Exclusive Charge by the way of Hypothecation over PMC/ DM contract Receivables and refundable deposit(s) to be received from Mira Real Estate Developers(MRED) for thier 'DB Acres'(both present & future)
2. Exclusive Charge by the way of Hypothecation over PMC/ DM contract Receivables and refundable deposit(s) to be received from Goregaon Hotels and Realty Pvt Ltd for thier project 'Om Metals'(both present & future)
3. Exclusive Charge by the way of Hypothecation over PMC/ DM contract Receivables and refundable deposit(s) to be received from Shree Shantinagar Joint Venture(SSJV)for thier project 'DB Views'(both present & future)
4. Residual charge over DB Skypark project to be developed by ECC DB Konark Joint Venture situated at village Bapnala, Taluka Andheri, Mumbai Suburban District, comprising of slum and non-slum land with first charge to be with Primary Lender(s) (existing or future to the extent of INR 1.25 Bn) of the Project which shall be used for development of the project
5. Second Charge on all assets of Bamboo Hotels and Global Centre (Delhi) Pvt Ltd.
6. Hypothecation on receivables of DB View Infracon Private Limited (DBVIPL).
7. Unconditional & Irrevocable Personal Gurantee of one of the Promoter and one of the Managing Directors.

22.3 The said loan was received for general purpose and carry interest rate of 18% p.a. Loan is repayable in 24 months with bullet repayment on March, 2019. Interest to be paid annually. One of the Managing Directors of the Company and one of the Promoter are co-borrowers along with the Company. The loan has been reclassified into current maturities of long term debts. The said loan is secured by :-

1. An exclusive charge on the project land of Orchid Golf View at Pune situated at S.No. 191A/2A/1/2, Plot No.2 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 on TDR - transferable development rights till the same is loaded on the project.
5. Personal Guarantee of one of the Managing Directors and one of the Promoter.

22.4 The said loan was received for general purpose and carry interest rate of 18% p.a. Loan is repayable in 24 Months with bullet repayment on December, 2018. Interest to be paid annually. One of the Managing Directors of the Company and one of the Promoter are co-borrowers along with the Company. The loan has been reclassified into current maturities of long term debts. 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 on TDR - transferable development rights till the same is loaded on the project.

22.5 The said loan was received for general purpose and carry interest rate of 15% p.a. Loan is repayable in 24 Months with bullet repayment on March, 2020. One of the Managing Directors of the Company and one of the Promoter are co-borrowers along with the Company. Interest to be paid at the end of the loan tenure. The loan has been reclassified into current maturities of long term debts. 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.

## Notes to the Standalone Financial Statements for the year ended March 31, 2019

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 on the escrow account, all monies credited/deposited therein & all investments in respect thereof (in whatever form they may be).
  5. 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 Yerawada, Pune
  6. An exclusive charge on TDR - transferable development rights till the same is loaded on the project.
  7. Registered Mortgage of Residential development Project Orchid Golf View Park S.No. 191A/2A/1/2, Plot No.2 at Yerwada, Pune
  8. Personal Guarantee of one of the Managing Director and one of the Promoter.
- 22.6 The said loan was received for the purpose of financing the costs of construction and other project implementation costs in 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 ,on April 27, 2015 and again in October 2017. The loan tenure has been extended by 36 months and hence the outstanding balance due on October 31, 2017 will carry interest rate 13.20% p.a. The Loan is guaranteed by personal guarantees C46of one of the Promoter and one of the 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.

### 22.7 Terms of Vehicle Loan

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

A certain portion of the loan of Rs. 24.10 lacs has been reclassified into current maturities of long term debt.

(Rs. in lacs)				
Sr. No.	Particulars	No. of EMI's Payable from 31/03/2019	No. of EMI's Payable from 31/03/2018	EMI Amount
1	Bank Of India (BMW)	10	22	1.57
2	OBC ( Skoda )	15	27	0.61

### 22.8 Rights, preferences and restriction attached to shares

#### Preference Shares:

- (i) The Non Cumulative Redeemable Preference Shares shall carry coupon rate of 8% per annum, if declared. 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 if any declared. The preference shares have no other rights attached except dividend if any declared.
- (ii) **Details of preference shares held by shareholders holding more than 5% shares in the Company**

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number	% of Holding	Number	% of Holding
Konark Realtech Private Limited	71,750,000	99.99	71,750,000	99.99

### (iii) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

(Rs. in lacs)				
Preference Shares				
Particulars	As at March 31, 2019		As at March 31, 2018	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	71,755,740	7,175.57	71,755,740	7,175.57
Shares Issued / (bought back) during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>71,755,740</b>	<b>7,175.57</b>	<b>71,755,740</b>	<b>7,175.57</b>

- (iv) Aggregate number of shares issued for consideration other than cash and shares brought back during the period of five years immediately preceding previous year.

Particulars	As at March 31, 2019 (Number)	As at March 31, 2018 (Number)
Fully paid up preference shares issued pursuant to Merger in FY 2015-2016	7,17,55,740.00	7,17,55,740.00

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## Notes to the Standalone Financial Statements for the year ended March 31, 2019

### 23 Other Financial Liabilities (Non Current Liabilities)

(Rs. in lacs)		
Particulars	As at March 31, 2019	As at March 31, 2018
Deposits	6.80	-
<b>Total</b>	<b>6.80</b>	<b>-</b>

### 24 Provisions (Non Current Liabilities)

(Rs. in lacs)		
Particulars	As at March 31, 2019	As at March 31, 2018
<b>Provision for Employee Benefits (Refer Note 39)</b>		
Gratuity (unfunded)	42.66	100.98
Compensated Absences (Unfunded)	49.15	80.50
<b>Total</b>	<b>91.81</b>	<b>181.47</b>

24.1 During the year, some of the employees of the Company have been transferred from the Company to various group companies. Gratuity and Compensated Absences related to these employees is transferred from the Company to the transferee companies.

### 25 Borrowings (Current Liabilities)

(Rs. in lacs)		
Particulars	As at March 31, 2019	As at March 31, 2018
<b><u>Unsecured</u></b>		
<b>Loan from Banks</b>		
HDFC Bank (Refer Note 25.1)	7,349.77	-
(Default: Interest of Rs. 325.19 lacs since March, 2019, Previous Year - Nil)		
<b>Loans from related parties</b>		
Interest Free (Refer Note 25.2 and 58 )	3,787.70	6,053.39
<b>Loans from Subsidiaries</b>		
Interest Free (Refer Note 25.2 and 58 )	18,599.08	24,387.54
<b>Loans from Others (Interest Free)</b>	300.00	300.00
<b>Total</b>	<b>30,036.55</b>	<b>30,740.93</b>

25.1 The said loan was received during the year for general purpose, repayable within six month from date of first disbursement. It carry effective interest rate of 15.00% p.a i.e HDFC CPLR minus 435 basis point. The said loan is secured by Personal Gurantee of both the directors. The Loan is secured against undertaking given for non disposal of equity shares held by DB Realty in Mahal Pictures and DB (BKC) Realtors Private Limited.

25.2 All short term borrowings are repayable on demand

### 26 Trade Payables (Current Liabilities)

(Rs. in lacs)		
Particulars	As at March 31, 2019	As at March 31, 2018
<b>Trade Payables</b>		
(a) Dues outstanding of micro and small enterprises (Refer Note 26.1)	11.18	7.10
(b) Others- Dues to related parties (Refer Note 58)	150.71	145.64
Others- Dues to others	1,908.32	2,157.41
<b>Total</b>	<b>2,070.21</b>	<b>2,310.15</b>

## Notes to the Standalone Financial Statements for the year ended March 31, 2019

26.1 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:

Description	(Rs. in lacs)	
	As at March 31, 2019	As at March 31, 2018
a) Principal amount remaining unpaid as at year end	4.45	4.57
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.	6.73	2.53
e) Interest accrued and remaining unpaid as at year end	6.73	2.53
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.	-	-
<b>Total</b>	<b>11.18</b>	<b>7.10</b>

### 27 Other Financial Liabilities (Current Liabilities)

Particulars	(Rs. in lacs)	
	As at March 31, 2019	As at March 31, 2018
Current maturities of long-term debt (Refer Note 22.1, 22.2, 22.3, 22.4, 22.5, 22.6 and 22.7)	45,284.26	9,659.24
Interest accrued on borrowings	5,563.68	1,785.89
<b>Other payables:</b>		
Amount Refundable on Cancellation of Flats	13.02	13.02
Book overdraft	31.80	44.82
Employee benefits payable	477.26	670.80
Payables for purchase of fixed assets (Other than Micro and small Enterprises)	124.27	99.96
Tenancy rights & Hardship Compensation payable	1,151.21	999.22
Expenses payable	1,269.97	1,151.76
Other payables (Refer Note 50)	437.37	1,217.94
Other payables-Dues to subsidiaries (Refer Note 58)	23.24	46.20
Current Account balance with Partnership Firms & LLP's (Refer Note 58)	6,540.20	6,555.71
<b>Total</b>	<b>60,916.27</b>	<b>22,244.56</b>

### 28 Other Current Liabilities

Particulars	(Rs. in lacs)	
	As at March 31, 2019	As at March 31, 2018
<b>(a) Revenue received in advance</b>		
Advance received from Customers	64.75	87.71
<b>(b) Other advances</b>		
Advance Received for Development Rights from subsidiary (Refer Note 58)	747.50	747.50
<b>(c ) Other payables</b>		
Statutory Liabilities	22.82	235.65
<b>Total</b>	<b>835.07</b>	<b>1,070.86</b>



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### Notes to the Standalone Financial Statements for the year ended March 31, 2019

#### 29 Short Term Provisions

(Rs. in lacs)		
Particulars	As at March 31, 2019	As at March 31, 2018
<b>(a) Employee benefit obligation(Refer Note 39)</b>		
Gratuity (Unfunded)	21.69	66.99
Compensated Absences (Unfunded)	19.97	65.05
<b>(b) Others</b>		
Provision for Wealth Tax	9.38	9.38
<b>Total</b>	<b>51.04</b>	<b>141.41</b>

#### 30 Revenue from Operations

(Rs. in lacs)		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>(a) Revenue from sale of Products</b>		
Sale of Flats	320.97	313.06
	<b>320.97</b>	<b>313.06</b>
<b>(b) Other operating Revenues</b>		
Lease rental income (Refer Note 41)	82.68	84.78
Interest on Delayed Payments from Allottees	15.04	7.45
	<b>97.72</b>	<b>92.23</b>
<b>Total (a+b)</b>	<b>418.69</b>	<b>405.28</b>

#### 31 Other Income

(Rs. in lacs)		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>Interest Income on</b>		
Bank Deposits measured at amortised cost	18.67	26.64
Financial assets measured at amortised cost (Refer Note 58)	4,864.12	2,780.35
<b>Fair value gain</b>		
Net Gain on investments measured at Fair value through Profit or Loss (Refer Note 7.1)	-	9,334.05
<b>Other Income</b>		
Liabilities no longer payable written back	-	90.81
Advertisement Income (Refer Note 58)	80.00	33.33
Gain on sale of Property Plant and Equipment (Net)	1.68	0.42
Compensation Income (Refer Note 58)	400.00	-
Miscellaneous Income	2.06	56.03
<b>Total</b>	<b>5,366.53</b>	<b>12,321.62</b>

#### 32 Project Expenses

(Rs. in lacs)		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Hardship Compensation (Refer Note 32.1)	955.44	1,753.77
Project Salaries, Wages and Bonus	12.57	59.77
Depreciation (Refer Note 3.1)	3.86	3.95
Other construction expenses (Refer Note 32.2)	189.67	230.01
<b>Total</b>	<b>1,161.53</b>	<b>2,047.50</b>

32.1 During the previous year, the Company has inventoried hardship compensation lying in advances against development rights amounting to Rs.1,472.80 Lacs as all the rights related to tenancy have been transferred and there is no performance obligation which are pending by the Company and the tenants.

## Notes to the Standalone Financial Statements for the year ended March 31, 2019

### 32.2 Other Construction Expenses

(Rs. in lacs)		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Construction and Site Development Expenses	14.95	2.23
Rates & Taxes	93.78	166.60
Rent (Refer Note 41)	22.01	32.13
Finance Cost	0.96	1.55
Legal and Professional Fees	11.97	0.75
Electricity Expenses	1.25	0.59
Security Charges	23.42	13.12
Repairs & Maintainance	14.85	7.75
Travelling and Conveyance Expenses	-	0.08
Miscellaneous Expenses	6.48	5.21
<b>Total</b>	<b>189.67</b>	<b>230.01</b>

### 33 Changes in Inventories of Project Work in Progress, Transferable Development Rights and Finished Goods

(Rs. in lacs)		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>(a) Project Work in Progress</b>		
Opening Inventory	30,584.05	28,619.93
Add/(Less): Raw Material Purchase During the year	-	0.13
Add/(Less): Amount of New Project	-	-
Add/(Less): Inventory Written off (Refer Note 50 )	(3,517.42)	-
Closing Inventory	(28,228.16)	(30,584.05)
<b>(Increase) / Decrease in Project Work in Progress (a)</b>	<b>(1,161.53)</b>	<b>(1,963.99)</b>
<b>(b) Finished Goods:</b>		
Opening Inventory	109.92	219.84
Closing Inventory	-	(109.92)
<b>(Increase) / Decrease in Finished Goods (b)</b>	<b>109.92</b>	<b>109.92</b>
<b>Total Changes in Inventories (a+b)</b>	<b>(1,051.61)</b>	<b>(1,854.07)</b>

### 34 Employee Benefit Expenses

(Rs. in lacs)		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Salaries and wages	652.94	1,503.17
Contribution to Provident and other funds (Refer Note 39)	6.46	14.00
Staff welfare expenses	23.02	34.21
<b>Total</b>	<b>682.42</b>	<b>1,551.37</b>

### 35 Finance Cost

(Rs. in lacs)		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest expense	8,568.83	4,344.60
Other borrowing costs	20.20	84.10
<b>Total</b>	<b>8,589.02</b>	<b>4,428.69</b>

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### Notes to the Standalone Financial Statements for the year ended March 31, 2019

#### 36 Other Expenses

	(Rs. in lacs)	
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Share of Loss from Investment in Partnership Firms & LLP (Net) (Refer Note 46 and 58)	1,072.53	1,381.81
Provision for Impairment of investments (Refer Note 58)	470.33	-
Loss on fair value on financial assets	605.22	7,164.67
Impairment loss (Refer Note 4.1)	-	1,686.47
Inventory Written off (Refer Note 50)	2,793.53	79.25
Loans and advances written off	2.50	1,649.81
Provision for allowance for bad and doubtful debts	831.34	2,286.39
Provision for allowance for bad and doubtful advances	897.37	666.61
Rent (Refer Note 41)	109.14	121.41
Repairs and Maintenance - others	74.56	14.16
Legal and Professional Charges (Refer Note 36.1)	295.52	345.89
Donations	3.00	0.03
Corporate Social Responsibility ( Refer Note 56)	5.00	7.58
Advertisement and Publicity	4.98	2.92
Business Promotion Expenses	166.32	68.98
Books, Periodicals, Subscription & Membership Fees	20.33	31.17
Directors Sitting Fees ( Refer Note 53(b))	9.40	9.00
Printing and Stationery and Telephone Charges	32.18	39.39
Travelling and Conveyance Expenses	59.60	70.84
House Keeping Expenses	8.38	12.85
Electricity Expenses	25.84	31.87
Insurance	6.57	10.79
Security Charges	1.50	7.77
Commission & Brokerage	5.35	14.21
Loss on sale of Investment Property	-	43.79
Foreign Exchange Loss (net)	11.91	0.21
Rates and Taxes	34.64	36.11
Fees towards beautification and advertisement rights	99.00	306.53
Compensation Paid to Customers	159.78	-
Miscellaneous Expenses	133.20	74.05
<b>Total</b>	<b>7,939.02</b>	<b>16,164.56</b>

#### 36.1 Auditor's Remuneration

	(Rs. in lacs)	
Payment to auditors - (exclusive of GST and service tax)	For the year ended March 31, 2019	For the year ended March 31, 2018
a) Audit Fee (including Limited Review)	47.50	47.50
b) For other services (Certification and other services)	0.20	-
c) For reimbursement of expenses	0.41	0.99
<b>Total</b>	<b>48.11</b>	<b>48.49</b>

## Notes to the Standalone Financial Statements for the year ended March 31, 2019

### 37 Earning Per Share

Basic and diluted earnings/ loss per share is calculated by dividing the profit/ loss attributable to equity holders of the Company by the weighted average of equity shares outstanding during the year.

#### a) Reconciliation of earning used in calculating EPS

(Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Basic earning per share</b>		
Profit attributable to the equity shareholders of the company used in calculating basic earning per share		
- From continuing operations	(12,049.98)	(7,798.02)
	<b>(12,049.98)</b>	<b>(7,798.02)</b>
<b>Diluted earning per share</b>		
Profit attributable to the equity shareholders of the company used in calculating basic earning per share		
- From continuing operations	(12,049.98)	(7,798.02)
	<b>(12,049.98)</b>	<b>(7,798.02)</b>

#### b) Weighted average number of shares

Particulars	As at March 31, 2019	As at March 31, 2018
Weighted average number of shares used for calculating basic earning per share	<b>243,258,782</b>	<b>243,258,782</b>
Weighted average number of shares used for calculating diluted earning per share	<b>243,258,782</b>	<b>243,258,782</b>

#### c) Basic and Diluted earning per share

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Basic and Diluted earning per share</b>	(4.95)	(3.21)

There are no discontinuing operation in the current and previous year

### 38 Income Tax

#### (a) Income tax expense is as follows:

(Rs. in lacs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>Statement of Profit and Loss</b>		
<b>Current tax:</b>		
Tax for the year	-	-
Prior period tax adjustment	49.96	-
<b>Total current tax expense</b>	<b>49.96</b>	-
<b>Deferred tax:</b>		
Deferred tax expense	344.45	(2,209.05)
<b>Total deferred tax expense</b>	<b>344.45</b>	<b>(2,209.05)</b>
<b>Income tax expense</b>	<b>394.41</b>	<b>(2,209.05)</b>
<b>Other comprehensive Income</b>		
<b>Deferred tax related to OCI items:</b>		
Fair value adjustment of Investments	639.46	(55.02)
Net loss/ (gain) on remeasurements of defined benefit plans	4.31	7.57
	<b>643.77</b>	<b>(47.45)</b>

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### Notes to the Standalone Financial Statements for the year ended March 31, 2019

(b) Reconciliation of tax expense and the accounting profit computed by applying the Income tax rate:

	(Rs. in lacs)	
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Profit before tax	(11,655.57)	(10,007.07)
Tax Rate	29.12%	29.12%
<b>Tax at the Indian tax rate</b>	<b>(3,394.10)</b>	<b>(2,914.06)</b>
<b>Tax effect on amounts which are not deductible (taxable) in calculating taxable income:</b>		
Non-deductible expenses as per Income tax Act	1,273.12	1,350.88
Deduction as per Income Tax Act	-	(33.84)
Unabsorbed Depreciation/Business Loss	2,411.97	1,968.03
Adjustment of current tax for prior periods	49.96	-
Difference on account of change in income tax rate	54.71	(671.68)
Other adjustments	(1.24)	(1,908.38)
<b>Income tax expense</b>	<b>394.41</b>	<b>(2,209.05)</b>
<b>Effective Tax Rate (%)</b>	<b>(3.38)</b>	<b>22.07</b>

Above workings are based on provisional computation of tax expense and subject to finalisation including that of tax audit or otherwise in due course.

39 As per Indian Accounting Standard-19 "Employee Benefits", the disclosures of Employee Benefits as defined in the Indian Accounting Standard are given below:

**A Defined Contribution Plan:**

The Company makes contributions towards provident fund, superannuation fund and other retirement benefits to a defined contribution retirement benefit plan for qualifying employees. Under the plan, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

The Company has recognised the following amounts in Statement of Profit and Loss which are included under Contributions to Funds under Employee Benefit Expenses (Refer Note 34)

	(Rs. in lacs)	
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Employer's Contribution to Provident Fund and Allied Funds	6.00	12.78
Employer's Contribution to ESIC and MLWF	0.46	1.22
<b>Total</b>	<b>6.46</b>	<b>14.00</b>

**B Defined Benefit Plan:**

The Company provides gratuity benefits to its employees as per the statute. Present value of gratuity obligation (Non-Funded) based on actuarial valuation done 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.

**I. Reconciliation of opening and closing balances of Defined Benefit obligation.**

(Rs. in lacs)

Particulars	Gratuity (Un-Funded)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Defined Benefit obligation at the beginning of the year	167.97	150.22
Transfer in/(out) #	(116.57)	(7.58)
Interest Cost	9.19	9.18
Past Service Cost *	-	42.40
Current Service Cost	18.57	23.14
Settlement Cost/(Credit)	-	-
Benefits paid	-	(24.00)
Impact of transfer of employees	-	0.61
Actuarial (gain)/loss	(14.81)	(26.00)
<b>Defined Benefit obligation at the end of the year</b>	<b>64.35</b>	<b>167.97</b>
Net Liability		
- Current	<b>21.69</b>	<b>66.99</b>
- Non-Current	<b>42.66</b>	<b>100.98</b>

# Employees are transferred from DB Realty Limited to DB Group companies

\* Cap on Gratuity changed from Rs.10 lacs to Rs.20 lacs

## Notes to the Standalone Financial Statements for the year ended March 31, 2019

### II. Recognized in Statement of Profit and Loss (Rs. in lacs)

Particulars	Gratuity (Un-Funded)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Current Service Cost	18.57	23.14
Past Service Cost	-	42.40
Settlement Cost	-	-
Interest Cost	9.19	9.18
Other Impact	-	-
Acquisition adjustment	-	-
<b>Expense recognized in Statement of Profit and Loss</b>	<b>27.77</b>	<b>74.71</b>

### III. Recognised in Other Comprehensive Income (Rs. in lacs)

Particulars	Gratuity (Un-Funded)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Experience (Gain) / Loss on plan liabilities	(16.27)	(25.13)
Demographic (Gain) / Loss on plan liabilities	0.02	5.86
Financial (Gain) / Loss on plan liabilities	1.44	(6.72)
<b>Actuarial (gain)/loss</b>	<b>(14.81)</b>	<b>(26.00)</b>

### IV. Actuarial assumptions. (Rs. in lacs)

Particulars	Gratuity (Un-Funded)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Mortality table	IALM(2012-14) ult	IALM(2006-08) ult
Discount Rate	7.10%	7.70%
Rate of Escalation in Salary	10.00%	10.00%
Expected Average remaining working lives of Employees (in years)	5.20	7.41
<b>Withdrawal Rate</b>		
Age upto 30 years	10.00%	10.00%
Age 31-40 years	10.00%	10.00%
Age 41-50 years	10.00%	10.00%
Age above 50 years	10.00%	10.00%

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.

### V. Expected Future Benefit Payments. (Rs. in lacs)

Particulars	Gratuity (Un-Funded)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Within the next 12 months	21.69	66.99
Between 2 and 5 years	41.41	78.02
Between 6 and 10 years	14.52	91.94

### VI. Experience Adjustments (Rs. in lacs)

Particulars	As at 31 March, 2019	As at 31 March, 2018	As at 31 March, 2017	As at 31 March, 2016	As at 31 March, 2015
Present value of defined benefit obligation	64.35	167.97	150.22	232.62	219.77
Fair value of plan asset	-	-	-	-	-
Experience Adjustments on actuarial (gain)/loss	-	-	-	-	-
Plan liabilities (gain)/loss	(16.27)	(25.13)	(67.81)	(29.55)	(44.14)
Plan assets (gain)/loss	-	-	-	-	-
<b>Other</b>	<b>1.46</b>	<b>(0.86)</b>	<b>5.04</b>	<b>35.72</b>	<b>(48.39)</b>

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### Notes to the Standalone Financial Statements for the year ended March 31, 2019

#### VII. Quantitative sensitivity analysis for significant assumption is as below

Sensitivity analysis indicates the influence of a reasonable change in certain significant assumptions on the outcome of the Defined Benefit Obligations (DBO) and aids in understanding the uncertainty of reported amounts. Sensitivity analysis is done by varying one parameter at a time and studying its impact.

- 1 Present value of defined benefits obligation on account of change in assumptions:

Particulars	(Rs. in lacs)	
	Gratuity (Un-Funded)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
One percentage point increase in discount rate	(62.00)	(161.21)
One percentage point decrease in discount rate	66.95	175.48
One percentage point increase in salary rate	65.05	172.30
One percentage point decrease in salary rate	(63.59)	(163.69)
One percentage point increase in withdrawal rate	64.70	167.83
One percentage point decrease in withdrawal rate	(63.94)	(168.09)

- 2 The sensitivity analysis presented above may not be representative of the actual change in the defined obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some assumption may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the project unit credit method at the end of the reporting period, which is same as that applied in calculation of defined benefit obligation liability recognised in the balance sheet.

- 3 Sensitivity analysis is done by varying one parameter at a time and studying its impact.

#### VIII. Risk Exposure and Asset Liability Matching

Provision of a defined benefit scheme poses certain risks, some of which are detailed hereunder, as companies take on uncertain long term obligations to make future benefit payments.

##### 1 Liability Risks

##### a. **Asset-liability Mismatch Risk -**

Risk which arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the Company is successfully able to neutralize valuation swings caused by interest rate movements. Hence companies are encouraged to adopt asset-liability management.

##### b. **Discount Rate Risk -**

Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practise can have a significant impact on the defined benefit liabilities.

##### c. **Future Salary Escalation and Inflation Risk -**

Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at management's discretion may lead to uncertainties in estimating this increasing risk.

##### 2 **Unfunded Plan Risk**

This represents unmanaged risk and a growing liability. There is an inherent risk here that the Company may default on paying the benefits in adverse circumstances, Funding the plan removes volatility in company's financials and also benefit risk through return on the funds made available for the plan.

#### Notes:

- 1 The obligation towards Gratuity is unfunded and therefore, the following disclosures are not given:

- a. Reconciliation of Opening and Closings Balance of fair value of plan assets.
- b. Details of Investments

#### C **Other Long Term Employee Benefits**

The obligation of Leave Encashment is provided for on actuarial valuation by an independent valuer and the same is unfunded. The amount debited /(recognized) in the Statement of Profit and Loss for the year is Rs. 1.99 lacs (Previous Year (Rs. 2.85 lacs)\*).

\* The amount are shown as negative due to excess recovery from group entities on account of transfer of employees

## Notes to the Standalone Financial Statements for the year ended March 31, 2019

### 40 Segment Reporting:

#### A Basis of Segment

Factors used to identify the entity's reportable segments, including the basis of organization For management purposes, the Company has only one reportable segments namely , Development of real estate property. The Managing Director of the Company acts as the Chief Operating Decision Maker ("CODM"). The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators.

#### B Geographical Information

The Geographical information analyses the Company's revenue and Non-Current Assets by the Company's country of domicile and other countries. As the Company is engaged in Development of Real Estate Property on India, it has only one reportable geographical segment.

#### C Information about major customers

Revenue from operations from to customer constitute 10% or more of total revenue from operations for Rs.320.97 lacs (Previous year Rs. 313.06 lacs from one customer).

### 41 Operating Lease:

As per Ind AS -17 'Leases', the disclosure of transactions with the respect to lease of premises is disclosed as follows:

#### A Assets taken on Operating Lease :

- (i) The Company has taken commercial premises on Operating Lease and lease rent of Rs. 109.14 lacs (Previous Year Rs. 121.41 lacs) has been debited to Statement of Profit and Loss and Rs. 22.01 lacs (Previous Year Rs. 32.13 lacs) has been inventorised for the current year.
- (ii) The Company does not have any contingent lease rental expenses/ income.

#### B Assets given on Operating Lease :

- (i) The Company had executed lease deeds for certain units forming part of the Project for a period of 5-25 years and the lease rentals shall become due and payable on possession being granted. The lease rental is subject to escalation. Lease rent recognized during the year in the Statement of Profit and Loss amount of Rs. 82.68 lacs (Previous Year: Rs. 84.78 lacs ). Accordingly, the future lease rentals are disclosed based on the Management's estimate of the amounts that it would receive.
- (ii) The future minimum lease payments are as under:

(Rs. in lacs)		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Future Lease Payments		
(a) Not later than one year.	82.68	82.68
(b) Later than one year but not later than five years.	222.72	282.72
(c ) Later than five years.	495.54	518.22
<b>Total of future lease payments</b>	<b>800.94</b>	<b>883.62</b>

### 42 Financial Instruments

The significant accounting policies, including the criteria of recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial assets and financial liabilities are disclosed in note 2.12 of the Ind AS financial statements.

#### 42.1 Financial assets and liabilities:

The carrying value of financial instruments by categories as of March 31, 2019 were as follows:

(Rs. in lacs)					
Particulars	See Note	Fair Value through Profit and Loss	Fair Value through OCI	Amortised Cost/ At Cost	Carrying amount As at March 31, 2019
<b>Financial assets:</b>					
<b>Non-current</b>					
Other investments	7	86,160.37	41,949.83	579.67	128,689.86
Loans	8	-	-	4,207.35	4,207.35
Other financial assets	9	-	-	26,481.26	26,481.26
		<b>86,160.37</b>	<b>41,949.83</b>	<b>31,268.28</b>	<b>159,378.48</b>



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## Notes to the Standalone Financial Statements for the year ended March 31, 2019

(Rs. in lacs)					
Particulars	See Note	Fair Value through Profit and Loss	Fair Value through OCI	Amortised Cost/ At Cost	Carrying amount As at March 31, 2019
<b>Current</b>					
Investments	14	-	-	36,886.16	36,886.16
Trade receivables	15	-	-	151.45	151.45
Cash and cash equivalents	16	-	-	70.35	70.35
Bank balance other than above	16A	-	-	135.62	135.62
Loans	17	-	-	52,965.96	52,965.96
Other financial assets	18	-	-	274.62	274.62
		-	-	<b>90,484.17</b>	<b>90,484.17</b>
<b>Total</b>		<b>86,160.37</b>	<b>41,949.83</b>	<b>121,752.46</b>	<b>249,862.65</b>
<b>Financial liabilities:</b>					
<b>Non- current</b>					
Borrowings	22	-	-	6,321.64	6,321.64
Other financial liability	23	-	-	6.80	6.80
		-	-	<b>6,328.44</b>	<b>6,328.44</b>
<b>Current</b>					
Borrowings	25	-	-	30,036.55	30,036.55
Trade and other payables	26	-	-	2,070.21	2,070.21
Other financial liabilities	27	-	-	60,916.27	60,916.27
		-	-	<b>93,023.03</b>	<b>93,023.03</b>
<b>Total</b>		-	-	<b>99,351.48</b>	<b>99,351.48</b>

The carrying value of financial instruments by categories as of March 31, 2018 were as follows:

(Rs. in lacs)					
Particulars	See Note	Fair Value through Profit and Loss	Fair Value through OCI	Amortised Cost/ At Cost	Carrying amount As at March 31, 2018
<b>Financial assets:</b>					
<b>Non-current</b>					
Other investments	7	86,681.39	38,875.51	2,069.97	127,626.87
Loans	8	-	-	3,538.12	3,538.12
Other financial assets	9	-	-	6,128.82	6,128.82
		<b>86,681.39</b>	<b>38,875.51</b>	<b>11,736.91</b>	<b>137,293.81</b>
<b>Current</b>					
Investments	14	-	-	29,057.03	29,057.03
Trade receivables	15	-	-	1,579.41	1,579.41
Cash and cash equivalents	16	-	-	427.24	427.24
Bank balance other than above	16A	-	-	328.85	328.85
Loans	17	-	-	64,687.80	64,687.80
Other financial assets	18	-	-	174.28	174.28
		-	-	<b>96,254.62</b>	<b>96,254.62</b>
<b>Total</b>		-	-	<b>107,991.53</b>	<b>233,548.43</b>

## Notes to the Standalone Financial Statements for the year ended March 31, 2019

(Rs. in lacs)					
Particulars	See Note	Fair Value through Profit and Loss	Fair Value through OCI	Amortised Cost/ At Cost	Carrying amount As at March 31, 2018
<b>Financial liabilities:</b>					
<b>Non- current</b>					
Borrowings	22	-	-	17,647.88	17,647.88
		-	-	<b>17,647.88</b>	<b>17,647.88</b>
<b>Current</b>					
Borrowings	25	-	-	30,740.93	30,740.93
Trade and other payables	26	-	-	2,310.15	2,310.15
Other financial liabilities	27	-	-	22,244.56	22,244.56
		-	-	<b>55,295.63</b>	<b>55,295.63</b>
<b>Total</b>		-	-	<b>72,943.51</b>	<b>72,943.51</b>

### Fair Value Hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are whether observable or unobservable and consists of the following three levels:

Level	Nature of Inputs
Level 1	Inputs are quoted prices (unadjusted) in active markets for identical assets and liabilities.
Level 2	Inputs are other than quoted prices included within level 1 that are observable for the asset or liability either directly (i.e. prices) or indirectly (i.e. derived from prices).
Level 3	Inputs are not based on observable market data unobservable inputs. Fair value are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Note: The investment included in Level 3 of fair value hierarchy has been valued using the cost approach to arrive at their fair value. The cost of unquoted investment approximate the fair value because there is a wide range of possible fair value measurements and the cost represents estimate of fair value within that range.

The following table summarizes financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured on fair value on recurring basis (but fair value disclosure are required)

(Rs. in lacs)				
Particulars	See Note	Level	As at March 31, 2019	As at March 31, 2018
<b>Financial assets:</b>				
<b>Non-current</b>				
Other investments	7	Level 3	128,689.86	127,626.87
Loans	8	Level 2	4,207.35	3,538.12
Other Financial Asset	9	Level 2	26,481.26	6,128.82
			<b>159,378.48</b>	<b>137,293.81</b>
<b>Current</b>				
Investments	14	Level 2	36,886.16	29,057.03
Loans	17	Level 2	52,965.96	64,687.80
			<b>89,852.12</b>	<b>93,744.83</b>
<b>Total</b>			<b>249,230.60</b>	<b>231,038.65</b>
<b>Financial liabilities:</b>				
<b>Non- current</b>				
Borrowings (including current Maturity)	22	Level 2	51,605.90	27,307.12
			<b>51,605.90</b>	<b>27,307.12</b>
<b>Current</b>				
Borrowings	25	Level 2	30,036.55	30,740.93
			<b>30,036.55</b>	<b>30,740.93</b>
<b>Total</b>			<b>81,642.45</b>	<b>58,048.04</b>

Carrying amounts of financial instruments such as cash and cash equivalents, other bank balances, trade receivables, trade payables and other financial assets and liabilities at March 31, 2019 and March 31, 2018 reasonably approximate their respective fair values.

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### Notes to the Standalone Financial Statements for the year ended March 31, 2019

#### Level 3 Fair values

Reconciliation of Level 3 Fair values

The following tables shows a reconciliation of the opening and closing balance of Level 3 fair values

	(Rs. in lacs)
Particulars	Equity Securities
<b>Opening Balance (April 01, 2017)</b>	<b>116,775.28</b>
Add: Purchase of preference shares	1,496.38
Add: Net change in fair values (unrealised)	8,201.63
Add: Valuation of Investment omitted in Previous Year (Refer Note 7.1)	1,153.58
<b>Closing balance (March 31, 2018)</b>	<b>127,626.87</b>
<b>Opening Balance (April 01, 2018)</b>	<b>127,626.87</b>
Add: Net change in fair values (unrealised)	1,062.99
<b>Closing balance (March 31, 2019)</b>	<b>128,689.86</b>

#### 42.2 Financial Risk Management:

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk Management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

##### (A) Market Risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market conditions. Market risk comprises three types of risk: interest rate risk, currency risk, credit and default risk and liquidity risk. Financial instruments affected by market risk include investments, loans, trade receivables, borrowings, trade payables and other financial liabilities.

##### (B) Interest Risk:

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

**The interest rate profile of the Company's interest bearing financial instruments is as follows:**

Exposure to Interest Rate Risk	(Rs. in lacs)	
Particulars	As at March 31, 2019	As at March 31, 2018
<b>Financial Liability</b>		
<b>Fixed Rate Instruments</b>		
Long Term Borrowings	2,530.45	3,340.92
Short Term Borrowings	22,686.78	30,740.93
<b>Variable Rate Instruments</b>		
Long Term Borrowings	49,075.45	23,966.20
Short Term Borrowings	7,349.77	-
<b>Total</b>	<b>81,642.45</b>	<b>58,048.04</b>
<b>Financial Assets</b>		
<b>Fixed Rate Instruments</b>		
Fixed Deposit (Refer Note 16(a))	135.62	328.85
Loans and advances to related parties (Refer Note 17)	52,960.96	64,463.75
Loans to others (Refer Note 17)	5.00	224.05
Project Advance (Refer Note 8)	4,207.35	3,538.12
Security Deposit (Related Parties) (Refer Note 9 and 18)	25,424.20	5,216.32
Security Deposit (Others) (Refer Note 9)	1,062.06	917.50
<b>Total</b>	<b>83,795.20</b>	<b>74,688.59</b>

## Notes to the Standalone Financial Statements for the year ended March 31, 2019

### Interest Rate Sensitivity:

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax and carrying amount of project work in progress (which will have subsequent impact on the profit or loss of future period depending upon the proportion to the revenue recognised during the period in respect of contracts recognised as indicated in Accounting Policy for revenue recognition mentioned in Note 2) is affected through the impact on floating rate borrowings, as follows:

(Rs. in lacs)		
Particulars	100 BP Increase	100 BP Decrease
<b>March 31, 2019</b>		
<b>Financial Liabilities</b>		
<b>Variable Rate Instruments</b>		
Borrowings	564.25	(564.25)
<b>March 31, 2018</b>		
<b>Financial Liabilities</b>		
<b>Variable Rate Instruments</b>		
Borrowings	239.66	(239.66)

### (C) Credit risk and default risk:

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables, business advances/deposit given) and from its investing activities (primarily loans granted to various parties including related parties).

#### **Trade Receivables**

Considering the inherent nature of business of the Group, customer credit risk is minimal. The Group generally does not part away with its assets unless trade receivables are fully realised. Wherever there is doubt on recovery, the group makes adequate provision based on best estimation of recovery. Further, the group has made provision in case receivables are considered doubtful. For the purpose of disclosure, Management believes that there is no party whose credit has been impaired or parties having significant increase in credit risk.

Based on prior experience and an assessment of the current economic environment, management believes there is no credit risk provision required, other than those made in the accounts. Also the Company does not have any significant concentration of credit risk.

The ageing of Trade Receivable (Gross) is as follows:

(Rs. in lacs)		
Particulars	As at March 31, 2019	As at March 31, 2018
More than 6 months	3,448.80	4,031.81
Others	54.93	68.53
<b>Total</b>	<b>3,503.73</b>	<b>4,100.34</b>

The movement in the expected credit loss allowances on Trade Receivables is as follows:

(Rs. in lacs)	
Particulars	Amount
Balance as on March 31, 2017	234.54
Expected credit loss recognised in FY 17-18	2,286.39
Amounts written off/(back)	-
<b>Balance as on March 31, 2018</b>	<b>2,520.93</b>
Expected credit loss recognised in FY 18-19	831.34
Amounts written off/(back)	-
<b>Balance as on March 31, 2019</b>	<b>3,352.27</b>

#### **Loans**

The loans and advances are in the nature of advances for project in SPVs where the Company is a stakeholder and hence the risk is minimal. Based on the above factors and historical data, loss on collection of receivables is not material and hence no additional provision was made apart from provisions for impairment in respect of certain specific loans.

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### Notes to the Standalone Financial Statements for the year ended March 31, 2019

Details of Loans are as follows -

Particulars	(Rs. in lacs)	
	As at March 31, 2019	As at March 31, 2018
Loans- Non-Current (Refer Note 8)	4,207.35	3,538.12
Loans- Current (Refer Note 17)	52,965.96	64,687.80
<b>Total</b>	<b>57,173.32</b>	<b>68,225.92</b>

The movement in the expected credit loss allowances on Loans is as follows:

Particulars	(Rs. in lacs)	
	Amount	
Balance as on March 31, 2017	123.26	
Impairment Loss recognised in FY 17-18	-	
Amounts written off/(back)	-	
<b>Balance as on March 31, 2018</b>	<b>123.26</b>	
Impairment Loss recognised in FY 18-19	-	
Amounts written off/(back)	-	
<b>Balance as on March 31, 2019</b>	<b>123.26</b>	

Oustanding Financial Guarantees

Particulars	(Rs. in lacs)	
	As at March 31, 2019	As at March 31, 2018
<b>A. 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 for Rs. 45,000 lacs and Security for Rs. 30,000 lacs Given) (Refer Note 42 (i))	45,000.00	45,000.00
Real gem Buildtech Private Limited (Guarantee Given) (Refer Note 42 (ii))	154.00	154.00
MIG (Bandra) Realtors & Builders Private Limited(Guarantee & Security Given ) (Refer Note 42 (iii) (a) and 42(iii)(b))	110,000.00	60,000.00
Neelkamal Realtors Suburban Private Limited ((Guarantee & Security Given)(Refer Note 42 (iv))	-	2,600.00
Neelkamal Realtors Suburban Private Limited ((Guarantee & Security Given)(Refer Note 42 (v))	-	4,400.00
DB View Infracon Private Limited. ( Security Given ) (Refer Note 42 (vi))	3,000.00	3,000.00
Goregaon Hotels & Realty Private Limited (Security given) (Refer Note 42(vii))	12,098.00	14,000.00
Vanita Infrastructure Private Limited (Guarantee and security given) (Refer Note 42 (viii))	-	3,500.00
Vanita Infrastructure Private Limited (Guarantee Given)(Refer Note 42 (ix))	-	4,500.00
Horizontal Realty and Aviation Pvt Ltd (Refer Note 42(x))	9,000.00	-
<b>Sub Total (a)</b>	<b>179,252.00</b>	<b>137,154.00</b>
<b>b) Associates</b>		
Milan Theatres Private Limited (Guarantee and security given) (Refer Note 42 (xi))	-	17,450.00
<b>Sub Total (b)</b>	<b>-</b>	<b>17,450.00</b>
<b>c) Companies under the same management</b>		
Majestic Infracon Private Limited (Refer Note 42(xii) below) (Guarantee and security provided for Rs. 42,500 lacs and further guarantee provided for Rs. 42,800 lacs)	85,300.00	85,300.00
Pune Buildtech Private Limited (Refer Note 42(xiii) below) (Guarantee given & security provided)	22,500.00	22,500.00
BD&P Hotels (India) Private Limited (Refer Note 42(xiii) below)(Guarantee given & security provided)	6,500.00	6,500.00
Bamboo Hotel and Global Centre (Delhi) Private Limited (Guarantee given) (Refer Note 42 (xiv))	-	27,500.00
<b>Sub Total (c)</b>	<b>114,300.00</b>	<b>141,800.00</b>
<b>d) Others</b>		
Delux Hospitality Limited, Mauritius (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 and security for USD 65 million) (Refer Note 42 (xv))	-	89,760.86
Indo Global Soft Solutions & Technologies Pvt. Limited.(Guarantee Given)(Refer Note 42 (xvi))	-	70,000.00
<b>Sub Total (d)</b>	<b>-</b>	<b>159,760.86</b>
<b>Grand Total (a+b+c+d)</b>	<b>293,552.00</b>	<b>456,164.86</b>

## Notes to the Financial Statements for the year ended 31st March, 2019

- (i) The Company has granted guarantee and security to Housing Development Finance Corporation Limited for securing the financial assistance of Rs. 30,000.00 lacs granted to Real Gem Buildtech Private Limited, a subsidiary company. During financial year 2015-16, the Company had given Corporate Guarantee in respect of additional loan availed by a subsidiary company from HDFC Limited for Rs. 15,000.00 lacs. 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 Rs.30,000.00 lacs in the books of Real Gem Buildtech Private Limited as of March 31, 2019 is Rs. 20,500 lacs (Previous Year Rs. 27,480.62 lacs). The outstanding principal amount of the loan whose principal amount is of Rs.15,000.00 lacs in the books of Real Gem Buildtech Private Limited as of March 31, 2019 is Nil (Previous Year Rs. 14,912.56 lacs).
- (ii) The Company has given "Guarantee" to Daimler Financial Services India Private Limited against the car finance facility of Rs. 154.00 lacs 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 March 31, 2019 is Rs. Nil (Previous year Rs. 26.00 lacs)
- (iii) (a) During financial year 2015-16, 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 Rs. 60,000.00 lacs. 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 Shahid Balwa. The outstanding principal amount of the facility in the books of MIG (Bandra) Realtors & Builders Private Limited is Rs. Nil. (Previous year Rs. 43,049.95 lacs).
- (iii) (b) During Financial Year 2018-19, the company has given Corporate Gurantee and Pledged ts holding in the subsidiary Company, MIG (Bandra) Realtors & Builders Private Limited in respect of loan from HDFC Bank Limited. The loan is secured by Mortgage of unsold units of the Project , Charge on the entire receivables arising from the Project, Personal Gurantee of Mr. Vinod Goenka and Mr. Shahid Balwa, Pledge of 6.4 cr shares of DB Realty Ltd., 2nd charge on Goa Hotel and its receivables. The outstanding principal amount of the facility in the books of MIG (Bandra) Realtors & Builders Private Limited is Rs.83,184.73 lacs.
- (iv) The Company had given Corporate Guarantee on behalf of Neelkamal Realtors Suburban Private Limited, the subsidiary Company. 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. The outstanding principal amount of the facility in the books of Neelkamal Realtors Suburban Private Limited is Rs.Nil (Previous year Rs.Nil). The company has repaid the loan however the said company is still in process of satisfaction of charge. The said Guarantee and Security has been released during the year.
- (v) During financial year 2015-16 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 Rs. 4,400 lacs which was reduced to Rs.3,808.09 lacs 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, The outstanding principal amount of the facility in the books of Neelkamal Realtors Suburban Private Limited is Rs. Nil (Previous year Rs. Nil ). The company has repaid the loan however the said company is still in process of satisfaction of charge. The said Guarantee and Security has been released during the year.
- (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, DB View Infracon Private Limited has repaid the loan and the present outstanding is Rs.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. The outstanding principal amount of the facility in the books of DB View Infracon Private Limited is Rs.Nil (Previous year Rs. Nil).
- (vii) During the year, the Company has extended security on behalf of Goregaon Hotels & Realty Private Limited, the subsidiary company and pledged its entire holding in the subsidiary Company in respect of loan from Reliance Commercial Finance Limited (Previous Year : Reliance Capital Limited) of Rs. 12,098 lacs (Previous Year : Rs 14,000 Lacs) . The loan is primarily secured by (i) An exclusive charge on the scheduled receivables under the documents entered into with customers by the Borrower, all such proceeds both present and future, (ii) An exclusive charge over all rights, titles, interest, claims , benefits, demands under the Project documents both present and future, (iii) An exclusive charge on the escrow account , all monies credited/ deposited therein and all investments in respect thereof (in whatever form they may be), (iv) Registered Mortgage on residential units falling under the share of Goregaon Hotels & Realty Private Limited in the proposed project located at land bearing CTS No- A/791(pt) of Mahim Bandra Reclamation Area , Bandra (West), (v) Hypothecation of receivables from sale of residential units falling under the share of Goregaon Hotels & Realty Private Limited in the proposed project located at land bearing CTS No- A/791(pt) of Mahim Bandra Reclamation Area , Bandra (West). The outstanding principal amount of the facility in the books of Goregaon Hotels & Realty Private Limited is Rs.12,098 lacs (previous year Rs. Nil).
- (viii) During the year, the Company has extended Corporate Guarantee and security on behalf of Vanita Infrastructure Private Limited, the subsidiary Company in respect of loan from IL &FS Financial Services Limited (IFIN) of Rs. 3,500 lacs. The loan is primarily secured by (i) First ranking hypothecation and escrow of balance receivables from all the units in DB Woods Project of the Company, (ii) Mortgage of 5 units of MIG Bandra Realtors & Builders Pvt. Limited. backed up Corporate Guarantee of MIG (Bandra) Realtors & Builders Pvt. Limited, (iii) Pledge of 22 million fully paid up, de-materialised, unencumbered, freely transferable equity shares of the Company held by Neelkamal Tower Construction LLP, (iv) Personal guarantee of Mr. Shahid Balwa and Mr. Vinod Goenka. The outstanding principal amount of the facility in the



**Notes to the Standalone Financial Statements for the year ended March 31, 2019**

books of Vanita Infrastructure Private Limited is Rs. Nil.(previous year Rs. Nil). The said Guarantee and Security has been released during the year.

- (ix) During the year, the Company has granted Corporate Guarantee and security on behalf of Vanita Infrastructure Private Limited, the subsidiary Company in respect of loan from IL &FS Financial Services Limited (IFIN) of Rs. 4,500 lacs. The loan is primarily secured by (i) First and exclusive mortgage on immoveable property arnd 7,682 Sq.ft. On Ten - BKC (ii) Pledge of 22 mn shares of DB Realty (iii) Hypothecation of receivables of Ten-BKC mortgaged area (iv) CG of MIG (Bandra) Realtors & Builders Pvt. Limited. (v) Personal Guarantee of Mr. Shahid Balwa and Mr. Vinod Goenka. The outstanding principal amount of the facility in the books of Vanita Infrastructure Private Limited is Rs. Nil as the facility of loan has not been availed yet. The said Guarantee has been released during the year.
- (x) The Company has given corporate guarantee for zero percent non convertible debenture issued by Horizontal Realty and Aviation Private Limited. The same is secured by (i) Pledge of 22,000,000 shares of D B Realty Limited.; (ii) First Mortgage and charge on the admeasuring 6468.74 sq. ft carpet area in Milan Garment Hub situated at Final Plot No. 30A of TPS No. VI of Santacruz; (iii) Second Mortgage and charge over all the rights, titles, interest of Mira Real Estate Developer in the "Mira Road Land" along with FSI and buildings constructed/ to be constructed thereon.; (iv) First charge on existing and future receivables of the Company and Goan Hotels and Realty Private Limited accruing to them from the Project Receipts under the Development Agreement read with Deed of Modification, Escrow Account(s) and all the monies lying in the Escrow Account(s).; (v) First charge on existing and future receivables from Project 2 named as Milan Garment Hub, the Escrow Account(s) and all the monies lying in the Escrow Account.; (vi) Pledge of 66.67% shares of the Milan Theatres Private Limited in dematerialised form. and (vii) Personal Guarantee of Mr. Shahid Balwa and Mr. Vinod Goenka. The outstanding balance of non convertible debenture as on March 31, 2019 is Rs.7,414.50 lacs.
- (xi) 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 D B Realty Limited.; (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. The outstanding balance of loan as on March 31, 2019 is Rs.Nil (Previous year Rs. Nil). The said Guarantee and Security has been released during the year.
- (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 Rs. 85,300 lacs (Previous Year Rs. 85,300 lacs). 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 Rs. 42,500 lacs out of total loan amounting to Rs. 85,300 lacs.
- 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 towards Punjab National Bank is Rs. Nil and Bank of India is Rs.6,811.47 lacs as on March 31, 2019 (Previous Year Rs.6,811.47 lacs) . 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 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 which is not a 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. The outstanding balance of loan as on March 31, 2019 is Rs.25,697 lacs ( Previous Year Rs.25,697lacs)
- (xiv) During the year, the Company has given corporate guarantee in respect of facilities availed by Bamboo Hotel and Global Centre (Delhi) Private Limited from Reliance Commercial Finance for Rs. 27,500 lacs. The loan is primarily secured by (i) charge on all buildings and structures, (ii) charge on the scheduled receivables, both present and future, (iii) charge over all the rights, titles, interest, claims, benefits, demands under the Project, both present and/future, (iv) charge on the escrow account, all monies credited/ deposited therein and all investments in respect thereof, (v) charge on the Transferrable Development Rights till the same is loaded on the project, (vi) mortgage on the assets proposed and located at Asset Area 13, Aerocity Delhi, (vii) Hypothecation of receivables from assets proposed and located at Asset Area 13, Aerocity Delhi, (viii) Charge over security deposit of Rs. 26,800 lacs s paid by Heaven Star Hotels (Delhi) Private Limited to DIAL. The outstanding balance of loan as on March 31, 2019 is Rs. Nil (Previous year Rs. 24,600 lacs). The said Guarantee has been released during the year.
- (xv) The Company has given corporate guarantee in respect of facilities availed by Delux Hospitality Limited, Mauritius ('DBH, Mauritius') & YJ Realty & Aviation Private Limited from ICICI Bank UK PLC and ICICI Bank Limited respectively of USD 138 millions – Rs. 89,760.86 lacs as at the year end March 31, 2018 and security in respect of Bacchuwadi Property of the Company 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 Nil as on March 31, 2019 (Previous year USD 127 lacs) in ICICI Bank UK PLC. 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.

## Notes to the Standalone Financial Statements for the year ended March 31, 2019

The said facilities are secured by (a) mortgage of its property consisting of Dynamix Mall in YJ Realty & Aviation Private Limited and (b) pledge of its entire shareholding of Marine Drive Hospitality & Realty Private Limited in DBH, Mauritius (being a wholly owned subsidiary of DBHPL) and (c) Pledge of 50,409,641 shares of the Company held by Neelkamal Tower Construction LLP (Previous year 33,997,818), 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. The said Guarantee has been released during the year.

- (xvi) During the year 2017-2018, the Company has granted Corporate Guarantee and security on behalf of Indo Global Soft Solutions & Technologies Private Limited which is not a part of D B Consolidated group, in respect of loan from Dewan Housing Finance Corporation Limited (DHFL) of Rs. 70,000 lacs. The loan is primarily secured by (i) Exclusive charge on lease hold land admeasuring 19,434.10 sq.mt along with the structures thereon pertaining to the free sale area (ii) Exclusive charge by way of hypothecation on present and future receivables excluding few units (iii) CG of NRTPL and DB Realty Limited (iv) Personal Guarantee of Mr. Sanjay Chhabria, Mrs. Ritu Chhabria, Mr. Shahid Balwa and Mr. Vinod Goenka. The outstanding principal amount of the facility in the books of Indo Global Soft Solutions & Technologies Private Limited is Rs. Nil as at the year end March 31, 2019. The said Guarantee has been released during the year.

The outstanding loan figures as on the reporting date of the entities to whom guarantees are given are provided by the Management and relied upon by the auditors.

The Company is in the process of releasing the security and guarantee wherever there is no loan outstanding as on reporting date.

In case of financial guarantee given by the Company to various entities, there are few defaults by borrowers. However the Company is not expecting any liability as security given by the borrower is on higher side as per best estimation of the Management. Hence the Company has not made any provision for expected credit loss.

### Cash and Bank Balances

The Company held cash and bank balance with credit worthy banks of Rs.205.97 lacs at March 31, 2019 (March 31, 2018 Rs. 756.09 lacs). The credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with banks where credit risk is largely perceived to be extremely insignificant.

### (D) Liquidity Risk:

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans and preference shares. The Company's management regularly reviews expected future cash inflows and outflows. Accordingly, based on the projections, the management takes necessary steps for raising fresh debt and recovery from existing financial assets to meet its obligations. The amounts are gross and undiscounted, and include contractual interest payments.

(Rs. in lacs)

Particulars	Amount payable during below period				
	As at March 31, 2019	Within 1 year	1-2 years	2-5 years	More than 5 years
<b>Long Term Borrowings:</b>					
<b>I. Secured</b>					
LIC Housing Finance Limited	871.21	-	995.12		-
<b>Short Term Borrowings:</b>					
<b>I. Unsecured</b>					
HDFC Bank	7,349.77	7,349.77	-	-	-
Inter-Corporate Deposits from realted parties	3,787.70	3,787.70	-	-	-
Loans from Subsidiaries	18,599.08	18,599.08	-	-	-
Loans from Others	300.00	300.00	-	-	-
<b>Current Maturities of long term borrowings</b>					
LIC Housing Finance Limited	1,659.24	1,712.69	-	-	-
ICICI Bank Limited	1,645.92	1,645.92	-	-	-
Yes Bank	24,380.00	26,780.00	-	-	-
Reliance Home Finance Limited	6,670.00	6,670.00	-	-	-
Reliance Commercial Finance	10,705.00	10,705.00	-	-	-
Reliance Commercial Finance	200.00	200.00	-	-	-
Bank of India	17.40	18.79	-	-	-
OBC Bank Limited	6.70	7.26	-	-	-
<b>Interest accrued on borrowings</b>	<b>5,563.68</b>	<b>5,563.68</b>			
<b>(b) Vehicle Loans</b>					
Vehicle Loans from Banks	1.64	1.66	-	-	-



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## Notes to the Standalone Financial Statements for the year ended March 31, 2019

(Rs. in lacs)

Particulars	Amount payable during below period				
	As at March 31, 2019	Within 1 year	1-2 years	2-5 years	More than 5 years
<b><u>II. Unsecured</u></b>					
<b>Liability of preference shares</b>					
8% Redeemable Preference shares of Rs. 10/- each	5,448.79	-	7,175.00	-	-
<b>Non Current</b>					
Other Financial Liabilities	6.80	-	-	-	6.80
<b>Current</b>					
<b>Trade and other payables</b>	2,070.21	2,070.21	-	-	-
<b>Other financial liabilities</b>	15,632.02	15,632.02	-	-	-

(Rs. in lacs)

Particulars	Amount payable during below period				
	As at March 31, 2018	Within 1 year	1-2 years	2-5 years	more than 5 years
<b><u>Long Term Borrowings:</u></b>					
<b><u>I. Secured</u></b>					
Reliance Commercial Finance Limited	10,705.00	-	13,916.50	-	-
LIC Housing Finance Limited	2,222.40	-	1,494.00	995.12	-
<b><u>Short Term Borrowings:</u></b>					
<b><u>II Unsecured</u></b>					
Inter-Corporate Deposits from realted parties	6,053.39	6,053.39	-	-	-
Loans from Subsidiaries	24,387.54	24,387.54	-	-	-
Loans from Others	300.00	300.00	-	-	-
<b>Current Maturities of long term borrowings</b>					
LIC Housing Finance Ltd	1,118.52	1,494.00	-	-	-
ICICI Bank Limited	1,645.70	1,966.48	-	-	-
Reliance Commercial Finance	200.00	272.20	-	-	-
Reliance Home Finance Ltd	6,670.00	9,069.07	-	-	-
Reliance Capital Ltd			-	-	-
Bank of India	19.01	21.92	-	-	-
OBC Bank Ltd.	6.01	7.87	-	-	-
Interest accrued on borrowings	1,785.89	1,785.89			
<b>(b) Vehicle Loans</b>					
Vehicle Loans from Banks	23.24	-	23.60	2.23	-
<b><u>II. Unsecured</u></b>					
<b>Liability of preference shares</b>					
8% Redeemable Preference shares of Rs. 10/- each	4,697.24	-	-	7,175.00	-
<b>Current</b>					
<b>Trade and other payables</b>	2,310.15	2,310.15	-	-	-
<b>Other financial liabilities</b>	12,563.51	12,563.51	-	-	-

In case of short term liabilities, carrying value is considered as undiscounted obligations.

## Notes to the Standalone Financial Statements for the year ended March 31, 2019

### (E) Foreign/Currency Risk

Currency risk refer to the movement in exchange rate when the transaction took place and the prevailing rate at which it would be settled/valued. There were only few transactions in Foreign currencies in past which were outstanding.

The following table shows foreign currency exposures in USD on financial instruments at the end of the reporting period.

Particulars	(Amount in USD)	
	Foreign Currency Exposure (In lacs) (unhedge)	
	31-Mar-19	31-Mar-18
Retention Money-Liabilities*	2.71	2.71

\* The Group has received advance of 0.01 USD (PY 0.01 USD) which has not adjusted till the time settlement.

Sensitivity analysis of 1% change in exchange rate at the end of reporting period:

Particulars	(Rs. in lacs)	
	Foreign Currency Exposure (In lacs)	
	31-Mar-19	31-Mar-18
<u>1% Depreciation in INR</u>		
Impact on Profit and Loss	(1.87)	(1.76)
<u>1% Appreciation in INR</u>		
Impact on Profit and Loss	1.87	1.76

The Company has not hedged its foreign currency liabilities as risk related to outstanding exposure is very insignificant.

### 43 Capital Management:

For the purposes of the Company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Company's Capital Management is to maximise shareholder value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants. The Company believes in lower debt equity ratio.

The debt equity ratio of the Company is as follows:

Particulars	(Rs. in lacs)	
	31 March, 2019	31 March, 2018
Equity Capital	24,325.88	24,325.88
Capital Reserve	5,046.31	5,046.31
Securities Premium Reserve	238,432.90	238,432.90
Retained Earnings	(2,896.56)	9,142.92
Other Comprehensive Income	12,061.35	9,626.50
<b>Equity</b>	<b>276,969.89</b>	<b>286,574.50</b>
Long Term Borrowings	6,321.64	17,647.88
Short Term Borrowings	30,036.55	30,740.93
Current maturities of long term borrowing	45,284.26	9,659.24
Less: cash and bank balances	205.97	756.09
<b>Adjusted net debt</b>	<b>81,436.48</b>	<b>57,291.95</b>
<b>Debt to Equity</b>	<b>0.29</b>	<b>0.20</b>

The Company has not declared any dividend during the year.

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## Notes to the Standalone Financial Statements for the year ended March 31, 2019

### 44 Disclosure as per Ind AS 115 - Revenue from Contracts with Customers.

(Rs. in lacs)		
Particulars	As at March 31, 2019	As at March 31, 2018
The amount of project revenue recognized as revenue during the year	320.97	313.06
The amount of advances received	64.75	87.71
The amount of work in progress	28,228.16	30,584.05

### 45 Contingent Liabilities and commitments:

(Rs. in lacs)		
Particulars	As at March 31, 2019	As at March 31, 2018
<b>Contingent Liabilities:</b>		
<b>Claims against the company not acknowledged as debt</b>		
Disputed demand of income tax for Assessment Year 2010-11	49.01	24.14
Disputed demand of income tax for Assessment Year 2012-13	978.22	662.64
Disputed demand of income tax for Assessment Year 2013-14	90.09	289.37
Disputed demand of income tax for Assessment Year 2014-15	398.25	398.25
Disputed demand of income tax for Assessment Year 2015-16	1,604.12	1,604.12
Disputed Demand of Service Tax for the period April 2011 to March 2016 (Interest and penalty are not ascertainable)	5,419.40	5,419.40
<b>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 unascertainable	Amount unascertainable
ii) Provisional attachment of assets under Prevention of Money Laundering Act, 2002 for: D B Realty Limited (Refer Note 54) Dynamix Realty (Refer Note 46A(iii)1)	Amount unascertainable	Amount unascertainable
iii) Property tax for various projects	Amount unascertainable	Amount unascertainable
iv) Contingent payments to subsidiary as per MOU for non-recovery of trade receivables	317.00	317.00

The Company is a party to various legal proceedings 36 Nos. (Previous year 33 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 47 to 52 & 54)

The Company is contesting the demands and the Management believes that its position will likely be upheld in the appellate process. No tax expense has been accrued in the standalone financial statements for the tax demand raised. The Management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the Company's financial position and results of operations.

### Commitments

(Rs. in lacs)		
Particulars	As at March 31, 2019	As at March 31, 2018
Estimated amount of contracts remaining to be executed on Intangible Assets under Development	-	11.80

### 46 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 respective 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 (formerly known as Mira Salt Works Company) in which the Company is a partner have reported certain significant matters as Refer Note 46A, 47 and 48 (Refer Note 36).

## Notes to the Standalone Financial Statements for the year ended March 31, 2019

### 46A. 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 Rs. 102.34 lacs (Previous year Rs.102.34 lacs). 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 Rs. 33.74 lacs (Previous Year Rs. 33.74 lacs )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 Rs. 20,925 lacs, (the said loans) as upto 31.03.2010 which as of 31.03.2016, 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, Rs. 20,000 lacs is paid as illegal gratification to M/s Kalaingar TV Private Limited (Kalaingar) through Kusegaon Realty Private Limited and M/s Cineyug Films Pvt. Limited., 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 Rs. 20,000 lacs 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. The CBI Special Court in the 2G trial case passed an order on December 21, 2017 whereby all parties have been acquitted.

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 trade receivable aggregating to Rs. 13,389 lacs (Previous Year Rs. 13,389 lacs) were provisionally attached, out of which, trade receivable of Rs. 4,971 lacs (Previous year Rs.4,971 lacs) are realised by the firm. 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 Rs. 35.99 lacs (Previous Year Rs. 35.99 lacs) and has realised the trade receivable (The Phonix Mills Limited) of Rs. 3,451.2 lacs (Previous Year Rs. 3,451.2 lacs). 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 statements.

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 Rs. 20,000 lacs 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 Rs. 22,355 lacs. 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.

After completion of both the cases by two separate orders dated 21.12.2017, the Special Court in CBI as well as PMLA Case has passed the Orders acquitting all the Accused. By the Order dated 21.12.2017 in PMLA Case, the Special Court has also given Order for release of properties attached by the Directorate of Enforcement including of the Firm after the period of appeal is over. Against the said Orders, CBI as well as the Directorate of Enforcement have filed Criminal Leave Petitions before the Hon'ble Delhi High Court which are pending for admission. Further, the Directorate of Enforcement has also filed petition for stay against Order of release of the attached properties for which "status-quo" has been granted by Hon'ble Delhi High Court vide Order dated March 21, 2018. The Matter is listed for 24-10-2019.

In the opinion of the Firm, though the aforesaid cases are sub-judiced, as legally advised favourable outcome are expected and hence it would realised the attached assets.

- 2 The Firm has not made provision for contested income tax liability of Rs. 2,911.63 lacs (Previous Year: Rs. 2,911.63 lacs) since based on the interpretation of law being supported by decisions of the appellate authorities, the Management of the Firm is of the opinion that the demands shall be deleted.
- 3 Trade Receivables, considered good outstanding more than 6 Months of Rs 2,722.98 lacs (Previous year Rs 2,722.98 lacs) (net of provision for expected credit loss) 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.

**Notes to the Standalone Financial Statements for the year ended March 31, 2019****47 DBS Realty:****i. 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.

**ii. During the earlier year, Airport Authority of India (AAI) had disputed the height of the SRA Buildings which is being constructed by the Firm and had denied the permission for further construction. AAI had ordered to demolish the floors beyond permissible height in order to conduct Aeronautical Studies. The Firm had filed an appeal before the Hon'ble Delhi High Court against the said order of AAI.**

The Hon'ble Delhi High Court vide its order dated 30.01.2018 has directed the AAI to conduct Aeronautical Studies of the SRA Project without demolishing the structure and to grant further permissions based on Aeronautical Studies.

Accordingly, the firm is awaiting final report of Aeronautical Studies from AAI for grant of additional height clearance for SRA buildings and subsequent to which the firm can start the construction activity of the SRA project.

However, till that time there exists a significant uncertainty regarding completion of the project and the Firm has not recognised revenue till such significant uncertainty exists.

**iii. Certain Trade Payables, Contractors' Retention Money and Mobilization Advance in the Financial Statements are subject to confirmation.****48 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:**

Certain Trade Payables, Contractors' Retention Money and Mobilisation Advance in the Financial Statements are subject to confirmation.

**49 During an earlier year, the Company acquired 1/3rd stake in Mahal Pictures Private Limited by paying Rs. 8,922 Lacs 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 Rs. 4,000 Lacs. 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 H'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.****50 In respect of project under development having a value of Rs. 3,517.42 Lacs (Previous Year Rs. 3,517.42 lacs) (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 Rs. 723.88 lacs (Previous Year Rs. 723.88 Lacs) 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 Rs. 2,168.14 lacs (Previous Year 2,168.14 Lacs). The Company also caused Assignor Trust to file Review on which no Order was passed and is deemed to be rejected. Thus the issue of Assignment of right from Assignor Trust is Crystallised. Hence the Company has taken effect on High Court Order and written off balance of Project Inventory of Rs. 2,793.53 Lacs after adjusting earlier receipt of Rs 723.88 Lacs.****51 The Company has investments in certain subsidiaries and related parties aggregating Rs. 87,368.26 lacs (Previous year Rs. 27,354.56 lacs) and loans and receivables outstanding aggregating Rs. 50,886.65 lacs (Previous year Rs. 60,826.93 lacs) as at March 31, 2019. While such entities have incurred losses during the year and/or 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 and for expected credit losses in respect of loans and receivables given to such entities, which are considered good and fully recoverable.****52 The Company has received 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 Special Case No 2 of 2016. The Hon'ble Court has also summoned two of the KMP's of the Company as 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. The Company and the KMP are defending their innocence and are confident that their stand will be ultimately vindicated and they shall be discharged or acquitted in these proceedings.****53 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) Sitting fees amounting to Rs. 9.40 lacs (Previous Year Rs. 9.00 lacs) have been paid to the independent directors.

## Notes to the Standalone Financial Statements for the year ended March 31, 2019

- 54** Dynamix Realty ("Partnership Firm") in which the Company is a partner, had granted Loan to Kusegaon Realty Private Limited aggregating to Rs. 20,925 lacs (the said loan) as upto 31st March 2010. As of March 31, 2019, the outstanding balance due from Kusegaon Realty Private Limited is Rs. Nil (Previous year Rs. 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, Rs. 20,000 lacs 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 Rs. 20,000 lacs 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. The firm is not an accused in the 2G Spectrum Case. The CBI Special Court in the 2G Trial case passed an order on December 21, 2017 whereby all the partners have been acquitted.

Further, The Deputy Director Enforcement vide his attachment order No: 01/2011 dated 30th August, 2011 has provisionally attached Company's bank account number 05211011001053 maintained with Oriental Bank of Commerce, Goregaon (East), having Bank Balance of Rs. 68.93 lacs. 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 Rs. 107.65 lacs at the time of attachment (WDV as on 31st March, 2019 is Rs. 92.67 lacs (Previous year Rs.94.39 lacs)). Also, a loan amounting to Rs. 5,039.63 lacs (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 Redeemable Optionally Convertible Cumulative Preference Shares (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 Office Letter dated September 20, 2011.

This provisional attachment order has been upheld by adjudicating authority vide order number 116/2011 dated January 10, 2012. Appeal has been filed on 19th March, 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 Rs. 68.93 lacs 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 financial assets. (Refer Note 18.1)

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 Rs. 20,000 lacs 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 Rs. 22,355 lacs. 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, 2,470,000 Series A ROCCPS shares of the value of Rs. 2,261.88 lacs in lieu of loan advanced to Goan Hotels & Club Pvt. Limited., held by the Company have been handed over to Enforcement Directorate by letter dated 28th October, 2014 (Refer Note 7.4). During the year 2015-16, 29,415 ROCCPS shares of the value of Rs.26.93 lacs in lieu of loan advanced to Marine Drive Hospitality & Realty Private Limited, held by the Company have been handed over to Enforcement Directorate vide letter dated September 28, 2015.

After completion of both the cases by two separate orders dated 21.12.2017, the Special Court in CBI as well as PMLA Case has passed the Orders acquitting all the Accused. By the Order dated 21.12.2017 in PMLA Case, the Special Court has also given Order for release of properties attached by the Directorate of Enforcement including of the Firm after the period of appeal is over. Against the said Orders, CBI as well as the Directorate of Enforcement have filed Criminal Leave Petitions before the Hon'ble Delhi High Court. Further, the Directorate of Enforcement has also filed petition for stay against Order and also release of the attached properties for which "status-quo" has been granted by Hon'ble Delhi High Court vide Order dated March 21, 2018. The matter is listed for 24th October, 2019.

- 55** 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/right to receive is established. As per the projections of the management, each of such projects is expected to make a good profit on completion.

**56 Corporate Social Responsibility:**

Disclosure as required under Section 135 of Companies Act, 2013, read with Companies (Corporate Social Policy) Rules, 2014 is as under:

- Gross amount required to be spent by the Company during the year Rs. Nil (Previous year Rs. 7.58 lacs)
- CSR expenditure incurred during the year:

Particulars	(Rs. in lacs)	
	For the year ended March 31, 2019 Amount	For the year ended March 31, 2018 Amount
i) On construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	5.00	7.58

- 57** The Company carries out its business ventures through various entities. The funds required for projects in those entities are secured through financial guarantees of the Company. The bankers/ financial institutions provide a restrictive covenant while lending, not to charge guarantee commission for the financial guarantees provided by the Company. As per Ind AS 109 – Financial Instruments, there has to be fair valuation of the financial guarantees and subsequent measurements thereof as per expected credit loss method. However, considering the restrictive covenants and its model of execution of the projects through such entities, the Management is of the opinion that there cannot be fair valuation of the financial guarantees issued aggregating to Rs. 293,552 lacs (Previous Year Rs. 456,164.86 lacs) as at March 31, 2019.



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### Notes to the Standalone Financial Statements for the year ended March 31, 2019

#### 58 Related Party Disclosure:

(i) Disclosures as required by the Indian Accounting Standard 24 (Ind AS-24) "Related Party Disclosures" are given below:

##### (a) List of related parties where control exists.

Sr No	Name of the Related Parties
	<b>Subsidiary Companies</b>
1	Neelkamal Realtors Suburban Private Limited
2	Neelkamal Shantinagar properties Private Limited
3	DB View Infracon Private Limited
4	Goregaon Hotel And Realty Private Limited
5	MIG (Bandra) Realtors & Builders Private Limited
6	Nine Paradise Erectors Private Limited
7	Real Gem Buildtech Private Limited
8	N A Estates Private Limited
9	Turf Estate Joint Venture Private Limited (Formaly Know as Priya Constructions Private Limited) (w.e.f. 06.12.2018)
10	Esteem Properties Private Limited
11	Saifee Bucket Factory Private Limited
12	Spacecon Realty Private Limited
13	Vanita Infrastructure Private Limited
14	D B Contractors & Builders Private Limited
15	DB Man Realty Private Limited
16	Royal Netra Constructions Private Limited
17	Horizontal Realty & Aviation Private Limited( earlier known as Eon Aviation Private Limited) (w.e.f 02.01.2017) (Stepdown subsidiary )
18	Shree Shantinagar venture (Stepdown subsidiary)
19	Turf Estate JV (AOP in which Company is a member)
20	Mira Real Estate Developers (Partnership Firm)
21	Conwood DB JV (AOP in which Company is a member)
22	ECC DB JV (AOP in which Company is a member)
23	Evergreen Industrial Estate (Stepdown subsidiary)
	<b>Jointly Controlled Entities</b>
24	Sneh Developers (Partnership Firm in which Subsidiary Company is partner)
25	DB Realty and Shreepati Infrastructure LLP
26	Dynamix Realty (Partnership Firm)
27	Lokhandwala Dynamix Balwas Joint Venture
28	Lokhandwala DB Realty LLP
29	National Tiles (Partnership Firm)
30	Suraksha DB Realty
31	DBS Realty (Partnership Firm)
32	Om Metal Consortium (Partnership Firm in which Subsidiary Company is partner)
33	DB ( BKC ) Realtors Private Limited

##### (b) Related parties with transaction have taken place during the year & relationship thereof:

	<b>Associate Companies</b>
34	Sangam City Township Private Limited
35	Mahal Pictures Private Limited
36	DB Hi-Sky Constructions Private Limited
37	Shiva Buildcon Private Limited
38	Shiva Multitrade Private Limited
39	Shiva Realtors Suburban Private Limited
40	Neelkamal Realtors Towers Private Limited
41	Milan Theatres Private Limited ( Associate of Step Down Subsidiary w.e.f 10.07.2017)

## Notes to the Standalone Financial Statements for the year ended March 31, 2019

	Entity in respect of which the company is an Associate
42	Neelkamal Tower Construction LLP
	<b>Key Management Personnel (KMP)</b>
43	Vinod Goenka (Chairman & Managing Director)
44	Shahid Balwa (Vice Chairman & Managing Director)
45	Asif Balwa (CFO)
46	Mahesh Manilal Gandhi (till 29.03.2019) (Non Executive Director)
47	Sundaram Rajagopal (Non Executive Director)
48	Devendra Vasal (till 18.06.2018) (Non Executive Director)
49	Jagat Killawala (Non Executive Director)
50	Sunita Goenka (Non Executive Director)
51	Maryam Khan (Non Executive Director) (appointed w.e.f. 14.08.2018)
52	Nasir Mahumad Rafique (Non Executive Director)
53	Jayavardhan Vinod Goenka (Non Executive Director)
54	Salim Usman Balwa (Non Executive Director)
	<b>Relatives of KMP</b>
55	Aseela V Goenka (Wife of Chairman)
56	Sanjana V Goenka (Daughter of Chairman)
57	Pramod Goenka (Brother of Chairman)
58	Shanita D Jain (Sister of Chairman)
59	Usman Balwa (Father of Vice Chairman)
60	Sakina U Balwa (Mother of Vice Chairman)
61	Shabana Balwa (Wife of Vice Chairman)
62	Arshad S Balwa (Son of Vice Chairman)
63	Aaliya S Balwa (Daughter of Vice Chairman)
64	Wahida Asif Balwa (Wife CFO)
65	Ishaq Balwa (Brother of CFO)
66	Mohammed Balwa (Brother of CFO)
	<b>Enterprises where individuals i.e. KMP and their relatives have significant influence</b>
67	Pune Buildtech Private Limited
68	Hotels Balwas Private Limited
69	Mystical Constructions Private Limited
70	Neelkamal Realtors & Builders Private Limited
71	YJ Realty And Aviation Private Limited
72	Conwood Construction & Developers Private Limited
73	Dynamix Clubs And Resorts Private Limited
74	Dynamix Contractors & Builders Private Limited
75	Eversmile Construction Company Private Limited
76	K G Enterprises
77	Goenka & Associates Medical Research Centre
78	Balwas Charitable Trust
79	Goenka Family Trust
80	Vinod Goenka HUF
81	Bamboo Hotel and Global Centre ( Delhi ) Private Limited
82	BD&P Hotels (India) Private Limited
83	Goan Hotels & Realty Private Limited
84	Majestic Infracon Private Limited
85	Marine Drive Hospitality & Realty Private Limited
86	Deluxe Hospitality Limited, Mauritius
87	Neelkamal Realtors and Hotels Private Limited
88	Aniline Construction Company
89	D B Project Private Limited



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## Notes to the Standalone Financial Statements for the year ended March 31, 2019

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>Balance Outstanding As At Year Ended</b>						
<b>Loan Granted</b>						
Current Year	52,960.79	-	-	0.17	-	52,960.96
Previous Year	64,283.60	-	-	0.15	-	64,283.75
<b>Loan Taken</b>						
Current Year	(18,599.08)	(1,788.98)	(1,759.57)	(239.15)	-	(22,386.78)
Previous Year	(24,387.54)	(1,895.42)	(1,840.15)	(2,317.89)	-	(30,441.01)
<b>Project Advance</b>						
Current Year	-	4,207.35	-	-	-	4,207.35
Previous Year	-	3,538.12	-	-	-	3,538.12
<b>Security Deposits</b>						
Current Year	20,174.57	110.41	-	5,439.22	-	25,724.20
Previous Year	-	95.18	-	5,871.13	-	5,966.32
<b>Investment In Debenture*</b>						
Current Year	70.00	-	-	-	-	70.00
Previous Year	70.00	-	-	-	-	70.00
<b>Other Receivable</b>						
Current Year	11.65	-	0.69	-	-	12.33
Previous Year	11.27	-	0.42	-	-	11.69
<b>Provision for other Receivable</b>						
Current Year	11.65	-	-	-	-	11.65
Previous Year	11.27	-	-	-	-	11.27
<b>Trade Receivable</b>						
Current Year	-	-	-	46.40	-	46.40
Previous Year	-	-	-	-	-	-
<b>Advance For Development Rights</b>						
Current Year	-	-	2,101.83	-	672.50	2,774.33
Previous Year	-	-	2,101.83	-	672.50	2,774.33
<b>Preference share Issued</b>						
Current Year	579.67	865.95	32,790.31	92,083.18	-	1,26,319.11
Previous Year	2,069.97	1,097.26	32,879.14	89,320.09	-	1,25,366.47

## Notes to the Standalone Financial Statements for the year ended March 31, 2019

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 Partnership firm and jointly controlled entities</b>						
Current Year	61,823.44	-	10,003.27	-	-	71,826.71
Previous Year	50,197.51	-	9,841.88	-	-	60,039.39
<b>Current Account balance with Partnership Firms &amp; LLP's</b>						
Current Year	-	-	6,540.20	-	-	6,540.20
Previous Year	-	-	6,555.71	-	-	6,555.71
<b>Trade Payable</b>						
Current Year	(19.29)	-	-	(131.43)	-	(150.71)
Previous Year	(16.78)	-	-	(128.68)	(0.18)	(145.64)
<b>Advance For Development Rights</b>						
Current Year	(747.50)	-	-	-	-	(747.50)
Previous Year	(747.50)	-	-	-	-	(747.50)
<b>Other Payable</b>						
Current Year	(23.24)	-	-	-	-	(23.24)
Previous Year	(46.20)	-	-	-	-	(46.20)

\* The fair value of the debenture is nil as on 31st march, 2019.

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>Transactions during the year</b>						
<b><u>Loan Granted</u></b>						
<b>Current Year</b>						
Given during the year	20,144.33	-	-	10.52	-	20,154.86
Returned during the year	(31,097.40)	-	-	(10.50)	-	(31,107.90)
Written off during the year	-	-	-	-	-	-
Reimbursement of Employers Liability	(369.75)	-	-	-	-	(369.75)
<b>Previous Year</b>						
Given during the year	62,723.53	759.57	-	84.90	5.00	63,573.00
Returned during the year	88,558.55	1,883.44	-	428.85	5.00	90,875.84
Written off during the year	-	-	0.08	-	-	0.08

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## Notes to the Standalone Financial Statements for the year ended March 31, 2019

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><u>Loan Taken</u></b>						
<b>Current Year</b>						
Taken during the year	(11,340.27)	(12,140.37)	(8.53)	(825.50)	-	(24,314.67)
Repaid during the year	17,128.73	12,264.20	89.11	2,904.24	-	32,386.28
Reimbursement of Employers Liability	-	(17.39)	-	-	-	(17.39)
<b>Previous Year</b>						
Taken during the year	23,602.56	4,790.72	2.45	2,122.65	-	30,518.38
Repaid during the year	9,414.20	4,255.02	53.30	1,660.84	-	15,383.36
<b><u>Project Advances</u></b>						
<b>Current Year</b>						
Given During the year	-	5.87	-	-	-	5.87
Returned during the year	-	-	-	-	-	-
Reclassified during the year		180.00				180.00
Interest Income	-	567.56	-	-	-	567.56
Interest Expense	-	(84.20)	-	-	-	(84.20)
<b>Previous Year</b>						
Given During the year	-	9.94	-	-	-	9.94
Returned during the year	-	1.00	-	-	-	1.00
Interest Income	-	483.33	-	-	-	483.33
<b><u>Security Deposits</u></b>						
<b>Current Year</b>						
Given during the year	24,000.00	-	-	-	-	24,000.00
Returned during the year	-	-	-	(1,900.00)	-	(1,900.00)
Fair Valuation	(6,164.09)	-	-	-	-	(6,164.09)
Interest Income	2,338.66	15.23	-	1,468.08	-	3,821.97
<b>Previous Year</b>						
Given during the year	-	-	-	-	-	-
Returned during the year	-	-	-	-	-	-
Interest Income	-	31.01	-	1,666.61	-	1,697.62
<b><u>Investment in Partnership firm, jointly controlled entities and LLPs</u></b>						
<b>Current Year</b>						
Contribution	14,091.45	-	893.66	-	-	14,985.11
Withdrawal	1,672.18	-	437.57	-	-	2,109.76
share of profit/(loss)	(793.35)	-	(279.19)	-	-	(1,072.53)

## Notes to the Standalone Financial Statements for the year ended March 31, 2019

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>Previous Year</b>						
Contribution	19,863.28	-	24,593.55	-	-	44,456.83
Withdrawal	448.00	-	4,452.09	-	-	4,900.09
share of profit/(loss)	(194.98)	-	(1,186.84)	-	-	(1,381.82)
<b>Trade Payable</b>						
<b>Current Year</b>						
Given during the year	7.72			160.12	0.18	168.03
Received during the year	(5.22)			(157.37)	(0.36)	(162.96)
<b>Previous Year</b>						
Given during the year	14.35			190.82	0.18	205.35
Received during the year	(15.56)			(30.65)	0.18	(46.03)
<b>Other Receivables</b>						
<b>Current Year</b>						
Given during the year	0.38	-	0.27	-	-	0.64
Received during the year	-	-	-	-	-	-
Provision for doubtful debts	0.38	-	-	-	-	0.38
Balance W/off	-	-	-	-	-	-
<b>Previous Year</b>						
Given during the year	0.04	-	0.42	-	-	0.46
Received during the year	-	82.36	-	5.10	-	87.46
Provision for doubtful debts	11.27	-	-	-	-	11.27
Balance W/off	-	-	24.13	-	-	24.13
<b>Trade Receivable</b>						
<b>Current Year</b>						
Given during the year	-	-	-	-	-	-
Received during the year	-	-	-	46.40	-	46.40
<b>Previous Year</b>						
Given during the year	-	-	-	-	-	-
Received during the year	-	-	-	-	-	-
<b>Mobilization Advance</b>						
<b>Current Year</b>						
Given during the year	-	-	-	-	-	-
Received during the year	-	-	-	-	-	-
<b>Previous Year</b>						
Given during the year	-	-	-	-	-	-
Received during the year	-	-	-	1,131.60	-	1,131.60

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## Notes to the Standalone Financial Statements for the year ended March 31, 2019

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>Other Payables</b>						
<b>Current year</b>						
Expenses on behalf of the company	(2.93)	-	-	-	-	(2.93)
Returned during the year	25.89	-	-	-	-	25.89
<b>Previous year</b>						
Expenses on behalf of the company	61.06	-	-	-	-	61.06
Income recognised during the year	-	-	-	8.33	-	8.33
Payment made during the year	40.37	-	-	0.07	-	40.44
<b>Advance received against sale of flats</b>						
Current Year						-
Previous Year						-
<b>Advertisement Income</b>						
Current Year	40.00	-	-	40.00	-	80.00
Previous Year	25.00	-	-	8.33	-	33.33
<b>Balance Written Back</b>						
Current Year	-	-	-	-	-	-
Previous Year	-	-	-	-	0.01	0.01
<b>CSR Expenditure</b>						
Current Year	-	-	-	-	-	-
Previous Year	-	-	-	7.58	-	7.58
<b>Rent Paid</b>						
Current Year	-	-	-	139.13	-	139.13
Previous Year	-	-	-	72.69	-	72.69
<b>Director Sitting Fees</b>						
Current Year	-	-	-	-	9.40	9.40
Previous Year	-	-	-	-	9.00	9.00
<b>Interest Expense</b>						
Current Year	276.04	-	-	-	-	276.04
Previous Year	328.25	-	-	-	-	328.25
<b>Reimbursement on behalf of others</b>						
Current Year	0.38	-	-	-	-	0.38
Previous Year	0.04	-	-	-	3.94	3.98
<b>Reimbursement of expenses to others</b>						
Current Year	-	-	-	-	-	-
Previous Year	-	-	-	-	0.79	0.79

## Notes to the Standalone Financial Statements for the year ended March 31, 2019

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>Sale of Flat</b>						
Current Year	-	-	-	-	-	-
Previous Year	-	-	-	-	-	-
<b>Provision for Diminution in value of investment/ investments written off</b>						
Current Year	470.33	-	-	-	-	470.33
Previous Year	1.00	-	-	-	-	1.00
<b>Compensation Income</b>						
Current Year	-	-	-	400.00	-	400.00
Previous Year	-	-	-	-	-	-

Rs. and USD in lacs

### Guarantee/ Securitites given by the Company to the lenders on behalf of varoius entities.

Particulars	Subsidiary	Associates	Entities under Joint Control of Company/its subsidiaries	Enterprises over which KMP and their relatives have significant influence.
Opening Balance as on 1st April 2018	137,154	17,450		USD 1380 and Rs.1,41,800
	(132,654)	(35,000)	(7,500)	(USD 1380 and Rs.167,750)
Given during the year	131,098			-
	(4,500)	(17,450)	-	-
Released during the year	89,000	17,450		USD 1380 and Rs. 27,500
	-	(35,000)	(7,500)	(Rs. 25,950)
Closing Balance as on March 31, 2019	179,252	-	-	Rs. 1,14,300
	(137,154)	(17,450)	-	USD 1380 and Rs.1,41,800

### LOAN AND ADVANCES TO SUBSIDIARY

Name	Op. Balance	Given during the year	Returned during the year	Closing Balance	Maximum Balance O/s
<b>Loans to Subsidiaries</b>					
D B Man Realty LTD	4.48	2.98	-	7.46	7.46
	-4.44	-0.04	-	-4.48	-4.48
D B View Infracon Pvt Ltd	22,425.50	87.36	-1,060.00	21,452.85	22,512.85
	-22,383.28	-43.22	-1.00	-22,425.50	-22,425.50
Esteem Properties Pvt.Ltd.	11,305.03	12.01	-	11,317.04	11,317.04
	-11,301.16	-3.87	-	-11,305.03	-11,305.03
N. A. Estate Pvt. Ltd.	793.66	0.42	-	794.08	794.08
	-793.60	-0.06	-	-793.66	-793.66
Neelkamal Shantinagar Properties Pvt.Ltd.	767.74	150.87	-8.50	910.11	911.21
	-1,393.58	-434.66	-1,010.50	-817.74	-1,507.53
Nine Paradise Erectors P. Ltd.	10,334.62	11.03	-500.00	9,845.65	10,334.62
	-6,938.37	-11,934.25	-8,538.00	-10,334.62	-16,780.37
Priya Construction Pvt Ltd	2,213.81	0.35	-	2,214.16	2,214.16

# D B REALTY LIMITED

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## Notes to the Standalone Financial Statements for the year ended March 31, 2019

### LOAN AND ADVANCES TO SUBSIDIARY

Name	Op. Balance	Given during the year	Returned during the year	Closing Balance	Maximum Balance O/s
	-2,244.72	-0.09	-31.00	-2,213.81	-2,244.78
Royal Netra Construction Pvt. Ltd.	4,408.59	-	-	4,408.59	4,408.59
	-4,216.29	-192.30	-	-4,408.59	-4,408.59
Saifee Buckets Factory Pvt Ltd	12.80	0.05	-	12.84	12.84
	-11.65	-1.15	-	-12.80	-12.80
Spacecon Realty Pvt Ltd	0.00	72.26	-	72.26	72.26
	-1,771.60	-0.85	-1,772.45	-0.00	-1,771.60
MIG (Bandra) Realtors & Builders Pvt. Ltd.	10,080.94	16,902.95	-26,983.89	-	10,405.68
	-33,667.51	-20,005.47	-43,592.05	-10,080.94	-34,163.51
Goregaon Hotels & Realty Pvt Ltd	-	183.55	-2.93	180.62	183.55
	-2,767.33	-15,938.71	-18,706.04	-	-11,641.26
Vanita Infrastructure Pvt Ltd.	322.92	2,579.86	-2,886.54	16.24	971.25
	-565.49	-12,113.43	-12,356.00	-322.92	-4,714.41
Neelkamal Shantinagar Properties Pvt.Ltd.	50.00	-	-	50.00	50.00
	-5.00	-	-	-0.00	-0.00
Evergreen Industrial Estate	-0.18	4.63	-0.77	3.69	3.69
	-	-5.06	-5.23	0.00	-
Neelkamal Realtor Sub P.Ltd	1,563.53	137.68	-26.02	1,675.19	1,698.95
	-2,059.60	-2,055.43	-2,551.50	-1,563.53	-2,059.60

Name	Op. Balance	Given during the year	Fair Valuation Movement	Returned during the year	Closing Balance	Maximum Balance O/s
Mahal Pictures Private Limited	180.00	-	-80.62	-	99.38	180.00
	-180.00	-	-	-	-180.00	-180.00
Sangam city township Private Limited	1,738.06	-	278.09	-	2,016.15	3,650.00
	-1,498.33	-	-239.73	-	-1,738.06	-3,652.00
D.B.Hi-Sky Construction Private Limited	1,800.07	5.87	285.90	-	2,091.84	3,266.46
	-1,547.53	-9.94	-243.60	-1.00	-1,800.07	-3,260.59

### Enterprises over which KMP and their relatives have significant influence.

Name		Op. Balance	Given during the year	Returned during the year	Closing Balance	Maximum Balance O/s
Pune Buildtech Pvt Ltd	Pune Buildtech Pvt Ltd	0.15	-	-	0.15	0.15
		-	-0.15	-	-0.15	-0.15
D B Project Pvt Ltd(Loan Given)	D B Project Pvt Ltd(Loan Given)		0.02		0.02	0.02
		-	-	-	-	-

## Notes to the Standalone Financial Statements for the year ended March 31, 2019

### iii. Guarantees and securities received by the Company for Loans taken from lenders

Name	Relation	Opening Balance as on 1st April, 2018	Received during the year	Released during the year	Closing Balance as on 31st March, 2019
Neelkamal Realtors & Builders Private Limited	Enterprises where individuals i.e. KMP and their relatives have significant interest	-	-	-	-
		(290)	(-)	(290)	(-)
Sanjana Goenka (7,000,000 Shares of the company)	Relative of KMP	-	-	-	-
Vinod Goenka	KMP	(3,000)	-	(3,000)	-
Shahid Balwa	KMP	-	24,000	-	24,000
Vinod Goenka	KMP	-	-	-	-
DB View Infracon Private Limited	Subsidiary	-	-	-	-
Bamboo Hotel and Global Centre (Delhi) Private Limited	Enterprises over which KMP and their relatives have significant influence.	-	-	-	-
Eversmile Construction Company Private Limited	Enterprises over which KMP and their relatives have significant influence.	3,000	-	-	3,000
Shahid Balwa	KMP	(3,000)	(-)	(-)	(3,000)
Esteem Properties Private Limited	Subsidiary	20,000	-	-	20,000
Vinod Goenka	KMP	(20,000)	(-)	(-)	(20,000)
Shahid Balwa	KMP	-	-	-	-
Vinod Goenka	KMP	(6,750)	-	(6,750)	-
Shahid Balwa	KMP	-	-	-	-
Vinod Goenka	KMP	(8,975)	-	(8,975)	-
Shahid Balwa	KMP	10,705	-	-	10,705
Vinod Goenka	KMP	-	(10,705)	-	(10,705)
Shahid Balwa	KMP	200	-	-	200
Vinod Goenka	KMP	(200)	-	-	(200)
Shahid Balwa	KMP	6,550	120	-	6,670
Vinod Goenka	KMP	(6,550)	-	-	(6,550)
Shahid Balwa	KMP	-	8,000	-	8,000
Vinod Goenka	KMP	-	-	-	-



## D B REALTY LIMITED

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### Notes to the Standalone Financial Statements for the year ended March 31, 2019

#### 59 Reconciliation of Liabilities arising from Financial Liabilities

(Rs. in lacs)

Particulars	As at March 31, 2018	Cash movement	Fair value Changes	Others	As at March 31, 2019
Long Term Borrowings	27,307.12	23,298.79	1,000.00	-	51,605.90
Short Term Borrowings	30,740.93	(704.38)	-	-	30,036.55
<b>Total</b>	<b>58,048.04</b>	<b>22,594.41</b>	<b>1,000.00</b>	<b>-</b>	<b>81,642.44</b>

(Rs. in lacs)

Particulars	As at March 31, 2017	Cash movement	Fair value Changes	Others	As at March 31, 2018
Long Term Borrowings	25,644.24	180.18	661.77	820.93	27,307.12
Short Term Borrowings	15,608.54	15,132.39	-	-	30,740.93
<b>Total</b>	<b>41,252.78</b>	<b>15,312.57</b>	<b>661.77</b>	<b>820.93</b>	<b>58,048.04</b>

These cash movements are included within the following lines in the Statement of Cash Flows:

- Proceeds from Long-term Borrowings
- Repayment of Long-term Borrowings
- Increase/ (Decrease) in Short-term Borrowings

#### 60 In compliance with Ind AS 27 “ Separate Financial Statements” the required information is as under:

Name of entity	Principal place of business/ country of origin	subsidiary/ associate/ Joint Venture	Percentage of ownership Interest as on	
			As at 31 March, 2019	As at 31 March, 2018
			%	%
Conwood DB Joint Venture	India	Subsidiary	90.00	90.00
DB Contractors & Builders Private Limited	India	Subsidiary	100.00	100.00
DB Man Realty Limited	India	Subsidiary	91.00	91.00
DB View Infracon Private Limited	India	Subsidiary	100.00	100.00
ECC DB Joint Venture	India	Subsidiary	75.00	75.00
Esteem Properties Private Limited	India	Subsidiary	100.00	100.00
Goregaon Hotel and Realty Private Limited	India	Subsidiary	100.00	100.00
MIG (Bandra) Realtors and Builders Private Limited	India	Subsidiary	100.00	100.00
Mira Real Estate Developers#	India	Subsidiary	99.00	99.00
NA Estate Private Limited	India	Subsidiary	100.00	100.00
Neelkamal Realtors Suburban Private Limited	India	Subsidiary	66.00	66.00
Neelkamal Shantinagar Properties Private Limited	India	Subsidiary	100.00	100.00
Nine Paradise Erectors Private Limited	India	Subsidiary	100.00	100.00
Turf Estate Joint Venture Private Limited (Formally known as Priya Constructions Private Limited)	India	Subsidiary	100.00	100.00
Real Gem Buildtech Private Limited	India	Subsidiary	100.00	100.00
Royal Netra Construction Private Limited	India	Subsidiary	50.40	50.40
Saifee Bucket Factory Private Limited	India	Subsidiary	100.00	100.00
Spacecon Realty Private Limited	India	Subsidiary	74.00	74.00
Turf Estate Joint Venture	India	Subsidiary	66.67	66.67
Vanita Infrastructure Private Limited	India	Subsidiary	100.00	100.00
Evergreen Industrial Estate	India	Step down subsidiary	66.67	66.67
Horizontal Realty and Aviation Private Limited	India	Step down subsidiary	62.86	62.86
Shree Shantinagar Venture	India	Step down subsidiary	100.00	100.00

## Notes to the Standalone Financial Statements for the year ended March 31, 2019

Name of entity	Principal place of business/ country of origin	subsidiary/ associate/ Joint Venture	Percentage of ownership	
			Interest as on	
			As at 31 March, 2019	As at 31 March, 2018
			%	%
DB (BKC) Realtors Private Limited*	India	Joint Venture	40.80	40.80
DB Realty and Shreepati Infrastructures LLP	India	Joint Venture	60.00	60.00
DBS Realty	India	Joint Venture	33.33	33.33
Dynamix Realty	India	Joint Venture	50.00	50.00
Lokhandwala Dynamix Balwas JV	India	Joint Venture	50.00	50.00
D B HI-SKY Constructions Private Limited	India	Associate	50.00	50.00
Mahal Pictures Private Limited	India	Associate	33.33	33.33
Neelkamal Realtors Tower Private Limited##	India	Associate	42.81	42.81
Sangam City Township Private Limited	India	Associate	26.67	26.67
Shiva Buildcon Private Limited	India	Associate	44.43	44.43
Shiva Multitrade Private Limited	India	Associate	44.43	44.43
Shiva Realtors Suburban Private Limited	India	Associate	44.43	44.43

# Remaining 1% stake is held by DB View Infracon Pvt Limited

## The Company has economic right of 50.83% (Previous year 50.83%)

\*The Company has total share capital of 57.17% (Previous year 57.17%)

**61** Figures of the previous year have been regrouped/ reclassified wherever necessary to conform to the presentation of the current year.

The accompanying notes 1 to 61 form an integral part of the financial statements.

As per our report of even date.

**For Haribhakti & Co. LLP**

**Chartered Accountants**

ICAI Firm Regn No. 103523W/ W100048

**For and on behalf of the Board**

**Vinod Goenka**

Chairman & Managing Director  
DIN 00029033

**Shahid Balwa**

Vice Chairman & Managing Director  
DIN 00016839

**Snehal Shah**

**Partner**

**Membership No. 048539**

**Jagat Killawala**

**Director**

**DIN 00262857**

**Asif Balwa**

**Chief Financial Officer**

**Jignesh Shah**

**Company Secretary**

**Membership No. A19129**

Place: Mumbai

Date: 30 May, 2019

# CONSOLIDATED FINANCIAL STATEMENTS

## INDEPENDENT AUDITOR'S REPORT

**To the Members of D B Realty Limited**

**Report on the Audit of the Consolidated Ind AS Financial Statements**

### **Qualified opinion**

We have audited the accompanying Consolidated Ind AS Financial Statements of D B 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 joint ventures, comprising of the Consolidated Balance Sheet as at March 31, 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Ind AS Financial Statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate Ind AS financial statements and on the other financial information of the subsidiaries, associates and joint ventures, except for the possible effects of the matters described in Basis for Qualified Opinion section of our report, the aforesaid Consolidated Ind AS Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS"), of the consolidated state of affairs of the Group, its associates and joint ventures as at March 31, 2019, their consolidated loss (including other comprehensive income), consolidated changes in equity and their consolidated cash flows for the year ended on that date.

### **Basis for Qualified Opinion**

- a. As stated in Note 56 to the Consolidated Ind AS Financial Statement, regarding non recognition/ re-measurement of financial guarantees aggregating Rs. 114,300.00 Lacs issued to banks/ financial institutions on behalf of various entities at fair value as required under Ind AS 109 – Financial Instruments. In absence of measurement of financial guarantees at fair value, we are unable to comment on the effects on the loss for the year ended March 31, 2019.
- b. As stated in Note 62 to the Consolidated Ind AS Financial Statement, regarding non-evaluation of impairment provision for expected credit losses in accordance with Ind AS 109 – Financial Instruments, for loans and receivables aggregating Rs. 4,410.51 Lacs and investments aggregating Rs. 18,527.27 Lacs, respectively, on March 31, 2019 to certain associates and related parties which have incurred significant losses or have negative net worth. We are unable to comment on the effects on the loss for the year ended March 31, 2019.
- c. As stated in Note 2(B)(i)(d) to the Consolidated Ind AS Financial Statement, the financial statements of one of the subsidiary company and its subsidiaries/associates/ joint ventures have not been consolidated in the Consolidated Ind AS Financial Statements. The Holding Company controls the subsidiary company in terms of Ind AS 110 - Consolidated Financial Statements. In absence of the availability of the consolidated financial statements of such subsidiary company and its subsidiaries/associates/ joint ventures, we are unable to quantify the effects on the Consolidated Ind AS Financial Statements of the Group and its associates and joint ventures.
- d. As stated in Note 2(B)(i)(d) to Consolidated Ind AS the Financial Statement, regarding measurement of its investments in equity instruments of one of its subsidiary company at fair value through other comprehensive income which the Management of the Holding Company ("Management") has not considered as a subsidiary. Had it been treated as a subsidiary, then as per accounting policy, it should be measured at cost. Consequently, investments in these instruments and other equity (other comprehensive income) are higher by Rs 15,228.96 Lacs and Rs 12,061.34 Lacs (net of tax) respectively as on March 31, 2019.
- e. As stated in Note 4.1 to the Consolidated Ind AS Financial Statement, regarding non impairment of goodwill as on March 31, 2019, created for one of the subsidiary company aggregating Rs. 15,194.80 Lacs as required under Ind AS 36 – Impairment of Assets. During the year, the said subsidiary has filed a scheme with National Company Law Tribunal to seek approval for slump sale of its entire project along with related assets and liabilities. Further, the subsidiary company is entitled to contingent consideration on sale of projects by the new project undertaking. Having regard to this development, there will not be any more project/ business activities in the hands of said subsidiary. In the circumstances, in our view, goodwill needs to be tested for impairment and provision, if any, is required to be made in this regard. In the absence of impairment testing and determination of future contingent consideration, goodwill has been entirely carried in the books of account. We are unable to comment on the effects, if any, on the consolidated loss for the year ended March 31, 2019.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements section of our report. We are independent of the Group, its associates and joint ventures in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Ind AS Financial Statements under the provisions of the Act and Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Ind AS Financial Statements of the current year. These matters were addressed in the context of our audit of the Consolidated Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matters described in the Basis for Qualified Opinion section of our report, we have determined the matters described below to be the key audit matters to be communicated in our report.

## Key Audit Matter

### a. Valuation of Inventory

(Refer Note 2.10 and 14 to the Consolidated Ind AS Financial Statements)

Inventory consisting of projects under development have an aggregate value of Rs. 202,486.49 lacs as on March 31, 2019.

These projects are under development and the management estimates that net realizable value of these projects will be greater than the carrying cost based on the approved initial plans, future projections and future prospects of these projects. As on March 31, 2019, there is no much progress in development activities of these projects.

Considering the materiality of the amount involved and degree of management judgment in valuation, we have identified valuation of inventory as a key audit matter for the current year audit.

### b. Revenue Recognition

(Refer Note 2.11, 35, 51(B)2 and 51(B)(3) to the Consolidated Ind AS Financial Statements).

Ind AS 115, "Revenue from Contracts with Customers" is applicable to the Group with effect from April 1, 2018. Accordingly, the Group is required to ascertain whether it satisfies performance obligation at a time or over time. Based on facts and circumstances of the respective projects, it is ascertained by the Management that certain subsidiaries meet the criteria as mentioned in para 35 of Ind AS 115 for performance obligations being satisfied over of time and recognised revenue of Rs 36,152.71 lacs during the year. Considering the significant nature of the treatment, the significant management judgement required in estimating the timing of satisfaction of performance obligation and judgements being inherently subjective, this matter has been identified as a key audit matter for the current year audit.

## How the matter was addressed in the audit

Our audit procedures in respect of this area includes:

Obtained an understanding of management's process and evaluated design and tested operating effectiveness of controls for valuation of inventories.

Obtained valuation reports from independent valuer engaged by the management for projects Work-in-progress and evaluated the appropriateness of the underlying data, methodology applied by independent valuer and assumption given by the management for inventory valuation.

Carried out sensitivity analysis of projected cost and revenue expected from key projects.

Verified, on test check basis, the project related expenditure incurred during the year and analysed the movement of project work-in-progress during the year.

Procedure performed by the component auditors includes, but were not limited to the following and relied upon by us as a principal auditor:

Obtained understanding of Group's process and evaluated design and tested operative effectiveness of controls around the assessments and judgments made under Ind AS - 115 to determine the criteria for recognition of revenue and the measurement thereof.

Assessed the appropriateness of budgeted cost.

Assessed and verified the contracts to ensure the reasonableness of the sales consideration and the resulting revenue to be recognized therefrom.

## Emphasis of Matter

We draw attention to the following matters in the notes to the Consolidated Ind AS Financial Statements:

- (i) As stated in Note 10.2 to the Consolidated Ind AS Financial Statement, regarding security deposits aggregating Rs. 4,653.74 Lacs as on March 31, 2019, given by the Holding Company to various parties for acquisition of development rights, as explained by the Management, the Holding 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.
- (ii) As stated in Note 8.2 to the Consolidated Ind AS Financial Statement, regarding return on investments of Rs. 79,790.67 Lacs by the Holding Company in preference shares in a subsidiary company as on March 31, 2019. As explained by the Management, such investments are considered strategic and long term in nature and the current market value and future prospects of such investments are significantly in excess of Holding Company's investment in the investee company. The said subsidiary company has not been consolidated in Consolidated Ind AS Financial Statements.
- (iii) As stated in Note 14.1 (a) to the Consolidated Ind AS Financial Statement, regarding status of inventory consisting of projects of the Holding Company having aggregate value of Rs. 28,228.16 Lacs as on March 31, 2019 and the opinion framed by the Management about realizable value of the cost incurred, being a technical matter, has been relied upon by us.
- (iv) As stated in Note 49, 14.6 and 51(B)15 to the Consolidated Ind AS Financial Statement, regarding loans and advances aggregating Rs. 4,000 Lacs and the project cost carried in inventory aggregating Rs. 12,509.54 Lacs as on March 31, 2019 are under litigation and are sub-judice. Based on the assessment done by the Management, no adjustments are considered necessary in respect of recoverability of these balances. The impact, if any, of the outcome is unascertainable at present.
- (v) As stated in Note 54 to the Consolidated Ind AS Financial Statement, regarding certain allegations made by the Enforcement Directorate against the Holding Company and its two 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.
- (vi) As stated in Note 53 to the Consolidated Ind AS Financial Statement, regarding attachment order issued by adjudicating authority under Prevention of Money Laundering Act, 2002, by which the Holding Company's assets aggregating Rs. 2,450.40 Lacs have been attached on August 30, 2011. Consequently, the adjudicating authority has taken over the bank balance of Rs. 68.93 Lacs and Investment in Redeemable Optionally Convertible Cumulative Preference Shares – Series A and Series C of a subsidiary company of Rs. 2,288.81 Lacs in earlier years. The impact of the matter, if any, of its outcome is currently unascertainable.

- (vii) As stated in Note 51(A)(i), 51(A)(ii), 51(A)(iii) to the Consolidated Ind AS Financial Statement, regarding the Audited Financial Statements of a Partnership Firm for the year ended March 31, 2019 where the Holding Company is one of the partner has following disclosures:
- As regards recoverability of Trade Receivables of Rs. 2,722.98 Lacs, the Partners of the Firm had taken effective steps for recovery and are not expecting any short realisation. In the event of shortfall in realisation, the same shall increase the debit balance of the Partners.
  - 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.  
These matters are sub-judice and the impact, if any, of its outcome is currently unascertainable.
  - As regards pending dispute towards liability of property tax of the Firm with Municipal Corporation of Greater Mumbai / Slum Rehabilitation Authority.
  - As regards non-provision of disputed income tax liability of Rs. 2,911.63 Lacs.
- (viii) As stated in Note 51(A)(ix) to the Consolidated Ind AS Financial Statement, regarding order passed by Hon'ble Delhi High Court in one of the Partnership Firm where the Holding Company is a partner directing the Airport Authority of India (AAI) to conduct Aeronautical Studies without demolishing the structure of SRA buildings. In the opinion of the Management, the firm is hopeful for favorable outcome and hence, it does not expect any financial outflow in this matter.
- (ix) As stated in Note 51(A)(ix) to the Consolidated Ind AS Financial Statement, regarding significant uncertainty regarding completion of the Project in one of the Partnership Firm based on its management and accordingly, the firm has not recognized revenue till such significant uncertainty exists.
- (x) As stated in Note 51(B)(18) to the Consolidated Ind AS Financial Statement, regarding work in progress with carrying value of Rs. 7,787.38 Lacs in a subsidiary, a writ petition had been filed in High Court (HC) by Jijamata Nagar Sankalp Co-Operative Housing Society CTS 1406G/8 (Jijamata Society) against designating the land under the Draft Development Plan 2034 (Draft DP 2034), which was shown as designated for reservation of Public Open Space and Dispensary/Health Post as compared to original status of the plot which was partly in residential zone and partly in road and partly reserved for playground prior to Draft DP 2034. The High Court has refused to entertain the petition and disposed off the same stating that the petitioner can always challenge the final development plan by filing a fresh petition. However a petition may not be required as under Final Development Plan 2034, reservations as per Draft DP 2034 are removed except affected area of 3,525.056 Sq Mtr.
- (xi) As stated in Note 51(B)(4)(ii) to the Consolidated Ind AS Financial Statement, regarding outcome of the dispute in one of the subsidiary company with development partner with respect to claim of interest up to March 31, 2019 aggregating Rs. 12,034.39 Lacs, which is pending before the Sole Arbitrator, whereby there would not be any further outflow of the resources other than the amount of Rs. 3,993.39 Lacs which has been already provided for in their financial statements.
- (xii) As stated in Note 19.5, 19.8 to the Consolidated Ind AS Financial Statement, regarding doubt on recoverability aspects of interest free loan granted by one of the subsidiary to related parties aggregating Rs. 21,553.65 Lacs.
- (xiii) As stated in Note 51(B)(5)(ii)(c) to the Consolidated Ind AS Financial Statement, regarding dispute in one of the subsidiary company with the Members of Middle Income Group Co-Operative Society Limited aggregating Rs. 1,800.00 Lacs, whereby there would not be any outflow of resources of the subsidiary company and hence, no amount is required to be provided for in their financial statement.
- (xiv) As stated in Note 14.1(f) to the Consolidated Ind AS Financial Statement, regarding status of various ongoing projects, recognition of expense and income and the realizable value of the cost incurred, are as per the judgment of management of the respective entity and certified by their technical personnel and being of technical nature, have been relied upon by us.
- (xv) As stated in Note 19.6 to the Consolidated Ind AS Financial Statement, regarding acquisition of certain debts in one of the subsidiary company by way of assignment from Yes Bank Limited and Suraksha Asset Reconstruction Private Limited aggregating Rs. 25,033.19 Lacs and Rs. 23,000.00 Lacs respectively, for which the Hon'ble Bombay High Court has appointed the court receiver and directed to take possession of the said assets and recovery from sale of these assets. These receivables are measured at Fair Value Through Profit and Loss and fair value has been considered equal to cost by the Management. Further, during the year, the subsidiary has reversed existing provision for expected credit losses of Rs. 3,452.85 Lacs.
- (xvi) As stated in Note 30.2 and 31.2 to the Consolidated Ind AS Financial Statement, regarding the status of the amounts due to Housing Development Infrastructure Limited aggregating Rs. 3,100.00 Lacs by one of the subsidiary company.
- (xvii) As stated in Note 51(B)(14) to the Consolidated Ind AS Financial Statement, regarding the status of the case pending before the Hon'ble Bombay High Court against the arbitrary cancellation of Tender by P.W. Department in one of the subsidiary company.
- (xviii) As stated in Note 51(B)(17) to the Consolidated Ind AS Financial Statement, regarding the implications, if any, of outstanding dues from a debtor to whom a unit was sold consequent to the arrangement entered into by a subsidiary company with the Holding Company.
- (xix) As stated in Note 51(B)(21) to the Consolidated Ind AS Financial Statement, regarding signing of the financial statements of a subsidiary by only one member of the entity and that, the present arrangement between the partners is under reconsideration.
- (xx) As stated in Note 19.5 to the Consolidated Ind AS Financial Statement, regarding loan granted by subsidiary company aggregating Rs. 5,153.13 Lacs to a related party for which no provisions for bad and doubtful loan have been made though such related party has negative net worth as per latest audited financial statements for the year ended as at March 31, 2018. As explained in the said note, the subsidiary company considers above loan as good for recovery based on current values of a property held by the said related party which is in excess of its carrying value and which can generate adequate cash flow to enable the said related party to repay the loan.
- (xxi) As stated in Note 22.2 and 51(B)(22) to the Consolidated Ind AS Financial Statement, regarding the Management's estimate that the two subsidiary companies will be able to continue as a going concern basis in foreseeable future and hence, its financial statements are prepared on going concern basis.
- (xxii) As stated in Note 2(B)(i)(e) to the Consolidated Ind AS Financial Statement, regarding the Management's decision of acquiring equity shares of Milan Theatres Private Limited and providing for permanent diminution in value thereof in one of the step down subsidiary company.

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- (xxiii) As stated in Note 2(B)(i)(e) to the Consolidated Ind AS Financial Statement, regarding recoverability aspect of trade receivables in one of the step down subsidiaries and granting of loans which includes loan to a third party which are subject to confirmation and also to the opinion of the Management that all the loans and trade receivables are good for recovery.
- (xxiv) As stated in Note 48(A)(2) to the Consolidated Ind AS Financial Statement, regarding non-provision of disputed service tax demand of Rs. 1,843.78 Lacs in one of the step down subsidiary company.
- (xxv) As stated in Note 21.9 to the Consolidated Ind AS Financial Statement, regarding status of undisputed value added tax liability on sale of helicopter amounting Rs. 650.00 Lacs in one of the step down subsidiary company.
- (xxvi) As stated in Note 3.4 to the Consolidated Ind AS Financial Statement, regarding determination of net realizable value of "an aircraft" classified as "Assets held for sale" in case of one of the step down subsidiary company.
- (xxvii) As stated in Note 51(A)(viii) to the Consolidated Ind AS Financial Statement, regarding project work in progress of Rs. 6,448.97 Lacs in an associate company where such company is currently under process of resolving the internal disputes amongst the partners of the firm, for which appeals have been filed. The Management of associate company expects favorable outcome in the matter and accordingly, is of the opinion that the land shall be available to such company for development.
- (xxviii) As stated in Note 21.3 to the Consolidated Ind AS Financial Statement, regarding the status of the cluster development project in one of the subsidiary company as also the opinions/ judgments on the assessment of recoverability aspect of the amounts paid for acquiring tenancy rights now receivable on abandonment of the Project.
- (xxix) As stated in Note 48(A)(21) to the Consolidated Ind AS Financial Statement, regarding disputed tax exposure of Rs. 2,654.00 Lacs that could devolve on one of the subsidiary company.
- (xxx) As stated in Note 51(B)(23) to the Consolidated Ind AS Financial Statement, regarding management judgment on the assessment of the viability of the Project in case of a subsidiary company and consequent non-adjustment of losses to the balances of the Members.

Our opinion is not modified in respect of these matters.

### Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Corporate Governance and Directors' Report, but does not include the Standalone Ind AS Financial Statements, Consolidated Ind AS Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated Ind AS Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Ind AS Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of Management and Those Charged with Governance for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Ind AS Financial Statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group including its associates and joint ventures in accordance with the accounting principles generally accepted in India, including Ind AS specified under Section 133 of the Act, read with relevant rules issued thereunder. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and of its associates and joint ventures 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 Consolidated Ind AS 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 Ind AS Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Ind AS Financial Statements, the respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of the Group and of its associates and joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and its associates and joint ventures or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures.

### Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Ind AS Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Ind AS Financial Statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company, its subsidiaries, its associates and joint ventures, which are companies incorporated in India, have adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Holding Company Management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Ind AS Financial Statements, including the disclosures, and whether the Consolidated Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and joint ventures to express an opinion on the Consolidated Ind AS Financial Statements. We are responsible for the direction, supervision and performance of the audit of the Ind AS financial statements of such entities included in the Consolidated Ind AS Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Ind AS Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Ind AS Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Ind AS Financial Statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Other Matters**

- We did not audit the Consolidated Ind AS Financial Statements of twenty three subsidiaries (including three step down subsidiaries), whose Ind AS financial statements reflects total assets of Rs. 491,091.91 lacs and net assets of RS. (33,647.87) lacs as at March 31, 2019, total revenues of Rs. 40,463.51 lacs and net cash out flows aggregating Rs. 931.86 lacs for the year ended on that date, as considered in the Consolidated Ind AS Financial Statements. The Consolidated Ind AS Financial Statements also include Group's share of net loss (including other comprehensive income) of Rs. 2,237.10 lacs for the year ended March 31, 2019, as considered in the Consolidated Ind AS Financial Statements, in respect of seven associates and eight joint ventures (including five step down joint ventures), whose Ind AS financial statements have not been audited by us. These Ind AS financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associates, and our report in terms of section 143(3) of the Act, in so far as it relates to the aforesaid subsidiaries, joint ventures and associates, is based solely on the reports of the other auditors.
- The Consolidated Ind AS financial Statements also include group share of net loss (including other comprehensive income) of Rs 5.20 lacs for the year ended March 31, 2019 as considered in the Consolidated Ind AS Financial Statement, in respect of two joint ventures whose Ind AS Financial Statements, have not been audited by us. These Ind AS Financial Statements are unaudited and have been furnished to us by the Management and our opinion on the Consolidated Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these joint ventures, and our report in terms of Section 143(3) of the Act, in so far as it relates to the aforesaid joint ventures, is based solely on such unaudited Ind AS financial statements. In our opinion and according to the information and explanations given to us by the Management, these Ind AS Financial Statements are not material to the Group including its associates and joint ventures.

Our opinion on the Consolidated Ind AS Financial Statements and our report on the Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the Ind AS financial statements certified by the Management.

#### **Report on Other Legal and Regulatory Requirements**

As required by section 143(3) of the Act, we report, to the extent applicable, that:

- We have sought and, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, 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 Ind AS Financial Statements;
- In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;



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- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Ind AS Financial Statements;
- d. In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, the aforesaid Consolidated Ind AS Financial Statements comply with the Indian Accounting Standards specified under section 133 of the Act read with relevant rules issued thereunder;
- e. The matters described in the Basis for Qualified Opinion section of our report, in our opinion, may have an adverse effect on the functioning of the Group and its associates and joint ventures;
- f. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and joint ventures incorporated in India, none of the directors of the Group companies, its associate companies and joint ventures incorporated in India is disqualified as on March 31, 2019 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 with reference to financial statements of the Holding Company, its subsidiary companies, its associate companies and joint venture companies incorporated in India and the operating effectiveness of such controls, we give our separate report in the "Annexure".
- h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act;  
In our opinion and to the best of our information and according to the explanations given to us by the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and joint ventures incorporated in India, the remuneration paid/ provided to their directors during the year by the Holding Company, subsidiary companies, associate companies and joint ventures incorporated in India is in accordance with the provisions of Section 197 of the Act;
- 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) Except for the possible effects of the matters described in the Basis of Qualified Opinion section of our report, the Consolidated Ind AS Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and joint ventures – Refer Note 48, to the Consolidated Ind AS Financial Statements;
  - (ii) Provision has been made in the Consolidated Ind AS Financial Statements, as required under the applicable law or Accounting Standards, for material foreseeable losses, if any, on long term contracts including derivative contracts – Refer Note 51(B)(2) and 51(B)(3) to the Consolidated Ind AS Financial Statements in respect to such items as it relates to the group, its associates and joint ventures;
  - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies and joint ventures incorporated in India.

For Haribhakti & Co. LLP  
Chartered Accountants  
ICAI Firm Registration No.103523W / W100048

Snehal Shah  
Partner  
Membership No.: 48539

Mumbai  
May 30, 2019

## 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 Ind AS financial statements for the year ended March 31, 2019]

### **Report on the Internal Financial Controls with reference to Financial Statements 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 Ind AS financial statements of D B Realty Limited ("Holding Company") as of and for the year ended March 31, 2019, we have audited the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, as of that date.

#### **Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Holding Company, its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") 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 Act.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of Holding Company, its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India based on our audit. We conducted our audit in accordance with 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 Holding Company's internal financial controls with reference to financial statements.

#### **Meaning of Internal Financial Controls with reference to Financial Statements**

A company's internal financial control with reference to financial statements 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 with reference to financial statements 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 with reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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 and to the best of our information and according to the explanations given to us and based on consideration of reporting of other auditors as mentioned in Other Matters paragraph below, the Holding Company, its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2019, based on the internal control with reference to financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note 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 with reference to financial statements in so far as it relates to 17 subsidiary companies and 7 associate 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 / W100048

Snehal Shah  
Partner  
Membership No.: 48539

Mumbai  
May 30, 2019

# D B REALTY LIMITED

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## CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

(Rs. in lacs)

Particulars	Note No.	As at March 31, 2019		As at March 31, 2018	
<b>I ASSETS</b>					
<b>1 Non-current Assets</b>					
(a) Property, Plant and Equipment (Net)	3	3,302.54		3,893.68	
(b) Investment Property	6	468.34		476.25	
(c) Goodwill on Consolidation	4	30,971.33		30,971.33	
(d) Other Intangible Assets	5	23.06		4.11	
(e) Intangible Assets under Development	5	-		15.00	
(f) Investment in Associates and Joint Ventures	7	33,620.06		35,583.47	
(g) Financial Assets					
(i) Investments	8	130,785.50		127,873.57	
(ii) Loans	9	4,306.41		3,650.35	
(iii) Others Financial Assets	10	6,728.75		14,237.95	
(h) Deferred Tax Assets (Net)	11	23,764.08		18,976.62	
(i) Income Tax Assets (Net)	12	1,121.30		803.53	
(j) Other Non-Current Assets	13	6,720.67	<b>241,812.04</b>	6,368.14	<b>242,854.00</b>
<b>2 Current Assets</b>					
(a) Inventories	14	216,330.74		273,400.23	
(b) Financial Assets					
(i) Investments	15	9,720.90		9,570.01	
(ii) Trade Receivables	16	9,019.43		5,604.22	
(iii) Cash and Cash Equivalents	17	363.19		2,128.43	
(iv) Bank Balance other than (iii) above	18	637.58		527.72	
(v) Loans	19	86,471.99		87,098.77	
(vi) Other Financial Assets	20	3,649.17		1,184.31	
(c) Other Current Assets	21	29,912.38		40,479.80	
(d) Assets held for sale and pertaining to Disposal Group	22	98,850.12	<b>454,955.50</b>	1,760.91	<b>421,754.40</b>
			<b>696,767.54</b>		<b>664,608.40</b>
<b>II EQUITY AND LIABILITIES</b>					
<b>1 Shareholders' Funds</b>					
(a) Equity Share Capital	23	24,325.88		24,325.88	
(b) Other Equity	24	198,232.94		225,987.61	
<b>Equity Attributable to Owners of the Parent</b>		<b>222,558.81</b>		<b>250,313.49</b>	
Non Controlling Interest		(14,992.00)	<b>207,566.82</b>	(15,834.16)	<b>234,479.33</b>
<b>2 Liabilities</b>					
<b>A Non-Current Liabilities</b>					
(a) Financial Liabilities					
(i) Borrowings	25	132,466.63		118,411.29	
(ii) Trade Payable (other than payable to Micro and small enterprises)	26	589.37		560.64	
(iii) Other Financial Liabilities	27	9,755.64		11,403.33	
(b) Provisions	28	321.41		341.56	
(c) Other Non-Current Liabilities	29	1,000.00	<b>144,133.05</b>	1,000.00	<b>131,716.82</b>
<b>B Current Liabilities</b>					
(a) Financial Liabilities					
(i) Borrowings	30	27,093.97		39,249.54	
(ii) Trade and Other Payables	31				
- Total outstanding dues to micro and small enterprise		160.71		7.10	
- Total outstanding dues to others		16,381.75		16,334.46	
(iii) Other Financial Liabilities	32	145,405.03		124,251.98	
(b) Other Current Liabilities	33	52,351.59		118,340.99	
(c) Provisions	28	244.62		228.18	
(d) Liabilities pertaining to Disposal Group	34	103,430.01	<b>345,067.68</b>	-	<b>298,412.25</b>
			<b>696,767.54</b>		<b>664,608.40</b>
<b>Significant accounting policies</b>	2				

The accompanying notes 1 to 63 form an integral part of the Consolidated Ind AS Financial Statements.

As per our report of even date.

**For Haribhakti & Co. LLP**

**Chartered Accountants**

ICAI Firm Regn No. 103523W/ W100048

**For and on behalf of the Board**

**Vinod Goenka**

Chairman & Managing Director  
DIN 00029033

**Shahid Balwa**

Vice Chairman & Managing Director  
DIN 00016839

**Snehal Shah**

Partner  
Membership No. 048539

**Jagat A. Killawala**

Director  
DIN 00262857

**Asif Balwa**

Chief Financial Officer

**Jignesh Shah**

Company Secretary  
Membership No. A19129

Place: Mumbai  
Date: May 30, 2019

## CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2019

		(Rs. in lacs)	
Particulars	Note No.	For the year ended March 31, 2019	For the year ended March 31, 2018
I <b>Revenue from Operations</b>	35	<b>36,521.04</b>	<b>11,986.16</b>
II Other Income	36	9,545.96	16,808.93
III <b>Total Income (I+II)</b>		<b>46,067.00</b>	<b>28,795.09</b>
IV <b>Expenses:</b>			
Project Expenses	37	34,621.28	53,716.00
Costs to fulfill contracts with customers	37.1	31,563.44	-
Changes in Inventories of Finished Goods, Stock-in-trade, Project Work in Progress and Raw Material	38	(33,489.20)	(41,428.03)
Employee Benefits Expenses	39	1,431.08	2,231.20
Depreciation and Amortization Expenses	3, 5 and 6	190.87	588.63
Finance Costs	40	16,030.25	11,902.30
Other Expenses	41	11,457.04	29,047.98
<b>Total Expenses</b>		<b>61,804.76</b>	<b>56,058.08</b>
V <b>Profit/(Loss) before exceptional and extraordinary items and tax (III-IV)</b>		<b>(15,737.76)</b>	<b>(27,262.99)</b>
VI Exceptional Items	41.2	<b>12,900.00</b>	-
VII <b>Profit/(Loss) before extraordinary items and tax (V - VI)</b>		<b>(28,637.76)</b>	<b>(27,262.99)</b>
VIII Share of Profit/(Loss) from associates and joint ventures		(2,242.30)	(1,667.42)
IX <b>Profit/ (Loss) before tax (VII + VIII)</b>		<b>(30,880.06)</b>	<b>(28,930.41)</b>
X <b>Tax expense:</b>	43		
- Current tax		(12.82)	(88.98)
- Prior Period Tax Adjustment		(49.96)	-
- Deferred tax		4,976.59	(1,077.33)
<b>Total Tax expense</b>		<b>4,913.81</b>	<b>(1,166.31)</b>
XI <b>Profit/ (Loss) after tax (IX+X)</b>		<b>(25,966.25)</b>	<b>(30,096.72)</b>
XII <b>Other Comprehensive Income</b>			
A. <b>Items that will not be reclassified to profit or loss</b>			
(i) Remeasurement of net defined benefit plans	44(B)(III)	31.02	25.41
(ii) Income tax relating to defined benefit plans that will not be reclassified to profit or loss	43	(6.42)	(7.57)
(iii) Notional loss on fair value adjustment in the value of investments		3,231.87	(1,676.83)
(iv) Income tax relating to items that will not be reclassified to profit or loss	43	(639.45)	53.13
B. (i) Items that will be reclassified to profit or loss			
(ii) Income tax relating to items that will be reclassified to profit or loss			
XIII <b>Total Comprehensive income for the year (XI + XII)</b>		<b>(23,349.24)</b>	<b>(31,702.58)</b>
XIV <b>Profit/ (Loss) after tax</b>			
Attributable to :			
Owners of equity		(27,767.33)	(25,061.70)
Non Controlling Interest		1,801.08	(5,035.02)
		<b>(25,966.25)</b>	<b>(30,096.72)</b>
XV <b>Other Comprehensive Income</b>			
Attributable to :			
Owners of equity		2,614.12	(1,606.93)
Non Controlling Interest		2.89	1.07
		<b>2,617.01</b>	<b>(1,605.86)</b>
XVI <b>Total Comprehensive income for the year (XIV + XV)</b>			
Attributable to :			
Owners of equity		(25,153.19)	(26,668.63)
Non Controlling Interest		1,803.95	(5,033.95)
		<b>(23,349.23)</b>	<b>(31,702.58)</b>
XVII <b>Earnings per equity share of face value of Rs. 10 each</b>	42		
Basic		(11.41)	(10.30)
Diluted		(11.41)	(10.30)
<b>Significant accounting policies</b>	2		

The accompanying notes 1 to 63 form an integral part of the Consolidated Ind AS Financial Statements.

As per our report of even date.

**For Haribhakti & Co. LLP**

**Chartered Accountants**

ICAI Firm Regn No. 103523W/ W100048

**For and on behalf of the Board**

**Vinod Goenka**

Chairman & Managing Director  
DIN 00029033

**Shahid Balwa**

Vice Chairman & Managing Director  
DIN 00016839

**Snehal Shah**

Partner  
Membership No. 048539

**Jagat A. Killawala**

Director  
DIN 00262857

**Asif Balwa**

Chief Financial Officer

**Jignesh Shah**

Company Secretary  
Membership No. A19129

Place: Mumbai  
Date: May 30, 2019

# D B REALTY LIMITED

(ANNUAL REPORT 2018 - 19 )

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019

### A. Equity Share Capital (Refer Note 23)

Particulars	Rs. in lacs
Balance as at April 1, 2017	24,325.88
Changes in equity share capital during the year	-
Balance As at March 31, 2018	24,325.88
Changes in equity share capital during the year	-
Balance As at March 31, 2019	24,325.88

### B. Other Equity (Refer Note 24)

(Rs. in lacs)

Particulars	Attributable to owners of the parent				Non-controlling interest NCI	Total	
	Reserves & Surplus			Other Comprehensive Income			Total
	Retained Earnings	Capital Reserve	Securities Premium Reserve				
Balance as at 1 April , 2017	(1,580.29)	5,046.31	238,567.90	11,071.46	253,105.39	(9,396.93)	243,708.46
Prior Period Adjustment (Refer Note 32.4)	(449.14)	-	-	-	(449.14)	-	(449.14)
Restated Balance as at 1 April , 2017	(2,029.43)	5,046.31	238,567.90	11,071.46	252,656.24	(9,396.93)	243,259.31
Profit/(Loss) for the year FY 2017-18	(25,061.70)	-	-	-	(25,061.70)	(5,035.02)	(30,096.72)
Employee Benefit (Net of Tax)	17.84	-	-		17.84	-	17.84
Other Comprehensive Income (Net of Tax)	-	-	-	(1,624.77)	(1,624.77)	1.07	(1,623.70)
Net Contributions in Partnership Firms	-	-	-	-	-	(1,403.28)	(1,403.28)
Balance As at March 31, 2018	(27,073.29)	5,046.31	238,567.90	9,446.69	225,987.61	(15,834.16)	210,153.45
Transition impact of Ind AS 115 (net of tax) (Refer note 2.11 and 51(B)(3))	(2,601.47)	-	-	-	(2,601.47)	(757.54)	(3,359.01)
Profit/(Loss) for the year FY 2018-19	(27,767.32)	-	-	-	(27,767.33)	1,801.08	(25,966.25)
Employee Benefit (Net of Tax)	24.60	-	-	-	24.60	-	24.60
Other Comprehensive Income (Net of Tax)	-	-	-	2,589.52	2,589.52	2.89	2,592.41
Net Contributions in Partnership Firms	-	-	-	-	-	(204.27)	(204.27)
Balance As at March 31, 2019	(57,417.48)	5,046.31	238,567.90	12,036.21	198,232.93	(14,234.46)	183,240.94

The accompanying notes 1 to 63 form an integral part of the Consolidated Ind AS Financial Statements.

As per our report of even date.

**For Haribhakti & Co. LLP**

**Chartered Accountants**

ICAI Firm Regn No. 103523W/ W100048

**For and on behalf of the Board**

**Vinod Goenka**

Chairman & Managing Director

DIN 00029033

**Shahid Balwa**

Vice Chairman & Managing Director

DIN 00016839

**Snehal Shah**

Partner

Membership No. 048539

Place: Mumbai

Date: May 30, 2019

**Jagat A. Killawala**

Director

DIN 00262857

**Asif Balwa**

Chief Financial Officer

**Jignesh Shah**

Company Secretary

Membership No. A19129

## CONSOLIDATED CASH FLOW FOR THE YEAR ENDED MARCH 31, 2019

(Rs. in lacs)		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>A. CASH INFLOW/ (OUTFLOW) FROM THE OPERATING ACTIVITIES</b>		
<b>NET PROFIT BEFORE TAX AND AFTER EXCEPTIONAL ITEMS</b>	(28,637.75)	(27,262.99)
<b>Adjustments for:</b>		
Depreciation and amortisation expense	195.73	732.89
Finance cost	27,205.95	25,646.32
Interest Income	(52.79)	(68.19)
Dividend Income	(0.02)	(3.12)
Loss/(Profit) on sale of Fixed Assets	(1.62)	77.47
Loss on Fair Valuation of Current Investment	605.22	9,351.43
Provision for Impairment Loss	-	5,253.29
Finance Income on Financial Assets/Liabilities measured at amortised cost	(2,365.35)	(3,870.55)
Fair value gain on investment valued at FVTPL	(201.05)	(9,334.05)
Sundry Credit balance written back	(3,376.43)	(2,893.95)
Goodwill written off	-	190.83
Advance against Share Purchase written off	-	1,722.00
Share of Profit/(Loss) from Investment in Partnership Firms & LLP (Net)	-	(6.32)
Allowance for credit losses	(347.86)	3,577.63
Sundry balance written off	77.88	4,826.40
Invententory written off	2,793.53	79.25
Amortisation of Cost of Assignment of Rights	1,160.97	-
<b>OPERATING PROFIT BEFORE CHANGE IN OPERATING ASSETS AND LIABILITIES</b>	(2,943.59)	8,018.34
<b>Adjustments for:</b>		
(Increase)/ Decrease in Inventories	54,275.96	(39,746.22)
(Increase)/ Decrease in Trade Receivable	10,832.46	696.22
(Increase)/ Decrease in Other Current Financial Assets	(2,464.86)	(207.72)
(Increase)/ Decrease in Other Non Current Assets	(339.69)	7,891.30
(Increase)/ Decrease in Other Current Assets	(3,235.34)	(20,661.20)
(Increase)/ Decrease in Other non- current Financial Assets	9,865.93	7,350.81
(Increase)/ Decrease in Other non-current Financial liabilities	(1,647.69)	(6,137.15)
Increase/ (Decrease) in Trade Payable	(3,189.09)	4,650.60
Increase/ (Decrease) in Other Financial Liabilities	(20,460.30)	24,507.51
Increase/ (Decrease) in Other current liabilities	(65,989.40)	9,551.76
Increase/ (Decrease) in Provision	27.31	(4.16)
(Increase)/ Decrease Assets held for sale and pertaining to Disposal Group	(97,089.21)	-
(Increase)/ Decrease Liabilities pertaining to Disposal Group	103,252.73	-
<b>Cash Generated From Operations</b>	<b>(19,104.78)</b>	<b>(4,089.90)</b>
Tax Paid / (Refunded)	(380.55)	40.06
<b>NET CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES</b>	<b>(19,485.33)</b>	<b>(4,049.83)</b>

**D B REALTY LIMITED**

(ANNUAL REPORT 2018 - 19 )

**CONSOLIDATED CASH FLOW FOR THE YEAR ENDED MARCH 31, 2019**

(Rs. in lacs)		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>B. CASH INFLOW/(OUTFLOW) FROM INVESTMENT ACTIVITIES</b>		
Loans and Advances taken	(3,488.77)	29,638.32
Investment/ maturity of Deposits	(109.86)	200.40
Purchase of Fixed Assets	(49.48)	(28.75)
Proceeds from sale of fixed assets	450.49	127.50
Purchase of Investment	(2,242.30)	1.16
Proceeds from sale of investments	1,728.29	(14,135.05)
Interest Income	88.99	686.49
Dividend Income	0.02	3.12
<b>NET CASH INFLOW/(OUTFLOW)FROM INVESTING ACTIVITIES</b>	<b>(3,622.62)</b>	<b>16,493.20</b>
<b>C. CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES</b>		
Finance cost	(19,062.70)	(12,915.72)
Increase/(Decrease) in short term borrowing	829.04	13,761.93
Proceeds from long term borrowing	110,199.71	3,155.23
Repayment of long term borrowing	(59,160.34)	(12,835.48)
Change in Minority Interest	(204.27)	(1,403.28)
<b>NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES</b>	<b>32,601.46</b>	<b>(10,237.33)</b>
Net Change in cash and cash equivalents (A+B+C)	9,493.48	2,206.04
Opening Cash and Cash Equivalent	(9,251.61)	(11,457.65)
Closing Cash and Cash Equivalent	241.87	(9,251.61)
<b>Components of cash and cash equivalents: (Refer Note No. 17)</b>	<b>As at 31/03/19</b>	<b>As at 31/03/18</b>
a. Balances with banks in current accounts	348.55	2,122.13
b. Cash on hand	14.64	6.30
c. Fixed Deposit having maturity less than 3 months	-	-
<b>Total</b>	<b>363.19</b>	<b>2,128.43</b>
Less: Book overdraft (considered as cash and cash equivalent for cashflow)	(121.32)	(11,380.04)
<b>Cash and cash equivalents as at the end of the year</b>	<b>241.87</b>	<b>(9,251.61)</b>

**Explanatory notes to Statements of cashflow:**

Statement of cashflow is prepared in accordance with the format prescribed by Securities and Exchange Board of India and as per IND -AS 7 as notified by Ministry of Corporate Affairs.

In Part A of the Cashflow Statement, figures in bracket indicates deduction made from the net profit for deriving the the net cash flow from operating activities.

In Part B and Part C, figures in brackets indicate cash outflows.

As per our report of even date.

**For Haribhakti & Co. LLP**  
Chartered Accountants  
ICAI Firm Regn No. 103523W/ W100048

**For and on behalf of the Board**

**Vinod Goenka**  
Chairman & Managing Director  
DIN 00029033

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

**Snehal Shah**  
Partner  
Membership No. 048539

**Jagat A. Killawala**  
Director  
DIN 00262857

**Asif Balwa**  
Chief Financial Officer

**Jignesh Shah**  
Company Secretary  
Membership No. A19129

Place: Mumbai  
Date: May 30, 2019



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### 1 **Group Overview**

D B Realty Limited (the “Company”), together with its subsidiaries, associates and joint ventures, collectively referred to as (“the Group”), is engaged primarily in the business of real estate construction, development and other related activities. The Company is public company domiciled in India and was incorporated under the provisions of the Companies Act, 1956. 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 has its principal place of business in Mumbai and its Registered Office is at DB House, Gen. A. K. Vaidya Marg, Goregaon (East), Mumbai - 400063. The Company is jointly promoted by Mr. Vinod K. Goenka and Mr. Shahid Balwa.

The Group is in Real Estate Development whose focused on residential, commercial, retail and other projects, such as mass housing and cluster redevelopment. Information on the Group’s structure is provided in Note 57. Information on other related party relationship of the Group is provided in Note 60.

The consolidated financial statements were authorised for issue in accordance with a resolution of the Board of Directors on the 30th May, 2019 in accordance with the provisions of the Companies Act, 2013 and are subject to the approval of the shareholders at the Annual General Meeting.

### 2 **Significant Accounting Policies Accounting Judgements, Estimates and Assumptions:**

#### (A) **Significant Accounting Policies**

##### 2.1 **Basis of Preparation and Measurement**

##### (a) **Basis of preparation**

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the ‘Ind AS’) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended.

The consolidated financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the consolidated financial statements.

The consolidated financial statements are presented in Indian Rupee (“INR”), the functional currency of the Group and all values are rounded to the nearest INR Lacs, except when otherwise indicated. Items included in the consolidated financial statements of the Group are recorded using the currency of the primary economic environment in which the Group operates (the ‘functional currency’).

##### (b) **Basis of measurement**

These consolidated financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value (refer accounting policy no. 2.12 regarding financial instruments). Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant’s ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019****c) Principles of Consolidation:****(i) Subsidiaries**

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 March 2019. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

**(ii) Equity accounted Investees****• Associates**

Associates are all entities over which the group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

**• Joint arrangements**

Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement.

**• Joint ventures**

Interests in joint ventures are accounted for using the equity method, after initially being recognized at cost in the consolidated balance sheet.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### • Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

### (iii) Business Combinations

In accordance with Ind AS 103, Group accounts for the business combinations using the acquisition method when control is transferred to the Group. The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combinations as resulting in a bargain purchase; otherwise the gain is recognised directly in equity as capital reserve. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities.

If a business combination is achieved in stages, any previously held equity interest in the acquiree is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the group (referred as common control business combinations) are accounted for using the pooling of interest method except in case control is transitory. The assets and liabilities acquired are recognised at their carrying amounts. The identity of the reserves is preserved and they appear in financial statements of the Group in the same form in which they appeared in the consolidated financial statements of the transferor entity. The difference, if any, between the consideration and the amount of share capital of the acquired entity is transferred to capital reserve.

### 2.2 Operating Cycle

An asset is considered as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is considered as current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The Group's normal operating cycle in respect of operations relating to the construction of real estate projects may vary from project to project depending upon the size of the project, type of development, project complexities and related approvals. Accordingly project related assets and liabilities have been classified in to current and non current based on operating cycle of respective project . All other assets and liabilities have been classified into current and non-current based on a period of twelve months.

### 2.3 Recent Accounting Developments

#### (a) Standards issued but not yet effective

##### Ind AS 116- Leases

On 30th March 2019, the Ministry of Corporate Affairs (MCA) has notified Ind AS 116 Leases, under Companies (Indian Accounting Standards) Amendment Rules, 2019 which is applicable with effect from 1st April, 2019 and it replaces Ind AS 17 "Leases".

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019**

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor, Ind AS 116 introduces a single lease accounting model for lessee and requires the lessee to recognize right of use assets and lease liabilities for all leases with a term of more than twelve months, unless the underlying asset is low value in nature. Currently, operating lease expenses are charged to the statement of profit and loss. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17. The Group will use practical expedient and there will not be any impact in opening retained earnings and will recognise right to use and lease liability as on April 1, 2019 accordingly comparatives for the year ending or ended March 31, 2019 will not be retrospectively adjusted.

As per Ind AS 116, the lessee needs to recognize depreciation on rights of use assets and finance costs on lease liabilities in the statement of profit and loss. The lease payments made by the lessee under the lease arrangement will be adjusted against the lease liabilities. The Group is currently evaluating the impact on account of implementation of Ind AS 116 which might have impact on key profit & loss and balance sheet ratio i.e. Earnings before interest, tax, depreciation and amortisation (EBITDA), interest coverage, etc

**(b) Amendments to existing Ind AS:**

The following amendments to existing standards are not expected to have a significant impact on the Group financial statements. This assessment is based on currently available information and may be subject to changes arising from further reasonable and supportable information being made available to the Group when it will adopt the respective amended standards.

**Amendment to Ind AS 12 Income Taxes :Appendix C, Uncertainty over Income Tax Treatments:**

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS12 Appendix C, Uncertainty over Income Tax Treatments. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit / (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition:

- Retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and
- Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives (Cumulative catch - up approach).

The effective date for adoption of Ind AS 12 Appendix C is financial periods beginning on or after April 1, 2019.

The Group will adopt the standard on April 1, 2019 by using the Cumulative catch - up transition method and accordingly comparatives for the year ending or ended March 31, 2019 will not be retrospectively adjusted.

The effect on adoption of Ind AS 12 Appendix C is not expected to be material.

There are no other standards that are issued but not yet effective and that are expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

**2.4 Property, plant and equipment**

Property, plant and equipment are recorded at their cost of acquisition, less accumulated depreciation and impairment losses, if any. The cost thereof comprises of 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.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit or Loss when the asset is derecognised.

Borrowing costs relating to acquisition / construction / development of tangible assets, which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

When significant components of property, plant and equipments are required to be replaced at intervals, recognition is made for such replacement of components as individual assets with specific useful life and depreciation, if these components are initially recognised as separate asset. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred.

**2.5 Capital Work in Progress and Capital Advances**

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 property, plant and equipment are shown separately as capital advances under the head Other Non-Current Assets.

**2.6 Depreciation**

Depreciation on property, plant and equipment is provided on Straight Line Method 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

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

a period of four years on a straight line basis. The Management believes that the estimated useful lives as per the provisions of Schedule II to the Companies Act, 2013, are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

### 2.7 Intangible Assets and amortisation thereof

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

An item of Intangible Asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

The residual values, useful lives and methods of amortisation of Intangible Assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

### 2.8 Impairment of Non Financial Assets

Carrying amount of tangible and intangible assets are reviewed at each Balance Sheet date. These are treated as impaired when the carrying cost thereof 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.

### 2.9 Investment Property

Investment property is property held to earn rentals and / or for capital appreciation and are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Depreciation on Investment Property is provided on Straight Line Method basis in accordance with the provisions of Schedule II to the Companies Act, 2013. The Management believes that the estimated useful life as per the provisions of Schedule II to the Companies Act, 2013, are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The residual values, useful lives and methods of depreciation of investment property are reviewed at each financial year end and adjusted prospectively, if appropriate.

An item of investment property initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit or Loss when the asset is derecognised.

The fair values of investment property is disclosed in the notes. Fair value is determined by an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

### 2.10 Inventories

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

Inventories other than raw material are valued at lower of cost and net realisable value. Raw Materials are valued at weighted average method. Project work in progress cost includes cost of land/ development rights, materials, services, depreciation on assets used for project purposes and other expenses (including borrowing costs) attributable to the projects. It also 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 Project 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.

### 2.11 Revenue Recognition

The Group derives revenues primarily from sale of properties. Ind AS 115 Revenue from Contract with Customers, mandatory for reporting periods beginning on or after April 1, 2018, replaces existing revenue recognition requirements. The application of Ind AS 115 has impacted the Group's accounting for recognition of revenue from real estate projects.

The Group has applied the modified retrospective approach to contracts that were not completed as of 1 April 2018 and has given impact of Ind AS 115 application by debit to retained earnings as at the said date by Rs 3,359.06 Lacs (net of tax). On Account of application of Ind AS 115, there is no significant impact on financial performance of the Group for current year.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019****i) Revenue from real estate projects**

Revenue from sale of properties under construction is recognized when it satisfies a performance obligation by transferring control of promised good or service to a customer in accordance with Ind AS 115. An entity 'transfers' a good or service to a customer when the customer obtains control of that asset. Control may be transferred either at a point in time or over time.

An entity transfers control of a good or service over time and, therefore, satisfies a performance obligation and recognises revenue over time if one of the following criteria is met :

- (i) the customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs;
- (ii) the entity's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- (iii) the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

Revenue is recognised at a point in time if it does not meet the above criteria.

The Cost in relation to properties under development is charged to the Statement of Profit and Loss in proportion to the revenue recognised during the period in respect of contracts recognised and the balance cost to fulfil the contracts is carried over under other current assets. Impairment loss is recognised in the Statement of Profit and Loss to the extent carrying amount exceeds the remaining amount of consideration of the contracts entered into with the customers as reduced by the costs that have not been recognised as expenses.

**(ii) Revenue from lease rental income**

Lease income is recognised 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.

**(iii) Interest Income**

For all financial instruments measured at amortised cost, interest income is measured using the Effective Interest Rate (EIR).

**(iv) Income from Investment in Partnership Firms & LLP, AOPs**

Share of profit/loss in Partnership firms, LLP and AOPs is recognized when the right to receive is established.

**2.12 Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**(i) Financial Assets****Initial Recognition and Measurement**

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

**Subsequent Measurement**

For purposes of subsequent measurement, financial assets are classified in three categories:

- Financial assets at amortized cost
- Financial assets measured at fair value through other comprehensive income (FVOCI)
- Financial assets measured at fair value through profit and loss (FVTPL)

**Financial Assets at Amortized Cost**

A financial asset is measured at the amortized cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any fees or costs that are an integral part of the EIR.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### Financial Assets at FVTOCI

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option.

- Business model test: The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

### Financial Assets at FVTPL

Even if an instrument meets the two requirements to be measured at amortised cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an “accounting mismatch”) that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

All financial assets which are not measured on amortised cost and FVTOCI are measured at fair value through profit or loss.

### Equity Instruments at FVTOCI

For equity instruments not held for trading, an irrevocable choice is made on initial recognition to measure it at FVTOCI. All fair value changes on such investments, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale or disposal of the investment. However, on sale or disposal the group may transfer the cumulative gain or loss within equity.

### Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Group’s statement of financial position) when:

- i) The rights to receive cash flows from the asset have expired, or
- ii) The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a “pass-through” arrangement and either;
  - a. the Group has transferred substantially all the risks and rewards of the asset, or
  - b. the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

### Impairment of financial assets

The Group applies the expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposures:

- Fair value through other comprehensive income.
- Financial assets at amortized cost.
- Financial guarantee contracts.

The Group follows ‘simplified approach’ for recognition of impairment loss allowance on trade receivables. Under this approach the Group does not track changes in credit risk but recognizes impairment loss allowance based on lifetime ECLs at each reporting date. For this purpose the Group uses a provision matrix to determine the impairment loss allowance on the portfolio of trade receivables. The said matrix is based on historically observed default rates over the expected life of the trade receivables duly adjusted for forward looking estimates.

For recognition of impairment loss on other financial assets and risk exposures, the Group determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month expected credit loss(ECL) is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the group reverts to recognizing impairment loss allowance based on 12-month ECL.

For assessing increase in credit risk and impairment loss, the Group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events on a financial instrument that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. The ECL impairment loss allowance (or reversal) recognized during the period in the statement of profit and loss and the cumulative loss is reduced from the carrying amount of the asset until it meets the write off criteria, which is generally when no cash flows are expected to be realised from the asset.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019****(ii) Financial Liabilities****Initial Recognition and Measurement**

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts.

**Subsequent Measurement**

This is dependent upon the classification thereof as under:

- (i) At Amortised Cost
- (ii) At Fair value through Profit & loss Account

**Borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

**Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the Derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

**(iii) Offsetting of Financial Instruments:**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realise an asset and settle the liabilities simultaneously.

**(iv) Equity Instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity in accordance with the substance of the contractual arrangements. These are recognized at the amount of the proceeds received, net of direct issue costs.

**(v) Compound Financial Instruments**

These are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements.

On the date of the issue, the fair value of the liability component is estimated using the prevailing market rate for similar non-convertible instruments and recognized as a liability on an amortized cost basis using the EIR until extinguished upon conversion or on maturity. The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole and recognized as equity, net of the tax effect and remains in equity until the conversion option is exercised, in which case the balance recognized in equity will be transferred to another component of equity. If the conversion option remains unexercised on the maturity date, the balance recognized in equity will be transferred to retained earnings and no gain or loss is recognized in profit or loss upon conversion or expiry of the conversion option.

Transaction costs are allocated to the liability and equity component in proportion to the allocation of the gross proceeds and accounted for as discussed above.

**2.13 Employee Benefits****(i) Short term employee benefits**

Short term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

**(ii) Post Employment Benefits****Defined contribution plans**

Defined Contribution Benefit Plans is charged to Statement of Profit and Loss or Project Work in Progress, if it is directly related to a project.

**Defined benefit plans**

Provision for Gratuity is recorded on the basis of actuarial valuation certificate provided by the actuary using Projected Unit Credit Method.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised immediately in 'Other comprehensive income' and subsequently not reclassified to the Statement of Profit and Loss. Net interest expense /(income) on the defined liability / (assets) is computed by applying the discount rate, used to measure the net defined liability / (asset). Net interest expense and other expenses related to defined benefit plans are recognised in the Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in the Statement of Profit and Loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

### Compensated Absences

Group's liability towards compensated absences is determined by an independent actuary using Projected Unit Credit Method. Past services are recognised on a straight line basis over the average period until the benefits become vested. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss as income or expense. Obligation is measured at the present value of the estimated future cash flows using a discounted rate that is determined by reference to the market yields at the Balance Sheet date on Government Bonds where the currency and terms of the Government Bonds are consistent with the currency and estimated terms of the defined benefit obligation. Accumulated leave which is expected to be utilised within the next 12 months is treated as short term employee benefit and is shown under current provisions in the balance sheet.

### 2.14 Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

#### As a Lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss unless they are directly attributable to qualifying assets in which case they are capitalised in accordance with the companies general policy on borrowing cost.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term, unless the payments are structured to increase in line with the expected general inflation to compensate the lesser.

#### As a Lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

### 2.15 Foreign currency transactions and translation

Transactions in foreign currencies are initially recorded at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Differences arising on settlement or translation of monetary items are recognised as income or expenses in the period in which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019**

with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

**2.16 Borrowing Costs**

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 Statement of Profit and Loss in the year in which they are incurred.

**2.17 Taxes on Income**

Income Tax expense comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to items recognised directly in Equity or in Other Comprehensive Income.

**(i) Current Income Taxes**

Current tax is the expected tax payable/receivable on the taxable income/loss for the year using applicable tax rates at the Balance Sheet date, and any adjustment to taxes in respect of previous years. Interest expenses and penalties, if any, related to income tax are included in finance cost and other expenses respectively. Interest Income, if any, related to Income tax is included in current tax expense.

**(ii) Deferred Taxes**

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and its tax base.

A deferred tax liability is recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantively enacted, by the end of the reporting period.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except, when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

**(iii) Minimum Alternate Tax**

Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which give rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal income tax after the specified years. Accordingly, MAT is recognised as an asset in the Balance Sheet when the asset can be measured reliably and it is probable that the future economic benefits associated with it will flow to the Group.

**2.18 Provisions and Contingent Liabilities**

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

When the Group expects some or all of a provision to be reimbursed, the same is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, 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 the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

Contingent assets are not recognised in the consolidated financial statements if the inflow of the economic benefit is probable than it is disclosed in the consolidated financial statements.

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.

### 2.19 Earnings per share

Basic earnings 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.

### 2.20 Cash and Cash Equivalent

Cash and cash equivalent for the purpose of Cash Flow Statement comprise cash at bank and in hand and short term highly liquid investments which are subject to insignificant risk of changes in value.

### 2.21 Cash Flow Statement

Cash Flow Statement is prepared under the "Indirect Method" as prescribed under the Indian Accounting Standard (Ind AS) 7 —Statement of Cash Flows.

The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

### 2.22 Commitments

Commitments are future liabilities for contractual expenditure. The commitments are classified and disclosed as follows:

- (a) The estimated amount of contracts remaining to be executed on capital accounts and not provided for; and
- (b) Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of the Management.

### 2.23 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker regularly monitors and reviews the operating result of the whole Group as one segment of "Real Estate Development".

### 2.24 Non-current Assets Held for Sale

The Group classifies non-current assets as held sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Such non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Any expected loss is recognised immediately in the Statement of Profit and Loss.

The criteria for held for sale classification are regarded as met only when the sale is highly probable i.e. an active program to locate a buyer to complete the plan has been initiated and the asset is available for immediate sale in its present condition and the assets must have been actively marketed for sale at a price that is reasonable in relation to its current fair value. Actions required to complete the sale should indicate that it is unlikely that significant changes to that plan to sale these assets will be made. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

PPE and intangible assets once classified as held for sale are not depreciated or amortised. Assets and liabilities classified as held for sale are presented separately as current items in the Balance Sheet.

## (B) Significant Accounting Judgements, Estimates and Assumptions:

The preparation of consolidated Financial Statements is in conformity with the recognition and measurement principles of Ind AS which requires the management to make judgements for estimates and assumptions that affect the amounts of assets, liabilities and the disclosure of 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.

### (i) Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

- a) Assessment of the status of various legal claims and other disputes where the Group does not expect any material outflow of resources and hence these are reflected as contingent liabilities . (Refer Note 48)
- b) In several cases, assessment of the management regarding executability of the projects undertaken. (Refer Note 14.1 (a))

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019**

- c) Assessment of the recoverability of various financial assets.
- d) Note on "Control" of the Group in Marine Drive Hospitality & Realty Private Limited (MDHRPL):
- i) Total 24,70,600 nos. of ROCCPS Series A and 29,415 nos. of ROCCPS Series C of Marine Drive Hospitality & Realty Private Limited (MDHRPL) held by the Company amounting to Rs 2,288.81 lacs has been attached by an attachment order issued by adjudicating authority under Prevention of Money Laundering Act (PMLA) and therefore, all the rights of the Company as a shareholder have been suspended till the time attachment continues. Therefore, the Group is of the view that the aforesaid shares can not be considered while applying the test of "Control" on MDHRPL.
- ii) The Company is presently holding 92,600 nos of CCCPS – Series C. The CCCPS - Series C which shall be convertible, in part or full in the ratio of 1:100 viz. 100 (One Hundred) fully paid up new Equity shares of Rs. 10/- each against 1 (one) CCCPS – Series C of Rs. 10/- each held by DBRL. As per existing terms, the latest date of conversion of the aforesaid CCCPS – Series C is July, 2021. However, this being strategic investment the Group has decided not to exercise the option of conversion before maturity date.
- iii) In addition to the above, the Company is presently holding (i) 1,88,215 nos. of ROCCPS - Series C and (ii) 74,443 nos. of CRCPS, which are having option of either redemption or conversion on different dates up to March, 2021 and March 2022 respectively. As on date, the Management has decided not to opt for conversion of aforesaid shares.
- iv) The Group has not nominated any director on the Board of MDHRPL .  
On the basis of the above facts, the Management is not having effective control over MDHRPL. In view of the same, accounts of MDHRPL along with its subsidiaries, associates and joint ventures are not consolidated as per Ind AS 110. Further, equity instruments of MDHRPL are measured at fair value through other comprehensive income based on irrevocable designation at inception.
- e) Fair value of equity shares of Milan Theatres Private Limited, being investment in an associate, which are valued through profit or loss has been reassessed whereby there is no reversal required for the loss of Rs. 3,308.30 lacs provided in the earlier years on their fair valuation (Refer Note 7(1)(i))
- f) One of the subsidiary Company has granted interest free loans to its associate viz., Milan Theatre Private Limited (Milan) and the outstanding balance as of year end is Rs. 4,275.39 Lacs (Previous Year : Rs. 4,595.58 lacs). The Management has considered the said loan as good for recovery, though in terms of the fair value of its investment in the capital of the said company it has recognized loss for the entire cost of acquisition, in view of the following:
  - (i) Realizable assets and liabilities of Milan; and
  - (ii) The letter of comfort of other shareholders of Milan committing to infuse funds in case of any shortfall in settling the liabilities of Milan including that of the subsidiary Company. (Refer Note 19)

**(ii) Estimates and Assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

**(a) Project estimates**

The Group, being a real estate development Group, prepares budgets in respect of each project to compute project profitability. The major components of project estimate are 'budgeted costs to complete the project' and 'budgeted revenue from the project. While estimating these components various assumptions are considered by the management such as (i) Work will be executed in the manner expected so that the project is completed timely (ii) consumption norms will remain same (iii) Estimates for contingencies and (iv) price escalations etc. Due to such complexities involved in the budgeting process, contract estimates are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

**(b) Useful life and residual value of Property, Plant and Equipment and Intangible Assets**

Useful lives of tangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on technical advice. Assumptions also need to be made when the Group assesses whether an asset may be capitalised and which components of the cost of the asset may be capitalised.

**(c) Impairment of Non Financial Assets**

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the assets recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risk specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account. If

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

**(d) Impairment of Financial Assets**

The impairment provisions for financial assets are based on assumptions about the risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs for impairment calculation. Based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

**(e) Deferred Tax Assets**

In assessing the realisability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible.

Management considers the scheduled reversals of deferred income tax Assets, projected future taxable income. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Group will realize the benefits of those deductible differences.

The Group has not recognised Deferred tax assets on unrealised tax losses and credits, unabsorbed depreciation considering no reasonable certainty on reversal of deferred tax assets on prudence basis in near future.

**(f) Defined benefit plans**

The cost and present value of the gratuity obligation and compensated absences are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, attrition rate and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

**(g) Fair value measurements**

When the fair values of the financial assets and liabilities recorded in the Balance Sheet cannot be measured based on the quoted market prices in active markets, their fair value is measured using valuation technique. The inputs to these models are taken from the observable market wherever possible, but where this is not feasible, a review of judgement is required in establishing fair values. Any changes in assumptions could affect the fair value relating to financial instruments.

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### 3 Property, Plant and Equipment

															(Rs. in lacs)
Particulars	Free Hold Land	Buildings-Flat (Refer Note 3.1)	Temporary Structures	Buildings (Road)	Sample Flat	Plant & Machinery	Furniture & Fittings	Vehicles (Refer Note 3.2, 3.3)	Office & Other Equipment	Computer	Porta Cabin	Aircraft (Refer Note 3.4)	Total	WIP-Cost of Sample Flat	Total
Gross block															
Balance as at April 1, 2017	2,606.30	99.70	139.45	232.24	743.95	733.63	267.77	914.30	62.84	64.68	2.15	8,532.96	14,399.97	921.98	921.98
Other adjustment	-	-	-	-	-	-	-	-	-	-	-	(8,532.96)	(8,532.96)	-	-
Additions during the year	-	-	-	-	-	-	1.82	5.75	1.58	1.88	-	-	11.03	-	-
Disposal	-	-	-	-	-	-	-	(5.43)	-	(0.47)	-	-	(5.90)	-	-
Balance as at March 31, 2018	2,606.30	99.70	139.45	232.24	743.95	733.63	269.59	914.62	64.42	66.09	2.15	-	5,872.14	921.98	921.98
Other adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Additions during the year	-	-	-	-	-	0.22	0.45	-	7.57	29.49	-	-	37.73	-	-
Disposal	-	-	-	-	-	(2.59)	(2.36)	(60.10)	(0.10)	-	-	-	(65.15)	-	-
Less : Assets pertaining to Disposal Group (Refer Note 22.2)	-	-	-	-	(743.95)	(697.57)	-	-	-	-	-	-	(1,441.52)	(921.98)	(921.98)
Balance as at March 31, 2019	2,606.30	99.70	139.45	232.24	-	33.69	267.68	854.52	71.89	95.58	2.15	-	4,403.21	-	-
Accumulated Depreciation															
Balance as at 01.04.2017	-	3.47	123.54	7.59	495.97	231.35	127.91	291.13	36.98	27.17	0.85	3,695.77	5,041.73	921.98	921.98
Depreciation	-	1.83	15.91	3.80	148.71	135.30	57.21	116.47	7.55	13.75	0.34	-	500.87	-	-
Impairment (Refer Note 3.4)	-	-	-	-	-	-	-	-	-	-	-	(3,566.81)	(3,566.81)	-	-
Other Adjustments (Refer Note 3.5)	-	-	-	-	-	2.64	(0.72)	119.47	3.05	7.19	-	(128.96)	2.67	(921.98)	(921.98)
Balance as at 31.03.2018	-	5.31	139.45	11.39	644.68	369.30	184.40	527.07	47.57	48.11	1.19	-	1,978.46	-	-
Depreciation	-	1.73	-	3.80	-	3.85	42.82	104.60	7.83	14.88	0.51	-	180.00	-	-
Disposal	-	-	-	-	-	(1.56)	(1.02)	(57.00)	(0.04)	-	-	-	(59.62)	-	-
Less : Accumulated Depreciation on Assets pertaining to Disposal Group (Refer Note 22.2)	-	-	-	-	(644.68)	(353.50)	-	-	-	-	-	-	(998.17)	-	-
Balance as at 31.03.2019	-	7.04	139.45	15.18	-	18.08	226.20	574.67	55.36	62.98	1.70	-	1,100.67	-	-
Net block															
Balance as at 31.03.2018	2,606.30	94.39	0.00	220.85	99.27	364.34	85.18	387.55	16.85	17.98	0.95	-	3,893.68	921.98	921.98
Balance as at 31.03.2019	2,606.30	92.66	0.00	217.06	-	15.61	41.48	279.85	16.53	32.59	0.44	-	3,302.54	-	-

3.1 The flats are attached by Enforcement Directorate under Prevention of Money Laundering Act, 2002 (Refer Note 53)

3.2 During the year depreciation inventorised Rs. 4.86 lacs (Previous Year - Rs. 144.26 lacs)

#### 3.3 Property, plant and equipment pledged/ hypothecated

Carrying amount of property, plant and equipment pledged as security by the Company are as follows:

(Rs. in lacs)		
	As at 31-03-2019	As at 31-03-2018
Vehicles	244.31	305.38

3.4 In the year ended 31st March, 2017, the Subsidiary Company had reclassified its aircraft to 'Assets held for sale' and was stated at its estimated net realisable value, whereby impairment loss of Rs. 3,566.81 Lacs was provided in the said year. The subsidiary company has received the proposal for acquiring the said aircraft whereby there would be a further loss of Rs. 990.91 lacs approximately. However subsidiary company is in the process of evaluating the reasonability of the said offer and accordingly no further impairment loss is provided for. The said aircraft continues to be carried forward at same value, as according to the Subsidiary Company there is no material change in such estimation. The expenses which are attributable for disposal of Aircraft incurred during the year, charged off to the Consolidated Statement of Profit and Loss.

3.5 Other adjustment represents, adjustment made by one of the subsidiary Company in previous year figures.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### 4 Goodwill

(Rs. in lacs)

Particulars	As at 31st March 2019	As at 31st March 2018
<b>Opening Balance</b>	<b>30,971.33</b>	<b>31,162.16</b>
Less Written off/ impairment during the year (Refer Note 4.1)	-	(190.83)
<b>Closing Balance</b>	<b>30,971.33</b>	<b>30,971.33</b>

#### 4.1 Impairment of Goodwill

During the year, a wholly owned subsidiary company (WOS) Real Gem Buildtech Private Limited has filed a Scheme with National Company Law Tribunal whereby it has proposed to transfer its all the assets and liabilities pertaining to Identified Project Undertaking, being "DB Crown" Project, on going concern basis as Slump Sale to Kingmaker Developers Private Limited (KDPL) for a consideration of Rs. 10 lakh. Additionally, as mentioned in the scheme, upon achieving certain milestones to be mutually agreed between said WOS and KDPL, said WOS shall be entitled to receive such realisation / sale proceeds of the Project Undertaking as Contingent consideration from KDPL. The WOS Management is hopeful that the said Project Undertaking will be able to achieve those milestones and above Contingent consideration will accrue to the said WOS. Accordingly, no provision of impairment of goodwill is considered necessary by the Holding Company.

Further, the said WOS has shown its assets and liabilities relating to project undertaking as assets held for sale and liabilities pertaining to disposal group in accordance with Ind AS 105.

### 5 Intangible Assets and Intangible Assets under development

(Rs. in lacs)

Particulars	Intangible Assets		Total	Intangible asset under development	Total
	Computer Software	Beautification- Bandra-Worli Sea Link		Computer Software	
<b>Gross Block</b>					
<b>Balance as at April 1, 2017</b>	<b>678.48</b>	<b>2,087.14</b>	<b>2,765.62</b>	-	-
Additions	2.71	-	2.71	15.00	15.00
Deductions	-	-	-	-	-
<b>Balance as at 31.03.2018</b>	<b>681.19</b>	<b>2,087.14</b>	<b>2,768.34</b>	<b>15.00</b>	<b>15.00</b>
Additions	26.75	-	26.75	11.75	11.75
Deductions	-	-	-	(26.75)	(26.75)
<b>Balance as at 31.03.2019</b>	<b>707.94</b>	<b>2,087.14</b>	<b>2,795.09</b>	-	-
<b>Accumulated Depreciation</b>					
<b>Balance as at 01.04.2017</b>	627.93	226.21	854.14	-	-
Depreciation charged during the year	49.15	174.46	223.61	-	-
Impairment (Refer Note 5.1)	-	1,686.47	1,686.47	-	-
Disposals	-	-	-	-	-
<b>Balance as at 31.03.2018</b>	<b>677.08</b>	<b>2,087.14</b>	<b>2,764.22</b>	-	-
Depreciation charged during the year	7.81	-	7.81	-	-
Disposals	-	-	-	-	-
<b>Balance as at 31.03.2019</b>	<b>684.89</b>	<b>2,087.14</b>	<b>2,772.03</b>	-	-
<b>Net block</b>					
<b>Balance as at 31.03.2018</b>	<b>4.11</b>	-	<b>4.11</b>	<b>15.00</b>	<b>15.00</b>
<b>Balance as at 31.03.2019</b>	<b>23.06</b>	-	<b>23.06</b>	-	-

- 5.1 In accordance with Ind AS 36 - "Impairment of Assets" the Holding Company does not expect any future economic benefit from beautification for Bandra-Worli Sea Link as agreements for rendering advertisement rights with group entities have been cancelled and the Holding Company is not expecting future revenue from the said Assets. Hence, the Holding Company has fully impaired the said assets by Rs Nil (Previous Year - Rs 1,686.47 Lacs). However, the Holding Company will still have beautification and advertisement rights in the said area till March 2025.

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### 6 Investment property

(Rs. in lacs)		
Particulars	As at 31st March 2019	As at 31st March 2018
<b>Gross Block</b>		
Opening Balance	499.63	677.09
Addition	-	-
Disposal	-	(177.46)
<b>Closing Balance</b>	<b>499.63</b>	<b>499.63</b>
<b>Less : Accumulated Depreciation</b>		
Opening Balance	23.37	21.13
Depreciation charged during the year	7.92	8.42
Disposal	-	(6.17)
<b>Closing Balance</b>	<b>31.29</b>	<b>23.37</b>
<b>Net Block</b>	<b>468.34</b>	<b>476.25</b>

#### (i) Amount recognised in Statement of Profit and Loss for investment properties

(Rs. in lacs)		
Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Rental income derived from investment properties	22.68	24.78
Less: Depreciation charged during the year	(7.92)	(8.42)
<b>Profit/ (Loss) from investment properties</b>	<b>14.76</b>	<b>16.36</b>

(a) The Holding Company had executed lease deeds for certain Units forming part of the Project for a period of 25 years. In terms of agreements, the lease rentals shall become due and payable on possession being granted.

#### (b) The future minimum lease receivable are as under:

(Rs. in lacs)		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Lease payments recognized in the Statement of Profit & Loss, for non- cancellable lease arrangement	22.68	22.68
<b>Future Lease Payments</b>		
(a) Not later than one year.	22.68	22.68
(b) Later than one year but not later than five years.	90.72	90.72
(c) Later than five years.	495.54	518.22
<b>Total of future lease payments</b>	<b>608.94</b>	<b>631.62</b>

#### (ii) Fair Value

(Rs. in lacs)		
Particulars	As at 31st March 2019	As at 31st March 2018
Investment Property#	1,043.92	1,099.45

#### # Estimation of Fair value

In view of the recent sale of investment property and similar assets, the Management is of the opinion that the fair value of the investment property can be considered as Level 3 valuation based on market value as per sale deed.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### 7 Investment in Associate and Joint Venture

(Rs. in lacs)

Particulars	As at 31st March 2019	As at 31st March 2018
<b>I. Investment in Associates</b>		
Investment in equity shares	22,485.29	24,469.13
<b>Total</b>	<b>22,485.29</b>	<b>24,469.13</b>
<b>II. Investment in Joint venture</b>		
(i) Investment in equity shares	9,812.33	9,817.49
(ii) Investment in partnership firms	1,073.03	1,050.00
(iii) Others	249.41	246.85
<b>Total</b>	<b>11,134.77</b>	<b>11,114.34</b>
<b>Total (I+II)</b>	<b>33,620.06</b>	<b>35,583.47</b>

#### I Investment in Associates

Investment in equity shares (fully paid &amp; unquoted unless otherwise specified)

(Rs. in lacs)

Name of the Body Corporate	Nominal Value per share	No. of Shares/ Units		Extent of Holding (%)		As at March 31, 2019	As at March 31, 2018
		As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at 31/03/18		
NeelKamal Realtors Tower Private Limited (Refer Note 7.1)	10	1,125,153	1,125,153	42.81	42.81	4,029.99	5,954.37
Sangam City Town Ship Private Limited	10	8,000	8,000	26.67	26.67	4,552.97	4,633.47
D B Hi-Sky Construction Private Limited	10	5,000	5,000	50.00	50.00	2,057.35	2,057.58
Mahal Pictures Private Limited	10	3,600	3,600	33.33	33.33	9,289.02	9,265.89
Milan Theaters Private Limited (Refer Note 2 (B) (i)(e))	10	327,555	327,555	32.76	32.76	-	-
Shiva multitrade Private Limited	10	8,885	8,885	44.43	44.43	851.98	852.62
Shiva realtor and suburban Private Limited	10	8,885	8,885	44.43	44.43	851.99	852.59
Shiva buildcon Private Limited	10	8,885	8,885	44.43	44.43	852.00	852.60
<b>Total</b>						<b>22,485.29</b>	<b>24,469.13</b>

#### II Investment in Joint venture

(i) Investment in equity shares (fully paid &amp; unquoted unless otherwise specified)

(Rs. in lacs)

Name of the Body Corporate	Nominal Value per share	No. of Shares/ Units		Extent of Holding (%)		As at March 31, 2019	As at March 31, 2018
		As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018		
DB (BKC) Realtors Private Limited	10	187,015	187,015	40.80	40.80	9,812.33	9,817.49
<b>Total</b>						<b>9,812.33</b>	<b>9,817.49</b>

(ii) Investments in partnership firms ( trade &amp; unquoted)

(Rs. in lacs)

Name of the Body Corporate	Extent of Holding (%)		As at March 31, 2019	As at March 31, 2018
	As at March 31, 2019	As at March 31, 2018		
Sneh Developers	49.00	49.00	0.10	0.10
M/s. Suraksha D B Realty	50.00	50.00	934.87	933.57
Om Metal Consortium	50.00	50.00	102.56	80.83
M/s Dynamix Realty (Project II)	50.00	50.00	2.50	2.50
M/s D B S Realty	33.33	33.33	33.00	33.00
<b>Total</b>			<b>1,073.03</b>	<b>1,050.00</b>



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### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

#### (iii) Other non-current investments (trade & unquoted)

Name of the Body Corporate	Extent of Holding (%)		(Rs. in lacs)	
	As at	As at	As at	As at
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Lokhandwala Dynamix-Balwas Joint Venture	50.00	50.00	243.82	243.07
M/s DB Realty and Shreepati Infrastructures LLP	60.00	60.00	0.59	0.59
Lokhandwala D B Realty Limited LLP	50.00	50.00	5.00	3.19
<b>Total</b>			<b>249.41</b>	<b>246.85</b>

#### Notes

7.1 The Holding Company has pledged its investment of 986,618 (Previous Year: 986,618) equity shares of Neelkamal Realtors Tower Private Limited, an associate company, in favour of Yes Bank which provided term loan of Rs. 35,000 lacs to the said associate. The said loan has been fully repaid and release of pledged investments is in process.

#### 8 Non-current investment

(Rs. in lacs)			
Sr No	Particulars	As at March 31, 2019	As at March 31, 2018
<b>A</b>	<b>At Fair Value Through Profit and Loss</b>		
<b>I</b>	<b>Investment in Associate</b>		
	Investment in preference shares	865.95	1,097.26
<b>II</b>	<b>Investment in Joint Venture</b>		
	Investment in preference shares	32,790.31	32,879.14
<b>III</b>	<b>Investment in Others</b>		
	(i) Investment in preference shares	53,028.45	53,028.26
	(ii) Investment in equity shares	316.71	293.54
	<b>Sub-total (A)</b>	<b>87,001.42</b>	<b>87,298.20</b>
<b>B</b>	<b>Fair Value Through Other Comprehensive Income (FVTOCI)</b>		
	(i) Investment in preference shares	31,491.00	29,183.19
	(ii) Investment in equity shares	12,293.08	11,392.18
	<b>Sub-total (B)</b>	<b>43,784.08</b>	<b>40,575.37</b>
	<b>Total (A+B)</b>	<b>130,785.50</b>	<b>127,873.57</b>

#### A Fair Value through Profit and Loss

##### I Investments in Associates

Investments in Preference Shares (Fully paid, trade & unquoted)

(Rs. in lacs)						
Name of the Body Corporate	Nominal Value per share	No. of Shares/ Units		Extent of Holding (%)		As at March 31, 2019
		As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at 31/03/18	
NeelKamal Realtors Tower Private Limited (0.002% Redeemable Optionally Convertible Cumulative Preference Shares)	10	660,918	660,918	100.00	100.00	865.95
<b>Total</b>						<b>865.95</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### II Investment in Joint Venture

#### Investments in Preference Shares (Fully paid, trade & unquoted)

Name of the Body Corporate	Nominal Value per share	No. of Shares/ Units		Extent of Holding (%)		(Rs. in lacs)	
		As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
DB (BKC) Realtors Private Limited							
i) 0.001% Redeemable Optionally Convertible Cumulative Preference Shares (Series A & B)	10	304,518	304,518	66.44	66.44	8,905.20	8,909.48
ii) 0.001% Compulsory Convertible Cumulative Preference Shares (Series C)	10	336,359	336,359	63.29	63.29	23,885.11	23,969.66
<b>Total</b>						<b>32,790.31</b>	<b>32,879.14</b>

### III Investment in Others

#### (i) Investments in Preference Shares (Non Trade, Fully paid & unquoted )

Name of the Body Corporate	Nominal Value per share	No. of Shares/ Units		Extent of Holding (%)		(Rs. in lacs)	
		As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Konark Realtech Private Limited (0.01% Redeemable Optionally Convertible Preference Shares) (Refer Note 8.4)	10	1,163,739	1,163,739	100.00	100.00	2,370.18	2,259.83
Marine Drive Hospitality Private Limited (Refer Note 8.2)							
i) Series C- 0.002% Redeemable Optionally Convertible Cumulative Preference Shares (Refer Note 8.3)	10	217,630	217,630	100.00	100.00	199.24	224.44
ii) Series A- 0.002% Redeemable Optionally Convertible Cumulative Preference Shares (Refer Note 8.3)	10	2,470,600	2,470,600	22.27	22.27	2,261.88	2,547.90
iii) Cumulative Redeemable Convertible Preference Shares	10	74,443	74,443	100.00	100.00	47,672.81	47,672.81
iv) Series B - 0.001% Redeemable Optionally Convertible Cumulative Preference Shares	10	313,478	313,478	13.29	13.29	524.34	323.29
<b>Total</b>						<b>53,028.45</b>	<b>53,028.26</b>

#### (ii) Investment in Equity Instruments (Non Trade, Fully paid & unquoted )

Name of the Body Corporate	Nominal Value per share	No. of Shares/ Units		Extent of Holding (%)		(Rs. in lacs)	
		As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Saraf Chemicals Private Limited	10	310,000	310,000	4.91	4.91	316.71	293.54
<b>Total</b>						<b>316.71</b>	<b>293.54</b>

### B Fair Value Through Other Comprehensive Income (FVTOCI)

#### (i) Investments in Preference Shares (Non Trade, Fully paid & unquoted)

Name of the Body Corporate	Nominal Value per share	No. of Shares/ Units		Extent of Holding (%)		(Rs. in lacs)	
		As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Marine Drive Hospitality Private Limited (Refer Note 8.2)							
i) 0.002% Compulsory Convertible Cumulative Preference Shares	10	92,600	92,600	11.12	11.12	29,656.75	27,483.34
ii) 0.001% Compulsory Convertible Cumulative Preference Shares	10	313,478	313,478	13.29	13.29	1,834.25	1,699.85
<b>Total</b>						<b>31,491.00</b>	<b>29,183.19</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### (ii) Investment in Equity Instruments (Non Trade, Fully paid & unquoted )

(Rs. in lacs)

Name of the Body Corporate	Nominal Value per share	No. of Shares/ Units		Extent of Holding (%)		As at March 31, 2019	As at March 31, 2018
		As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018		
Marine Drive Hospitality & Realty Private Limited (Refer Note 8.1)	10	3,838,382	3,838,382	15.53	15.53	12,293.08	11,392.18
<b>Total</b>						<b>12,293.08</b>	<b>11,392.18</b>

- 8.1 The Holding Company had pledged its investment of 3,838,382 (Previous Year: 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 Rs. Nil (Previous Year Rs. 9,500 lacs) to the said Company. The said loan has been fully repaid and release of pledged investment is in process.
- 8.2 There is no return except fair value gain/loss on investments in preference shares of Marine Drive Hospitality & Realty Private Limited("MDHRPL") during the year. 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 Group's investment in MDHRPL.
- 8.3 2,470,000 (Previous Year: 2,470,000) shares Series A 0.002% ROCCPS and 29,415 (Previous Year: 29,415) shares of Series C 0.002% ROCCPS of Marine Drive Hospitality & Realty Private Limited which are held by the Holding Company have been handed over to Enforcement Directorate (ED) under Prevention of Money Laundering Act, 2002 case. (Refer Note 53)
- 8.4 During the year, below mentioned omission is observed in the Holding Company which relates to previous year. As per the requirement of Ind AS -8 "Accounting Policies, Changes in Accounting Estimates and Errors", impacts of these errors are given in the comparative financial statement and the financial preceeding prior to the previous financial year. Impact of such transactions and other details are as described hereunder:

During FY 2017-18 valuation of Investment of Rs. 1,153.58 Lacs was omitted to be included in the financial of that year. Now, the same has been included in the FY 2017-18 by restating the required figures and affected line items of the financial statement. Hence, Other Income has been increased by Rs. 1,153.58 lacs, deferred tax income is reduced by Rs. 239.95 lacs, Investment has been Increased by Rs. 1,153.58 lacs and loss has been decreased by Rs. 913.63 lacs (net of Deferred tax Rs. 239.95 Lacs) in Financial Year 2017-18.

### 9 Loan

(Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>(Unsecured, considered good)</b>		
<b>a Deposits</b>		
Security Deposits / Interest free performance deposits	99.06	112.23
<b>b Loans and Advances to Related Parties</b>		
Project advance to Associates (Refer Note 60 and 62)	4,207.35	3,538.12
<b>Total</b>	<b>4,306.41</b>	<b>3,650.35</b>

- 9.1 There are no Loans and advances due by directors or other officers of the Holding 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.

### 10 Other Financial Assets

(Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>(Unsecured, considered good)</b>		
<b>a Security Deposits</b>		
To related parties (Refer Note 10.2, 60 and 62)	5,244.63	5,353.99
To others (Refer Note 10.2)	1,219.20	8,631.66
<b>b Other Deposits</b>		
Fixed Deposit with a bank with maturity more than 1 year (Refer Note 10.3)	252.30	203.49
Interest accrued but not due (Refer Note 10.3)	12.62	48.81
<b>Total</b>	<b>6,728.75</b>	<b>14,237.95</b>

- 10.1 There are no loans and advances due by directors or other officers of the Group 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.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

10.2 Security deposits to parties includes Rs. 4,653.74 lacs (PY Rs. 6,476.33 lacs) given to the various parties for acquisition of development rights. The Holding 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.

### 10.3 Security Deposits To Others (CA-OFA)

Held as lien by Bank against bank guarantee

### 11 Deferred Tax Assets (Net)

	(Rs. in lacs)	
Particulars	As at March 31, 2019	As at March 31, 2018
Deferred Tax Assets (Net) (Refer Note 43)	23,764.08	18,976.62
<b>Total</b>	<b>23,764.08</b>	<b>18,976.62</b>

### 12 Income Tax Assets (Net)

	(Rs. in lacs)	
Particulars	As at March 31, 2019	As at March 31, 2018
Non-current Assets (Net of Provision for Tax)	1,121.30	803.53
<b>Total</b>	<b>1,121.30</b>	<b>803.53</b>

### 13 Other Non-current Assets

	(Rs. in lacs)	
Particulars	As at March 31, 2019	As at March 31, 2018
<b>(Unsecured, considered good, unless otherwise stated)</b>		
<b>a Advance other than capital advance</b>		
Advances recoverable in cash or in kind or for value to be received	223.62	840.35
Security Deposits to others, considered good (Refer Note 10.2)	458.20	443.39
Security Deposits to others, considered doubtful (Refer Note 10.2)	247.84	235.00
Less: Provision for doubtful deposit	(247.84)	(235.00)
<b>Other Advances</b>		
Advance against Share Purchase (Refer Note 13.1 and 49)	4,042.02	4,042.02
Advance against flat Purchase	216.55	216.55
<b>Advances to Related Parties</b>		
Mobilisation Advances to related party (Refer Note 60)	1,947.04	1,947.04
Less :- Provision For Doubtful Advance	(1,947.04)	(1,947.04)
Security Deposit to related party (Refer Note 10.2, 13.2 and 60)	300.00	750.00
<b>b Others</b>		
Prepaid Expenses	272.44	75.83
Unbilled Revenue (Refer Note 51 (B)(2)(e))	1,207.85	-
<b>Total</b>	<b>6,720.67</b>	<b>6,368.14</b>

13.1 The subsidiary company will receive 42,01,681 no of Equity Shares of BD&P (India) Hotels Pvt. Ltd. of Face Value Rs.10/- each against the above advances.

13.2 There are no loans and advances due by directors or other officers of the Group 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.

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

	(Rs. in lacs)	
Particulars	As at March 31, 2019	As at March 31, 2018
<b>a Project Work in Progress (Refer Note 14.2, 14.3, 14.5, 14.6, 14.7, 51(B)(13), 51(B)(14), 51(B)(15) and 51(B)(18))</b>	<b>202,486.49</b>	<b>259,251.02</b>
<b>b Raw Material</b>	<b>107.14</b>	<b>302.19</b>
<b>c Finished Goods</b>	<b>-</b>	<b>109.92</b>
<b>d Freehold Land at Mira Road (Refer note 51(B)(7))</b>	<b>13,737.10</b>	<b>13,737.10</b>
<b>Total</b>	<b>216,330.74</b>	<b>273,400.23</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019****14.1 General Note on Inventories**

- a) Out of total inventories, inventories of Rs. 28,228.16 lacs (previous year Rs. 30,584.05 lacs) related to holding company are under initial stage of development & expected to have net realisable value greater than the cost.
- b) The inventory includes freehold land owned by the one of the Subsidiary company.
- c) Expenses incurred in relation to slum dwellers have been included under Work –In – Progress.
- d) Payments made for the SRA project are being shown as Work –In – Progress.
- e) All of the above inventories are expected to be realised after 12 months.
- f) 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.
- g) The project is under initial stage of development and expected to have net realizable value of greater than the cost.
- h) There are certain on-going litigations relating to the project, the outcome of which is unascertainable. The Enterprise 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.
- i) Refer Note 51(B) (3) for adoption of Ind AS 115.

14.2 During the current year, there is a write down of inventory by Rs. 1,022.17 Lacs (Previous Year: Rs. Nil), consequent to valuation thereof at lower of cost or net realisable value.

14.3 Refer note 50 for write down of the inventories

14.4 Refer Note 25.3 for charges created on 348 units under construction for borrowings made by the subsidiary. Further, there is following charge on units under constructions for borrowings made by others.

- (a) On 10 units for loan of Rs. 56,000.00 lacs taken by Radius from HDFC Bank Limited
- (b) On 8 units for loan of Rs. 2,500.00 lacs taken by Radius from Beacon Trusteeship Limited

14.5 One of the subsidiary had undertaken re-development project namely “Project Bandra” and had commenced the construction activities in respect thereof. As upto 31st March, 2016, it had sold units and received advances from the customers amounting to Rs. 8,154.25 lacs and the cost incurred and allocated to the value of Project work in progress was Rs. 53,993.42 lacs as on the said date. However, to complete the Project, the subsidiary Company entered into an Agreement dated 31st March, 2016, with Vishwaroop Estates and Developers Private Limited (Now known as Radius Estates and Developers Private Limited) (Radius), whereby cost of construction effective 1st April, 2016 to be incurred and borne by Radius and the saleable area to be shared by and between the Subsidiary Company and Radius as defined in the Agreement. The Project to be called as “Ten BKC”, which is in progress as upto the year end.

**14.6 Project work-in-progress- Rs. 1,317.01 Lacs**

Comprises of cost of construction of Rs. 196.61 Lacs and interest of Rs. 1,120.40 Lacs and the same is not written off, though the LOA stands cancelled, as the Subsidiary 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.

14.7 Inventory amount includes Rs. 414.90 Lacs (Previous Year: Rs. 910.00 Lacs) being Corpus Fund Deposit given to the proposed Shree Shantinagar Co-Operative Society. During the year, the one of the Joint Venture (which is treated as subsidiary) has withdrawn Rs. 495.09 (Previous Year: Rs. 100.00 Lacs) from the said deposit. The said amount was utilised to fund the project expenditure incurred during the year.

14.8 Refer Note 25 for the project given as security by the group.

14.9 One of the Subsidiary company has mortgaged its Land along with the underlying free sale building including all structures thereon both present and future at Village Bapnala, Andheri (East), Mumbai, in favour of ICICI Bank for securing the term loan given to Holding Company. The outstanding balance in respect of the said loan as of year end is Rs. 1,645.92 Lacs(Previous Year Rs.1,645.92 Lacs).

**15 Current Investments**

Particulars	(Rs. in lacs)	
	As at March 31, 2019	As at March 31, 2018
a) Investments in Partnership Firms	9,720.90	9,562.23
b) Investment in mutual funds	-	7.78
<b>Total</b>	<b>9,720.90</b>	<b>9,570.01</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### a) Investment in Partnership Firms

(Rs. in lacs)			
Name of the Body Corporate	Associate / JV/ Controlled Entity / Others	As at March 31, 2019	As at March 31, 2018
1 DB Realty and Shreepati Infrastructures LLP	Joint Venture	644.58	644.56
2 Lokhandwala D B Realty LLP	Joint Venture	60.81	62.80
3 Dynamix Realty	Joint Venture	9,015.51	8,854.87
<b>Total</b>		<b>9,720.90</b>	<b>9,562.23</b>

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

Name of the Partners	As at March 31, 2019		As at March 31, 2018	
	Share of each Partner	Total Capital	Share of each Partner	Total Capital
	(%)	(Rs. in lacs)	(%)	(Rs. in lacs)
1 DB Realty Ltd	58.80	0.59	58.80	0.59
2 Nine Paradise Erectors Private Limited	0.60	0.01	0.60	0.01
3 DB View Infracon Private Limited	0.60	0.01	0.60	0.01
4 Shreepati Infra Realty Limited	20.00	0.20	20.00	0.20
5 Mr. Rajendra R Chaturvedi	10.00	0.10	10.00	0.10
6 Mr. Tapas R Chaturvedi	10.00	0.10	10.00	0.10
<b>Total</b>	<b>100.00</b>	<b>1.00</b>	<b>100.00</b>	<b>1.00</b>

### ii) Lokhandwala DB Realty LLP

Name of the Partners	As at March 31, 2019		As at March 31, 2018	
	Share of each Partner	Total Capital	Share of each Partner	Total Capital
	(%)	(Rs. in lacs)	(%)	(Rs. in lacs)
1 Lokhandwala Infrastrucutre Private Limited	5.00	0.50	5.00	0.50
2 Viceroy Builders Private Limited	45.00	4.50	45.00	4.50
3 DB Realty Limited	5.00	0.50	5.00	0.50
4 DB Contractors & Builders Private Limited	45.00	4.50	45.00	4.50
<b>Total</b>	<b>100.00</b>	<b>10.00</b>	<b>100.00</b>	<b>10.00</b>

### iii) Dynamix Realty

Name of the Partners	As at March 31, 2019		As at March 31, 2018	
	Share of each Partner	Total Capital	Share of each Partner	Total Capital
	(%)	(Rs. in lacs)	(%)	(Rs. in lacs)
1 DB Realty Limited	50.00	2.50	50.00	2.50
2 Conwood Constructions and Developers Private Limited	0.00	2.50	0.00	2.50
3 Eversmile Construction Company	50.00	2.50	50.00	2.50
<b>Total</b>	<b>100.00</b>	<b>7.50</b>	<b>100.00</b>	<b>7.50</b>

\*DB Realty Ltd. is only a partner in Project II (Construction TDR of SRA Project) of Dynamix Realty which is getting consolidated in the group as a joint venture based on their separate financial statements.

### b) Investments in Portfolio Management Scheme

(Rs. in lacs)		
Particulars	As at March 31, 2019	As at March 31, 2018
<b>(Non Trade) (Unquoted)</b>		
<b>Investment at Fair Value through Profit and Loss</b>		
Investment under Portfolio Management Scheme of Reliance Capital Assets Management Limited (Refer Note 15.1)	-	7.78
<b>Total</b>	<b>-</b>	<b>7.78</b>

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### 15.1 Details of Investments in Portfolio Management Scheme of Reliance Capital Assets Management Limited.

(Rs. in lacs)

Particulars	As at 31st March 2019		As at 31st March 2018	
	Quantity	Amount	Quantity	Amount
18% Shah Group Builders NCDs	-	-	21,000	7.30
Reliance Liquidity Fund	-	-	38.76	0.48
<b>Total</b>	-	-	<b>21,039</b>	<b>7.78</b>

### 16 Trade Receivables

(Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
a) <b>Unsecured, Considered Good (Refer Notes 16.1, 16.2 and 16.3)</b>		
-Dues from Related party (Refer Note 60)	6,268.29	-
- Dues from Other (Refer Note 16.2 and 16.3)	2,751.14	5,604.22
b) <b>Unsecured, Considered Doubtful</b>		
-Dues from Related party (Refer Note 60)	432.52	-
Less: Allowance for credit losses (Refer Note 16.4)	(432.52)	-
Due from other (Unsecured, Considered Doubtful)	4,204.51	3,159.64
Less: Allowance for credit losses (Refer Note 16.4)	(4,204.51)	(3,159.64)
<b>Total</b>	<b>9,019.43</b>	<b>5,604.22</b>

#### 16.1 General Note on Trade Receivables

- Trade and other receivables from directors or other officers of the Company either severally or jointly with any other person is disclosed as part of Note- 60 - Related Party Transaction along with other related party transactions.
- Refer Note 25 giving details of secured loans for which the trade receivables were pledged as security.

16.2 Includes Rs. 6,212.32 Lacs (Previous Year: Rs. Nil) against sale of land of One of the Subsidiary Company

16.3 In one of the subsidiary Company, trade receivables represents amount of Rs. 429.00 lacs (Previous year Rs. 429.00 lacs) receivable against sale of two units forming part of "Turf Estate" which became overdue even after granting deferred payment schedules to the parties. In respect of a party, it has again given period for payment as upto December, 2019. In respect of other party, there is no such arrangement entered into. Further, the amount due from the said party is subject to confirmation. Based on these facts, allowance has been made for credit losses, however, the same are considered for good for recovery.

#### 16.4 Expected Credit Loss (Refer note 58.2 (B))

- The Group has followed 'simplified approach' for recognition of allowance for credit losses, which is based on historical credit loss adjustment duly adjusted for forward looking estimates. Movement in allowance for credit losses is as under:

(Rs. in lacs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Balance at the beginning of the year	3,159.64	1,628.79
Allowances for credit losses recognized during the year (net)	1,477.39	1,530.85
<b>Balance at the end of the year</b>	<b>4,637.03</b>	<b>3,159.64</b>

- The one of Subsidiary Company had sold Transferrable Development Rights to a party and the amount has become overdue. The Subsidiary Company is taking steps for recovery of amount. However, as a matter of prudence, it has provided for Expected Credit Loss in its entirety on account of the uncertainty as regards the recoverability aspect.
- Group provides standard credit period to its customers. On non receipt of amount within the credit period, the group reserves the right to charge interest ranging from 18%-21% on default amount. However, due to uncertainty as regards to its ultimate collection, the interest is accounted for on collection basis.

### 17 Cash and cash equivalents

(Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Cash and Cash Equivalents</b>		
a) Cash on Hand	14.64	6.30
b) Balances with Banks in Current Accounts	348.55	2,122.13
<b>Total</b>	<b>363.19</b>	<b>2,128.43</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### 18 Bank balance other than above

(Rs. in lacs)		
Particulars	As at March 31, 2019	As at March 31, 2018
Fixed Deposit with maturity more than 3 months but less than 12 months (*) (Refer Note 18.1, 18.2 and 18.3)	637.58	527.72
<b>Total</b>	<b>637.58</b>	<b>527.72</b>

\*Includes accrued Interest

18.1 Fixed Deposit Includes Rs. 60.00 Lacs (Previous Year : Rs. 10.00 Lacs) held as margin money against Bank guarantee obtained and Rs. 210.00 Lacs (Previous Year : Rs. Nil) due to proposed society.

18.2 Fixed Deposit having maturity more than 3 months but less than 12 months kept, as security for guarantees/ other facilities with banks.

18.3 The Property Owners' Association has challenged the constitutional validity of the amendment to the Mumbai Municipal Corporation Act, 1888 regarding levy of Property Tax. In an Interim Order, the Hon'ble High Court of Bombay has directed MCGM to accept for all the owners whether or not they are party to the Writ Petition, taxes as per old regime and 50% of the differential amount as per the old and new rates. The subsidiary company has provided for the demand as per new rates subject to its rights that shall emanate from the Hon'ble High Court Order. Accordingly, if the outcome is in favour, then, the excess amount of provision shall be written back or otherwise, the subsidiary company will have to pay the demand for the property tax including interest.

18.4 Kept with bank as lien against bank guarantee given to Maharashtra Pollution Control Board.

### 19 Loans

(Rs. in lacs)		
Particulars	As at March 31, 2019	As at March 31, 2018
<b>I Judgement Debtors/Debts due on assignment (Refer Note 19.6)</b>		
<b>(Secured)</b>		
-Dues from related party (Refer Note 60)	15,831.68	15,831.68
- Dues from Other	32,201.51	5,748.65
Debts due on assignment, considered doubtful	-	3,452.85
Less: Allowance for credit losses (Refer Note 19.4)	-	(3,452.85)
<b>II (Unsecured)</b>		
<b>a Deposits</b>		
To Others, considered good	5.69	5.69
<b>b Loans to related parties (Refer note 19.9, 60 and 62 )</b>		
Loan to related parties, considered good (Refer note 2(B)(i)(f), 19.2, 19.5 and 19.8)	38,203.42	63,367.36
Loans to related parties, considered doubtful (Refer Note 19.3 and 19.7)	5,585.82	5,585.82
Less: Allowance for credit losses (Refer Note 19.4)	(5,585.82)	(5,585.82)
<b>c Loan to Others</b>		
Others, considered good	229.69	2,145.39
Others, considered doubtful (Refer Note 19.11)	1,789.58	938.40
Less: Allowance for credit losses (Refer Note 19.4)	(1,789.58)	(938.40)
<b>Total</b>	<b>86,471.99</b>	<b>87,098.77</b>

19.1 In one of the Joint Venture (which is treated as subsidiary) as per clause 20 of the Agreement for Joint Venture, in case of debit balance in the members account it may carry such interest as decided mutually. Consequent of which, the members have decided that the debit balances shall not carry any interest but would be repaid back as and when demanded.

19.2 One of the Subsidiary Company, in an earlier year, had discharge the corporate guarantees given to ICICI Bank Ltd on behalf of YJ Realty & Aviation Pvt. Ltd. (YJ), by entering into various agreements with YJ and ICICI Bank Ltd. for recording sale of 27 units of it's project to ICICI Bank for total consideration of Rs. 10,918.10 Lacs The sale agreements for all 27 units have been registered in the name of ICICI Bank Ltd. The amount is classified as unsecured interest free loan granted to YJ, repayable on demand, and correspondingly credited as sales consideration received from customers.

19.3 Many subsidiaries has granted loan to Majestic Infracon Private Limited (Majestic) of Rs 2,496.28 lacs. The management of the holding company evaluated during the year the recoverability aspect of the said loan and decided to provide for doubtful recovery from the said party (for principal as well as interest receivable), as Majestic's main asset comprise of investment in Etisalat DB Telecom Private Limited (its subsidiary company), which is under liquidation and does not expect any recovery there against. There is no change in the said evaluation.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

**19.4 Movement in allowance for credit losses is as under:**

	(Rs. in lacs)	
Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Balance at the beginning of the year	9,977.07	8,122.78
ECL recognized/ (reversed) during the year (net)	(2,601.67)	1,854.29
<b>Balance at the end of the year</b>	<b>7,375.40</b>	<b>9,977.07</b>

- 19.5 Many subsidiaries granted loan to granted to YJ, the Company, as at 31 March 2019, has to receive Rs.18,930.05 Lacs (Previous Year: Rs. 18,941.55 Lacs) from YJ, whose net-worth is entirely eroded. In the opinion of the Management of the subsidiary Company, the net-worth of the said company does not represent its true market value, as the market value of the underlying investment properties, based on prevailing rates, is substantially higher. Accordingly, the Management believes that the loan given to group company is good of recovery. Accordingly, no provision is considered necessary towards bad and doubtful loan.
- 19.6 One of the subsidiary, in the year ended 31st March, 2016 had, acquired certain debts and all the rights, 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 were reflected in accounts as debts due to the subsidiary company on assignment. Pursuant to certain disputes that had arisen between the parties, the parties had filed Consent Terms dated September 19, 2017 before the Hon'ble Bombay High Court. Thereafter, under another Assignment Agreement dated May 29, 2018, the subsidiary company acquired another debt from Suraksha Asset Reconstruction Private Limited. This debt is also subject matter of the said Consent Terms. Since the said Consent Terms were not adhered to, the subsidiary company had filed an execution application before the Hon'ble Bombay High Court praying, inter alia, that the Court Receiver be appointed. The High Court has appointed the Court Receiver and directed to take possession of the assets of the judgement debtors (which includes the said properties) and also for sale of the assets and recovery of the debts due and payable by the debtors to the subsidiary company. Accordingly, in these accounts, the subsidiary Company's claims have been classified as "Judgement Debtors" (Secured) at their fair value through profit and loss as the said financial assets do not satisfy the criteria to measure the same at amortised cost or at FVTOCI. In view of the same, the impairment loss provided by applying the expected credit loss model is reversed during the year.
- 19.7 Loans to related parties includes loan granted to Dynamix Securities and Holdings Private Limited of Rs. 2,500.00 lacs. (Previous Year Rs. 2,500.00 lacs). The Management of the holding company has evaluated the recoverability aspect of the said loan and has decided to provide for doubtful recovery from the said party as all the assets of the said company would be liquidated/disposed off and would be used for settlement of secured loans in connection with debt and interest recoverable by D B View Infracon Private Limited. Accordingly, There is no change in the said evaluation.
- 19.8 One of the subsidiary company has advanced interest free loan, repayable on demand, of Rs. 7,776.72 Lacs (Previous Year: Rs. 7,724.62 Lacs) to Neelkamal Realtors & Builders Private Limited (NRBPL), being a group company. In the opinion of the Management of the subsidiary Company, though the net worth of the said company is much lower than the loans granted, the subsidiary Company would be able to recover the said loan from NRBPL as the shortfall would not affect the said company's ability to pay to the subsidiary Company and therefore the said amount is considered as good for recovery.
- 19.9 Group has advanced interest free loans, repayable on demand to related parties which in the opinion of the Management of the holding Company are good for recovery.
- 19.10 There are no loans and project advances due by directors or other officers of the Group 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.
- 19.11 Loan to Sahyadri Cow Farms Limited - Rs. 814.00 Lacs:  
The Management of the holding company had evaluated the recoverability aspect of the said loan and had provided for doubtful recovery from the said party as all the assets of the said company would be liquidated/disposed off as per the Consent Terms (Refer Note 19.6) and would be used for settlement of secured loans and therefore, estimation was made that the loan may not be recovered, which continues.

**20 Other Financial Assets**

	(Rs. in lacs)	
Particulars	As at March 31, 2019	As at March 31, 2018
<b><u>(Unsecured, considered good, unless stated otherwise)</u></b>		
<b>a Interest accrued and due</b>		
(i) On loan given to Related parties considered doubtful (Refer Note 60)	213.30	213.30
Less: Provision for doubtful interest receivables (Refer Note 60)	(213.30)	(213.30)
(ii) On others	18.15	6.68
<b>b Security Deposits</b>		
To Others (Refer Note 20.2)	1,008.74	8.74
To related parties	142.93	5.00
Considered doubtful related parties (Refer Note 60)	27.57	-
Less: Provision for doubtful Security Deposits To related parties	(27.57)	-
<b>c Others</b>		
Receivables from related party (Refer Note 60 and 20.3)	14.16	20.09
Other Receivable (Refer Note 20.1 and 20.3)	2,465.19	1,143.79
	<b>3,649.17</b>	<b>1,184.31</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

20.1 During the financial year 2013-2014, the Directorate of Enforcement has taken physical possession of bank balance of Rs. 68.93 lacs, against which the Holding 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 receivable. (Refer Note 53)

### 20.2 Prior Period Adjustment:

During the year ended March 31, 2018, the Subsidiary Company had granted Security Deposit amounting to Rs.960.00 Lacs. The said deposit was expected to be realised within 12 months. However, in the Financial Statements for the year ended on March 31, 2018, the same was classified as Non-Current and the same was initially measured at fair value and carried at amortised cost in the Balance Sheet.

However, in accordance with para 42 of the Ind AS 8, the above error was corrected in this Financial Statements by carrying deposit amount at its actual value, being Rs.960.00 Lacs retrospectively. Further, Finance Cost amounting to Rs.566.30 Lacs debited in the Statement of Profit and Loss for the year ended March 31, 2018 is also reversed retrospectively.

20.3 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.

(Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Private Companies in which director is a member or director	5.00	5.00
<b>Total</b>	<b>5.00</b>	<b>5.00</b>

### 21 Other Current Assets

(Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
<b><u>Advances other than capital advances</u></b>		
<b>(a) Security Deposits</b>		
Security Deposit given for aggregation of land (Refer Note 21.8)	-	946.58
Security Deposit (Refer Note 21.4 and 21.5)	4,595.72	1,774.52
<b>(b) Advances to related parties (Refer Note 60)</b>		
Advance to related party against development rights	2,774.33	2,774.33
Advance for purchase of leasehold rights (Refer Note 21.5)	700.00	-
<b>(c) Advances to others</b>		
Trade Advances	928.58	5,105.90
Cost incurred in fulfilling contracts with customers (Refer Note 21.6, 51(B)(2) and 51(B)(3))	16,574.81	-
Less: Impairment Losses	(3,492.01)	-
Advance for TDR purchase		
Others, considered good	2,070.00	2,900.00
Others, considered doubtful	600.00	-
Less : Allowance for credit losses	(600.00)	-
Mobilisation Advance	-	3,661.72
<b>Advance for purchase of land (Refer Note 33.2))</b>		
Others, considered good		
-To Others (Refer Note 33.2)	238.14	828.53
-To related parties (Refer Note 21.2 and 60)	259.50	259.50
Others, considered doubtful (Refer Note 21.3)	236.00	-
Less : Allowance for credit losses	(236.00)	-
Acquisition of Land through Aggregators	-	1,681.50
Assignment of Project Receipts	-	4,133.05
Entitlement for Transferable Development Rights (Refer Note 31.2)	339.07	339.07
Other considered doubtful	-	100.00
Less: Provision for doubtful Advances	-	(100.0)
<b>(d) Others</b>		
Balance with Statutory authorities (Refer Note 21.1 and 51(B)(1))	2,601.23	2,369.28
Prepaid Expenses	231.67	205.82
Unbilled Revenue (Refer Note 21.7, 51 (B)(2(e)), 51B(10) and 60)	2,091.36	13,500.00
<b>Total</b>	<b>29,912.38</b>	<b>40,479.80</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

- 21.1 Represents Rs 29.15 Lacs deposited with court against legal cases.
- 21.2 Many Subsidiary Companies on behalf of DB (BKC) Realtors Pvt. Ltd (DB BKC), has advanced Rs. 259.50 Lacs towards acquisition of occupancy rights of the occupant situated at Tata Colony, Bandra Kurla Complex, Mumbai. As per the Memorandum of Understanding entered into by the Subsidiary Companies with DB BKC, the Subsidiary Companies has been appointed under a fiduciary capacity to acquire the said rights and to retransfer the same to DB BKC as and when so directed. In these accounts, the amounts received from DB BKC have been shown as other current liability and the amount so advanced has been classified as other current assets. The necessary adjustment entries shall be passed in the year in which the occupancy rights are retransferred to DB BKC Further, as per the MOU, liability for stamp duty on acquiring occupancy rights which is yet to be ascertained as also any other costs including capital gains tax liability, if any, is to be borne by DB BKC.
- 21.3 One of the Subsidiary Company had paid advances of Rs. 307.25 Lacs to tenants for acquiring their tenancy rights in respect of the cluster project conceptualize at Kamathipura, which stand abandoned in the preceding year. As of the year end, the Subsidiary Company has evaluated the recoverability of the said advances and has decided to write off advances of Rs. 71.25 Lacs. Further, as a matter of prudence, it has provided for Expected Credit Loss for the balance amount of Rs. 236.00 Lacs in its entirety on account of the uncertainty as regards the recoverability aspect. Also, the said advances are subject to confirmation.
- 21.4 Represents interest free refundable cum adjustable deposit placed for acquisition of development rights.
- 21.5 During the year, the Subsidiary Company has entered into an MoU for purchase of 50% of Leasehold Rights in a lease hold land situated at Village Mire, Taluka Thane. The subsidiary company has granted advance of Rs.700 Lacs against the same. As per the terms of the said MoU, the subsidiary company needs to fulfil certain obligation including but not limited to obtaining consent from slum dwellers to vacate the said land who are presently occupying the said land, obtain consent of lessor for grant of development right / partial assignment of leasehold rights etc. Further, as per the terms of the said agreement, if the Subsidiary Company fails to fulfil the above obligations within 18 months from the date of the agreement, the deposit amount shall be forfeited by the party. The management is hopeful that the Subsidiary Company will be able to fulfil the said obligations within the prescribed timeline and hence the Security Deposit is good for recovery.
- 21.6 Represents cost incurred to fulfil the contract entered into by the subsidiary Company alongwith other co-owners with Man Vastucon LLP for granting development rights of the land to the said party.
- 21.7 During the preceding year one of the subsidiary Company on execution of Memorandum of Understanding ("MOU") with Aniline Construction Company Private Limited ("Aniline"), Revenue of Rs. 13,500.00 lacs was recognized for grant of development rights of the land. Further, as per the MOU it had provided for estimated cost of Rs. 2,500.00 lacs against the settlement of allottees to whom the subsidiary Company had sold flats on the buildings proposed to be constructed on the land for which development rights are now given to Aniline. In the current year, conveyance deed has been executed for the land and as per the terms of the deed all the allottees have opted to remain in the project of the Aniline and accordingly the cost of such flats is on Subsidiary company's account by way of adjustment of the agreed consideration of Rs. 13,500.00 lacs Hence, in these accounts provision made for such cost has been reduced from the receivables.
- 21.8 In two of the subsidiary companies, Refundable cum adjustable deposit placed for acquisition of development rights.
- 21.9 The subsidiary company, in an earlier year had disposed off its helicopter against which it has accrued liability of Value Added Tax of Rs. 650.00 lacs which on receipt from the customer would be paid to the Statutory Authorities. According to the subsidiary company this amount including any other demand that would devolve on it would be recovered from the customer, whereby there would not be any material impact on its financial position resulting on account of settlement of VAT liability on Sale of Helicopter.

### 22 Assets held for sale and pertaining to Disposal Group

		(Rs. in lacs)	
Particulars		As at 31st March, 2019	As at 31st March, 2018
(a)	<b>Assets held for sale</b>		
	Aeroplane / Helicopter (Refer Note 3.4 and 22.1 )	1,760.91	1,760.91
(b)	<b>Asset pertaining to Disposal Group (Refer Note 22.2)</b>		
	Property Plant and Equipments	310.74	-
	Capital Work in Progress	370.56	-
	Trade Receivable	3,203.12	-
	Other Financial Assets	3,526.15	-
	Other Assets	9,549.21	-
	Inventories	73,117.49	-
	Cash and cash equivalent	1,012.24	-

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

- 22.1 Punjab National Bank (the said Bank) had granted term loan to a related party i.e. B D & P Hotels (India) Private Limited for acquiring Aircraft, which was sold to the subsidiary Company, but the loan with the approval of the said Bank has continued in the books of the said related party. The aircraft is hypothecated in favour of the said Bank for the said term loan.
- 22.2 During the year, the one of the subsidiary has filed a Scheme of Arrangement u/s 230 to 232 of the Companies Act, 2013 before the Honourable National Company Law Tribunal (NCLT) whereby effective from July 1, 2018, it has proposed to transfer its all the assets and liabilities pertaining to Identified Project Undertaking, being "DB Crown" Project, on going concern basis as Slump Sale to Kingmaker Developers Private Limited (KDPL) for a consideration of Rs. 10 lacs.

In view of the above, during the year, the Board of Directors of the subsidiary company have approved the above Scheme.

Accordingly, upon approval of the said Scheme by the Honourable NCLT, all the assets and liabilities including all the licenses, certificates, permissions, approvals or consents etc. pertaining to the Project Undertaking shall be deemed to transferred to and vested in KDPL w.e.f. July 1, 2018. Further, as per the said Scheme, w.e.f. July 1, 2018 to the date of approval of Scheme by Honourable NCLT, the subsidiary company shall carry on business activities pertaining to Project Undertaking for and on account of and in trust of KDPL and as per directions and requirements of KDPL.

Consequently, in accordance with Ind AS 105 "Non-current Assets Held for Sale and Discontinued Operations" the said assets and liabilities are classified as "Assets/Liabilities pertaining to Disposal Group" in the Balance Sheet of the subsidiary Company .

### 23 Share Capital

Particulars	As at 31st March 2019		As at 31st March 2018	
	Number	Rs. in lacs	Number	Rs. in lacs
<b>Authorised</b>				
Equity Shares of Rs. 10/- each	270,000,000	27,000.00	270,000,000	27,000.00
8% Redeemable Preference shares of Rs. 10/- each	75,000,000	7,500.00	75,000,000	7,500.00
<b>Total</b>	<b>345,000,000</b>	<b>34,500.00</b>	<b>345,000,000</b>	<b>34,500.00</b>
<b>Issued, Subscribed &amp; Fully Paid up</b>				
Equity Shares of Rs. 10/- each	243,258,782	24,325.88	243,258,782	24,325.88
<b>Total</b>	<b>243,258,782</b>	<b>24,325.88</b>	<b>243,258,782</b>	<b>24,325.88</b>

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

#### Equity Shares:

Particulars	As at 31st March 2019		As at 31st March 2018	
	Number	Rs. in lacs	Number	Rs. in lacs
Shares outstanding at the beginning of the year	243,258,782	24,325.88	243,258,782	24,325.88
Shares Issued /(bought back) during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>243,258,782</b>	<b>24,325.88</b>	<b>243,258,782</b>	<b>24,325.88</b>

### 23.2 Rights, preferences and restriction attached to shares

#### Equity Shares:

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

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

### 23.3 Details of shares held by shareholders holding more than 5% shares in the Holding Company

#### Equity :

Name of Shareholder	As at 31st March 2019		As at 31st March 2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Neelkamal Tower Construction LLP	74,121,391	30.47%	80,314,871	33.02%
Walkinson Investment Limited	13,038,650	5.36%	13,038,650	5.36%
Vinod Goenka	1,732,108	0.71%	15,364,216	6.32%
Sanjana Vinod Goenka	22,382,108	9.20%	22,382,108	9.20%
Aseela Vinod Goenka	14,769,958	6.07%	14,769,958	6.07%
Jayvardhan Vinod Goenka	1,36,32,108	5.60%	-	0.00%

## D B REALTY LIMITED

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### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

#### 23.4 8% Redeemable Cumulative Preference Shares

##### (i) Rights, preferences and restriction attached to shares

The Non Cumulative Redeemable Preference Shares shall carry coupon rate of 8% per annum, if declared. The said shares shall be redeemed at par at the end of the five years from the date of allotment, 6th February, 2016. The Holding 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 if any declared. The preference shares have no other rights attached except dividend if any declared.

##### (ii) Details of shares held by shareholders holding more than 5% shares in the company

Name of Shareholder	As at 31st March 2019		As at 31st March 2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Konark Realtech Private Limited	71,750,000	99.99%	71,750,000	99.99%

##### (iii) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

###### Preference Shares:

Particulars	As at 31st March 2019		As at 31st March 2018	
	Number	Rs. in lacs	Number	Rs. in lacs
Shares outstanding at the beginning of the year	71,755,740	7,175.57	71,755,740	7,175.57
Shares Issued /(bought back) during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>71,755,740</b>	<b>7,175.57</b>	<b>71,755,740</b>	<b>7,175.57</b>

##### (iv) 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	As at 31st March 2019 (Number)	As at 31st March 2018 (Number)
Fully paid up preference shares issued pursuant to Merger in financial year 2015-16	71,755,740	71,755,740

##### (v) The Group has paid up capital in the form of 71,755,740 8% Redeemable Cumulative Preference Shares of Rs. 10/- each which have been considered as part of "Borrowings".

#### 24 Other Equity

Particulars	(Rs. in lacs)	
	As at 31st March 2019	As at 31st March 2018
<b>a</b> Capital Reserve (Refer Note 24.1)	5,046.31	5,046.31
<b>b</b> Securities Premium Reserve (Refer Note 24.2)	238,567.90	238,567.90
<b>c Retained Earnings (Refer Note 24.3)</b>		
<b>Opening balance</b>	(27,073.29)	(1,580.29)
Impact of Prior Period Adjustments ( Refer Note 32.4)	-	(449.14)
<b>Restated Opening Balance</b>	<b>(27,073.29)</b>	<b>(2,029.43)</b>
Net Profit / (Loss) for the Current Year	(27,767.33)	(25,061.70)
Employee Benefit (Net of Tax)	24.60	17.84
Transition impact of Ind AS 115 (Net of Tax) (Refer note 2.11 and 51(B)(3))	(2,601.47)	-
<b>Closing Balance</b>	<b>(57,417.49)</b>	<b>(27,073.29)</b>
<b>d</b> Other Comprehensive Income (Refer Note 24.4)		
<b>Opening balance</b>	9,446.69	11,071.46
Other Comprehensive Income (Net of Tax)	2,589.52	(1,624.77)
<b>Closing Balance</b>	<b>12,036.21</b>	<b>9,446.69</b>
<b>Total</b>	<b>198,232.93</b>	<b>225,987.61</b>

##### 24.1 Capital Reserve

Capital Reserve is created on account of merger of Gokuldam Real Estate Development Co. Pvt. Ltd.(erstwhile subsidiary) into the Company.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### 24.2 Securities Premium Reserve

Securities Premium Reserve is used to record premium on issue of shares. The reserve can be utilised as per the provisions of the Act.

### 24.3 Retained Earnings

Retained Earnings represent the surplus/ accumulated earnings of the Group including associates and joint ventures and are available for distribution to shareholders.

### 24.4 Other Comprehensive Income

Other Comprehensive Income consists of income that will not be reclassified to Profit and Loss

### 25 Long-term Borrowings

			(Rs. in lacs)
Particulars	As at 31st March 2019	As at 31st March 2018	
<b>I Secured</b>			
<b>A. Term Loans</b>			
<b>(i) From Banks</b>			
a From Yes Bank Limited (Refer Note 25.1)	24,380.00	43,049.95	
b From ICICI Bank Limited (Refer Note 25.2)	1,645.92	1,645.70	
c From Housing Development Finance Corporation (HDFC) Limited (Refer Note 25.3)	103,684.73	42,393.18	
<b>(ii) From Others</b>			
a Reliance Commercial Finance Limited (Refer Note 25.4)	23,548.66	23,003.00	
b Reliance Home Finance Limited (Refer Note 25.5)	6,670.00	6,670.00	
c Life Insurance Corporation (LIC) Housing finance limited (Refer Note 25.6)	2,530.45	3,340.92	
<b>B. Vehicle Loan</b>			
(i) From Banks (Refer Note 25.7, 25.8, and 25.9)	66.90	114.24	
(ii) From Others			
a Daimler Financial Services India Private Limited (Refer Note 25.10)	-	26.01	
b Kotak Mahindra Prime Limited (Refer Note 25.11)	12.53	20.73	
<b>C. Others</b>			
9,000 Zero Coupon, redeemable non-convertible Debentures having face value of Rs. 1,00,000/- each (Refer Note 25.12)	7,414.50	7,730.36	
Less : Transfer to current maturities	(50,319.56)	(15,754.25)	
<b>Total I</b>	<b>119,634.13</b>	<b>112,239.85</b>	
<b>II Unsecured</b>			
<b>A Others</b>			
a 8% Redeemable Preference shares of Rs 10/- each (Refer Note 23.4)	5,448.79	4,697.24	
b Loan from Others (Refer Note 25.13)	-	1,474.20	
c Deferred Payment Liabilities (Refer Note 25.14)	7,383.70	-	
<b>Total II</b>	<b>12,832.50</b>	<b>6,171.44</b>	
<b>Total (I + II)</b>	<b>132,466.63</b>	<b>118,411.29</b>	

### 25.1 Yes Bank

#### I Current Year Rs 24,380.00 Lacs ( Previous Year Nil)

#### (A) Securities of Term Loan From Bank

The said loan was received during the year for the purpose of placement of refundable contractual deposits and meeting expenses related to PMC/ DM/ service related agreements entered for Various projects. It carries effective interest rate of 10.00% p.a i.e 0.75% p.a (spread) over 1 year YBL MCLR. Loan is repayable on March 29, 2020 with bullet repayment at the end of the loan tenure. The loan has been reclassified into current maturities of long term debts. The said loan is secured by :-

- (i) Exclusive Charge by the way of Hypothecation over PMC/ DM contract Receivables and refundable deposit(s) to be received from Mira Real Estate Developers(MRED) for thier 'DB Acres'(both present & future)



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019**

- (ii) Exclusive Charge by the way of Hypothecation over PMC/ DM contract Receivables and refundable deposit(s) to be received from Goregaon Hotels and Realty Pvt Ltd for thier project 'Om Metals'(both present & future)
- (iii) Exclusive Charge by the way of Hypothecation over PMC/ DM contract Receivables and refundable deposit(s) to be received from Shree Shantinagar Joint Venture(SSJV)for thier project 'DB Views'(both present & future)
- (iv) Residual charge over DB Skypark project to be developed by ECC DB Konark Joint Venture situated at village Bapnala, Taluka Andheri, Mumbai Suburban District, comprising of slum and non-slum land with first charge to be with Primary Lender(s) (existing or future to the extent of INR 1.25 Bn) of the Project which shall be used for development of the project
- (v) Second Charge on all assets of Bamboo Hotels and Global Centre (Delhi) Pvt Ltd.
- (vi) Hypothecation on receivables of DB View Infracon Private Limited (DBVIPL).
- (vii) Unconditional & Irrevocable Personal Gurantee of one of the Promoter and one of the Managing Directors.
- (B) Default: Interest amount of Rs. 223.79 lacs since December 2018 and Facility Fees Rs. 1,600 Lacs since June 2018, Previous year default: Interest Rs. Nil and Facility Fees Rs. Nil

**II Current Year Rs Nil ( Previous Year Rs. 43,049.95 Lacs )****(A) Securities of Term Loan From Bank****Term Loan 1 , Term Loan 2 & Term Loan 3**

- (i) Exclusive charge by way of registered mortgage on the entire developers (Subsidiary Company) Premises.
- (ii) Exclusive charge on all the current assets including receivables of the subsidiary company.
- (iii) Cross collateralization of an immovable property of Goan Hotels and Realty Pvt Ltd would be charged for the subsidiary company and subsidiary company project security would be charged for Gaon Hotels and Realty Pvt Ltd loan to the extent of Rs. 7,500 lacs. (Applicable for Term Loan 1 and Bank Overdraft)
- (iv) Exclusive Pledge of 30% shareholding of the subsidiary company.
- (v) Two of the Promoter / Director of the Holding Company have given Personal Guarantees.
- (vi) To be secured by an Exclusive charge by way of registered mortgage of an Agriculture land given by Dynamix Securities & Holdings Pvt Ltd 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 Subsidiary Company.
- (vii) Secured loan from Yes Bank Ltd. Is repaid during the year.

**25.2 ICICI Bank**

- (i) 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 Holding Company is a venturer and carries floating interest rate of 13.35% - 13.75% p.a. linked to I-Base, payable monthly. The loan is repayable in 12 quarterly installments commencing from April 1st 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.
- (ii) Default: Interest amount of Rs. 499.96 lacs since July 2017 and Principal amount of Rs. 1,645.92 Lacs Since January 2018, Previous year default: Interest Rs 203.69 lacs Since July 2017 and Principal amount of Rs. 645.98 Lacs from January 2018.

**25.3 HDFC Limited****I Current Year Rs 83,184.73 Lacs ( Previous Year Nil)****A Securities of Term Loan From Bank**

- (i) Mortgage on unsold units admeasuring 488236 sq. ft. saleable area alongwith balance receivables from sold area admeasuring 269650 sq. ft saleable area, in the property called X BKC, being developed in land admeasuring 20149.32 sq mtrs bearing survey no. Plot No. C.N. No. /CTS No. / Survey No./ Final Plot No CTS No 649,649/1 to 649/48, Gandhi Nagar, Bandra East , Mumbai hereinafter referred to as the Secured Project.
- (ii) Exclusive charge on all the current assets including receivables of the subsidiary company.
- (iii) Charge on entire receivables arising from the Secured Project mentioned above both present and future.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

- (iv) 2nd Charge on the Grand Hyatt Goa Hotel and its receivables with First Charge with Yes Bank Limited with Yes Bank being permitted to lend upto Rs. 3000 crore without taking HDFC Ltd prior approval.
- (v) Pledge of 99.9% shares of MIG (Bandra) Realtors & Builders Private Limited held by DB Realty Limited. Currently, 30 % of the shares of MIG (Bandra) Realtors & Builders Private Limited are held by Yes Bank Limited.
- (vi) Two of the Promoter / Director of the Holding Company have given Personal Guarantees.

### (B) Repayment Schedule

- a. Repayment Schedule of HDFC Ltd

(Rs. in lacs)	
Year	Term Loan
28.02.2025	3,185
31.03.2025	20,000
30.04.2025	20,000
31.05.2025	20,000
30.06.2025	20,000

Note: Notwithstanding the above terms of repayment, agreed percentage of sales realisation is recovered against the loan amount and accordingly Rs. 5,000 Lacs is estimated to be current maturity.

- b. Rate of Interest - Applicable HDFC prime lending rate (CPLR) plus/minus spread. Applicable rate during the year was in the range of 9.65% to 11.50%.

## II Current Year Rs 20,500 Lacs ( Previous Year Rs. 42,393.18 Lacs)

### Tranche 1

#### Loan is secured by:

- (i) Exclusive mortgage over all 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. metres situated 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.
- (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 favor of HDFC in such form and manner as may be required by the Lender.
- (iii) Personal guarantee of one of the Managing Directors of Holding Company
- (iv) Pledge of 260 lacs shares in D B Realty Limited, Holding Company held by Neel kamal Tower Construction LLP (out of the above 260 lacs shares, pledge has been created of 40 Lacs shares only.)
- (v) Additional security of cash flows from project other than 'DB Crown' Project (The said security is yet to be executed.)
- (vi) Any/ or other security of similar/ higher value acceptable to HDFC Ltd (The said security is yet to be executed.)

#### (vii) Repayment Schedule (Revised)

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.

At the end of May 2019	: Rs.24,000 lacs
At the end of June 2019	: Rs.18,000 lacs
At the end of July 2019	: Rs.12,000 lacs
At the end of August 2019	: Rs.6,000 lacs
At the end of September 2019	: Rs.Nil
or earlier at HDFC's option	



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019****(viii) Rate of Interest :**

The above loan carries HDFC Corporate Prime Lending Rate Minus 250 bps ( Current floating Interest rate is 15% p.a.)

**(ix) Details of default: Interest amount: Rs.224.36 lacs**

Period of default: December 2016 to March 2018

**Tranche 2****Loan is Secured by:**

- (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. meters 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.
- (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.
- (iii)** Personal guarantee of one of the Managing Directors of Holding Company.
- (iv)** Pledge of 260 lacs shares in D B Realty Limited, Holding Company held by Neel kamal Tower Construction LLP (out of the above 260 lacs shares, pledge has been created of 40 Lacs shares only.)
- (v)** Additional security of cash flows from project other than 'DB Crown' Project (The said security is yet to be executed.)
- (vi)** Any/ or other security of similar/ higher value acceptable to HDFC Ltd (The said security is yet to be executed.)

**(vii) Repayment Schedule**

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)

At the end of 53rd Month from the First month of Disbursement : Nil

(or earlier at HDFC's option)

**(viii) Rate of Interest :**

The above loan carries HDFC Corporate Prime Lending Rate Minus 150 bps ( Current floating Interest rate is 16% p.a.)

**(ix) Details of default: Interest amount: Rs.224.36 lacs**

Period of default: December 2016 to March 2018

**(x) Secured loan from Tranche 2 is repaid during the year.****25.4 Reliance Commercial Finance Limited****(A) Current Year:Rs 200 lacs; Previous Year: Rs 200 lacs**

- (i)** The said loan was received for general purpose and carry interest rate of 18% p.a. Loan is repayable in 24 Months with bullet repayment on December, 2018. Interest to be paid annually. One of the Managing Director of the Holding Company and one of the promoter are co-borrowers along with the Company. The loan has been reclassified into current maturities of long term debts.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 on TDR - transferable development rights till the same is loaded on the project.
- (ii)** Default: Interest amount of Rs. 96.85 lacs since December 2017 and Principal amount of Rs. 200.00 lacs since December 2018, Previous year default: Interest Rs. 36.20 lacs since December 2017

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### (B) Current Year: Rs. 10,705 lacs; Previous Year:Rs. 10,705 lacs;

- (i) The said loan was received for general purpose and carry interest rate of 15% p.a. Loan is repayable in 24 Months with bullet repayment on March 2020. One of the Managing Director of the Holding Company and one of the promoter are co-borrowers along with the Company. Interest to be paid at the end of the loan tenure. 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 on the escrow account, all monies credited/deposited therein & all investments in respect thereof (in whatever form they may be).
  5. 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 Yerawada, Pune
  6. An exclusive charge on TDR - transferable development rights till the same is loaded on the project.
  7. Registered Mortgage of Residential development Project Orchid Golf View Park S.No. 191A/2A/1/2, Plot No.2 at Yerwada, Pune
  8. Personal Guarantee of one of the Managing Director and one of the promoter of the holding Company

### (C) Current Year: Rs. 12,643 lacs; Previous Year: 12,098 lacs

- (i) An exclusive charge on the scheduled receivables under the documents entered into with customers by the Borrower, all such proceeds both present and future .
- (ii) An exclusive charge over all rights, titles, interest, claims , benefits, demands under the Project documents both present and future.
- (iii) An exclusive charge on the escrow account , all monies credited/ deposited therein and all investments in respect thereof ( in whatever form they may be).
- (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).
- (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).
- (vi) Pledge of all shares of Goregaon Hotel and Realty Private Limited.
- (vii) **Repayment Schedule**
1. The bullet repayment of Principal and Interest 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.
  2. The loan carry interest rate of 16% p.a

### 25.5 Reliance Home Finance Limited

- (i) The said loan was received for general purpose and carry interest rate of 18% p.a. Loan is repayable in 24 months with bullet repayment on March, 2019. Interest to be paid annually. One of the Managing Directors and one of the promoter of the Holding Company are co-borrowers along with the Company. The loan has been reclassified into current maturities of long term debts. The said loan is secured by :-
1. An exclusive charge on the project land of Orchid Golf View at Pune situated at S.No. 191A/2A/1/2, Plot No.2 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 on TDR - transferable development rights till the same is loaded on the project.
  5. Personal Guarantee of one of the Managing Director and one of the promoter of the holding Company
- (ii) Default: Interest amount of Rs. 2,753.13 lacs since December 2017 and Principal amount of Rs. 6,670.00 lacs since March 2019, Previous year default: Interest Rs. 1,198.47 lacs since December 2017

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

**25.6 LIC Housing Finance Limited**

- (i) The said loan was received for the purpose of financing the costs of construction and other project implementation costs in 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, on April 27, 2015 and again in October 2017. The loan tenure has been extended by 36 months and hence the outstanding balance due on October 31, 2017 will carry interest rate 13.20% p.a. The Loan is guaranteed by personal guarantees of one of the Promoter and one of the Managing Directors of the Holding Company and one of the wholly owned subsidiary company has mortgaged its land at Sahar, Andheri in this regard.
- (ii) Default: Interest of Rs. 29.67 lacs and Principal amount of Rs. 218.69 lacs since December 2018 Previous Year - Nil

**25.7 Oriental Bank of Commerce**

- (i) Secured against Hypothecation of respective vehicle and personal guarantee of:  
- Mr. Salim Balwa; Mr. Rajiv Agarwal and Mr. Jayvardhan Goenka (Directors of the subsidiary company)
- (ii) **Repayment Schedule**  
Repayable in 84 equal monthly instalments of Rs. 1.71 lacs each
- (iii) Rate of Interest : The above loan is linked to base rate plus 50bps.

**25.8 Oriental Bank of Commerce**

- (i) Secured against Hypothecation respective vehicle
- (ii) **Repayment Schedule**  
Repayable in 60 equal monthly instalments of Rs. 0.81 lacs each
- (iii) Rate of Interest : 10.10% p.a.

**25.9 Vehicle Loan - Others**

- (i) Vehicle loans are secured by hypothecation of vehicles purchased

(Rs. in lacs)			
Sr No.	Particulars	No. of EMI's Payable from 31/03/2019	EMI Amount
1	Bank Of India (BMW)	10	1.57
2	Oriental Bank of Commerce ( Skoda )	15	0.61

(Rs. in lacs)			
Sr No.	Particulars	No. of EMI's Payable from 31/03/2018	EMI Amount
1	Bank Of India (BMW)	22	1.57
2	Oriental Bank of Commerce ( Skoda )	27	0.61

- (ii) Rate of interest was in the range of 10.65%
- (iii) Default: Interest of Rs. 0.30 lacs since February 2019, Previous Year - Nil

**25.10 Daimler Financial Services India Private Limited**

- (i) Secured against Hypothecation respective vehicle
- (ii) **Repayment Schedule**  
Repayable in 60 equal monthly instalments of Rs.2.82 lacs
- (iii) Rate of Interest : 11.32% p.a.
- (iv) Loan is repaid during the year.

**25.11 Kotak Mahindra Prime Limited**

- (i) Secured against Hypothecation respective vehicle
- (ii) **Repayment Schedule**  
Repayable in 59 equal monthly instalments of Rs. 0.77 lacs each
- (iii) Rate of Interest : 9.50% p.a.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### 25.12 Zero coupon Debentures

#### (A) Security

- (i) First Mortgage and charge on the 15 unsold units admeasuring 6468.74 sq. ft carpet area in Milan Garment Hub situated at Final Plot No. 30A of TPS No. VI of Santacruz
- (ii) Second Mortgage and charge over all the rights, titles, interest of Mira Real Estate Developer in the "Mira Road Land" along with FSI and buildings constructed/ to be constructed thereon.
- (iii) First charge on existing and future receivables of subsidiary company and Goan Hotels and Realty Private Limited accruing to them from Project under the Development Agreement read with Deed of Modification, Escrow Account(s) and all the monies lying in the Escrow Account(s).
- (iv) First charge on existing and future receivables from Project 2 named as Milan Garment Hub, the Escrow Account(s) and all the monies lying in the Escrow Account.
- (v) Pledge of 66.67% shares of the Milan Theatres Private Limited in dematerialised form.
- (vi) Corporate Guarantee of Milan Theatres Private Limited.
- (vii) Personal Guarantee of Both Managing Directors of the Holding Company.
- (viii) Pledge of 22,000,000 equity shares of D B Realty Limited held by Neelkamal Tower Construction LLP and Mr. Vinod Goenka HUF.

#### (B) Tenure

At the end of 84 Months from the date of first subscription i.e. 14th November 2017

#### (C) Redemption Premium

The issuer shall pay a premium of 17.50 IRR calculated on the face value of the Debentures at the time of Redemption or premature redemption.

- (D) In view of the deficit in the balance of the Retained Earnings, the subsidiary company has not created Debeture Reserve as required by Rule 18(7) of Companies (Share Capital and Debentures) Rules, 2014 read with Section 71(4) of the Act.

**25.13** One of the Subsidiary Company in preceding financial year Includes interest free loans of Rs. 977.83 lacs and interest bearing loans of Rs.496.36 lacs. Interest is paid @ 15%.

**25.14** Represent Approval Costs payable to MHADA in instalments.

### 26 Trade Payable

(Rs. in lacs)		
Particulars	As at 31st March 2019	As at 31st March 2018
Micro Small and Medium Enterprise*	-	-
Trade Payable other than Micro, Small and Medium Enterprise (Refer Note 26.1)	589.37	560.64
<b>Total</b>	<b>589.37</b>	<b>560.64</b>

\*There is no amount due to Micro, Small and Medium Enterprises as defined under " The Micro, Small and Medium Enterprise Development Act, 2006". The information has been determined to the extent such parties have been identified on the basis of information available with the Group.

26.1 Represents amounts retained as per the terms of the contract(s) and are due for payment after a period of 12 months from the year-end.

### 27 Other Financial Liabilities (Non current)

(Rs. in lacs)		
Particulars	As at 31st March 2019	As at 31st March 2018
Security Deposits from Others (Refer Note 27.1)	9,755.64	11,403.33
<b>Total</b>	<b>9,755.64</b>	<b>11,403.33</b>

27.1 Includes deposit of Rs. 9,715.21 lacs ( Previous year Rs. 11,375.00 Lacs ) received from Man Vastucon LLP against grant of development rights of the land in terms of the agreements entered into by one of the Subsidiary Company alongwith other co-owners with the said party.

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### 28 Provisions

(Rs. in lacs)		
Particulars	As at 31st March 2019	As at 31st March 2018
<b>I Non current</b>		
<b>Provision for Employee Benefits (Refer Note 44 )</b>		
Gratuity (unfunded)	203.20	212.38
Compensated Absences (unfunded)	118.22	129.18
<b>Total</b>	<b>321.41</b>	<b>341.56</b>
<b>II Current</b>		
<b>(a) Provision for Employee Benefits (Refer Note 44 )</b>		
Gratuity (unfunded)	137.76	127.80
Compensated Absences (unfunded)	97.47	90.99
<b>(b) Others</b>		
Provision for Wealth tax	9.39	9.39
<b>Total</b>	<b>244.62</b>	<b>228.18</b>
<b>Total (I + II)</b>	<b>566.03</b>	<b>569.74</b>

### 29 Other Non Current Liabilities

(Rs. in lacs)		
Particulars	As at 31st March 2019	As at 31st March 2018
<b>Others</b>		
Security Deposit from Related Parties (Refer Note 60)	1,000.00	1,000.00
<b>Total</b>	<b>1,000.00</b>	<b>1,000.00</b>

### 30 Short-term Borrowings

(Rs. in lacs)			
	Particulars	As at 31st March 2019	As at 31st March 2018
<b>I</b>	<b>Loans repayable on demand</b>		
	<b>Secured</b>		
	<b>From Banks</b>		
a	Bank overdraft from Yes Bank (Refer Note 30.1)	-	11,163.50
b	From Yes Bank (Refer Note 30.1)	-	840.04
c	From Housing Development Finance Corporation (HDFC) Limited (Refer Note 30.5)	7,349.77	-
	<b>Unsecured</b>		
a	Inter-Corporate Deposit	909.60	5,860.60
b	Housing Development Infrastructure Limited (Refer Note 30.2)	2,000.00	2,000.00
	<b>Total I</b>	<b>10,259.37</b>	<b>19,864.14</b>
<b>II</b>	<b>From Related Parties (Refer Note 60)</b>		
	<b>Unsecured</b>		
	Inter Corporate Deposits (Interest free and repayable on demand)	13,683.15	15,517.63
<b>III</b>	<b>Loan from Others (Refer Note 30.3 and 30.4)</b>	3,151.45	3,867.76
	<b>Total II+ III</b>	<b>16,834.60</b>	<b>19,385.39</b>
	<b>Total ( I + II+III)</b>	<b>27,093.97</b>	<b>39,249.53</b>

#### 30.1 Loan from YES Bank Limited

- Common Securities are provided for Bank OD and Term Loan. (Refer Note 25.1)
- Represents loan disbursed by Yes Bank Ltd. to the subsidiary Company on behest of three customers against sale of three units which are subsequently cancelled by the Customers. In view of such cancellation, the amount received was classified as short term borrowings, the same has been repaid during the year.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### 30.2 Housing Development Infrastructure Limited

The Subsidiary Company in the year ended 31st March, 2015 had received a sum of Rs. 2,000 lacs - 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.

30.3 Includes Interest bearing loans of Rs. 563.37 Lacs/- (Previous year : Rs. 4,96.36 Lacs). Interest is paid @ 15%

30.4 Loan of Rs. 150.00 lacs is subject to confirmation.

30.5 The said loan was received during the year for general purpose, repayable within six month from date of first disbursement. It carry effective interest rate of 15.00% p.a i.e HDFC CPLR minus 435 basis point. The said loan is secured by Personal Gurantee of one of the Managing director and one of the promoter of Holding Company. The Loan is secured against undertaking given for non disposal of equity shares held by holding company in one associate and joint venture.

Default : Interest of Rs. 325.19 lacs since March 2019 ( previous year Nil)

### 31 Trade Payables

(Rs. in lacs)

Particulars	As at 31st March 2019	As at 31st March 2018
(a) Micro Small and Medium Enterprise (Refer Note 31.1)	29.31	7.10
(b) Trade Payables -Related Parties (Refer Note 60)	406.76	408.60
(c) Others (Refer Note 31.2 and 31.3)	16,106.38	15,925.86
<b>Total</b>	<b>16,542.46</b>	<b>16,341.56</b>

31.1 The Group has sent confirmation to suppliers for their registration as MSME. 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 Group and the required disclosures are given below:

(Rs. in lacs)

Description	As at 31st March 2019	As at 31st March 2018
a) Principal amount remaining unpaid as at year end	22.58	4.57
b) Interest due thereon as at year end	-	-
c) Interest paid by the Group 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.	6.73	2.53
e) Interest accrued and remaining unpaid as at year end	6.73	2.53
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.	-	-
<b>Total</b>	<b>29.31</b>	<b>7.10</b>

31.2 Trade payables includes Rs. 1,100.00 lacs due to Housing Development Infrastructure Limited being the consideration payable 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.

31.3 One of the subsidiary company will allot constructed area to trade payable as a part consideration. Trade Payables includes estimated cost of construction of such constructed area.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### 32 Other Financial Liabilities

(Rs. in lacs)		
Particulars	As at March 31, 2019	As at 31st March 2018
(a) <b>Current Maturities of Long Term Debt (Refer Note 25 for terms and conditions, Note 14.9)</b>	50,319.56	15,754.25
(b) Interest Accrued on borrowings ( Refer Note 32.5)	10,509.44	3,366.19
(C) <b>Others</b>		
Due to Partnership Firms towards capital contribution (Refer Note 48(B)(ii))	8,043.09	8,058.60
Book Overdraft	121.32	216.54
Amount Refundable on Cancellation of Flats	3,735.96	7,538.49
Employee Benefits Payable	1,003.41	896.12
Payables for the purchase of fixed assets	124.27	99.96
Tenancy rights & Hardship Compensation payable (Refer Note 51(B)(2))	27,663.39	16,115.96
Security Deposits (Refer Note 51(B)(4))	1,184.62	32,501.00
Compensation payable (Refer Note 32.2(ii))	105.00	105.00
Others (Refer Note 21.7, 32.1, 32.2, 32.3, 32.4, 32.6, 32.7, 32.8, 50, 51(B)(3), 51(B)(4)(ii) and 51(B)(5))	42,594.98	39,599.88
<b>Total</b>	<b>145,405.03</b>	<b>124,251.99</b>

- 32.1** In FY 2015-16, consequent to non-payment of dues, STCI had in the capacity as pledgee sold part of the equity shares of D B Realty Ltd. held by Neelkamal Tower Construction LLP and realised their dues, of Rs. 1,070.99 Lacs Accordingly, the said amount has been reflected as due to Neelkamal Tower Construction LLP.

### 32.2 Land Cost:

- (i) The Land on which the subsidiary Company is developing its Project has been acquired by the subsidiary Company on its own account as well as under joint venture agreements. As per the joint venture agreements, the subsidiary 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.

(Rs. in lacs)		
Estimated construction cost referable to the saleable area to be provided by the Company free of cost to the respective party	As at 31st March 2019	As at 31st March 2018
Amount Provided	2438.65	2,018.72
Less: Amount Paid/Cost of Construction allocated	1788.65	1444.21
<b>Outstanding amount of provision</b>	<b>650.00</b>	<b>574.51</b>

- (ii) In terms of Joint Venture Agreement, the subsidiary Company was liable to pay compensation of Rs. 20 lacs per month for the delay in giving possession. The subsidiary Company, upto 31st March, 2013, had paid compensation aggregating Rs. 425 lacs and thereafter no such recognition was made. In preceding year, based on the settlement reached, Rs. 305 lacs is crystallised as the final compensation. Accordingly, Rs. 200 lacs which was paid as interest free performance deposit was adjusted and the balance unpaid amount of Rs. 105 lacs, was payable on or before 31.03.2017 which has remained unpaid.

- (iii) The subsidiary 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 subsidiary Company is developing and constructing its Project. Accordingly, the cost of construction thereof, represents land cost in the hands of the subsidiary Company. Provision in respect thereof has been made as under:

(Rs. in lacs)		
Particulars	As at 31st March 2019	As at 31st March 2018
Estimated construction cost referable to the residential complex		
Amount Provided	14,613.58	14,496.17
Less : Amount Paid/Cost of Construction allocated	8,150.58	8,150.58
<b>Outstanding amount of provision</b>	<b>6,463.00</b>	<b>6,345.59</b>

- (iv) Necessary adjustments, if any, is made/shall be made for the estimated cost of land so provided for upon reaching finality. Accordingly, during the year the subsidiary Company has provided for an additional land cost of Rs. 537.33 lacs (Previous Year Rs. 2,581.82 lacs.)

- 32.3** The Provision made for estimated cost of land is classified as short term, as the corresponding effect thereof is included in Project Work in Progress.

- 32.4** In one of the subsidiary company, prior period error of commission expenses of Rs. 454.95 lacs has been rectified by restating previous year figures and through retained earning of opening balance sheet. Out of 454.95 lacs, Rs. 5.81 lacs is related to preceding financial year and stands restated in figures of preceding year. The effect of those restatement are summarised below :

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(Rs. in lacs)	
Particulars	Effect for the year ended March 31, 2018
Increase in commission expense	5.81
Increase in loss	5.81
(Decrease) in basic and diluted EPS	(0.88)
Increase in provision for commission	5.81
(Decrease) in equity	(5.81)

Further, there is an effect on the balance sheet at the beginning of the preceeding year , i.e., April 1, 2017 through retained earning for amounting Rs. 449.14 lacs.

- 32.5 As per the terms of issue of debentures, at the end of the tenure or before that, premium of Rs. 1,920.95 lacs shall be paid to the debenture holders based on internal rate of return 17.5%. Accordingly, provision has been made for the present obligation of the premium amount that would be required to be paid at the time of each redemption.
- 32.6 In granting development rights of the land, the Subsidiary Company has consumed part of the rights of the land owned by Lion Pencils Limited (LPL). As per the understanding reached by the Subsidiary Company alongwith other co-owners of the land with LPL, the parties hereto have taken the obligation of taking over restructure entity of LPL and provide free of cost constructed premises. Accordingly, in terms of the MOU, the Subsidiary Company has paid non-refundable security deposit of Rs.1,190.75 Lacs to LPL which would stand adjusted against the cost of acquisition of shares of the structured company of LPL. In the opinion of the Subsidiary Company, the placing of such deposit including the unpaid amount and cost for providing constructed premises represent an obligation emanating from granting development rights of the land to Man Vastucon LLP. Therefore, the amount paid to LPL is allocated to cost to fulfil the contracts and the unpaid amount/estimated cost of construction of the premises for Rs 835.75 lacs, stands provided for.
- 32.7 **Provision for Approval Cost (Refer Note 51(B)(6))**

(Rs. in lacs)		
Particulars	As at 31st March, 2019	As at 31st March, 2018
Opening	15,518.77	-
Provided during the year	22,165.08	15,518.77
	37,683.85	15,518.77
Less: Adjusted and accounted as Deferred Payment Liabilities	15,518.77	-
<b>Closing</b>	<b>22,165.08</b>	<b>15,518.77</b>

- 32.8 In one of the Joint Venture (which is treated as subsidiary) has corrected prior period error of not accounting rent of Rs. 70.78 Lacs for the preceding financial year by restating the comparative amounts for the preceding financial year.

(Rs. in lacs)	
Particulars	Effect for the year ended March 31, 2018
Increase in rent expenses	70.78
Increase in loss	70.78
Increase in debit balance in Retained Earnings	70.78
Increase in provision for rent	70.78

There is no effect on the balance sheet at the beginning of the preceding year, i.e., 1st April, 2017.



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### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

#### 33 Other Current Liabilities

(Rs. in lacs)		
Particulars	As at March 31, 2019	As at 31st March 2018
(a) <b>Revenue received in advance</b>		
Advance received from Customers (Refer Note 51(B)(2), 51(B) (12))	49,420.42	113,981.93
From Related Parties (Refer Note 21.2 and 60)	259.50	259.50
From others ( Refer Note 33.2)	88.14	88.14
(b ) <b>Others</b>		
Statutory dues including PF and TDS (Refer Note 33.1 and 51(B)(1))	1,470.16	2,129.30
Other Payables * (Refer Note 51(B)(5))	1,113.37	1,882.12
<b>Total</b>	<b>52,351.59</b>	<b>118,340.99</b>

\* Other Payables includes outstanding expenses and payables towards purchase of fixed assets, property, tenancy rights.

- 33.1 The Property Owners' Association has challenged the constitutional validity of the amendment to the Mumbai Municipal Corporation Act, 1888 regarding levy of Property Tax. In an Interim Order, the Hon'ble High Court of Bombay has directed MCGM to accept for all the owners whether or not they are party to the Writ Petition, taxes as per old regime and 50% of the differential amount as per the old and new rates. The subsidiary company has provided for the demand as per new rates subject to its rights that shall emanate from the Hon'ble High Court Order. Accordingly, if the outcome is in favour, then, the excess amount of provision shall be written back or otherwise, the subsidiary company will have to pay the demand for the property tax including interest.
- 33.2 One of the subsidiary on behalf of DB (BKC) Realtors Pvt. Ltd (DBBKC) has advanced Rs.88.14 lacs towards acquisition of occupancy rights of the occupants situated at Tata Colony, Bandra Kurla Complex, Mumbai. As per the Memorandum of Understanding (MOU) entered into by the subsidiary company with DBBKC, the subsidiary company has been appointed under a fiduciary capacity to acquire the said rights and to retransfer the same to DBBKC. as and when so directed. In these accounts the amounts received from DBBKC has been shown as current liability and the amount so advanced has been classified as other current assets. The necessary adjustment entries shall be passed in the year in which the occupancy rights are retransferred to DBBKC. Further, as per the MOU liability for stamp duty on acquiring occupancy rights which is yet to be ascertained as also any other costs including capital gains tax liability, if any, is to be borne by DBBKC.

#### 34 Liabilities pertaining to Disposal Group

(Rs. in lacs)		
Particulars	As at 31st March 2019	As at 31st March 2018
<b>Liabilities pertaining to Disposal Group (Refer Note 22.2)</b>		
Short-term Borrowings	1,224	-
Trade Payables	4,562	-
Other Financial liabilities	1,550	-
Other Liabilities	65,561	-
Long-Term Borrowing	30,533	-
<b>Total</b>	<b>103,430.01</b>	<b>-</b>

#### 35 Revenue from Operations

(Rs. in lacs)		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
a) <b>Revenue from sale of Products</b>		
Sale of <b>Properties</b> (Refer Note 51(B)(2) and 51(B)(3))	18,738.83	(1,742.86)
Sale of <b>Rights Related to Saleable Area</b> (Refer Note 51(B)(2) and 51(B)(3))	14,705.25	-
Sale of <b>Development Right</b> (Refer Note 21.7)	-	13,500.00
Share of Revenue (Refer Note 51(B)(2)(e))	2,708.63	-
b) <b>Other Operating Income</b>		
Flat /TDR Transfer Charges	208.19	83.94
Aircraft Hire Charges	-	23.95
Lease Rent Income (Refer Note 46B )	82.68	84.78
Other Income	77.48	36.36
<b>Total</b>	<b>36,521.05</b>	<b>11,986.16</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### 35.1 Unsatisfied performance obligations on long term real estate contracts

(Rs. in lacs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Long Term contracts entered into till year-end	162,964.25	98,695.58
Unsatisfied performance obligations on long term real estate contracts	71,430.86	30,795.56

### 36 Other Income

(Rs. in lacs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>a) Interest Income</b>		
- Interest Received on Loans - Others	-	0.70
- Interest on Bank Fixed Deposit	28.66	34.31
- Interest Received - Other	24.13	33.18
<b>b) Other</b>		
Dividend Income	0.02	3.12
Share of Profit/(Loss) from Investment in Partnership Firms & LLP (Net)	(0.00)	6.32
Finance Income on Financial Assets/Liabilities measured at amortised cost	2,365.35	3,870.55
Net Gain on investments measured at Fair value through Profit or Loss (Refer note 8.4)	201.05	9,334.05
Advertisement Income	40.00	33.33
Reversal for Allowances for expected credit losses on Financial Assets (Refer Note 19.6 and 36.1)	3,034.62	-
Foreign Exchange Gain (net)	-	500.84
Sundry Credit balance written back (Refer Note 36.1)	3,376.43	2,893.95
Compensation Income (Refer Note 60)	400.00	-
Gain on Sale of Fixed Assets	1.62	-
Miscellaneous Income	74.08	98.58
<b>Total</b>	<b>9,545.96</b>	<b>16,808.93</b>

**36.1** Assessment of cessation of unsecured loan taken in earlier years from the parties relating to discontinued aviation business for Rs 2,708.63 lacs (Rs. 1,813.08 lacs shown under sundry credit balance written back and Rs. 1,017.09 lacs under reversal of allowances for ECL).

### 37 Project Expenses

(Rs. in lacs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Salaries, wages and bonus (including managerial remuneration)	691.96	901.22
Land acquisition and purchase of tenancy rights	11.26	15.01
Depreciation (Refer Note 3.2)	4.86	144.26
Other Construction expenses#	33,913.19	52,655.52
<b>Total Project Exp</b>	<b>34,621.28</b>	<b>53,716.00</b>

#### # Other Construction Expenses

(Rs. in lacs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Legal & Professional fees	634.07	1,816.45
Construction Expenses	4,893.09	3,759.82
Civil Construction, Material and Site development Expenses	282.76	539.82
Compensation to tenant	-	-
Interest and finance charges	11,183.50	16,852.49
Staff Welfare and Other Amenities	21.73	11.63

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### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

Particulars	(Rs. in lacs)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Contribution to provident fund (Refer Note 44A)	23.73	21.88
Rent, Rates & Taxes (Refer Note 46A)	398.30	955.30
Hardship Expenses (Refer Note 51(B)(5)(ii)(b) and 51(B)(11))	9,935.52	15,531.57
Gratuity	12.98	0.47
General Expenses	10.21	12.87
Expenditure on land for which Development Rights are Assigned (Refer Note 32.2 and 32.3)	715.01	2,689.84
Other Project Related Expenses (Refer Note 51(B) (6) )	23,004.82	15,568.99
Water & Electricity Expenses	93.17	55.96
Security Charges	124.66	112.19
Repairs & Maintenance	18.08	17.76
Printing and Stationery and Telephone Charges	2.66	13.46
Travelling and Conveyance Expenses	14.59	34.11
Miscellaneous Expenses	56.60	53.79
Advances inventorised to Project (Refer Note 37.3)	-	1,472.80
Other Construction Expenses	-	515.94
<b>Sub-total</b>	<b>51,425.47</b>	<b>60,037.14</b>
Less :- Interest Received on Fixed deposit	(2.34)	(2.29)
Less :- Project Exp Recovered	-	(6,970.62)
Less: Cost of construction towards acquisition of land	(344.44)	(249.14)
Less: Sundry Balance W/back	-	(104.94)
Less Loss/gain from supplier to vendor	-	(54.63)
Less Amount Transferred to Costs to fulfill contracts with customers	(14,614.88)	-
Less: Amount Received from Members (Refer Note 51(B)(2)(c))	(2,550.61)	-
Less Stock Written Off	-	-
<b>Sub-total</b>	<b>(17,512.28)</b>	<b>(7,381.62)</b>
<b>Total</b>	<b>33,913.19</b>	<b>52,655.52</b>

#### 37.1 Costs to fulfill contracts with customers

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Amount Transferred from Project Related Expenses	14,614.88	-
Amortisation of costs to fulfill contracts with customers (Refer Note 51(B)(2) and 51(B)(3))	25,828.71	-
Less: Impairment loss provided earlier, now reversed	(979.24)	-
Less: Cost to fulfill the contracts with customers at the end of the year	(7,900.91)	-
<b>Total</b>	<b>31,563.44</b>	<b>-</b>

37.2 In one of the Joint Venture (which is treated as subsidiary), In terms of the Letter of Intent issued by the Slum Rehabilitation Authority, one of the subsidiaries has to construct and handover buildings free of cost to Project Affected Persons (PAF), whereby it shall be entitled for Floor Space Index (FSI) to be consumed for its Saleable Units. Direct cost of construction and construction overheads are allocated to Cost of SRA Buildings and on completion would be transferred to Cost of FSI relating to Saleable Units.

37.3 During the previous year, the Holding Company has inventoried hardship compensation lying in advances against development rights amounting to Rs.1,472.80 Lacs as all the rights related to tenancy have been transferred and there is no performance obligation which are pending by the Company and the tenants.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### 38 Changes in Inventories of Finished Goods, Stock-in-trade, Project Work in Progress and Raw Material

(Rs. in lacs)		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>a Project Work in Progress:</b>		
Opening Balance	259,251.02	217,971.62
Less: Transfer to Disposal Group (Refer Note 22.2)	(58,933.85)	-
Add: Raw Material Purchase During the year	-	0.13
Less: Transfer from Raw Material at Site	-	(131.75)
Less: Amount written off (Refer Note 50)	(3,517.42)	(126.94)
Closing Balance	(202,486.49)	(259,251.02)
<b>(Increase)/Decrease in Project Work in Progress - Total (a)</b>	<b>(5,686.74)</b>	<b>(41,537.95)</b>
<b>b Transferable Development Rights</b>		
Opening Balance	-	-
Add: Reclassification to Provision for Impairment loss in terms of Ind AS 115	696.17	-
Less: Reclassification to Other Current Assets in terms of Ind AS-115 Refer Note 51(B)(2) and 51(B)(3)	(28,803.59)	-
Closing Balance	-	-
<b>(Increase)/Decrease in Transferable Development Rights- Total (b)</b>	<b>(28,107.42)</b>	<b>-</b>
<b>c Raw Material At Site:</b>		
Opening Balance	302.19	227.95
Add: Adjustment on account of Merger	-	-
Add: Purchases during the year	-	74.24
Add: Other adjustments	-	-
Closing Balance	(107.14)	(302.19)
<b>(Increase) / Decrease in Raw Material At Site Total (c)</b>	<b>195.04</b>	<b>-</b>
<b>d Finished Goods:</b>		
Opening Balance	109.92	219.84
Closing Balance	-	(109.92)
<b>(Increase) / Decrease in Finished Goods -Total (d)</b>	<b>109.92</b>	<b>109.92</b>
<b>Total (a+b+c+d)</b>	<b>(33,489.20)</b>	<b>(41,428.03)</b>

### 39 Employee Benefits Expenses

(Rs. in lacs)		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Salaries, Wages and Bonus (Including Managerial Remuneration) (Refer Note 44 and 52)	1,334.14	2,094.04
Contribution to Provident Fund and Others (Refer Note 44)	32.49	41.45
Staff Welfare and Other Amenities	64.45	95.70
<b>Total</b>	<b>1,431.08</b>	<b>2,231.20</b>

### 40 Finance Cost

(Rs. in lacs)		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest Expenses	26,261.71	25,541.61
Other Borrowing Costs	944.24	104.70
Interest paid on cancellation of flats	4.51	3,088.16
Interest expense on recognition of financial liabilities/ financial assets	-	-
Interest on delayed payment of taxes	3.30	20.32
Less: Transferred to Project Expense	(11,183.50)	(16,852.49)
<b>Total</b>	<b>16,030.25</b>	<b>11,902.30</b>

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### 41 Other Expenses

	(Rs. in lacs)	
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Rent (including lease rents (Refer Note 32.9 and 46A))	177.49	192.19
Rates and Taxes	212.88	389.81
Repairs and Maintenance	81.69	117.96
Legal and Professional charges (Refer Note 41.1)	738.28	534.78
Leave & License Fee	14.05	13.20
Donations	6.96	6.18
Advertisement and Publicity	1,246.75	21.47
Business Promotions Expenses	203.92	148.74
Commission and Brokerage	150.79	158.22
Books, Periodicals, Subscription & Membership Fees	20.33	31.17
Printing, Stationery, Postage, Telegram and Telephone Charges	43.87	46.28
Travelling and Conveyance Expenses	96.25	84.76
Compensation for Cancelled Flats	159.78	20.00
Directors Sitting Fees	9.40	9.00
Foreign Exchange Gain (net)	8.14	-
Loss/(Gain) on sale of Property Plant and Equipment	-	77.47
Sundry Balance written off (Refer Note 21.3)	77.88	3,176.59
Provision For Impairment of Property, Plant and Equipment (Refer Note 3.4 and 5.1)	-	5,253.29
Provision for doubtful debts, loans and advances (Refer Note 16.4, 21.3)	2,686.76	3,577.63
Water and Electricity Charges	50.46	58.46
Provision for estimated cost of settlement (Refer Note 21.7)	-	2,500.00
Housekeeping expenses	20.03	24.09
Security Charges	-	21.47
Corporate Social Responsibility (Refer Note 55)	10.00	9.58
Upfront Fees	99.00	306.53
Fair Value Loss on Investments carried at Fair Value Through Profit and Loss	605.22	9,351.43
Advance against share purchase written-off	-	1,722.00
Goodwill written off	-	190.83
Inventory written off (Refer Note 50)	2,793.53	79.25
Amortisation of Cost of Assignment of Rights (Refer Note 51(B)(2)	1,160.97	-
Liquidated Damages (Refer note 51(B)(5)(ii) )	500.00	-
Miscellaneous Expenses	282.61	925.60
<b>Total</b>	<b>11,457.04</b>	<b>29,047.98</b>

#### 41.1 Auditor's Remuneration

	(Rs. in lacs)	
Payment to auditors - (exclusive of taxes)	For the year ended March 31, 2019	For the year ended March 31, 2018
a) Audit Fee (including Limited Review)	72.93	77.39
b) For other services (Certification and other services)	17.07	8.15
c) For reimbursement of expenses	0.89	1.89
<b>Total</b>	<b>90.89</b>	<b>87.43</b>

#### 41.2 Exceptional Items

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Compensation (Refer Note 51(B)(4)(ii)(c))	12,900.00	-
<b>Total</b>	<b>12,900.00</b>	<b>-</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### 42 Earning Per Share

Basic and diluted earnings/ loss per share is calculated by dividing the profit/ loss attributable to equity holders of the Company by the weighted average of equity shares outstanding during the year.

#### a) Reconciliation of earning used in calculating EPS

(Rs. in lacs)		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>Basic earning per share</b>		
Profit attributable to the equity shareholders of the company used in calculating basic earning per share		
- From continuing operations	(27,767.33)	(25,061.70)
	<b>(27,767.33)</b>	<b>(25,061.70)</b>
<b>Diluted earning per share</b>		
Profit attributable to the equity shareholders of the company used in calculating diluted earning per share		
- From continuing operations	(27,767.33)	(25,061.70)
	<b>(27,767.33)</b>	<b>(25,061.70)</b>

#### b) Weighted average number of shares

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Weighted average number of shares used for calculating basic earning per share	<b>243,258,782</b>	<b>243,258,782</b>
Weighted average number of shares used for calculating diluted earning per share	<b>243,258,782</b>	<b>243,258,782</b>

#### c) Basic and diluted earning per share

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>Basic and diluted earning per share</b>		
From continuing operations attributable to equity shareholders	(11.41)	(10.30)
<b>Earning per share</b>	<b>(11.41)</b>	<b>(10.30)</b>

### 43 Income Tax

#### (i) Movement in/ component of deferred tax assets for the year ended March 2019

(Rs. in lacs)					
Particular	31-Mar-18	Profit or loss	Recognised in OCI	Other Adjustments*	31-Mar-19
Disallowance under the Income Tax Act, 1961	1,170.89	1,834.06	-	-	3,004.95
Losses (including unabsorbed depreciation)	2,860.36	109.76	-	-	2,970.12
Expected credit loss	246.36	897.74	-	-	1,144.10
Fair value adjustment of financial instruments	12,659.91	(754.89)	(639.46)	-	11,265.57
Other adjustments	2,038.36	2,889.91	(6.42)	456.75	4,921.86
MAT credit entitlement	0.72	-	-	-	0.72
<b>Total</b>	<b>18,976.62</b>	<b>4,976.59</b>	<b>(645.87)</b>	<b>456.75</b>	<b>23,764.08</b>

\*Transition impact of Ind AS 115 routed through other adjustments.

#### (ii) Movement in/ component of deferred tax assets for the year ended March 2018

(Rs. in lacs)					
Particular	31-Mar-17	Profit or loss	Recognised in OCI	Other Adjustments	31-Mar-18
Disallowance under the Income Tax Act, 1961	236.00	934.89	-	-	1,170.89
Losses (including unabsorbed depreciation)	4,267.76	(1,407.40)	-	-	2,860.36
Expected credit loss	2,378.80	(2,132.44)	-	-	246.36
Fair value adjustment of financial instruments	11,211.62	1,395.17	53.13	-	12,659.91
Other adjustments	1,927.43	132.44	(7.57)	(13.94)	2,038.36
MAT credit entitlement	0.72	-	-	-	0.72
<b>Total</b>	<b>20,022.33</b>	<b>(1,077.33)</b>	<b>45.56</b>	<b>(13.94)</b>	<b>18,976.62</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

- a The Group has not recognised deferred tax assets of Rs. 7,626.49 lacs (previous year Rs.5,332 lacs) on unabsorbed depreciation and carried forward losses on prudence basis considering no reasonable certainty of future taxable profit in near future.
- b One of the subsidiary company in past years had recognised deferred tax assets / liabilities upon recognition of revenue subject to future taxable profits and also had recognised deferred tax assets / liabilities on fair value adjustments of financial assets and liabilities / allowance for credit losses. However, in the preceding year it reversed such deferred tax assets/ liabilities so recognised as the subsidiary company did not envisage any taxable business income and in the view of the same no further deferred tax was also recognised. In current year, the subsidiary company has recognised lifetime losses from its sold area by way of adjustment to Retained Earnings and has estimated profit to be earned from unsold area and accordingly, it has recognised deferred tax asset to the extent of such expected profit by adjusting the same in Equity.
- c During the year, one of the subsidiary Company's Board of Director, in their meeting held on 28.05.2018 has approved the Slump Sale of company's project namely "DB Crown" to Kingmakers Developers Pvt Ltd (Rustomjee Group). Presently, the subsidiary company does not have any project in hand. In the absence of reasonable certainty of future taxable profits, the management has thought it prudent to derecognise Deferred Tax Assets that were recognised during the earlier years.

**(a) Income tax expense is as follows:**

	(Rs. in lacs)	
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>Statement of Profit and Loss</b>		
<b>Current tax:</b>		
Tax for the year	(12.82)	(88.98)
Prior period tax adjustment	(49.96)	-
<b>Total current tax expense</b>	<b>(62.78)</b>	<b>(88.98)</b>
<b>Deferred tax:</b>		
Deferred tax expense	4,976.59	(1,077.33)
<b>Total deferred tax expense</b>	<b>4,976.59</b>	<b>(1,077.33)</b>
<b>Income tax expense</b>	<b>4,913.82</b>	<b>(1,166.31)</b>
<b>Other comprehensive Income</b>		
<b>Deferred tax related to OCI items:</b>		
Income tax relating to items that will not be reclassified to profit or loss		
(i) Notional loss on fair value adjustment in the value of investments	(639.46)	53.13
(ii) Remeasurement of net defined benefit plans	(6.42)	(7.57)
	<b>(645.87)</b>	<b>45.56</b>

**(b) Reconciliation of tax expense and the accounting loss computed by applying the Income tax rate:**

	(Rs. in lacs)	
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(Loss)/ Profit before tax	(30,880.06)	(28,930.41)
<b>Tax at the Indian tax rate 29.12% (Previous year 29.12%)</b>	<b>(8,992.27)</b>	<b>(8,424.54)</b>
<b>Tax effect on amounts which are not deductible (taxable) in calculating taxable income:</b>		
Non-deductible expenses as per Income tax Act	2,732.15	4,422.94
Effect of Income that do not form part of taxable income	(252.59)	(1,371.62)
Effect of Loss not recognised as no reasonable certainty of future taxable profits	5,287.59	2,092.00
Adjustment of current tax for prior periods	-	77.98
Deduction as per Income Tax Act	0.25	(33.84)
Difference on account of change in income tax rate	-	(590.70)
Reversal/creation of deferred tax for earlier years	(2,836.56)	3,746.85
Other adjustments	7,108.82	(1,085.39)
<b>Income tax expense (Effective Rate -15.9% (Previous year 4.03%))</b>	<b>4,913.82</b>	<b>(1,166.31)</b>

43.1 Above workings are based on provisional computation of tax expense and subject to finalisation including that of tax audit or otherwise in due course.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

- 44 As per Indian Accounting Standard-19 "Employee Benefits", the disclosures of Employee Benefits as defined in the Indian Accounting Standard are given below:

### A Defined Contribution Plan:

The Group makes contributions towards provident fund, superannuation fund and other retirement benefits to a defined contribution retirement benefit plan for qualifying employees. Under the plan, the Group is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefits. The contributions payable to these plans by the Group are at rates specified in the rules of the schemes.

The Group has recognised the following amounts in Statement of Profit and Loss which are included under Contributions to Funds under Employee Benefit Expenses (Refer Note 39) and Inventorised in Project Expenses (Refer Note 37).

Particulars	(Rs. in lacs)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Employer's Contribution to Provident Fund and Allied Funds	55.76	62.11
Employer's Contribution to ESIC and MLWF	0.46	1.22
<b>Total</b>	<b>56.22</b>	<b>63.33</b>

### B Defined Benefit Plan:

The group provides gratuity benefits to its employees as per the statute. Present value of gratuity obligation (Non-Funded) based on actuarial valuation done 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 obligation for compensated absences (Non-funded) is recognized in the same manner as gratuity.

#### I. Reconciliation of opening and closing balances of Defined Benefit obligation.

Particulars	(Rs. in lacs)	
	Gratuity (Un-Funded)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Defined Benefit obligation at the beginning of the year	340.18	323.79
Expenses Recognised during the year		
Acquisition Adjustment	16.05	14.51
Transfer in/(out)	(35.62)	(43.69)
Interest Cost	24.41	19.84
Past Service Cost	-	46.87
Current Service Cost	34.76	56.65
Settlement Cost/(Credit)	-	(1.71)
Benefits paid	(7.79)	(50.67)
Actuarial (gain)/loss	(31.02)	(25.41)
<b>Defined Benefit obligation at the end of the year</b>	<b>340.96</b>	<b>340.18</b>
Net Liability		
- Current	137.76	127.80
- Non-Current	203.20	212.38

#### II. Expense recognized during the year.

Particulars	(Rs. in lacs)	
	Gratuity (Un-Funded)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Current Service Cost	34.76	56.65
Past Service Cost	-	46.87
Settlement Cost/(Credit)	-	(1.71)
Interest Cost	24.41	19.84
Acquisition adjustment	16.05	14.51
Other Impact	-	
<b>Expense recognized in Statement of Profit and Loss</b>	<b>75.22</b>	<b>136.15</b>



## D B REALTY LIMITED

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### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

#### III. Recognised in other comprehensive income for the year

(Rs. in lacs)

Particulars	Gratuity (Un-Funded)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Experience (Gain) / Loss on plan liabilities	(36.12)	(22.31)
Demographic (Gain) / Loss on plan liabilities	0.07	5.86
Financial (Gain) / Loss on plan liabilities	5.03	(8.95)
<b>Actuarial (gain)/loss</b>	<b>(31.02)</b>	<b>(25.41)</b>

#### IV. Actuarial assumptions.

Particulars	Gratuity (Un-Funded)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Mortality table	IALM(2012-14) ult	IALM(2006-08) ult
Discount Rate	6.80%-7.30%	7.30%-7.80%
Rate of Escalation in Salary	10.00%	10.00%
Expected Average remaining working lives of Employees (in years)	5.20	7.41
<u>Withdrawal Rate</u>		
Age upto 30 years	10%-26%	10%-26%
Age 31-40 years	10%-26%	10%-26%
Age 41-50 years	10%-26%	10%-26%
Age above 50 years	10%-26%	10%-26%

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.

#### V. Expected Future Benefit Payments.

(Rs. in lacs)

Particulars	Gratuity (Un-Funded)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Within the next 12 months (next annual reporting period)	137.78	125.99
Between 2 and 5 years	212.3	193.11
Between 6 and 10 years	121.15	177.59

#### VI Experience Adjustments

(Rs. in lacs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Present value of defined benefit obligation	340.96	340.18
Fair value of plan asset	-	-
Surplus/ (Deficit)	(340.96)	(340.18)
Experience Adjustments on actuarial (gain)/loss	-	-
Plan liabilities (gain)/loss	(36.12)	(22.31)
Plan assets (gain)/loss	-	-
<b>Other</b>	<b>5.10</b>	<b>(3.10)</b>

#### VII Quantitative sensitivity analysis for significant assumption is as below

Sensitivity analysis indicates the influence of a reasonable change in certain significant assumptions on the outcome of the Defined Benefit Obligations (DBO) and aids in understanding the uncertainty of reported amounts. Sensitivity analysis is done by varying one parameter at a time and studying its impact.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

- 1 Present value of defined benefits obligation at the end of the year

(Rs. in lacs)

Particulars	Gratuity (Un-Funded)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
One percentage point increase in discount rate	(335.72)	(329.39)
One percentage point decrease in discount rate	347.25	348.44
One percentage point increase in salary rate	(337.79)	(344.57)
One percentage point decrease in salary rate	344.48	332.29
One percentage point increase in withdrawal rate	(341.10)	(337.99)
One percentage point decrease in withdrawal rate	341.10	338.75

- 2 The sensitivity analysis presented above may not be representative of the actual change in the defined obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some assumption may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the project unit credit method at the end of the reporting period, which is same as that applied in calculation of defined benefit obligation liability recognised in the balance sheet.

- 3 Sensitivity analysis is done by varying one parameter at a time and studying its impact.

### VII. Risk Exposure and Asset Liability Matching

Provision of a defined benefit scheme poses certain risks, some of which are detailed hereunder, as companies take on uncertain long term obligations to make future benefit payments.

#### 1 Liability Risks

##### a. Asset-liability Mismatch Risk -

Risk which arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the Group is successfully able to neutralize valuation swings caused by interest rate movements. Hence companies are encouraged to adopt asset-liability management.

##### b. Discount Rate Risk -

Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practise can have a significant impact on the defined benefit liabilities.

##### c. Future Salary Escalation and Inflation Risk -

Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at management's discretion may lead to uncertainties in estimating this increasing risk.

#### 2 Unfunded Plan Risk

This represents unmanaged risk and a growing liability. There is an inherent risk here that the Company may default on paying the benefits in adverse circumstances, Funding the plan removes volatility in company's financials and also benefit risk through return on the funds made available for the plan.

#### Notes:

- 1 The obligation towards Gratuity is unfunded and therefore, the following disclosures are not given:

- Reconciliation of Opening and Closings Balance of fair value of plan assets.
- Details of Investments

#### C Other long term employee benefit

The obligation of compensated absences is provided for on actuarial valuation by an independent valuer and the same is unfunded. The amount debited /(recognized) in the Statement of Profit and Loss for the year is Rs. 8.35 Lacs (Previous Year Rs. 3.74 Lacs). Further the Group has charged to inventory Rs. Nil (Previous Year Rs. 0.47 lacs ) of compensated absences during the year.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

**45 Segment Reporting:**
**A Basis of Segment**

Factors used to identify the entity's reportable segments, including the basis of organization For management purposes, the Group has only one reportable segments namely , Development of real estate property. The Managing Director of the Company acts as the Chief Operating Decision Maker ("CODM"). The CODM evaluates the Group's performance and allocats resources based on an analysis of various performance indicators.

**B Geographical Information**

The Geograohical information analyses the Group's revenue and non-Current Assets by the Company's country of domicile and other countries. **As the Group is engaged in Development of Real Estate Property on India,** it has only one reportable geographical segment.

**C Information about major customers**

Revenue from transactions with a single external customer when amount to 10 per cent or more of entity's total revenue, the entity shall disclose the total amount of revenue from that customer and the identity of the segment or segments reporting that segment. The Group, at consolidated level, has no such external customer whose revenue amounts to 10 per cent or more of the total revenue of the group.

**46 Operating Lease:**

As per Ind AS -17 'Leases', the disclosure of transactions with the respect to lease of premises is disclosed as follows:

**A Assets taken on Operating Lease :**

- (i) The Group has taken commercial premises on Operating Lease and lease rent of Rs. 177.49 Lacs (Previous Year Rs. 192.19 lacs) has been debited to Statement of Profit and Loss and Rs. 22.01 Lacs (Previous Year Rs. 32.13 lacs) has been inventorised for the current year.

(Rs. in lacs)		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Future Lease Payments		
(a) Not later than one year.	-	68.35
(b) Later than one year but not later than five years.	-	0.00
(c ) Later than five years.	-	-
<b>Total of future lease payments</b>	<b>-</b>	<b>68.35</b>

- (ii) The Group does not have any contingent lease rental expenses/ income.

**B Assets given on Operating Lease :**

- (i) The Group had executed lease deeds for certain units forming part of the Project for a period of 5-25 years and the lease rentals shall become due and payable on possession being granted. The lease rental is subject to escalation. Lease rent recognized during the year in the Statement of Profit and Loss amount of Rs. 82.68 lacs (Previous Year: Rs. 84.78 lacs ). Accordingly, the future lease rentals are disclosed based on the Management's estimate of the amounts that it would receive.

- (ii) The future minimum lease receipts are as under:

Note: There are no exceptional/restrictive covenants in the lease agreement.

(Rs. in lacs)		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Future Lease Receipts		
(a) Not later than one year.	82.68	82.68
(b) Later than one year but not later than five years.	222.72	282.72
(c ) Later than five years.	495.54	518.22
<b>Total of future lease Received</b>	<b>800.94</b>	<b>883.62</b>

**47 Disclosure as per Ind AS 115 "Revenue from Contracts with Customers".**

(Rs. in lacs)		
Particulars	As at March 31, 2019	As at March 31, 2018
The amount of project revenue recognized as revenue during the year	36,152.71	(1,742.86)
The aggregate amount of:	-	
The amount of advances received	49,420.42	113,981.93
The amount of work in progress	202,486.49	259,251.02
Unbilled revenue	3,299.21	13,500.00

Note: Refer Note 2.11 on Implementation of Ind AS 115 and its accounting treatment (Refer note 2.11)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### 48 Contingent Liabilities/Assets and Commitments:

#### (A) Contingent Liabilities

(Rs. in lacs)			
	Particulars	As at March 31, 2019	As at March 31, 2018
	<b>Claims against the Group not acknowledged as debt</b>		
1	Appeal Filed in respect of disputed demand of Income Tax (Refer note (ii) below)	9,576.05	10,425.28
2	Disputed demand of Service Tax (Interest and penalty are not ascertainable)	7,263.18	7,263.18
3	Claims under Property Tax (Refer note (i)) For various projects, property tax is unascertainable	4,816.37	4,332.54
4	Arrears of Dividend in respect of 0.001% Redeemable Optionally Convertible Cumulative Preference Shares (ROCCPS)	0.00	0.00
5	Arrears of Dividend on 0.001% compulsorily Convertible Cumulative Preference shares (CCPS)	0.00	0.00
6	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, which is disposed off during the year, whereby the subsidiary company had provided the same(Refer Note 51(B)(16))	-	150.00
7	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
8	Claim against Associate Company not acknowledged as debt (for Forty Two number of cases as on 31.03.2019 ) petition filed against Company, in relation to the One Mahalaxmi (earlier known as Orchid Heights) and Orchid West View projects & the Company in relation to land litigation.	Amount unascertainable	Amount unascertainable
9	One of the associate has received Notice from one land owner for cancellation of development Agreement, the company is in the process of taking legal opinion and replying to the said notice. The amount that can be forfeited is Rs. 1.85 lacs (Group portion Rs 0.49 lacs)	0.49	0.49
10	One of the subsidiary company has provided cross securitisation for one of the group company (Goan Hotels and Realty Pvt. Ltd.) for Rs. 7,500 lacs to a bank, which is significant in relation to the net-worth of the said company. In the opinion of the Management, the same would not result into any financial liability on the Company.	0.00	7500.00
11	One of the associate company has not recognized brokerages which are due based on the milestone of payment received from customer. 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.	188.24	188.24
12	In one of the associate company, In case of cancellation of flat, all cancellations for which payment has not been made are not accepted by customers till date. The associate company has given option to all customers to cancel the booking and get refund with interest or to continue as a customer with Orchid Heights 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 3rd November 2012. Hence, entire interest on cancelled flats for which payment has not been made is considered as contingent liability.	Amount not ascertainable	Amount not ascertainable
13	In one of the associate company, Service Tax and Interest liability against show casuse notice received from Commissionerate of GST. The final liability is subject to outcome of the case, hence the amount can not be ascertained.	Amount not ascertainable	Amount not ascertainable
14	During the year, In one of the associate Company, Indoglobal Soft Solutions and Technologies Pvt. Ltd has debited interest and other expenses to loan granted to company which is yet to be confirmed by the associate Company.	4,304.01	412.94

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019**

(Rs. in lacs)			
	Particulars	As at March 31, 2019	As at March 31, 2018
15	Provisional attachment of assets under Prevention of Money Laundering Act, 2002 for: Holding Company (Refer note 53 ) Dynamix Realty (Refer note 51(A)(iii))	Amount unascertainable	Amount unascertainable
16	One of the Subsidiaries company year ended 31st March, 2012 was call upon to pay Rs. 1,209.09 Lacs as offsite infrastructure charges in terms of the revised offer letter issued by the authorities for which it has filed a petition before the Hon' Bombay High Court challenging the same as wrongful levy and imposition in pretext development charges which is sub-judiced. The said amount in the accounts was allocated to the value of Project work-in-progress.	-	-
17	Claim against two subsidiaries not acknowledged as debt: The Subsidiaries are party to various legal proceedings 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.	33.07	27.60
18	Civil suit filed towards Orchid View Point project in one of the subsidiaries	99.34	89.52
19	Complaint has been filed seeking repayment/refund of the principal amount and interest thereon towards their purchase of the proposed flats in the proposed building known as "Orchid Turf View". The same has been settled during the year.	-	3,907.84
20	Maharashtra Value Added Tax - Rs. 45 lacs is paid under protest	6,424.13	6,424.13
21	One of the subsidiary company's (enterprise), income tax assessment for the year ended March 31, 2016 is in progress wherein the assessing officer has made a reference to the Transfer Pricing Officer (TPO) for testing the arm's length price of the compensation of Rs. 5,000 lacs paid to another subsidiary company. The proceedings of the TPO are not completed. The assessing officer in his orders disposing of the objections and submissions of the Enterprise has concluded that prima facie the compensation paid to Spacecon is not allowable, which is sub-judice pending completion of Transfer Pricing Proceedings. The Enterprise has an exposure of income- tax and interest thereon of Rs.2,654 lacs approximately. The Enterprise is also in the process of filing writ petition before the Hon' Bombay High Court for challenging the validity of reference made by the assessing officer to the TPO. Accordingly, as the matter is sub-judiced, no provision is considered necessary to be provided for. Further, the Controlling Member has given the comfort to fund the liability if at all it devolves on the Enterprise.		
22	The one of the associate company has entered into Development Agreements with various parties. Under one of the terms in many agreements, it is the associate company's responsibility to obtain approvals within the specified time. In a situation where the approvals are not obtained within the specified time, the initial amount given as per the terms of the agreement can be forfeited by the parties. As on March 31, 2019, the total amount paid initially which can be forfeited by the parties are Rs. 356.31 lacs (Previous Year - Rs. 356.31 lacs).		
23	In respect of certain litigations involving RERA, the One of the subsidiary company has deposited Rs. 29.16 lacs with the Court as per the directions pending final outcomes. No provision is made in this respect also since the Subsidiary company expects a favourable outcome.		
24	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 49, 50 and 54)		
25	The subsidiary Company had provided for interest on delayed / non-payment of service tax of Rs.20.25 lacs during the year ended 31st March 2012 and additional interest provision of Rs.1.37 lacs for delayed payment of service tax during the year ended 31st March, 2013 but has decided not to provide for such interest thereafter, as in the opinion of the Management the same shall be recovered from the allottees. Necessary adjustment entries, including for non-recovery, if any, shall be passed on reaching finality in the matter.		

**Notes :**

- (i) 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 of Rs. 4,816.37 lacs (Previous Year: Rs. 4,332.54 lacs) on the said joint venture is bad in law and void.
- (ii) During the year in one of the joint ventures ITAT/CIT Appeals have passed orders in favour of the Firm for AY 2012-13 and AY 2013-14. The issue being same in all the assessment years, the Firm expects no liability in respect of other AYs also.
- (iii) The holding Company is contesting the demands and the Management believes that its position will likely be upheld in the appellate process. No tax expense has been accrued in the standalone financial statements for the tax demand raised. The Management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the Company's financial position and results of operations.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

- (iv) 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 said charge is satisfied during the year.

Further, considering the fact that the 10 flats are to be constructed in future, the amount of contingent liability is not ascertainable. The said charge is satisfied during the year.

**(v) Contingent liability of one of the associate Company**

- (a) An associate company has filed an Appeal before the SDO on 9th January 2012 against Order No.TAH / AND / N.A REC / KAVI / 323 / 2011 dated 09/12/2011 passed by Ld. Tahsildar Andheri who has unilaterally & arbitrarily imposed Non Agricultural Assessment amounting to Rs.44.26 lacs in respect of area admeasuring 72,339.30 Sq.Mts. in the Residential Zone (covered by Slums) and illegally collecting / withdrawing the sum of Rs.44.26 lacs directly from the Bank Account No.1101 / 5703 of the associate company. The associate company has inter-alia claimed that since the land is covered by Slums and has not been converted to Non-Agricultural User by the associate company, 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 Company and it appears that the Company had agreed to sell the same to Ravindra Waikar under a MOU dated 30/04/2005. Ravindra Waikar and Vimlabai Shinde are claiming interest in the land. The associate Company is a formal party.
- (c) Mr. Ahmed Masoomali Siddique & another has filed suit in City Civil Court, Dindoshi against the associate company for title by adverse possession of certain area of land situated at Vyravali Estate.
- (d) Mrs. Mahinder Kaur Sandhu has filed suit in City Civil Court, Dindoshi against the associate company alleging that she is in full possession of certain area of plot of land situated at Vyravali Estate and that she should not be dispossessed of the suit property
- (e) The associate Company 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. 9,540 sq mtrs) being a protected monument. Wide this writ petition the associate company 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.
- (f) The associate Company has filed a Commercial Suit (L) No. 129 of 2017 in High Court against 1) Shemaroo Entertainment Ltd. 2) Kamal Amrohi Films, 3) Tajdar Amrohi, 4) Ramnord Research Labs Limited. This suit was filed by the Plaintiff pleading the court to declare the Plaintiff as the sole and exclusive owner of copyright in the cinematograph film titled "Pakeezah" and to grant an injunction restraining the defendants and/or any other persons claiming in any manner or exploiting the any rights in respect to Pakeezah so as to infringe the Plaintiff's copyright in the same.

Contingent Liability for the above legal cases mentioned in point number b to f, as per management's view and considering the status of cases as of date, can not be ascertained in financial terms.

**(B) Capital & Other Commitments**

(Rs. in lacs)		
(i)	Particular	
	As at March 31, 2019	As at March 31, 2018
<b>Capital Commitment</b>		
	Estimated amount of contracts remaining to be executed on Intangible Assets under Development	- 11.80

- (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 Rs. 6,000 lacs as a non refundable amount, out of which as up to year end Rs. 5,000 lacs has been contributed and balance Rs. 1,000 lacs 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 subsidiary 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 Rs. 6,000 lacs, 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 Rs. 5,000 lacs paid by the subsidiary company to OMC.

**(C) Contingent Assets:**

As per the Scheme of the Arrangement entered into by the one of Subsidiary Company with Kingmaker Developers Private Limited ("KDPL"), upon achieving certain to be agreed upon milestones, the Subsidiary Company shall be entitled to receive Contingent Consideration from the sale proceeds of the Project Undertaking. As the said milestones and consideration is yet to be determined, the subsidiary company has not recognised the said consideration in its financial statements and has been disclosed as contingent assets.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019**

- 49 During an earlier year, the Holding Company acquired 1/3rd stake in Mahal Pictures Private Limited by paying Rs. 8,922 Lacs 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 Rs. 4,000 Lacs. 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 H'ble Bombay High Court. The Holding Company has become a party to the said suit on account of demise of that Shareholder. The holding 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.
- 50 In respect of project under development having a value of Rs. 3,517.59 Lacs (Previous Year Rs. 3,517.59 lacs) (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 Rs. 723.88 lacs (Previous Year Rs. 723.88 Lacs) towards land acquisition (included under current liabilities). The holding company has moved to Supreme Court against such order of the High Court seeking further compensation of Rs. 2,168.14 lacs (Previous Year 2,168.14 Lacs). The holding Company also caused Assignor Trust to file Review on which no Order was passed and is deemed to be rejected. Thus the issue of Assignment of right from Assignor Trust is Crystallised. Hence, the Holding Company has taken effect on High Court Order and written off balance of Project Inventory after adjusting earlier receipt of Rs 723.88 Lacs.
- 51 **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 Ind-AS- 28)****i) Notes to financial statements of Dynamix Realty (Dynamix) are as follows:**

- (a) Trade Receivables, considered good outstanding more than 6 Months of Rs 2,722.98 lacs (Previous year Rs 2,722.98 lacs) (net of provision for expected credit loss) 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.
- (b) The Firm has not made provision for contested income tax liability of Rs. 2,911.63 lacs (Previous Year: Rs. 2,911.63 lacs) since based on the interpretation of law being supported by decisions of the appellate authorities, the Management of the Firm is of the opinion that the demands shall be deleted.

**(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 Rs. 102.34 lacs (Previous year Rs.102.34 lacs). 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 Rs. 33.74 lacs (Previous Year Rs. 33.74 lacs )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 Realty Private Limited aggregating to Rs. 20,925 lacs, (the said loans) as upto 31.03.2010 which as of 31.03.2016, 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, Rs. 20,000 lacs is paid as illegal gratification to M/s Kalaingar TV Private Limited (Kalaingar) through Kusegaon Realty Private Limited and M/s Cineyug Films Pvt. Limited., 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 Rs. 20,000 lacs 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. The CBI Special Court in the 2G trial case passed an order on December 21, 2017 whereby all parties have been acquitted.

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 Rs. 13,389 lacs (Previous Year Rs. 13,389 lacs) were provisionally attached, out of which, trade receivable of Rs. 4,971 lacs (Previous year Rs.4,971 lacs) are realised by the firm. 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 Rs. 35.99 lacs (Previous Year Rs. 35.99 lacs) and has realised the trade receivable (The Phonix Mills Limited) of Rs. 3451.2 lacs (Previous Year Rs.3451.2 lacs). 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 statements.

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 Rs. 20,000 lacs 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 Rs. 22,355 lacs. 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.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

After completion of both the cases by two separate orders dated 21.12.2017, the Special Court in CBI as well as PMLA Case has passed the Orders acquitting all the Accused. By the Order dated 21.12.2017 in PMLA Case, the Special Court has also given Order for release of properties attached by the Directorate of Enforcement including of the Firm after the period of appeal is over. Against the said Orders, CBI as well as the Directorate of Enforcement have filed Criminal Leave Petitions before the Hon'ble Delhi High Court which are pending for admission. Further, the Directorate of Enforcement has also filed petition for stay against Order of release of the attached properties for which "status-quo" has been granted by Hon'ble Delhi High Court vide Order dated March 21, 2018.

In the opinion of the Firm, though the aforesaid cases are sub-judiced, as legally advised favourable outcome are expected and hence it would realised the attached assets.

iv) **Notes to Financial statements relating to procedures pertaining to direct confirmations:**

Balances of trade receivables and payables are subject to confirmation and reconciliation, wherever applicable, if any.

(v) **Group share in loans and advances :**

The joint venture company has paid advances of Rs. 5,805.87 lacs (Previous Year Rs. 5,805.87 lacs) 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 joint venture company 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 joint venture company 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 subsidiary and accounting the same to the account of compensation in the year of transfer of such occupancy rights of the joint venture company 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) in case of one of the Joint Venture company, the latest date of redemption / conversion (as applicable) of the ROCCPS and CCPS was 26th March, 2012 and 30th January, 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.

(a) Further, one of the shareholder, Trinity Capital (Ten) Ltd [Trinity] has filed a petition under section 241-242 of the Act (Oppression and Mismanagement) for oppressing its rights and depriving of information relating to the Joint Ventures against the Joint Ventures, its shareholders and Directors before National Company Law Tribunal (NCLT). Following ad-interim order was passed in the hearing held on 25.04.2017, inter-alia:

- (i) Joint venture to disclose all the financial details and all other details in relation to the joint venture to Trinity;
- (ii) Joint venture not to create any third party rights in respect of the immovable property which is subject matter of the Project; and
- (iii) Joint venture to maintain its shareholdings and maintain status quo in relation to its share capital

(b) Subsequently, an application under Section 45 of the Arbitration and Conciliation Act, 1996 has been filed by the holding Company and the same is reserved for order.

(c) Finality is not reached in respect of the aforesaid matter. Meanwhile, a Share Purchase Agreement dated 17th October, 2017 had been entered into by and between Trinity and holding Company whereby;

- (i) 2,65,707 CCPS have been sold by Trinity to holding Company for an aggregate consideration of Rs. 1,496.30 lacs;
- (ii) One CCPS is deposited with the Escrow Agent by executing Escrow Agreement dated 18.01.2018 whereby CCPS would be transferred to holding Company in accordance with terms of the Escrow Agreement;

(d) Under the aforesaid circumstances, the classification of ROCCPS has been continued to be part of 'Equity'.

(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 Rs. 169.00 lacs (Previous Year Rs. 169.00 lacs) 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.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019**

(viii) The Associate company has obtained rights of the Partners of a Firm in leasehold land at Mankhurd, Chembur, for which there are disputes amongst the Partners. As legally advised, the outcome of the disputes will not have any adverse impact on the development rights so acquired and accordingly the Associate Company would be in position to develop the same.

**(ix) DBS Realty:****a 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.

b During the earlier year, Airport Authority of India (AAI) had disputed the height of the SRA Buildings which is being constructed by the Firm and had denied the permission for further construction. AAI had ordered to demolish the floors beyond permissible height in order to conduct Aeronautical Studies. The Firm had filed an appeal before the Hon'ble Delhi High Court against the said order of AAI.

The Hon'ble Delhi High Court vide its order dated 30.01.2018 has directed the AAI to conduct Aeronautical Studies of the SRA Project without demolishing the structure and to grant further permissions based on Aeronautical Studies. Accordingly, the firm is awaiting final report of Aeronautical Studies from AAI for grant of additional height clearance for SRA buildings and subsequent to which the firm can start the construction activity of the SRA project.

However, till that time there exists a significant uncertainty regarding completion of the project and the Firm has not recognised revenue till such significant uncertainty exists

c Certain Trade Payables, Contractors' Retention Money and Mobilization Advance in the Financial Statements are subject to confirmation.

**(B) Subsidiaries (Consolidated as per Ind-AS 110):**

(1) One of the subsidiary company in earlier years had accrued interest on delayed / non-payment of service tax of Rs.21.62 Lacs with corresponding debit to allottees, which is still not recovered. Necessary adjustment entries for non-recovery, if any, shall be passed on reaching finality.

**(2) Revenue from Operations and incurrence of Costs there against.**

In terms of its arrangement with Radius, the construction work is the responsibility of Radius. The Subsidiary Company has already provided for majority of the cost which it has to incur. Based on the said parameters, the subsidiary Company has analysed the various contracts entered into with the customers and has taken the following judgements:

a. Contracts which give an option to the customers for cancellation, do not satisfy the performance obligations over time. Therefore, in respect of these contracts the amounts received are carried forward as sales consideration pending recognition and the cost attributable to these contracts are carried forward as part of Project Work-in-Progress.

b. In respect of arrangement entered into with Radius, as it involves relinquishment of subsidiary Company's saleable area, performance obligations stands satisfied and consequently revenue therefor has been recognized in its entirety and the related cost thereagainst has been charge off in the Statement of Profit and Loss. However, in respect of certain flats pending release of charge by a bank on account of loans taken by the group companies, effect of the arrangement has not been given and consequently the amounts are reflected as sales consideration pending recognition/compensation payable and the corresponding cost in respect thereof forms part of Project Work-in-Progress.

c. In terms of the development agreement with One of the subsidiary company MIG, the subsidiary Company had also given option to the members for acquiring additional area at subsidized rates. Therefore, it does not represent revenue from operations but is part of the arrangement for obtaining the rights from MIG and hence the revenue recognized during the year based on the understated principle has been reduced from the project expenses incurred during the year.

d. In respect of balance contracts, the terms whereof satisfies the performance obligations over the time. Accordingly, revenue therefrom has been recognized using output method and the cost attributable to the revenue so recognized has been charged off to the Statement of Profit & Loss. The balance cost is carried forward as costs incurred to fulfil contracts and shall be amortized over the period of time in proportion of revenue recognized.

e) The one of the subsidiary company has granted development rights of its land alongwith other co-owners to Man Vastucon LLP. As per the terms and conditions of the Agreements, the subsidiary company is entitled to share the revenue from sale of units forming part of the project being developed and constructed by Man Vastucon. Sharing of revenue crystallizes only upon amounts are received from the Man Vastucon customers. However in the opinion of the management there are no material pending performance obligations of the subsidiary Company alongwith other co-owners emanating from the Agreements with Man Vastucon. Accordingly, revenue has been recognized for the subsidiary Company's share which also include amounts which the subsidiary Company is not entitled for pending receipt of money from the customers of Man Vastucon, as the test of recognizing the revenue in terms of Ind AS 115 stands satisfied. Further, in determining the transaction price, due cognizance has been made for the time value of realization. Based on these judgements, revenue has been recognized, accrued revenue has been classified into current and non-current assets, and amortization of cost incurred in fulfilling the contract has been made. (Refer Note 13 and 21)

(3) As up to March 31, 2018, revenue from the real estate project was recognised based on percentage of completion method by following Ind AS 18 which is withdrawn. Subsidiary Companies, on adopting Indian Accounting Standard (Ind AS) 115 – 'Revenue from Contracts

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

with Customers', has used the cumulative catch-up transition method for its application to the contracts that were not completed as on the transition date, i.e., 1st April 2018. However, on adoption of Ind AS 115 as upto 31st March 2018, the Subsidiary Company would not have recognized any revenue having regard to the parameters of Ind AS 115 but would have recognized impairment loss in relation to cost incurred in fulfilling the contracts, the effect whereof has been stated in the Statement of Changes in Equity. Further, on adoption of Ind AS 115, costs / assets/ liabilities relating to contracts have been reclassified wherever applicable in terms of said Ind AS. (Refer note 2.11)

### (4) Agreement with Radius

#### (i) The Subsidiary Company has entered into an Agreement with Radius, whereby:

- Cost of construction effective 1st April, 2016 to be incurred and borne by Radius;
  - The saleable area to be shared by and between the subsidiary Company and Radius as defined in the Agreement;
  - The subsidiary Company to obtain all the requisite approvals and bear the related costs in relation thereto;
  - The subsidiary Company to settle the amounts payable to the occupants of the Society. These payments are to be made as per the agreed milestones; and
  - The subsidiary Company to receive refundable deposit of Rs. 32,501.00 lacs
- (ii) As per the terms of the Agreement, the Security Deposit had become refundable which could not be re-paid, whereby Radius made claim for interest as upto the year end of Rs. 12,034.39 Lacs (Previous Year: Rs. 6,391.74 Lacs) in terms of the Agreement as also for incremental finance cost it had to incur because of the default. The subsidiary Company has not accepted the claim of interest but has provided for on an estimation basis aggregate amount as upto the year-end of Rs. 3,993.39 Lacs (Previous Year: Rs. 2,958.50 Lacs) being the liability that may devolve on it on completion of arbitration proceedings as explained hereunder. To settle the disputes amongst the parties a sole arbitrator was appointed and an interim order has been passed, whereby:
- The subsidiary Company to refund deposit of Rs. 20,000.00 lacs which stands paid.
  - Refund the balance deposit of Rs. 12,500.00 lacs by relinquishing the rights of certain saleable area (26 flats) of the subsidiary Company, against which the subsidiary Company has relinquished its rights to the extent of 25 flats
  - Compensation of Rs. 12,900.00 lacs to be settled by further relinquishing its rights in saleable area (30 flats) out of which compliance of 4 flats have been done.

However, the matter as regards claim of interest is sub-judiced.

### (5) Development Agreement with MIG Society

The subsidiary Company in terms of Development Agreement with MIG Society has agreed to provide "Agreed Premises" as also payment towards hardship compensation which is linked with the Potential FSI. Accordingly, the subsidiary Company had provided for such compensation of Rs. 15,153.21 Lacs in the preceding financial year based on its estimation of FSI that would be used for the Project. This compensation is due for payment within 30 days upon MHADA issuing the letter for granting additional FSI upto 4.5 FSI, which is pending.

- In terms of the Development Agreement, The subsidiary Company had to provide Agreed Premises to the Members at a stipulated time frame, which has not been complied with, whereby:
  - Both the parties have agreed for extending the time frame for handover of Agreed Premises, subject to payment of compensation, predetermined liquidated damages and compound interest at 9% per annum on quarterly rest on corpus amount which was due and payable.
  - Implications that would arise in case of revised time frame is also not being adhered to.
- Accordingly, in these accounts, the The subsidiary company has provided for:**
  - Predetermined liquidated damages of Rs. 500.00 Lacs
  - Further, compensation of Rs. 5,716.15 Lacs (against which the subsidiary company has paid Rs. 2,171.32 Lacs)
  - Towards corpus of Rs. 3,00.00 Lacs (as against Rs. 1,800.00 Lacs as agreed upon and interest thereon being not accepted by the the subsidiary company.

### (6) Cost of approval towards construction of the Project.

One of the Subsidiary Company in preceding financial year had provided for cost of approval of Rs. 15,518.77 lacs for increase in FSI, for which it has opted for deferred payment with interest thereon in terms of the offer letter of MHADA. Accordingly, the liability therefore has been classified as deferred payment liabilities. Also, the subsidiary Company has provided for further approval cost of Rs. 22,165.07 Lacs for further increase in FSI which it would be using for the purpose of its project for which it has also received offer letter from MHADA, pending acceptance and hence this amount is classified as provision.

- 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.
- One of the subsidiary Company's Board of Directors vide its resolution dated 27.07.10 has decided to develop the property situated at Sukhlaji Street, Tardeo, Mumbai and therefore approved the transfer of its investment in the said property having a book value of Rs 497.27 Lacs to Inventory as project expense.
- One of the subsidiary Company had earlier vacated the project site at Sukhlaji Street, Tardeo, Mumbai by paying compensation to the tenants for the 18 months. However, during the earlier year, the tenants were not paid any further compensation, instead they were relocated to the project site, as per representation received from management, the relocation is temporary and company intends to continue with the project.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019**

- (10) The stage of completion of Project is determined based on the proportion of the actual cost of construction as against the total estimated construction cost of project. Accordingly, excess of revenue recognised over actual bills raised has been classified as unbilled revenue. Further, based on expected realisation therefrom, the same has been bifurcated into non-current / current assets.
- (11) The subsidiary company, as per terms of Consent Terms entered into with Air Inn Private Limited was liable to re-imburse the liability that may devolve on account of suit before the Hon'ble High Court of Judicature of Bombay, which is disposed off during the year, whereby the subsidiary company has to re-imburse the compensation of Rs. 150.00 Lacs which stands provided for.
- (12) In one of the Joint Venture (which is treated as subsidiary) has not recognized revenue as it does not satisfy the performance obligations in respect of the contracts entered into with the customers.

**(13) Compensation to Hutment Dwellers :**

The land on which Project is being developed under the Scheme of SRA is occupied by hutment dwellers, to whom the Enterprise has to pay hardship compensation pending handing over of possession of units in the building as also for settling their claims in connection therewith.

Compensation of Rs. 177.67 lacs (Previous Year Rs. 108.02 lacs) is accounted in respect of which Agreements were/have been executed with hutment dwellers.

In cases of hutment dwellers for which settlement is not yet reached the compensation shall be accounted for on execution of the agreements.

The above method of accounting has 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.

- (14) 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 had asked the Company to pay minimum upfront amount (including maintenance corpus) of Rs. 80,295 lacs. Against the said demand, the subsidiary Company offered to pay an amount of Rs. 36,295 lacs simultaneously with the execution of concession agreement with P.W.Department for issuance of work order as per the subsidiary Company's understanding of the provisions contained in the Tender. The P.W.Department cancelled the tender on 26th February, 2015. The holding company has filed writ petition No. 2637/2015 in the Bombay High Court in respect of arbitrary cancellation of the tender for development of Government Colony "Part-I". The case is still pending for admission before the Hon'ble Bombay High Court. Since the matter was subjudice and in the absence of clarity, the subsidiary Company had written off the carrying value of Project Work In Progress in the year ended 31st March 2017. There is no change in the status of the case during the year.

**(15) Status of project in case of one of the subsidiaries is as under:**

The subsidiary company had acquired under Agreement, a plot of land situated at Sahar, Andheri (East), Mumbai from Gonsalves Family and Ors, the ownership whereof was vested with them consequent to the Order passed by the Revenue Minister of the Government of Maharashtra (Revenue Minister) in the year 1995. The said Order was subsequently reversed by the Revenue Minister in the year 1998, holding that the said plot of land belongs to the Government and not Gonsalves Family and Ors (Reversed Order). The subsidiary company has challenged the said Reversed Order before the Hon'ble High Court of Bombay, which is pending as of now. However, in the year 2007, the Revenue Minister cancelled the Reversed Order and restored the Order passed in the year 1995, consequent to which the Company obtained ownership thereof.

In this background, a Public Interest Litigation (PIL) was filed before the Bombay High Court and their Lordships in Order dated 1st May, 2010 have restored the Revenue Minister's Order passed in 1998 whereby the ownership of the said plot of land is held to be that of the State Government but subject to the outcome of the petition before the Hon. High Court of Bombay. In the PIL, the Order of 1995 was not challenged. Further, the subsidiary company has challenged the judgment of the Bombay High Court in PIL by way of 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 company 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 Company, the said land would be available to it for development. Further, the subsidiary 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, 2019 is Rs. 11,192.52 Lacs ( Previous year Rs. 11,162.84 Lacs ).

- (16) The subsidiary company's claim for admissibility of recovery of loss incurred on sale of equity shares of Air Inn Private Limited by the holding company amounting to Rs. 1,799.63 lacs and interest of Rs. 193.26 lacs charged on such amount on the principle of commercial expediency under the tax laws has not been accepted. The matter is sub-judice before the first appellate authority. Penalty proceedings are initiated against such claim which are also sub-judiced now, pending outcome of the appeal. The minimum amount of penalty involved is Rs. 597.87 lacs.
- (17) One of the Subsidiary Company has rights in the land situated at Lower Parel, Mumbai and has constructed a building known as "Turf Estate" on the said land. For the balance development potential on the said land, the Subsidiary Company has entered into a Memorandum of Understanding [MOU] dated 5th August 2009 with Holding Company, whereby it has agreed to grant rights for the balance development potential on the said land to Holding Company for Rs. 100.00 lacs, out of which Rs. 25.00 lacs has been paid on execution of MOU and the balance amount is due on execution of development agreement, which is not yet executed.

Further, in terms of the aforesaid MOU, the Subsidiary Company has to pay Rs. 415.81 lacs to Holding Company as "Compensation on Resale of Units". Also further, the Subsidiary Company is yet to receive Rs.317.00 lacs from a party, which if becomes irrecoverable, the amount of loss is on Holding Company account.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

Holding Company has formed a joint venture, known as Turf Estate (the JV), to develop and construct a real estate project, which involves rehabilitation of the occupants of the units forming part of the building constructed by the Subsidiary Company. A Memorandum of Understanding is entered into by the JV with 46 unit owners wherein the Subsidiary Company is a confirming party. The finality as regards rehabilitation of all the occupants with whom MOU has been entered into is not yet reached. For balance unit owners, the settlement with the JV is pending.

- (18) In case of one of the Subsidiary Company, As per the Draft Development Plan 2034 (Draft DP 2034), the plot / property (a part of the Land where the Company is to execute an SRA project) occupied by Jijamata Nagar Sankalp Co-Operative Housing Society CTS 1406G/8 (Jijamata Society) was shown as designated for reservation of Public Open Space and Dispensary/Health Post as compared to original status of the plot which was partly in residential zone and partly in road and partly reserved for playground prior to Draft D P Plan 2034.

Jija Mata Society had filed a writ petition in High Court against designating the said Plot reservations as above. The HC has refused to entertain the petition and disposed of the same stating that the Petitioner can always challenge the Final Development Plan by filing a Fresh Petition.

However, a petition may not be required as under final DCPR 2034, reservations as per Draft DCPR 2034 are removed except affected area of 3,525.056 sq.mtr. as per Final DP 2034.

**(19) Status of a project in case of one subsidiary is as under**

One of the subsidiary company and Shankala Properties Pvt. Ltd. ("Shankala") entered in an Agreement dated 28.06.2006 to form Joint Venture ("JV"). Subsidiary and Shankala has now entered into a Supplemental Deed of Joint Venture dated 16.10.2012 whereby the members have agreed to carry out substantive modification to the terms and conditions of the functionality of the JV. One of modification is that Shankala will now share the free sale premises to be constructed by the JV and the entire day to day control of the JV will now vest with Subsidiary. Further, it has been agreed that the JV will pay a sum of Rs. 3,500 lacs in six equal monthly installments to Shankala from 16.10.2012 onwards. The share of Shankala in the Free Sale premises and the amount of Rs.3,500 lacs has been arrived at after adjusting / considering the capital amount of Rs.1,568 lacs. It has also been provided that in the event the JV fails to make the payment and/or give the agreed premises to Shankala the modifications as stipulated in the Supplemental Deed shall stand cancelled and both the members shall continue to be governed by the original deed of agreement dated 28.06.2006. Till date the JV has paid a sum of Rs. 1,100 lacs only to Shankala and Rs. 2,400 lacs is still payable to Shankala.

**b) Present Status of Joint Venture :**

On the completion of the plinth, the Developer applied for CC beyond plinth. However, MCGM insisted on further Home Department NOC for grant of further CC beyond plinth. The same was challenged by the Developer in the High Court under Writ Petition (L) No. 790 of 2013. The High Court by its order dated 1st April, 2013 was pleased to direct the MCGM to re-consider the application of the Developer.

On 9th July 2013, the MCGM rejected the application for the Developer for further CC beyond plinth.

In view of the letters dated 17 January 2013, 25 February 2013 and the rejection dated 9 July 2013, the MCGM effectively stayed the construction of the project.

The aforesaid letters dated 17 January 2013, 25 February 2013 and the rejection dated 9 July 2013, were challenged in the High Court by way of a Writ Petition No. 1734 of 2013 and the High Court was pleased to permit the construction of the Rehab Premises, however, the construction of the Sale Premises was not permitted and effectively the stay granted by the MCGM still stands.

Since the construction of the sale premises has been effectually stayed, there is no generation of cash flow from the Sale Premises.

The above event is a force majeure event and hence, the provisions of Clause 6 and 22 of the aforesaid Supplemental JV Agreement stand suspended and the obligations to make further payment and handover the Shankala Premises stands deferred till such time the stay on the construction of the Sale Premises is not lifted.

- (20) The subsidiary Company has entered into a Agreement of Assignment dated 09.04.2010 towards acquiring 55% share in a property situated at Rippon Road, Cross Land, Madanpura, Mumbai Central, Mumbai admeasuring approximately 7,015.94 sq. meters with a intention to develop and construct Residential buildings. However the final rights of the property will get transferred only after the disposal of the suit pending before Bombay High Court. Considering the precedents in similar cases ,the subsidiary company is hopeful of favourable ruling in its favour.
- (21) Turf Estate JV is a joint venture (JV) between Jony Estate Pvt. Ltd. with 1/3rd share and DB Realty Limited with 2/3rd share in the profit and loss of the JV. Jony Estate Pvt. Ltd has agreed with DB Realty Ltd. for a fixed share in the saleable area and also interest free performance security deposit instead of the 1/3 share of profit and loss in the joint venture. The amendment agreement to the terms of the joint venture are still in process and the same is yet to be finalised. Pending the execution of amendment to JV agreement , Jony Estate Pvt. Ltd., have conveyed their inability to sign the balance sheet of the JV as of 31-3-2019, hence D B Realty Limited alone have signed the balance Sheet of Turf Estate JV as of 31-3-2019.
- (22) One of the Subsidiary Company's network is completely eroded. However, in view of the expected profits to be earned from the real estate arrangement entered into by the Company, in the opinion of the management, the fundamental accounting assumption of going concern is not rebutted. Therefore, this accounts are prepared based on the said principle.
- (23) In the opinion of the Members of the subsidiary company (joint venture), having regard to the viability of the Project, it expects to re-coup the loss so incurred and hence, is of the opinion that the same is not permanent in nature. Accordingly, the balance is carried forward and not adjusted to the account of Members.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019****52 Managerial remuneration:**

- a) Directors' sitting Fees for current year Rs.9.40 Lacs (Previous Year Rs. 9.00 Lacs)
- b) 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.

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Dynamix Realty ("Partnership Firm") in which the holding Company is a partner, had granted Loan to Kusegaon Realty Private Limited aggregating to Rs. 20,925 lacs (the said loan) as upto 31st March 2010. As of March 31, 2018, the outstanding balance due from Kusegaon Realty Private Limited is Rs. 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, Rs. 20,000 lacs 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 Rs. 20,000 lacs 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. The firm is not an accused in the 2G Spectrum Case. The CBI Special Court in the 2G Trial case passed an order on December 21, 2017 whereby all the partners have been acquitted.

Further, The Deputy Director Enforcement vide his attachment order No: 01/2011 dated 30th August, 2011 has provisionally attached Company's bank account number 05211011001053 maintained with Oriental Bank of Commerce, Goregaon (East), having Bank Balance of Rs. 68.93 lacs. 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 Rs. 107.65 lacs at the time of attachment (WDV as on 31st March, 2019 is Rs. 92.67 lacs (Previous year Rs.94.39 lacs)). Also, a loan amounting to Rs. 5,039.63 lacs (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 Redeemable Optionally Convertible Cumulative Preference Shares (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 Office Letter dated September 20, 2011.

This provisional attachment order has been upheld by adjudicating authority vide order number 116/2011 dated January 10, 2012. Appeal has been filed on 19th March, 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 Rs. 68.93 lacs 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 financial assets. . (Note No. 20.1)

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 Rs. 20,000 lacs 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 Rs. 22,355 lacs. 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, 2,470,000 Series A ROCCPS shares of the value of Rs. 2547.90 lacs in lieu of loan advanced to Goan Hotels & Club Pvt. Limited., held by the Company have been handed over to Enforcement Directorate by letter dated 28th October, 2014 (Note No. 8.3). During the year 2015-16, 29,415 ROCCPS shares of the value of Rs.30.34 lacs in lieu of loan advanced to Marine Drive Hospitality & Realty Private Limited, held by the Company have been handed over to Enforcement Directorate vide letter dated September 28, 2015.

After completion of both the cases by two separate orders dated 21.12.2017, the Special Court in CBI as well as PMLA Case has passed the Orders acquitting all the Accused. By the Order dated 21.12.2017 in PMLA Case, the Special Court has also given Order for release of properties attached by the Directorate of Enforcement including of the Firm after the period of appeal is over. Against the said Orders, CBI as well as the Directorate of Enforcement have filed Criminal Leave Petitions before the Hon'ble Delhi High Court. Further, the Directorate of Enforcement has also filed petition for stay against Order and also release of the attached properties for which "status-quo" has been granted by Hon'ble Delhi High Court vide Order dated March 21, 2018. The matter is listed for 24th October, 2019.

**54**

The Holding Company has received 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 Special Case No 2 of 2016. The Hon'ble Court has also summoned two of the KMP's of the Holding Company as accused as per the said Complaint. The matter in relation to the Holding Company and the KMP involves certain advances given by the Holding Company in the ordinary course of its business to another company, which was subsequently refunded fully upon cancellation of the understanding. The Holding Company does not expect any financial liability. The Holding Company and the KMP are defending their innocence and are confident that their stand will be ultimately vindicated and they shall be discharged or acquitted in these proceedings.

**55 Corporate Social Responsibility:**

Disclosure as required under Section 135 of Companies Act, 2013, read with Companies (Corporate Social Policy) Rules, 2014 is as under:

Paid in Cash (for other than Construction of any assets) - CSR expenditure incurred during the year 10 lacs. (Previous Year Rs. 9.58 Lacs)

Gross amount required to be spent by the group company during the year is Rs. 31.45 Lacs (Previous Year Rs. 21.12 Lacs)

**56**

The group carries out its business ventures through various entities. The funds required for projects in those entities are secured through financial guarantees of the group. The bankers / financial institutions provide a restrictive covenant while lending, not to charge guarantee commission for the financial guarantees provided by the group. As per Ind AS 109 – Financial Instruments there has to be fair valuation of

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

the financial guarantees and subsequent measurements thereof as per expected credit loss method. However, considering the restrictive covenants and its model of execution of the projects through such entities, the management is of the opinion that there cannot be fair valuation of the financial guarantees issued aggregating to Rs. 1,14,300 lacs (Previous year: Rs. 3,19,010.86 lacs).

### 57 Interests in Other Entities

#### (A) Interest in Subsidiaries:

I The Consolidated Financial Statements present the Consolidated Accounts of D B Realty Limited with its following Subsidiaries:

Name of entity	Principal place of business/ country of origin	Ownership interest held by the group		Ownership interest held by non-controlling interest	
		31.03.2019	31.03.2018	31.03.2019	31.03.2018
		%	%	%	%
Conwood DB Joint Venture	India	90.00	90.00	10.00	10.00
DB Contractors & Builders Pvt Ltd	India	100.00	100.00	-	-
DB Man Realty Ltd	India	91.00	91.00	9.00	9.00
DB View Infracon Pvt Ltd	India	100.00	100.00	-	-
ECC DB Joint Venture	India	75.00	75.00	25.00	25.00
Esteem Properties Pvt Ltd	India	100.00	100.00	-	-
Goregaon Hotel and Realty Private Limited	India	100.00	100.00	-	-
MIG (Bandra) Realtors and Builders Private Limited	India	100.00	100.00	-	-
Mira Real Estate Developers	India	100.00	100.00	-	-
N.A. Estate Private Limited	India	100.00	100.00	-	-
Neelkamal Realtors Suburban Pvt Ltd	India	66.00	66.00	34.00	34.00
Neelkamal Shantinagar Properties Pvt Ltd	India	100.00	100.00	-	-
Nine Paradise Erectors Pvt. Ltd.	India	100.00	100.00	-	-
Priya Constructions Pvt Ltd	India	100.00	100.00	-	-
Real Gem Buildtech Pvt Ltd	India	100.00	100.00	-	-
Royal Netra Construction Pvt Ltd	India	50.40	50.40	49.60	49.60
Saifee Bucket Factory Pvt Ltd	India	100.00	100.00	-	-
Spacecon Realty Pvt Ltd	India	74.00	74.00	26.00	26.00
Turf Estate Joint Venture	India	66.67	66.67	33.33	33.33
Vanita Infrastructure Private Limited	India	100.00	100.00	-	-

#### II The Company, through its subsidiaries, has the following step-down Subsidiaries:

(i) Subsidiary of Neelkamal Shantinagar Properties Pvt Ltd is as under:

Name of entity	Principal place of business/ country of origin	Ownership interest held by the group		Ownership interest held by non-controlling interest	
		31.03.2019	31.03.2018	31.03.2019	31.03.2018
		%	%	%	%
Shree Shantinagar Venture	India	100.00	100.00	-	-

(ii) Subsidiary of Priya Constructions Pvt. Ltd. is as under:

Name of entity	Principal place of business/ country of origin	Ownership interest held by the group		Ownership interest held by non-controlling interest	
		31.03.2019	31.03.2018	31.03.2019	31.03.2018
		%	%	%	%
Evergreen Industrial Estate*	India	66.66	66.66	33.33	33.33

\* Further 0.01% holding is held by Turf Estate

(iii) Subsidiary of Nine Paradise Pvt. Ltd. is as under:

Name of entity	Principal place of business/ country of origin	Ownership interest held by the group		Ownership interest held by non-controlling interest	
		31.03.2019	31.03.2018	31.03.2019	31.03.2018
		%	%	%	%
Horizontal Realty and Aviation Pvt Ltd	India	62.86	62.86	37.14	37.14

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### (B) Non-controlling Interest (NCI)

#### (i) Subsidiary Companies

Set out below is the summarised financial information for each subsidiary company that has non-controlling interests that are material to the group. The amounts disclosed for each subsidiary company are before inter-company eliminations:

(Rs. In Lacs)

Summarised Balance Sheet	Neelkamal Realtors Suburban Pvt Ltd		Royal Netra Construction Pvt Ltd		Spacecon Realty Pvt Ltd		Horizontal Realty and Aviation Pvt Ltd	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018
Current Assets	14,568.02	26,918.20	7,897.26	7,753.79	1.00	41.64	14,902.06	14,652.87
Current Liabilities	21,584.36	30,701.13	7,829.37	7,684.07	846.50	845.73	19,018.39	18,853.48
<b>Net Current Assets</b>	<b>(7,016.34)</b>	<b>(3,782.93)</b>	<b>67.89</b>	<b>69.72</b>	<b>(845.51)</b>	<b>(804.09)</b>	<b>(4,116.34)</b>	<b>(4,200.62)</b>
Non-current assets	552.64	128.56	2.43	1.84	-	-	3,683.12	8.05
Non-current liabilities	1,119.66	1,385.66	-	-	-	-	19,050.86	20,592.38
<b>Net Non-current Assets</b>	<b>(567.02)</b>	<b>(1,257.09)</b>	<b>2.43</b>	<b>1.84</b>	<b>-</b>	<b>-</b>	<b>(15,367.74)</b>	<b>(20,584.33)</b>
<b>Net Assets</b>	<b>(7,583.36)</b>	<b>(5,040.03)</b>	<b>70.32</b>	<b>71.56</b>	<b>(845.51)</b>	<b>(804.09)</b>	<b>(19,484.07)</b>	<b>(24,784.95)</b>
<b>Accumulated NCI</b>	<b>(2,578.34)</b>	<b>(1,713.61)</b>	<b>34.88</b>	<b>35.49</b>	<b>(219.83)</b>	<b>(209.06)</b>	<b>(7,236.38)</b>	<b>(9,205.13)</b>

(Rs. In Lacs)

Summarised statement of profit and loss	Neelkamal Realtors Suburban Pvt Ltd		Royal Netra Construction Pvt Ltd		Spacecon Realty Pvt Ltd		Horizontal Realty and Aviation Pvt Ltd	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018
Revenue	7,132.96	11,556.93	-	-	-	-	2,708.63	-
Profit/ (Loss) for the year	(325.45)	(4,976.71)	(1.24)	(0.85)	(41.42)	(71.01)	5,301.16	(2,643.90)
Other comprehensive income	10.17	1.03	-	-	-	-	(0.29)	(2.36)
<b>Total Comprehensive income</b>	<b>(315.28)</b>	<b>(4,975.68)</b>	<b>(1.24)</b>	<b>(0.85)</b>	<b>(41.42)</b>	<b>283.80</b>	<b>5,300.87</b>	<b>(2,646.26)</b>
<b>Profit allocated to NCI</b>	<b>(107.20)</b>	<b>(1,691.73)</b>	<b>(0.62)</b>	<b>(0.42)</b>	<b>(10.77)</b>	<b>73.79</b>	<b>1,968.74</b>	<b>(982.82)</b>

(Rs. In Lacs)

Summarised statement of cash flows	Neelkamal Realtors Suburban Pvt Ltd		Royal Netra Construction Pvt Ltd		Spacecon Realty Pvt Ltd		Horizontal Realty and Aviation Pvt Ltd	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018
Cash flows from operating activities	(795.82)	1,661.18	(108.00)	(124.41)	(73.65)	998.95	112.53	10,829.09
Cash flows from investing activities	(227.63)	(27.40)	5.29	5.94	-	-	378.60	(8,995.98)
Cash flows from financing activities	130.21	(635.85)	9.00	228.25	72.26	(997.60)	(494.26)	(1,831.68)
<b>Gross increase/ (decrease) in cash and cash equivalents</b>	<b>(893.24)</b>	<b>997.93</b>	<b>(93.70)</b>	<b>109.78</b>	<b>(1.38)</b>	<b>1.35</b>	<b>(3.14)</b>	<b>1.43</b>
<b>Less: transferred to NCI</b>	<b>(303.70)</b>	<b>339.30</b>	<b>(46.48)</b>	<b>54.45</b>	<b>(0.36)</b>	<b>0.35</b>	<b>(1.17)</b>	<b>0.53</b>
<b>Net increase/ (decrease) in cash and cash equivalents attributable to the Group</b>	<b>(589.54)</b>	<b>658.63</b>	<b>(47.23)</b>	<b>55.33</b>	<b>(1.02)</b>	<b>1.00</b>	<b>(1.97)</b>	<b>0.90</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### (ii) Joint Ventures and AOP which are considered as Subsidiaries

Set out below is the summarised financial information for each subsidiary joint venture that has non-controlling interests that are material to the group. The amounts disclosed for each subsidiary joint venture are before intra-group eliminations:

(Rs. In Lacs)

Summarised Balance Sheet	ECC DB Joint Venture		Turf Estate Joint Venture		Evergreen Industrial Estate		Conwood DB Joint Venture	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018
Other members' contribution as on April 01	272.88	639.82	(4,832.10)	(3,799.37)	765.97	759.30	(1,065.71)	(2,820.23)
Capital introduction/ (withdrawal)	(208.35)	(339.21)	-	-	-	-	4.08	1,754.08
Share of Profit/ (Loss)	(31.47)	(27.73)	(25.26)	(1,032.73)	10.34	6.67	(0.07)	0.44
<b>Other members' contribution as on March 31</b>	<b>33.06</b>	<b>272.88</b>	<b>(4,857.36)</b>	<b>(4,832.10)</b>	<b>776.31</b>	<b>765.97</b>	<b>(1,061.70)</b>	<b>(1,065.71)</b>

(Rs. In Lacs)

Summarised statement of profit and loss	ECC DB Joint Venture		Turf Estate Joint Venture		Evergreen Industrial Estate		Conwood DB Joint Venture	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018
Revenue	-	-	-	-	-	-	-	-
Profit for the year	(124.05)	(113.69)	(75.77)	(3,100.88)	31.02	20.00	(0.75)	4.37
Other comprehensive income	(1.85)	2.78	-	2.69	-	-	-	-
<b>Total Comprehensive income</b>	<b>(125.90)</b>	<b>(110.91)</b>	<b>(75.77)</b>	<b>(3,098.18)</b>	<b>31.02</b>	<b>20.00</b>	<b>(0.75)</b>	<b>4.37</b>
<b>Profit allocated to NCI</b>	<b>(31.47)</b>	<b>(27.73)</b>	<b>(25.26)</b>	<b>(1,032.73)</b>	<b>10.34</b>	<b>6.67</b>	<b>(0.07)</b>	<b>0.44</b>

(Rs. In Lacs)

Summarised statement of cash flows	ECC DB Joint Venture		Turf Estate Joint Venture		Evergreen Industrial Estate		Conwood DB Joint Venture	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018
Cash flows from operating activities	(444.78)	(88.17)	(4,765.55)	(164.01)	55.06	48.63	(81.62)	(18,645.60)
Cash flows from investing activities	15.26	15.74	41.30	44.56	-	-	-	9,450.70
Cash flows from financing activities	430.61	60.73	4,722.01	119.08	(58.77)	(44.82)	81.97	9,180.42
<b>Net increase/ (decrease) in cash and cash equivalents</b>	<b>1.10</b>	<b>(11.69)</b>	<b>(2.24)</b>	<b>(0.36)</b>	<b>(3.71)</b>	<b>3.81</b>	<b>0.35</b>	<b>(14.48)</b>
<b>Less: transferred to NCI</b>	<b>0.27</b>	<b>(2.92)</b>	<b>(0.75)</b>	<b>(0.12)</b>	<b>(1.22)</b>	<b>1.26</b>	<b>0.32</b>	<b>(13.03)</b>
<b>Net increase/ (decrease) in cash and cash equivalents attributable to the Group</b>	<b>0.82</b>	<b>(8.77)</b>	<b>(1.50)</b>	<b>(0.24)</b>	<b>(2.49)</b>	<b>2.55</b>	<b>0.04</b>	<b>(1.45)</b>



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#### (C) Interest in Associates and Joint Ventures

##### I Set out below are the Joint Ventures and Associates of the Company

Name of entity	Principal place of business/ country of origin	Accounting Method	Joint Venture/ Associate	Ownership interest held by the group	
				31.03.2019	31.03.2018
				%	%
DB (BKC) Realtors Private Limited (Note 4.3 below )	India	Equity Method	Joint Venture	40.80	40.80
DB Realty and Shreepati Infrastructures LLP (Note 1 & 4.1 below)	India	Equity Method	Joint Venture	60.00	60.00
DBS Realty	India	Equity Method	Joint Venture	33.33	33.33
Dynamix Realty (Note 2 below)	India	Equity Method	Joint Venture	50.00	50.00
Lokhandwala Dynamix Balwas JV	India	Equity Method	Joint Venture	50.00	50.00
D B HI-SKY Constructions Pvt Ltd	India	Equity Method	Associate	50.00	50.00
Mahal Pictures Private Limited	India	Equity Method	Associate	33.33	33.33
Neelkamal Realtors Tower Pvt Ltd (Note 4.2 below)	India	Equity Method	Associate	42.82	42.82
Sangam City Township Pvt Ltd	India	Equity Method	Associate	26.67	26.67
Shiva Buildcon Pvt Ltd	India	Equity Method	Associate	44.43	44.43
Shiva Multitrade Pvt. Ltd	India	Equity Method	Associate	44.43	44.43
Shiva Realtors Suburban Pvt. Ltd	India	Equity Method	Associate	44.43	44.43

##### II The Company, through its subsidiaries, has the following step-down Joint Ventures and associates:

##### (i) Joint Ventures of DB View Infracon Pvt. Ltd. are as under:

Name of entity	Principal place of business/ country of origin	Accounting Method	subsidiary/ associate/ Joint Venture	Percentage of ownership	
				Interest as on	
				31.03.2019	31.03.2018
				%	%
Sneh Developers* (Note no 6)	India	Equity Method	Joint Venture	48.00	48.00
Suraksha DB Realty (Note no 7)	India	Equity Method	Joint Venture	50.00	50.00

*\*Further, 1% holding is held by Nine Paradise Erectors Pvt. Ltd.*

##### (ii) Joint Venture of DB Contractors & Builders Pvt. Ltd. is as under:

Name of entity	Principal place of business/ country of origin	Accounting Method	subsidiary/ associate/ Joint Venture	Percentage of ownership	
				Interest as on	
				31.03.2019	31-03-2018
				%	%
Lokhandwala D B Realty LLP*	India	Equity Method	Joint Venture	45.00	45.00

*\*Further, 5% shares are held by D B Realty Ltd.*

##### (iii) Associate of Horizontal Realty and Aviation Pvt Ltd is as under:

Name of entity	Principal place of business/ country of origin	Accounting Method	subsidiary/ associate/ Joint Venture	Percentage of ownership	
				Interest as on	
				31.03.2019	31-03-2018
				%	%
Milan Theatres Private Limited (Note 4.4 below)	India	Equity Method	Associate	32.76	32.76

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### (iii) Joint Venture of DB Realty and Shreepati Infrastructures LLP is as under:

Name of entity	Principal place of business/ country of origin	Accounting Method	subsidiary/ associate/ Joint Venture	Percentage of ownership	
				Interest as on	
				31.03.2019	31-03-2018
				%	%
National Tiles and Industries	India	Equity Method	Associate	99.00	99.00

- 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 Rs 558.18 lacs, total revenue of Rs. Nil and net loss after tax of Rs. 0.05 lacs. Such financial statements of the LLP are approved by only two 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 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.
- Since all the entities listed above are unlisted, quoted price is not available.

### 4 Significant judgments and assumptions

#### 4.1 DB Realty and Shreepati Infrastructures LLP

Although the holding company has right to 60% of the profits of the said LLP, it does not have control over the entity as defined in Ind-AS 110. Thus, the said LLP, in spite of 60% share in the profit of the LLP, has not been treated as a subsidiary and has been consolidated as a Joint Venture as per Ind-AS 28.

#### 4.2 Neelkamal Realtors Tower Pvt Ltd

The holding company holds 42.82% stake in the equity shares of the said company, but the economic right of the holding company in the said company is 50.83%. Although the holding company holds more than 50% share in the economic rights of the company but it does not have the ability to affect those returns through its power over the said company. Thus, it does not qualify the definition of control as per Ind-AS 110 and the said company has been treated as an Associate as per Ind-AS 28 instead of subsidiary.

#### 4.3 DB (BKC) Realtors Private Limited

Holding Company does not have control over the entity as defined in Ind-AS 110 considering voting rights and equity share of 40.80% and joint control of super majority decisions alongwith other investors, as per share subscription agreement even though total share holding including CCPS and ROCCPS is 57.2%. Thus, the said company, in spite of 57.2% total share capital of the company, has not been treated as a subsidiary and has been consolidated as a Joint Venture as per Ind-AS 28.

#### 4.4 Milan Theatre Private Limited

The Group holds 32.76% in the said Company through its subsidiary Horizontal Realty & Aviation Pvt. Ltd. The said subsidiary has impaired the value of investment in its books and thus the carrying value of investment in Milan Theatre Private Limited appearing in the consolidated financial statements is NIL.

### III Summarised financial information for associates and joint ventures:

The table below provide summarised financial information for those joint ventures and associates that are material to the group. The information disclosed reflects the amount presented in financial statements of the relevant associates and joint ventures and not the Company's share of those amounts. They have been amended to reflect adjustments made by the entity when using the equity method, including fair value adjustments made by the entity when using the equity method, including fair value adjustments made at time of acquisition and modifications for differences in accounting policies.

Summarised Balance Sheet	(Rs. In Lacs)			
	DB (BKC) Realtors Private Limited		DB Realty and Shreepati Infrastructures LLP	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
Current Assets				
- Cash and cash equivalents	1.48	1.63	0.61	0.62
- Other current assets	42,651.69	42,666.86	478.28	478.28
<b>Total Current assets</b>	<b>42,653.17</b>	<b>42,668.50</b>	<b>478.89</b>	<b>478.89</b>
<b>Total Non-current assets</b>	<b>2.41</b>	<b>2.41</b>	<b>79.29</b>	<b>79.29</b>

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Summarised Balance Sheet	(Rs. In Lacs)			
	DB (BKC) Realtors Private Limited		DB Realty and Shreepati Infrastructures LLP	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
Current Liabilities				
- Financial liabilities (excluding trade payable)	176.65	168.82	-	-
- Other liabilities	131.81	142.81	0.88	0.88
<b>Total Current liabilities</b>	<b>308.45</b>	<b>311.62</b>	<b>0.88</b>	<b>0.88</b>
Non-current liabilities				
- Financial liabilities (excluding trade payable)	-	-	-	-
- Other liabilities	-	-	-	-
<b>Total Non-current liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Assets</b>	<b>42,347.13</b>	<b>42,359.29</b>	<b>557.30</b>	<b>557.30</b>

Summarised Balance Sheet	(Rs. In Lacs)			
	DBS Realty		Dynamix Realty	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
Current Assets				
- Cash and cash equivalents	29.50	34.92	2.38	2.21
- Other current assets	25,778.11	25,735.52	6,781.63	6,521.42
<b>Total Current assets</b>	<b>25,807.62</b>	<b>25,770.44</b>	<b>6,784.01</b>	<b>6,523.64</b>
<b>Total Non-current assets</b>	<b>4,961.61</b>	<b>4,963.99</b>	<b>0.75</b>	<b>3.65</b>
Current Liabilities				
- Financial liabilities (excluding trade payable)	10.85	8.84	362.09	354.81
- Other liabilities	45,894.09	45,898.40	2,891.90	3,138.94
<b>Total Current liabilities</b>	<b>45,904.94</b>	<b>45,907.24</b>	<b>3,253.98</b>	<b>3,493.74</b>
Non-current liabilities				
- Financial liabilities (excluding trade payable)	263.52	227.49	-	-
- Other liabilities	16.35	(10.07)	-	3.58
<b>Total Non-current liabilities</b>	<b>279.86</b>	<b>217.42</b>	<b>-</b>	<b>3.58</b>
<b>Net Assets</b>	<b>(15,415.58)</b>	<b>(15,390.23)</b>	<b>3,530.78</b>	<b>3,029.96</b>

Summarised Balance Sheet	(Rs. In Lacs)			
	Lokhandwala Dynamix Balwas JV		D B HI-SKY Constructions Pvt Ltd	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
Current Assets				
- Cash and cash equivalents	85.52	82.74	0.67	0.54
- Other current assets	1.22	0.69	6,543.81	6,540.01
<b>Total Current assets</b>	<b>86.74</b>	<b>83.44</b>	<b>6,544.48</b>	<b>6,540.55</b>
<b>Total Non-current assets</b>	<b>345.54</b>	<b>345.54</b>	<b>4.06</b>	<b>4.38</b>
Current Liabilities				
- Financial liabilities (excluding trade payable)	-	-	6,514.23	6,508.31
- Other liabilities	0.88	0.93	111.80	113.48
<b>Total Current liabilities</b>	<b>0.88</b>	<b>0.93</b>	<b>6,626.04</b>	<b>6,621.80</b>
Non-current liabilities				
- Financial liabilities (excluding trade payable)	-	-	-	-
- Other liabilities	-	-	-	0.15
<b>Total Non-current liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.15</b>
<b>Net Assets</b>	<b>431.40</b>	<b>428.05</b>	<b>(77.49)</b>	<b>(77.01)</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(Rs. In Lacs)

Summarised Balance Sheet	Mahal Pictures Private Limited		Neelkamal Realtors Tower Pvt Ltd	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
Current Assets				
- Cash and cash equivalents	120.26	119.60	580.18	101.35
- Other current assets	158.37	155.50	121,935.88	109,195.43
<b>Total Current assets</b>	<b>278.62</b>	<b>275.09</b>	<b>122,516.06</b>	<b>109,296.78</b>
<b>Total Non-current assets</b>	<b>1,690.07</b>	<b>1,604.37</b>	<b>5,098.72</b>	<b>4,837.51</b>
Current Liabilities				
- Financial liabilities (excluding trade payable)	411.26	409.86	1,762.80	19,391.05
- Other liabilities	289.83	278.90	30,967.20	29,160.10
<b>Total Current liabilities</b>	<b>701.09</b>	<b>688.77</b>	<b>32,730.00</b>	<b>48,551.15</b>
Non-current liabilities				
- Financial liabilities (excluding trade payable)	-	-	92,021.87	58,963.90
- Other liabilities	41.97	34.25	44.43	14.84
<b>Total Non-current liabilities</b>	<b>41.97</b>	<b>34.25</b>	<b>92,066.30</b>	<b>58,978.74</b>
<b>Net Assets</b>	<b>1,225.64</b>	<b>1,156.44</b>	<b>2,818.48</b>	<b>6,604.40</b>

(Rs. In Lacs)

Summarised Balance Sheet	Sangam City Township Pvt Ltd		Shiva Buildcon Pvt Ltd	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
Current Assets				
- Cash and cash equivalents	0.13	0.16	0.29	0.13
- Other current assets	18,223.02	17,251.37	-	-
<b>Total Current assets</b>	<b>18,223.15</b>	<b>17,251.53</b>	<b>0.29</b>	<b>0.13</b>
<b>Total Non-current assets</b>	<b>-</b>	<b>-</b>	<b>7.48</b>	<b>7.48</b>
Current Liabilities				
- Financial liabilities (excluding trade payable)	-	-	10.98	0.15
- Other liabilities	11.99	10.92	-	-
<b>Total Current liabilities</b>	<b>11.99</b>	<b>10.92</b>	<b>10.98</b>	<b>0.15</b>
Non-current liabilities				
- Financial liabilities (excluding trade payable)	8,595.10	7,622.95	-	8.88
- Other liabilities	1,010.04	709.81	-	0.44
<b>Total Non-current liabilities</b>	<b>9,605.14</b>	<b>8,332.76</b>	<b>-</b>	<b>9.32</b>
<b>Net Assets</b>	<b>8,606.02</b>	<b>8,907.86</b>	<b>(3.21)</b>	<b>(1.85)</b>

(Rs. In Lacs)

Summarised Balance Sheet	Shiva Multitrade Pvt. Ltd		Shiva Realtors Suburban Pvt. Ltd	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
Current Assets				
- Cash and cash equivalents	0.29	0.19	0.29	0.14
- Other current assets	-	-	-	-
<b>Total Current assets</b>	<b>0.29</b>	<b>0.19</b>	<b>0.29</b>	<b>0.14</b>
<b>Total Non-current assets</b>	<b>7.48</b>	<b>7.48</b>	<b>7.48</b>	<b>7.48</b>
Current Liabilities				
- Financial liabilities (excluding trade payable)	11.23	0.15	10.98	0.15
- Other liabilities	-	-	-	-
<b>Total Current liabilities</b>	<b>11.23</b>	<b>0.15</b>	<b>10.98</b>	<b>0.15</b>
Non-current liabilities				
- Financial liabilities (excluding trade payable)	-	9.09	-	8.88
- Other liabilities	-	0.45	-	0.44
<b>Total Non-current liabilities</b>	<b>-</b>	<b>9.54</b>	<b>-</b>	<b>9.32</b>
<b>Net Assets</b>	<b>(3.46)</b>	<b>(2.02)</b>	<b>(3.20)</b>	<b>(1.85)</b>

# D B REALTY LIMITED

(ANNUAL REPORT 2018 - 19 )

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(Rs. In Lacs)

Summarised Balance Sheet	Sneh Developers		Suraksha DB Realty	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
Current Assets				
- Cash and cash equivalents	0.20	0.20	4.12	10.39
- Other current assets	10.54	10.54	1,722.37	2,142.13
<b>Total Current assets</b>	<b>10.74</b>	<b>10.74</b>	<b>1,726.50</b>	<b>2,152.52</b>
<b>Total Non-current assets</b>	<b>-</b>	<b>-</b>	<b>2.84</b>	<b>3.71</b>
Current Liabilities				
- Financial liabilities (excluding trade payable)	10.33	10.33	-	-
- Other liabilities	1.13	0.92	12.55	27.92
<b>Total Current liabilities</b>	<b>11.46</b>	<b>11.25</b>	<b>12.55</b>	<b>27.92</b>
Non-current liabilities				
- Financial liabilities (excluding trade payable)	-	-	27.17	27.17
- Other liabilities	-	-	-	-
<b>Total Non-current liabilities</b>	<b>-</b>	<b>-</b>	<b>27.17</b>	<b>27.17</b>
<b>Net Assets</b>	<b>(0.72)</b>	<b>(0.51)</b>	<b>1,689.61</b>	<b>2,101.14</b>

(Rs. In Lacs)

Summarised Balance Sheet	Lokhandwala D B Realty LLP	
	31.03.2019	31.03.2018
Current Assets		
- Cash and cash equivalents	0.43	5.16
- Other current assets	109.40	111.25
<b>Total Current assets</b>	<b>109.83</b>	<b>116.42</b>
<b>Total Non-current assets</b>	<b>0.16</b>	<b>0.21</b>
Current Liabilities		
- Financial liabilities (excluding trade payable)	-	-
- Other liabilities	2.95	9.62
<b>Total Current liabilities</b>	<b>2.95</b>	<b>9.62</b>
Non-current liabilities		
- Financial liabilities (excluding trade payable)	-	-
- Other liabilities	-	-
<b>Total Non-current liabilities</b>	<b>-</b>	<b>-</b>
<b>Net Assets</b>	<b>107.04</b>	<b>107.00</b>

### IV Reconciliation to carrying amounts

(Rs. In Lacs)

Particulars	DB (BKC) Realtors Private Limited		DB Realty and Shreepati Infrastructures LLP		DBS Realty		Dynamix Realty	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018
<b>Opening net assets</b>	<b>42,359.29</b>	<b>42,389.92</b>	<b>557.30</b>	<b>555.57</b>	<b>(15,390.23)</b>	<b>(17,680.92)</b>	<b>3,029.96</b>	<b>(16,726.24)</b>
Capital introduced/ (withdrawn)	-	-	0.06	1.77	54.72	2,325.83	777.84	20,946.61
Other adjustment	-	-	-	-	-	-	-	-
Capital Reserve	-	-	-	-	-	-	-	-
Profit for the year	(12.16)	(30.63)	(0.06)	(0.04)	(80.06)	(35.14)	(277.02)	(1,190.93)
Other comprehensive income	-	-	-	-	-	-	-	0.51
<b>Closing net assets</b>	<b>42,347.12</b>	<b>42,359.29</b>	<b>557.30</b>	<b>557.30</b>	<b>(15,415.58)</b>	<b>(15,390.23)</b>	<b>3,530.78</b>	<b>3,029.96</b>
<b>Add/(Less): Consolidation adjustments</b>								
Group's share in net assets	24,222.27	24,229.51	644.26	644.24	(5.14)	(5.13)	9,018.01	8,857.37
Fair value adjustments	(14,409.94)	(14,412.02)	0.91	0.91	-	-	-	-
Other consolidation adjustments	-	-	-	-	(6,517.60)	(6,612.92)	160.64	18,890.80
<b>Carrying amount</b>	<b>9,812.33</b>	<b>9,817.49</b>	<b>645.17</b>	<b>645.15</b>	<b>(6,522.74)</b>	<b>(6,618.05)</b>	<b>9,018.01</b>	<b>8,857.37</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(Rs. In Lacs)

Particulars	Lokhandwala Dynamix Balwas JV		D B HI-SKY Constructions Pvt Ltd		Mahal Pictures Private Limited		Neelkamal Realtors Tower Pvt Ltd	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018
<b>Opening net assets</b>	<b>428.06</b>	<b>425.41</b>	<b>(77.01)</b>	<b>(76.40)</b>	<b>1,156.44</b>	<b>1,072.59</b>	<b>6,604.40</b>	<b>6,634.04</b>
Capital introduced/ (withdrawn)	2.67	2.04	-	-	-	-	-	-
Other adjustment	-	-	-	-	-	-	-	-
Capital Reserve	-	-	-	-	-	-	-	-
Profit for the year	0.68	0.61	(0.47)	(0.62)	62.98	83.51	(3,776.62)	(29.55)
Other comprehensive income	-	-	-	0.01	6.22	0.34	(9.30)	(0.08)
<b>Closing net assets</b>	<b>431.41</b>	<b>428.06</b>	<b>(77.49)</b>	<b>(77.01)</b>	<b>1,225.64</b>	<b>1,156.44</b>	<b>2,818.48</b>	<b>6,604.40</b>
<b>Add/(Less): Consolidation adjustments</b>								
Group's share in net assets	243.82	243.07	(38.74)	(38.51)	408.55	385.48	1,206.87	2,730.12
Fair value adjustments	-	-	2,096.09	2,096.09	8,880.48	8,880.41	2,823.12	3,224.25
Other consolidation adjustments	0.75	58.09	-	-	-	-	-	-
<b>Carrying amount</b>	<b>243.82</b>	<b>243.07</b>	<b>2,057.35</b>	<b>2,057.58</b>	<b>9,289.02</b>	<b>9,265.89</b>	<b>4,029.99</b>	<b>5,954.37</b>

(Rs. In Lacs)

Particulars	Sangam City Township Pvt Ltd		Shiva Buildcon Pvt Ltd		Shiva Multitrade Pvt. Ltd		Shiva Realtors Suburban Pvt. Ltd	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018
<b>Opening net assets</b>	<b>8,907.86</b>	<b>9,175.42</b>	<b>(1.85)</b>	<b>(0.67)</b>	<b>(2.02)</b>	<b>(0.82)</b>	<b>(1.85)</b>	<b>(0.67)</b>
Capital introduced/ (withdrawn)	-	-	-	-	-	-	-	-
Other adjustment	-	-	-	-	-	-	-	-
Capital Reserve	-	-	-	-	-	-	-	-
Profit for the year	(301.84)	(267.56)	(1.36)	(1.18)	(1.44)	(1.20)	(1.35)	(1.18)
Other comprehensive income	-	-	-	-	-	-	-	-
<b>Closing net assets</b>	<b>8,606.02</b>	<b>8,907.86</b>	<b>(3.21)</b>	<b>(1.85)</b>	<b>(3.46)</b>	<b>(2.02)</b>	<b>(3.20)</b>	<b>(1.85)</b>
<b>Add/(Less): Consolidation adjustments</b>								
Group's share in net assets	2,295.23	2,375.73	(1.43)	(0.82)	(1.54)	(0.90)	(1.42)	(0.82)
Fair value adjustments	2,257.74	2,257.74	853.43	853.42	853.52	853.52	853.41	853.41
Other consolidation adjustments	-	-	-	-	-	-	-	-
<b>Carrying amount</b>	<b>4,552.97</b>	<b>4,633.47</b>	<b>852.00</b>	<b>852.60</b>	<b>851.98</b>	<b>852.62</b>	<b>851.99</b>	<b>852.59</b>

(Rs. In Lacs)

Particulars	Sneh Developers		Suraksha DB Realty		Lokhandwala D B Realty LLP	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018
<b>Opening net assets</b>	<b>(0.51)</b>	<b>(0.31)</b>	<b>2,101.14</b>	<b>1,556.21</b>	<b>107.00</b>	<b>107.32</b>
Capital introduced/ (withdrawn)	-	-	(419.20)	349.46	0.32	-
Other adjustment	-	-	-	-	-	-
Capital Reserve	-	-	-	-	-	-
Profit for the year	(0.21)	(0.20)	7.68	195.46	(0.28)	(0.32)
Other comprehensive income	-	-	-	-	-	-
<b>Closing net assets</b>	<b>(0.72)</b>	<b>(0.51)</b>	<b>1,689.62</b>	<b>2,101.13</b>	<b>107.04</b>	<b>107.00</b>
<b>Add/(Less): Consolidation adjustments</b>						
Group's share in net assets	(0.45)	(0.35)	934.87	931.03	53.36	53.40
Fair value adjustments	-	-	-	2.54	-	-
Other consolidation adjustments	-	-	-	-	-	-
<b>Carrying amount</b>	<b>0.10</b>	<b>0.10</b>	<b>934.87</b>	<b>933.57</b>	<b>65.81</b>	<b>65.99</b>

# D B REALTY LIMITED

(ANNUAL REPORT 2018 - 19 )

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### V Summarised Statement of Profit and Loss

(Rs. In Lacs)

Particulars	DB (BKC) Realtors Private Limited		DB Realty and Shreepati Infrastructures LLP		DBS Realty		Dynamix Realty	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018
Revenue			-	-	-	-	-	-
Depreciation	0.49	0.49	-	-	55.63	55.87	0.03	0.02
Interest income	1.19	1.33	-	-	1.73	4.22		0.10
Interest expense	-	-	-	-	36.03	31.46	-	-
Income tax expense/ (income)	-	0.04	-	-	35.84	1.39	-	391.14
Profit for the year	(12.16)	(30.63)	(0.06)	(0.04)	(80.06)	(35.14)	(277.02)	(1,190.93)
Other comprehensive income	-	-	-	-	-	-	-	0.51
Total comprehensive income	(12.16)	(30.63)	(0.06)	(0.04)	(80.06)	(35.14)	(277.02)	(1,190.42)
<b>Group's share in total comprehensive income</b>	<b>(5.16)</b>	<b>(12.50)</b>	<b>(0.03)</b>	<b>(0.03)</b>	<b>(26.69)</b>	<b>(11.71)</b>	<b>(252.76)</b>	<b>(1,175.40)</b>

(Rs. In Lacs)

Particulars	Lokhandwala Dynamix Balwas JV		D B HI-SKY Constructions Pvt Ltd		Mahal Pictures Private Limited		Neelkamal Realtors Tower Pvt Ltd	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018
Revenue	-	-	-	-	347.83	254.68	-	-
Depreciation	-	-	-	-	14.91	18.25	11.94	15.21
Interest income	3.31	3.12	-	-	133.90	117.87	-	105.15
Interest expense	-	-	-	-	-	-	147.54	114.10
Income tax expense/ (income)	0.31	0.27	-	-	84.91	40.23	1,101.25	34.49
Profit for the year	0.68	0.61	(0.47)	(0.62)	62.98	83.51	(3,776.62)	(29.55)
Other comprehensive income	-	-	-	0.01	6.22	0.34	(9.30)	(0.08)
Total comprehensive income	0.68	0.61	(0.47)	(0.61)	69.20	83.85	(3,785.92)	(29.63)
<b>Group's share in total comprehensive income</b>	<b>0.34</b>	<b>0.31</b>	<b>(0.24)</b>	<b>(0.31)</b>	<b>23.06</b>	<b>27.95</b>	<b>(1,621.13)</b>	<b>(12.69)</b>

(Rs. In Lacs)

Particulars	Sangam City Township Pvt Ltd		Shiva Buildcon Pvt Ltd		Shiva Multitrade Pvt. Ltd		Shiva Realtors Suburban Pvt. Ltd	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018
Revenue	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-
Interest income	-	-	-	-	-	-	-	-
Interest expense	-	-	1.42	1.22	1.46	1.25	1.42	1.22
Income tax expense/ (income)	300.24	266.56	0.44	0.38	0.45	0.39	0.44	0.38
Profit for the year	(301.84)	(267.56)	(1.36)	(1.18)	(1.44)	(1.20)	(1.35)	(1.18)
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income	(301.84)	(267.56)	(1.36)	(1.18)	(1.44)	(1.20)	(1.35)	(1.18)
<b>Group's share in total comprehensive income</b>	<b>(80.50)</b>	<b>(71.36)</b>	<b>(0.60)</b>	<b>(0.52)</b>	<b>(0.64)</b>	<b>(0.53)</b>	<b>(0.60)</b>	<b>(0.52)</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(Rs. In Lacs)

Particulars	Sneh Developers		Suraksha DB Realty		Lokhandwala D B Realty LLP	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018
Revenue	-	-	479.86	260.40	-	-
Depreciation	-	-	0.87	1.45	0.04	0.07
Interest income	-	-	-	7.86	-	-
Interest expense	-	-	-	-	-	-
Income tax expense/ (income)	-	-	(0.02)	(7.34)	-	-
Profit for the year	(0.21)	(0.20)	7.68	195.46	(0.28)	(0.32)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	(0.21)	(0.20)	7.68	195.46	(0.28)	(0.32)
<b>Group's share in total comprehensive income</b>	<b>(0.10)</b>	<b>(0.10)</b>	<b>3.84</b>	<b>97.73</b>	<b>(0.18)</b>	<b>(0.16)</b>

**D Additional Information, as required under Schedule III to the Companies Act, 2013, for the Group:**

For March 31, 2019

Sr. No.	Name of Entity	Net assets ,i.e. total assets minus total liabilities		Share in profit or loss		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
		As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount	As % of Consolidated profit or loss	Amount	As % of Consolidated profit or loss	Amount
(A)	<b>Parent</b>								
	DB Realty Limited	133.44%	276,969.89	46.41%	(12,049.98)	93.44%	2,445.36	41.13%	(9,604.62)
	<b>Total (A)</b>	<b>133.44%</b>	<b>276,969.89</b>	<b>46.41%</b>	<b>(12,049.98)</b>	<b>93.44%</b>	<b>2,445.36</b>	<b>41.13%</b>	<b>(9,604.62)</b>
(B)	<b>Subsidiaries (Indian)</b>								
	Conwood DB Joint Venture	0.62%	1,276.68	0.00%	(0.75)	0.00%	-	0.00%	(0.75)
	DB Contractors & Builders Private Limited	0.00%	(5.51)	0.00%	(0.40)	0.00%	-	0.00%	(0.40)
	DB Man Realty Ltd	0.63%	1,304.51	0.00%	(0.37)	0.00%	-	0.00%	(0.37)
	DB View Infracon Pvt Ltd	1.75%	3,626.86	-13.86%	3,597.74	5.14%	134.40	-15.98%	3,732.15
	ECC DB Joint Venture	1.49%	3,099.20	0.48%	(124.05)	-0.07%	(1.85)	0.54%	(125.90)
	Esteem Properties Pvt Ltd	-0.21%	(436.32)	0.01%	(1.84)	0.00%	-	0.01%	(1.84)
	Evergreen Industrial Estate	1.13%	2,341.87	-0.12%	31.02	0.00%	-	-0.13%	31.02
	Nine Paradise Erectors Pvt. Ltd.	0.00%	(8.81)	0.00%	(0.39)	0.00%	-	0.00%	(0.39)
	Horizontal Realty and Aviation Private Limited	-9.39%	(19,484.07)	-20.42%	5,301.16	-0.01%	(0.29)	-22.70%	5,300.87
	Goregaon Hotel and Realty Private Limited	-1.25%	(2,602.92)	5.40%	(1,402.48)	0.00%	-	6.01%	(1,402.48)
	MIG (Bandra) Realtors And Builders Private Limited	-9.53%	(19,789.34)	41.88%	(10,875.29)	0.24%	6.27	46.55%	(10,869.02)
	Mira Real Estate Developers	3.95%	8,208.61	3.09%	(801.16)	-0.01%	(0.20)	3.43%	(801.36)
	N.A. Estate Private Limited	0.03%	64.78	0.00%	(0.18)	0.00%	-	0.00%	(0.18)
	Neelkamal Realtors Suburban Pvt Ltd	-3.65%	(7,583.36)	1.25%	(325.45)	0.39%	10.17	1.35%	(315.28)
	Neelkamal Shantinagar Properties Private Limited	0.18%	372.93	2.84%	(737.06)	0.00%	-	3.16%	(737.06)
	Turf Estate Joint Venture Pvt. Ltd.	-0.17%	(343.63)	0.13%	(32.72)	0.00%	-	0.14%	(32.72)
	Real Gem Buildtech Pvt Ltd	-6.75%	(14,016.76)	28.41%	(7,377.68)	0.89%	23.17	31.50%	(7,354.51)
	Royal Netra Construction Pvt Ltd	0.03%	70.32	0.00%	(1.24)	0.00%	-	0.01%	(1.24)
	Saifee Bucket Factory Pvt Ltd	-0.01%	(27.83)	0.00%	(0.21)	0.00%	-	0.00%	(0.21)
	Shree Shantinagar venture	0.82%	1,710.62	0.07%	(17.51)	0.00%	-	0.08%	(17.51)
	Spacecon Realty Pvt Ltd	-0.41%	(845.51)	0.16%	(41.42)	0.00%	-	0.18%	(41.42)
	Turf Estate Joint Venture	4.74%	9,836.63	0.29%	(75.77)	0.00%	-	0.32%	(75.77)
	Vanita Infrastructure Pvt Ltd	-0.20%	(416.82)	1.19%	(307.71)	0.00%	-	1.32%	(307.71)
	<b>Total (B)</b>	<b>-16.21%</b>	<b>(33,647.87)</b>	<b>50.81%</b>	<b>(13,193.78)</b>	<b>6.56%</b>	<b>171.68</b>	<b>55.77%</b>	<b>(13,022.10)</b>



# D B REALTY LIMITED

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

For March 31, 2019

Sr. No.	Name of Entity	Net assets ,i.e. total assets minus total liabilities		Share in profit or loss		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
		As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount	As % of Consolidated profit or loss	Amount	As % of Consolidated profit or loss	Amount
(C)	<b>Associates (As per Equity Method) (Indian)</b>								
	D B HI-SKY Constructions Pvt Ltd			0.00%	(0.24)	0.00%	-	0.00%	(0.24)
	Sangam City Township Pvt Ltd			0.31%	(80.50)	0.00%	-	0.34%	(80.50)
	Mahal Pictures Private Limited			-0.08%	20.99	0.08%	2.07	-0.10%	23.06
	Neelkamal Realtors Tower Pvt Ltd			6.23%	(1,617.15)	-0.15%	(3.98)	6.94%	(1,621.13)
	Shiva Buildcon Pvt Ltd			0.00%	(0.60)	0.00%	-	0.00%	(0.60)
	Shiva Multitrade Pvt. Ltd			0.00%	(0.64)	0.00%	-	0.00%	(0.64)
	Shiva Realtors Suburban Pvt Ltd			0.00%	(0.60)	0.00%	-	0.00%	(0.60)
	Total (C )		-	6.47%	(1,678.74)	-0.07%	(1.91)	7.20%	(1,680.65)
(D)	<b>Joint Ventures (As per the Equity Method) (Indian)</b>								
	DB (BKC) Realtors Private Limited			0.02%	(5.16)	0.00%	-	0.02%	(5.16)
	DB Realty and Shreepati Infrastructures LLP			0.00%	(0.03)	0.00%	-	0.00%	(0.03)
	DBS Realty			0.10%	(26.69)	0.00%	-	0.11%	(26.69)
	Dynamix Realty			0.53%	(138.51)	0.00%	-	0.59%	(138.51)
	Lokhandwala D B Realty LLP			0.00%	(0.14)	0.00%	-	0.00%	(0.14)
	Lokhandwala Dynamix Balwas JV			0.00%	0.34	0.00%	-	0.00%	0.34
	National Tiles			0.03%	(7.03)	0.00%	-	0.03%	(7.03)
	Sneh Developers			0.00%	(0.10)	0.00%	-	0.00%	(0.10)
	Suraksha D B Realty			-0.01%	3.84	0.00%	-	-0.02%	3.84
	Om Metal Consortium			0.00%	-	0.00%	-	0.00%	-
	Total (D )			0.67%	(173.49)	0.00%	-	0.74%	(173.49)
	Adjustment arising out of Consolidation	-16.80%	(34,997.67)	2.78%	(722.50)	0.00%	(0.02)	3.09%	(722.52)
		100.00%	208,324.35	100.00%	(25,966.25)	100.00%	2,617.01	100.00%	(23,349.24)

### 57D Additional Information, as required under Schedule III to the Companies Act, 2013, for the Group:

For March 31, 2018

Sr. No.	Name of Entity	Net assets ,i.e. total assets minus total liabilities		Share in profit or loss		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
		As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount	As % of Consolidated profit or loss	Amount	As % of Consolidated profit or loss	Amount
(A)	<b>Parent</b>								
	DB Realty Limited	122.22%	286,574.51	25.91%	(7,798.02)	11.90%	(191.06)	25.20%	(7,989.08)
	Total (A)	122.22%	286,574.51	25.91%	(7,798.02)	11.90%	(191.06)	25.20%	(7,989.08)
(B)	<b>Subsidiaries (Indian)</b>								
	Conwood DB Joint Venture	0.54%	1,265.25	-0.01%	4.37	0.00%	-	-0.01%	4.37
	DB Contractors & Builders Private Limited	0.00%	(5.10)	0.00%	(0.47)	0.00%	-	0.00%	(0.47)
	DB Man Realty Ltd	0.56%	1,304.87	0.00%	(0.37)	0.00%	-	0.00%	(0.37)
	DB View Infracon Pvt Ltd	-0.04%	(105.29)	0.15%	(45.10)	88.51%	(1,421.41)	4.63%	(1,466.51)
	ECC DB Joint Venture	1.29%	3,031.71	0.38%	(113.69)	-0.17%	2.78	0.35%	(110.91)
	Horizontal Realty and Aviation Private Limited	-10.57%	(24,784.95)	8.78%	(2,643.90)	0.15%	(2.36)	8.35%	(2,646.26)
	Esteem Properties Pvt Ltd	-0.19%	(434.48)	0.01%	(2.28)	0.00%	-	0.01%	(2.28)
	Evergreen Industrial Estate	1.01%	2,369.63	-0.07%	20.00	0.00%	-	-0.06%	20.00

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

For March 31, 2018

Sr. No.	Name of Entity	Net assets ,i.e. total assets minus total liabilities		Share in profit or loss		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
		As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount	As % of Consolidated profit or loss	Amount	As % of Consolidated profit or loss	Amount
	Goregaon Hotel and Realty Private Limited	-0.51%	(1,200.44)	0.87%	(260.57)	0.00%	0.05	0.82%	(260.52)
	MIG (Bandra) Realtors And Builders Private Limited	-3.52%	(8,259.04)	24.45%	(7,360.01)	-0.50%	8.00	23.19%	(7,352.01)
	Mira Real Estate Developers	5.88%	13,791.74	0.67%	(201.45)	-0.03%	0.53	0.63%	(200.92)
	N.A. Estate Private Limited	0.03%	64.96	0.00%	(0.22)	0.00%	-	0.00%	(0.22)
	Neelkamal Realtors Suburban Pvt Ltd	-2.15%	(5,040.03)	16.54%	(4,976.71)	-0.06%	1.03	15.69%	(4,975.68)
	Neelkamal Shantinagar Properties Private Limited	-0.29%	(687.87)	0.09%	(27.77)	0.00%	-	0.09%	(27.77)
	Nine Paradise Erectors Pvt. Ltd.	0.00%	(8.42)	0.00%	(1.45)	0.00%	-	0.00%	(1.45)
	Turf Estate Joint Venture Pvt. Ltd.	-0.13%	(310.91)	0.08%	(23.50)	0.00%	-	0.07%	(23.50)
	Real Gem Buildtech Pvt Ltd	-2.84%	(6,662.25)	-0.63%	190.83	0.50%	(7.96)	-0.58%	182.86
	Royal Netra Construction Pvt Ltd	0.03%	71.56	0.00%	(0.85)	0.00%	-	0.00%	(0.85)
	Saifee Bucket Factory Pvt Ltd	-0.01%	(27.61)	0.00%	(0.44)	0.00%	-	0.00%	(0.44)
	Shree Shantinagar venture	0.69%	1,627.52	0.00%	1.35	-0.05%	0.80	-0.01%	2.15
	Spacecon Realty Pvt Ltd	-0.34%	(804.09)	0.24%	(71.01)	0.00%	-	0.22%	(71.01)
	Turf Estate Joint Venture	2.14%	5,018.81	10.30%	(3,100.88)	-0.17%	2.69	9.77%	(3,098.18)
	Vanita Infrastructure Pvt Ltd	-0.05%	(109.12)	0.47%	(141.62)	0.00%	-	0.45%	(141.62)
	<b>Total (B)</b>	<b>-8.48%</b>	<b>(19,893.54)</b>	<b>62.32%</b>	<b>(18,755.76)</b>	<b>88.17%</b>	<b>(1,415.84)</b>	<b>63.63%</b>	<b>(20,171.60)</b>
(C)	<b>Associates (As per Equity Method) (Indian)</b>								
	D B HI-SKY Constructions Pvt Ltd			0.00%	(0.31)	0.00%	0.07	0.00%	(0.24)
	Sangam City Township Pvt Ltd			0.18%	(53.73)	-0.01%	0.14	0.17%	(53.59)
	Mahal Pictures Private Limited			-0.09%	27.83	0.30%	(4.77)	-0.07%	23.06
	Neelkamal Realtors Tower Pvt Ltd			0.04%	(12.65)	0.00%	(0.04)	0.04%	(12.69)
	Shiva Buildcon Pvt Ltd			0.00%	(0.52)	0.00%	-		(0.52)
	Shiva Multitrade Pvt. Ltd			0.00%	(0.53)	0.00%	-		(0.53)
	Shiva Realtors Suburban Pvt Ltd			0.00%	(0.52)	0.00%	-		(0.52)
	<b>Total (C)</b>		<b>-</b>	<b>0.13%</b>	<b>(40.44)</b>	<b>0.29%</b>	<b>(4.59)</b>	<b>0.14%</b>	<b>(45.03)</b>
(D)	<b>Joint Ventures (As per the Equity Method) (Indian)</b>								
	DB (BKC) Realtors Private Limited			0.04%	(12.50)	0.00%	-	0.04%	(12.50)
	DB Realty and Shreepati Infrastructures LLP			0.00%	(0.03)	0.00%	-	0.00%	(0.03)
	DBS Realty			0.04%	(11.71)	0.00%	-	0.04%	(11.71)
	Dynamix Realty			1.98%	(595.32)	-0.02%	0.26	1.88%	(595.06)
	Lokhandwala D B Realty LLP			0.00%	(0.16)	0.00%	-	0.00%	(0.16)
	Lokhandwala Dynamix Balwas JV			0.00%	0.30	0.00%	-	0.00%	0.30
	National Tiles			0.00%	(0.24)	0.00%	-	0.00%	(0.24)
	Sneh Developers			0.00%	(0.10)	0.00%	-	0.00%	(0.10)
	Suraksha D B Realty			-0.32%	97.73	0.00%	-	-0.31%	97.73
	<b>Total (D)</b>			<b>1.73%</b>	<b>(522.02)</b>	<b>-0.02%</b>	<b>0.26</b>	<b>1.65%</b>	<b>(521.77)</b>
	<b>Adjustment arising out of Consolidation</b>	<b>-13.73%</b>	<b>(32,201.65)</b>	<b>11.77%</b>	<b>(3,542.94)</b>	<b>-0.06%</b>	<b>1.04</b>	<b>11.17%</b>	<b>(3,541.90)</b>
		<b>100.00%</b>	<b>234,479.33</b>	<b>100.00%</b>	<b>(30,096.72)</b>	<b>100.00%</b>	<b>(1,605.86)</b>	<b>100.00%</b>	<b>(31,702.58)</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

**58 Financial Instruments**

The significant accounting policies, including the criteria of recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial assets and financial liabilities are disclosed in note 2.12 of the Ind AS financial statements.

**58.1 Financial assets and liabilities:**

The carrying value of financial instruments by categories as of March 31, 2019 were as follows:

(Rs. in lacs)

Particulars	See Note	Fair Value through Profit and Loss	Fair Value through OCI	Amortised Cost	Carrying amount As at March 31, 2019
<b>Financial assets:</b>					
<b>Non-current</b>					
Other investments	8	87,001.41	43,784.08	-	130,785.50
Loans	9	-	-	4,306.41	4,306.41
Other financial assets	10	-	-	6,728.75	6,728.75
		<b>87,001.41</b>	<b>43,784.08</b>	<b>11,035.16</b>	<b>141,820.65</b>
<b>Current</b>					
Investments	15	-	-	9,720.90	9,720.90
Trade receivables	16	-	-	9,019.43	9,019.43
Cash and cash equivalents	17	-	-	363.19	363.19
Bank balance other than above	18	-	-	637.58	637.58
Loans	19	-	-	86,471.99	86,471.99
Other financial assets	20	-	-	3,649.17	3,649.17
		-	-	<b>109,862.26</b>	<b>109,862.26</b>
<b>Total</b>		<b>87,001.41</b>	<b>43,784.08</b>	<b>120,897.42</b>	<b>251,682.92</b>
<b>Financial liabilities:</b>					
<b>Non-current</b>					
Borrowings	25	-	-	132,466.63	132,466.63
Trade Payables	26	-	-	589.37	589.37
Other financial liability	27	-	-	9,755.64	9,755.64
		-	-	<b>142,811.64</b>	<b>142,811.64</b>
<b>Current</b>					
Borrowings	30	-	-	27,093.97	27,093.97
Trade and other payables	31	-	-	16,542.46	16,542.46
Other financial liabilities	32	-	-	145,405.03	145,405.03
		-	-	<b>189,041.46</b>	<b>189,041.46</b>
<b>Total</b>		-	-	<b>331,853.10</b>	<b>331,853.10</b>

The carrying value of financial instruments by categories as of March 31, 2018 were as follows:

(Rs. in lacs)

Particulars	See Note	Fair Value through Profit and Loss	Fair Value through OCI	Amortised Cost	Carrying amount As at March 31, 2018
<b>Financial assets:</b>					
<b>Non-current</b>					
Other investments	8	87,298.20	40,575.37	-	127,873.57
Loans	9	-	-	3,650.35	3,650.35
Other financial assets	10	-	-	14,237.95	14,237.95
		<b>87,298.20</b>	<b>40,575.37</b>	<b>17,888.30</b>	<b>145,761.86</b>
<b>Current</b>					
Investments	15	-	-	9,570.01	9,570.01
Trade receivables	16	-	-	5,604.22	5,604.22
Cash and cash equivalents	17	-	-	2,128.43	2,128.43
Bank balance other than above	18	-	-	527.72	527.72
Loans	19	-	-	87,098.77	87,098.77
Other financial assets	20	-	-	1,184.31	1,184.31
		-	-	<b>106,113.46</b>	<b>106,113.46</b>
<b>Total</b>		<b>87,298</b>	<b>40,575</b>	<b>124,001.76</b>	<b>251,875.32</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

The carrying value of financial instruments by categories as of March 31, 2018 were as follows: (Rs. in lacs)

Particulars	See Note	Fair Value through Profit and Loss	Fair Value through OCI	Amortised Cost	Carrying amount As at March 31, 2018
<b>Financial liabilities:</b>					
<b>Non- current</b>					
Borrowings	25	-	-	118,411.29	118,411.29
Trade Payable	26	-	-	560.64	560.64
Other financial liabilities	27	-	-	11,403.33	11,403.33
		-	-	<b>130,375.26</b>	<b>130,375.26</b>
<b>Current</b>					
Borrowings	30	-	-	39,249.54	39,249.54
Trade and other payables	31	-	-	16,341.56	16,341.56
Other financial liabilities	32	-	-	124,251.98	124,251.98
		-	-	<b>179,843.08</b>	<b>179,843.08</b>
<b>Total</b>		-	-	<b>310,218.34</b>	<b>310,218.34</b>

### Fair Value Hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are whether observable or unobservable and consists of the following three levels:

Level	Nature of Inputs
Level 1	Inputs are quoted prices (unadjusted) in active markets for identical assets and liabilities.
Level 2	Inputs are other than quoted prices included within level 1 that are observable for the asset or liability either directly (i.e. prices) or indirectly (i.e. derived from prices).
Level 3	Inputs are not based on observable market data unobservable inputs. Fair value are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Note: The investment included in Level 3 of fair value hierarchy has been valued using the cost approach to arrive at their fair value. The cost of unquoted investment approximate the fair value because there is a wide range of possible fair value measurements and the cost represents estimate of fair value within that range.

The following table summarizes financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured on fair value on recurring basis (but fair value disclosure are required)

Particulars	See Note	Level	As at March 31, 2019	As at March 31, 2018
<b>Financial assets:</b>				
<b>Non-current</b>				
Other investments	8	Level 3	130,785.50	127,873.57
Loans	9	Level 2	4,306.41	3,650.35
Other Financial assets	10	Level 2	6,728.75	14,237.95
			<b>141,820.65</b>	<b>145,761.86</b>
<b>Current</b>				
Investments	15	Level 2	9,720.90	9,570.01
Loans	19	Level 2	86,471.99	87,098.77
			<b>96,192.89</b>	<b>96,668.78</b>
<b>Total</b>			<b>238,013.55</b>	<b>242,430.64</b>
<b>Financial liabilities:</b>				
<b>Non- current</b>				
Borrowings ( Including Current Maturity)	25	Level 2	182,786.19	134,165.54
			<b>182,786.19</b>	<b>134,165.54</b>
<b>Current</b>				
Borrowings	30	Level 2	27,093.97	39,249.54
			<b>27,093.97</b>	<b>39,249.54</b>
<b>Total</b>			<b>209,880.16</b>	<b>173,415.08</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

Carrying amounts of financial instruments such as cash and cash equivalents, other bank balances, trade receivables, trade payables and other financial assets and liabilities at March 31, 2019 and March 31, 2018 reasonably approximate their respective fair values.

### Level 3 Fair values

Reconciliation of Level 3 Fair values

The following tables shows a reconciliation of the opening and closing balance of Level 3 fair values

	(Rs. in lacs)
Particulars	Amount
<b>Opening Balance (April 01, 2017)</b>	119,319.42
Add: Purchase of Preference	1,496.38
Net change in fair values (unrealised)	5,904.19
Add: Valuation of Investment omitted in Previous Year (Refer note 8.4)	1,153.58
<b>Closing balance (March 31, 2018)</b>	<b>127,873.57</b>
Add: Net change in fair values (unrealised)	2,911.93
<b>Closing balance (March 31, 2019)</b>	<b>130,785.50</b>

### 58.2 Financial Risk Management:

The Group's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk Management framework. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market conditions. Market risk comprises three types of risk: interest rate risk, credit and default risk and liquidity risk. Financial instruments affected by market risk include investments, loans, trade receivables, borrowings, trade payables and other financial liabilities.

#### (A) Interest Risk:

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with floating interest rates.

**The interest rate profile of the Group's interest bearing financial instruments is as follows:**

	(Rs. in lacs)	
Particulars	As at March 31, 2019	As at March 31, 2018
<b>Exposure to Interest Rate Risk</b>		
<b>Financial Liability</b>		
<b>Variable rate Instrument</b>		
Long Term Borrowings	129,936.18	115,070.37
Short Term Borrowings	7,349.77	12,003.54
Current Maturity of Long Term Debt	49,044.51	14,635.73
Trade Payable with Interest	3,418.72	-
<b>Fixed Rate Instruments</b>		
Long Term Borrowings	2,530.45	3,340.92
Short Term Borrowings	19,744.20	27,246.00
Current Maturity of Long Term Debt	1,275.05	1,118.52
<b>Total</b>	<b>213,298.88</b>	<b>173,415.08</b>
<b>Financial Assets</b>		
<b>Fixed Rate Instruments</b>		
Fixed Deposit (Refer Note 18.1, 18.2 and 10.3)	902.50	780.02
Loans and advances to related parties (Refer Note 19)	38,203.42	63,367.36
Loans to others (Refer Note 19)	48,262.87	23,725.72
Project Advance (Refer Note 9)	4,207.35	3,538.12
Security Deposit (Related Parties) (Refer Note 10)	5,244.63	5,353.99
Security Deposit (Others) (Refer Note 10)	1,219.20	8,631.66
Other advances	3,753.93	1,302.23
<b>Total</b>	<b>101,793.91</b>	<b>106,699.10</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### Interest Rate Sensitivity:

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's loss before tax/carrying amount of project work in progress (which will have subsequent impact on the profit or loss of future period depending upon the revenue which would be recognised based on the percentage of completion as indicated in Accounting Policy for revenue recognition mentioned in Note 2) is affected due to floating rate borrowings, as follows:

Particulars	(Rs. in lacs)	
	100 BP Increase	100 BP Decrease
<b>March 31, 2019</b>		
<b>Financial Liabilities</b>		
<b>Variable Rate Instruments</b>		
Borrowings	1,897.49	(1,897.49)
<b>March 31, 2018</b>		
<b>Financial Liabilities</b>		
<b>Variable Rate Instruments</b>		
Borrowings	1,417.10	(1,417.10)

### (B) Credit risk and default risk:

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables, business advances/deposit given) and from its investing activities (primarily loans granted to various parties including related parties).

#### (a) **Trade Receivables**

Considering the inherent nature of business of the Group, customer credit risk is minimal. The Group generally does not part away with its assets unless trade receivables are fully realised. Wherever there is doubt on recovery, the group makes adequate provision based on best estimation of recovery. Further, the group has made provision in case receivables are considered doubtful.

For the purpose of disclosure, Management believes that there is no party whose credit has been impaired or parties having significant increase in credit risk.

Based on prior experience and an assessment of the current economic environment, management believes there is no credit risk provision required, other than those made in the accounts. Also the Company does not have any significant concentration of credit risk.

The ageing of Trade Receivable (Gross) is as follows:

Particulars	(Rs. in lacs)	
	As at March 31, 2019	As at March 31, 2018
More than 6 months	8,964.50	5,467.38
Others	54.93	136.84
<b>Total</b>	<b>9,019.43</b>	<b>5,604.22</b>

The movement in the expected credit loss allowances on Trade Receivables is as follows:

Particulars	(Rs. in lacs)
	Amount
<b>Balance as on April 1, 2017</b>	<b>1,628.79</b>
Impairment Loss recognised in FY 17-18	1,530.85
Amounts written off/(back)	-
<b>Balance as on March 31, 2018</b>	<b>3,159.64</b>
Impairment Loss recognised in FY 18-19	1,477.39
Amounts written off/(back)	-
<b>Balance as on March 31, 2019</b>	<b>4,637.03</b>

#### (b) **Loans**

The loans and advances are in the nature of advances for project in SPVs where the Company is a stakeholder and hence the risk is minimal. Based on the above factors and historical data, loss on collection of receivables is not material and hence no additional provision was made apart from provisions for impairment in respect of certain specific loans.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

Details of Loans are as follows -

Particulars	(Rs. in lacs)	
	As at March 31, 2019	As at March 31, 2018
Loans- Non-Current	4,306.41	3,650.35
Loans- Current	86,471.99	87,098.77
<b>Total</b>	<b>90,778.40</b>	<b>90,749.12</b>

The movement in the expected credit loss allowances on Loans is as follows:

Particulars	(Rs. in lacs)	
	Amount	
Balance as on April 1, 2019	8,122.78	
Impairment Loss recognised in FY 17-18	1,854.29	
Amount Written off/(back)	-	
<b>Balance as on March 31, 2018</b>	<b>9,977.07</b>	
Impairment Loss recognised in FY 18-19	(2,601.67)	
Amount Written off/(back)	-	
<b>Balance as on March 31, 2019</b>	<b>7,375.40</b>	

(c) **Outstanding Financial Guarantees**

Particulars	(Rs. in lacs)	
	As at March 31, 2019	As at March 31, 2018
<b>A. Guarantees and Securities provided to banks and financial institutions (in India and overseas) against credit facilities extended to:</b>		
<b>a) Associates</b>		
Milan Theatres Private Limited (Guarantee and security given) (Refer Note 58.2(i) below)	-	17,450.00
<b>Sub Total (a)</b>	<b>-</b>	<b>17,450.00</b>
<b>b) Companies under the same management</b>		
Majestic Infracon Private Limited (Refer Note 58.2(ii) below) (Guarantee and security provided for Rs. 42,500 lacs and further guarantee provided for Rs. 42,800 lacs)	85,300.00	85,300.00
Pune Buildtech Private Limited (Refer Note 58.2(iii) below) (Guarantee given & security provided)	23,805.71	23,805.71
BD&P Hotels (India) Private Limited (Refer Note 58.2(iii) below)	7,099.34	7,099.34
Bamboo Hotel and Global Centre (Delhi) Private Limited (Guarantee given) (Refer Note 58.2(iv))	-	27,500.00
<b>Sub Total (b)</b>	<b>116,205.05</b>	<b>143,705.05</b>
<b>c) Others</b>		
Delux Hospitality Limited, Mauritius (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 and security for USD 65 million) (Refer 58.2(v) below)	-	89,760.86
Indo Global Soft Solutions & Technologies Pvt. Ltd. (Guarantee Given) (Refer 58.2(vi) and (vii))	8,221.00	70,000
<b>Sub Total (c)</b>	<b>8,221.00</b>	<b>159,760.86</b>
<b>Grand Total (a+b+c)</b>	<b>124,426.05</b>	<b>320,915.90</b>

- (i) The Holding 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 D B Realty Limited.; (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. The outstanding balance of loan as on March 31, 2019 is Rs. Nil (Previous year Rs. Nil). The said Guarantee and Security has been released during the year.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

- (ii) In earlier years, the Holding 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 Rs. 85,300 lacs (Previous Year Rs. 85,300 lacs). 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 Rs. 42,500 lacs out of total loan amounting to Rs. 85,300 lacs.

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 towards Punjab National Bank is Rs. Nil and Bank of India is Rs. 6,811.47 lacs as on March 31, 2019 (Previous Year Rs.6,811.47 lacs). 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 Holding 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 which is not a 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. The outstanding balance of loan as on March 31, 2019 is Rs. 25,697 lacs ( Previous Year Rs.25,697 lacs)

- (iv) During the year, the Holding Company has given corporate guarantee in respect of facilities availed by Bamboo Hotel and Global Centre (Delhi) Private Limited from Reliance Commercial Finance for Rs. 27,500 lacs. The loan is primarily secured by (i) charge on all buildings and structures, (ii) charge on the scheduled receivables, both present and future, (iii) charge over all the rights, titles, interest, claims, benefits, demands under the Project, both present and/future, (iv) charge on the escrow account, all monies credited/ deposited therein and all investments in respect thereof, (v) charge on the Transferrable Development Rights till the same is loaded on the project, (vi) mortgage on the assets proposed and located at Asset Area 13, Aerocity Delhi, (vii) Hypothecation of receivables from assets proposed and located at Asset Area 13, Aerocity Delhi, (viii) Charge over security deposit of Rs. 26,800 lacs paid by Bamboo Hotel and Global Centre (Delhi) Private Limited to DIAL. The outstanding balance of loan as on March 31, 2019 is Rs. Nil (Previous year Rs. 24,600 lacs). The said Guarantee has been released during the year.

- (v) The Holding Company has given corporate guarantee in respect of facilities availed by Delux Hospitality Limited, Mauritius ('DBH, Mauritius') & YJ Realty & Aviation Private Limited from ICICI Bank UK PLC and ICICI Bank Limited respectively of USD 138 millions -Rs Nil as at the year end March 31, 2019(Previous Year Rs. 89,760.86 lacs) and security in respect of Bacchuwadi Property of the Company 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 Nil as on March 31, 2019 (Previous year USD 127 lacs) in ICICI Bank UK PLC. For the purpose of the said corporate guarantee, the holding 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 holding Company.

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

For all the above contingent liabilities, the holding company is confident that these companies will fulfill their obligations under the credit facilities and does not expect any outflow of resources.

- (vi) During the year 2017-2018, the Holding Company has granted Corporate Guarantee and security on behalf of Indo Global Soft Solutions & Technologies Private Limited which is not a part of D B Consolidated group, in respect of loan from Dewan Housing Finance Corporation Limited (DHFL) of Rs. 70,000 lacs. The loan is primarily secured by (i) Exclusive charge on lease hold land admeasuring 19,434.10 sq.mt along with the structures thereon pertaining to the free sale area (ii) Exclusive charge by way of hypothecation on present and future receivables excluding few units (iii) CG of NRTPL and DB Realty Limited (iv) Personal Guarantee of Mr. Sanjay Chhabria, Mrs. Ritu Chhabria, Mr. Shahid Balwa and Mr. Vinod Goenka. The outstanding principal amount of the facility in the books of Indo Global Soft Solutions & Technologies Private Limited is Nil as at the year end March 31, 2019. The said Guarantee has been released during the year.
- (vii) One of the Associates Company has also given security of 20 units of 'One Mahalxmi' Project (42,861 Sq.ft. Carpet area) to Yes Bank Ltd. for loan availed by Indo Global Soft Solutions & Technologies Pvt. Ltd. for Rs. 19,200.00 Lacs
- (viii) The outstanding loan figures as on the reporting date of the entities to whom guarantees are given are provided by the Management and relied upon by the auditors.
- (ix) The Group is in the process of releasing the security and guarantee wherever there is no loan outstanding as on reporting date.
- (x) In case of financial guarantee given by the Group to various entities, there are few defaults by borrowers . However, the Group is not expecting any liability as security given by the borrower is on higher side as per best estimation of the Management. Hence, the Group has not made any provision for expected credit loss. (Refer note 56)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### Cash and Bank Balances

The Group held cash and bank balance with credit worthy banks of Rs. 1,253.08 lacs at March 31, 2019 (March 31, 2018 Rs. 2,859.64 lacs). The credit risk on cash and cash equivalents is limited as the Group generally invests in deposits with banks where credit risk is largely perceived to be extremely insignificant.

### (C) Liquidity Risk:

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans and preference shares. The Group's management regularly reviews expected future cash inflows and outflows. Accordingly, based on the projections, the management takes necessary steps for raising fresh debt and recovery from existing financial assets to meet its obligations. The amounts are gross and undiscounted, and include contractual interest payments.

(Rs. in lacs)					
As at March 31, 2019	Amount payable during below period				
Particulars	Carrying value	Within 1 year	1-2 years	2-5 years	More than 5 years
<b><u>Long Term Borrowings:</u></b>					
<b><u>I. Secured</u></b>					
HDFC Limited	98,684.73	10,257.20	48,176.15	110,596.02	-
LIC Housing finance limited	871.21	-	995.12	-	-
Reliance Commercial Finance Limited	12,643.66	2,267.64	14,911.30	-	-
9,000 Zero Coupon, redeemable non-convertible Debentures	7,414.50	-	-	-	9,000.00
Vehicle Loans	20.03	-	18.92	1.14	-
<b><u>II Unsecured</u></b>					
8% Redeemable Preference shares of Rs. 10/- each	5,448.79	-	7,175.57	-	-
Deferred Payment Liabilities	7,383.70	-	-	7,383.70	-
<b><u>Short Term Borrowings:</u></b>					
<b><u>I Secured</u></b>					
Loan from Housing Development Finance Corporation (HDFC) Limited	7,349.77	7,349.77	-	-	-
<b><u>II Unsecured</u></b>					
Inter-Corporate Deposits	909.60	909.60	-	-	-
Housing Development Infrastructure Limited	2,000.00	2,000.00	-	-	-
Inter-Corporate Deposits from Related parties	13,683.15	13,683.15	-	-	-
Loan from Others	3,151.45	3,151.45	-	-	-
<b><u>Current Maturities of long term borrowings</u></b>					
Yes Bank Loan	24,380.00	26,780.00	-	-	-
Reliance Home Finance Ltd	6,670.00	6,670.00	-	-	-
Reliance Commercial Finance Ltd	10,905.00	10,905.00	-	-	-
LIC Housing Finance Ltd	1,659.24	1,659.24	-	-	-
ICICI Bank Limited - Term Loan	1,645.92	1,645.92	-	-	-
Housing Development Finance Corporation	5,000.00	5,000.00	-	-	-
Vehicle loans	59.40	59.40	-	-	-

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(Rs. in lacs)

As at March 31, 2019	Amount payable during below period				
Particulars	Carrying value	Within 1 year	1-2 years	2-5 years	More than 5 years
<b>Interest accrued on borrowings</b>	10,509.44	10,509.44			
<b>Non Current</b>					
Trade Payables	589.37	-	551.13	38.24	-
Other financial liabilities	9,755.64	-	33.62	9,715.21	6.80
<b>Current</b>					
Trade and other payables	16,542.46	16,542.46	-	-	-
Other financial liabilities	84,576.03	84,576.03	-	-	-

(Rs. in lacs)

As at March 31, 2018	Amount payable during below period				
Particulars	Carrying value	Within 1 year	1-2 years	2-5 years	more than 5 years
<b><u>Long Term Borrowings:</u></b>					
<b><u>I. Secured</u></b>					
Yes Bank Limited	37,013.25	-	5,000.00	32,013.25	-
HDFC Limited	42,393.18	-	42,393.18	-	-
LIC Housing finance limited	2,222.40	-	1,494.00	995.12	-
Reliance Commercial Finance Limited	22,803.00	-	26,014.50	-	-
9,000 Zero Coupon, redeemable non-convertible Debentures	7,730.36	-	-	-	9,000.00
Vehicle Loan					
<b><u>II Unsecured</u></b>					
8% Redeemable Preference shares of Rs. 10/- each	4,697.24	-	-	7,175.57	-
Loan from Others	1,474.20	-	1,474.20	-	-
<b>Short Term Borrowings:</b>					
<b>I Secured</b>					
Bank overdraft from Yes Bank	11,163.50	11,163.50			
Loan from Yes Bank	840.04	840.04			
<b>II Unsecured</b>					
Inter-Corporate Deposits from related parties	15,518.96	15,518.96	-	-	-
Loans from related parties	-	-	-	-	-
Loans from Others	11,727.03	11,727.03	-	-	-
<b>Current Maturities of long term borrowings</b>					
Yes Bank	6,036.70	6,036.70	-	-	-
Daimler Financial services	26.01	26.01	-	-	-
Oriental Bank of Commerce	17.30	17.30			
Oriental Bank of Commerce	7.47	7.47			
Kotak Mahindra Bank	7.54	7.54			
LIC Housing Finance Ltd	1,118.52	1,118.52			

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(Rs. in lacs)

As at March 31, 2018 Particulars	Amount payable during below period				
	Carrying value	Within 1 year	1-2 years	2-5 years	more than 5 years
ICICI Bank Limited	1,645.70	1,645.70			
Reliance Commercial Finance	200.00	200.00	-	-	-
Reliance Home Finance Ltd	6,670.00	6,670.00	-	-	-
Bank of India	19.01	19.01	-	-	-
Oriental Bank of Commerce	6.01	6.01	-	-	-
<b>Interest accrued on borrowings</b>	3,366.19	3,366.19	-	-	-
<b>Non Current</b>					
Trade Payables	560.64	-	502.41	58.23	-
Other financial liabilities	11,403.33	-	68.58	11,334.75	-
<b>Current</b>					
Trade and other payables	16,341.56	16,341.56	-	-	-
Other financial liabilities	105,131.54	105,131.54	-	-	-

In case of short term liabilities, carrying value is considered as undiscounted obligation.

### (D) Foreign Risk

Currency risk refer to the movement in exchange rate when the transaction took place and the prevailing rate at which it would be settled/valued. There were only few transactions in Foreign currencies in past which were outstanding.

The following table shows foreign currency exposures in USD on financial instruments at the end of the reporting period.

(Amount in USD)

Particulars	Foreign Currency Exposure (In lacs) (unhedge)	
	31-Mar-19	31-Mar-18
<b>Retention Money-Liabilities*</b>	<b>2.71</b>	<b>2.71</b>

\* The Group has received advance of 0.01 USD (PY 0.01 USD) which has not adjusted till the time settlement.

Sensitivity analysis of 1% change in exchange rate at the end of reporting period:

Particulars	Foreign Currency Exposure (In lacs)	
	31-Mar-19	31-Mar-18
<b>1% Depreciation in INR</b>		
Impact on Profit and Loss/Equity	(1.87)	(1.76)
<b>1% Appreciation in INR</b>		
Impact on Profit and Loss/Equity	1.87	1.76

The Group has not hedged its foreign currency liabilities as risk related to outstanding exposure is very insignificant.

### 59 Capital Management:

For the purposes of the Group's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Group's Capital Management is to maximise shareholder value. The Group manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants. The Group believes in lower debt equity ratio.

The debt equity ratio of the Group is as follows:

(Rs. in lacs)

Particulars	(Rs. in lacs)	
	31 March, 2019	31 March, 2018
Equity Capital	24,325.88	24,325.88
Capital Reserve	5,046.31	5,046.31
Securities Premium Reserve	238,567.90	238,567.90
Retained Earnings	(57,417.49)	(27,073.29)
Other comprehensive income	12,036.21	9,446.69
<b>Equity</b>	<b>222,558.82</b>	<b>250,313.49</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

Particulars	(Rs. in lacs)	
	31 March, 2019	31 March, 2018
Long Term Borrowings	132,466.63	111,184.83
Short Term Borrowings	27,093.97	26,219.93
Current maturities of long term borrowing	50,319.56	17,521.87
Less: cash and cash equivalents	(363.19)	(2,128.43)
<b>Adjusted net debt</b>	<b>209,516.97</b>	<b>152,798.20</b>
<b>Debt to Equity</b>	<b>0.94</b>	<b>0.61</b>

The group has not declared any dividend during the year.

### 60 Related Party Disclosure:

Disclosures as required by the Indian Accounting Standard 24 (Ind AS-24) "Related Party Disclosures" are given below:

#### (a) List of related parties where control exists:

Sr No	Name of the Related Parties
	<b>Joint Ventures</b>
1	Sneh Developers
2	DB Realty and Shreepati Infrastructure LLP
3	Dynamix Realty (Partnership Firm)
4	Lokhandwala Dynamix Balwas Joint Venture
5	Lokhandwala DB Realty LLP
6	National Tiles (step down joint venture)
7	Suraksha DB Realty
8	DBS Realty (Partnership Firm)
9	Om Metal Consortium
10	DB (BKC) Realtors Private Limited

#### (b) Related parties with whom transactions have taken place and relationships:

	<b>Associate Companies</b>
11	Sangam City Township Private Limited
12	Mahal Pictures Private Ltd
13	DB Hi-Ski Constructions Private Limited
14	Shiva Buildcon Private Limited
15	Shiva Multitrade Private Limited
16	Shiva Realtors Suburban Private Limited
17	Neelkamal Realtors Towers Private Limited
18	Milan Theatres Private Limited ( w.e.f 10.07.2017)
	<b>Entity in respect of which the company is an associate</b>
19	Neelkamal Tower Construction LLP
	<b>Key Management Personnel (KMP)</b>
20	Vinod Goenka (Chairman & Managing Director)
21	Shahid Balwa (Vice Chairman & Managing Director)
22	A. Anil Kumar (CFO) resigned w.e.f 15.11.2017
23	Asif Balwa (CFO) appointed w.e.f 14.02.2018
24	Mahesh Manilal Gandhi (Non Executive Director) (upto 27.03.2019)
25	Sundaram Rajagopal (Non Executive Director)
26	Devendra Vasal (Non Executive Director)
27	Jagat Killawala (Non Executive Director)

## D B REALTY LIMITED

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### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

28	Sunita Goenka (Non Executive Director)
29	Janak Ishwarbhai Desai (till 14.09.2017) (Non Executive Director)
30	Nasir Mahumad Rafique (Non Executive Director)
31	Jayavardhan Vinod Goenka (Non Executive Director)
32	Salim Usman Balwa (Non Executive Director)
	<b>Relatives of KMP</b>
33	Aseela V Goenka (Wife of Chairman)
34	Sanjana V Goenka (Daughter of Chairman)
35	Pramod Goenka (Brother of Chairman)
36	Shanita D Jain (Sister of Chairman)
37	Usman Balwa (Father of Vice Chairman)
38	Sakina U Balwa (Mother of Vice Chairman)
39	Shabana Balwa (Wife of Vice Chairman)
40	Arshad S Balwa (Son of Vice Chairman)
41	Aaliya S Balwa (Daughter of Vice Chairman)
42	Wahida Asif Balwa (wife of CFO) (w.e.f 14.02.2018)
43	Ishaq Balwa (brother of CFO) (w.e.f 14.02.2018)
44	Mohammed Balwa (brother of CFO) (w.e.f 14.02.2018)
	<b>Enterprises where individuals i.e. KMP and their relatives have significant influence</b>
45	Pune Buildtech Private Limited
46	Hotels Balwas Private Limited
47	Mystical Constructions Private Limited (formerly known as Nihar Construction Private Limited)
48	Neelkamal Realtors & Builders Private Limited
49	YJ Realty And Aviation Private Limited
50	Conwood Construction & Developers Private Limited
51	Dynamix Clubs And Resorts Private Limited
52	Dynamix Contractors & Builders Private Limited
53	Eversmile Construction Company Private Limited
54	K G Enterprises
55	Goenka & Associates Medical Research Centre
56	Balwas Charitable Trust
57	Goenka Family Trust
58	Vinod Goenka HUF
59	Bamboo Hotel and Global Centre (Delhi) Private Limited (formerly known as Heaven Star Hotels (Delhi) Private Limited
60	BD&P Hotels (India) Private Limited
61	Goan Hotels & Realty Private Limited
62	Majestic Infracon Private Limited
63	Marine Drive Hospitality & Realty Private Limited
64	Deluxe Hospitality Limited, Mauritius
65	Neelkamal Realtors and Hotels Private Limited (w.e.f 14.02.2018)
66	Pony Infrastructure and Contractors Ltd
67	Dynamix Securities & Holdings Limited
68	Aniline Construction Co Private Limited

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### 60(c) List of transaction and balance outstanding with related parties as per Ind AS 24 “Related Party Disclosures”

Description	(Rs. in lacs)				
	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>Balance Outstanding As At Year Ended</b>					
<b>Loans Granted</b>					
Current Year	6,182.97	45.57	30,707.31	1,267.57	38,203.42
Previous Year	8,822.41	36.34	53,616.23	892.39	63,367.36
<b>Loan Granted, considered doubtful</b>					
Current Year	-	-	5,585.82	-	5,585.82
Less: Provision created on the same	-	-	(5,585.82)	-	(5,585.82)
Previous Year	-	-	5,585.82	-	5,585.82
Less: Provision created on the same	-	-	(5,585.82)	-	(5,585.82)
<b>Interest accrued and due, considered doubtful</b>					
Current Year	-	-	213.30	-	213.30
Less: Provision created on the same	-	-	(213.30)	-	(213.30)
Previous Year	-	-	213.30	-	213.30
Less: Provision created on the same	-	-	(213.30)	-	(213.30)
<b>Judgement Debtors/Debts due on assignment</b>					
Current Year	-	-	15,831.68	-	15,831.68
Previous Year	-	-	15,831.68	-	15,831.68
<b>Loan Taken</b>					
Current Year	1,837.98	1,759.57	10,085.60	-	13,683.15
Previous Year	1,944.42	1,840.15	11,733.06	-	15,517.63
<b>Project Advance</b>					
Current Year	4,207.35	-	-	-	4,207.35
Previous Year	3,538.12	-	-	-	3,538.12
<b>Security Deposits</b>					
Current Year	110.41	-	5,577.15	-	5,687.56
Previous Year	95.18	-	6,013.81	-	6,108.99
<b>Security Deposits , considered doubtful</b>					
Current Year	-	-	27.57	-	27.57
Less: Provision created on the same	-	-	(27.57)	-	(27.57)
Previous Year	-	-	-	-	-
Less: Provision created on the same	-	-	-	-	-
<b>Trade Receivable</b>					
Current Year	-	-	6,700.81	-	6,700.81
Previous Year	-	-	-	-	-



# D B REALTY LIMITED

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

Description	(Rs. in lacs)				
	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>Other Receivable</b>					
Current Year	7.96	0.69	5.52	-	14.16
Previous Year	7.96	0.42	13,511.72	-	13,520.09
	-	-	-	-	
<b>Advance For Transferrable Development Rights</b>					
Current Year		2,101.83	-	672.50	2,774.33
Previous Year	-	2,101.83	-	672.50	2,774.33
	-	-		-	
<b>Advance given for Purchase of Shares</b>					
Current Year			42.02		42.02
Previous Year	-	-	42.02	-	42.02
	-	-		-	
<b>Mobilisation Advance given</b>					
Current Year			1,947.04		1,947.04
Less: Provision created on the same			(1,947.04)		(1,947.04)
Previous Year			1,947.04		1,947.04
Less: Provision created on the same			(1,947.04)		(1,947.04)
<b>Preference share issued</b>					
Current Year			0.57		0.57
Previous Year			0.57		0.57
<b>Employee benefit payable</b>					-
Current Year				-	-
Previous Year				23.43	23.43
<b>Trade Payables</b>					
Current Year	0.00	(3.89)	410.65	-	406.76
Previous Year	0.00	(2.52)	410.94	0.18	408.60
<b>Security Deposits taken</b>					
Current Year	-	-	1,000.00	-	1,000.00
Previous Year	-	-	1,000.00	-	1,000.00
<b>Other Payable</b>					
Current Year (Note 1)	-	9.86	1,073.00	-	1,082.86
Previous Year (Note 1)	-	9.96	1,075.31	-	1,085.28
<b>Capital Contribution Payable</b>					
Current Year	-	1,000.00	-	-	1,000.00
Previous Year	-	1,000.00	-	-	1,000.00
<b>Retention Money Payable</b>					
Current Year	-	-	57.21	-	57.21
Previous Year	-	-	57.21	-	57.21
<b>Advance Received towards purchase of Tenancy Rights</b>					
Current Year	-	259.50	-	-	259.50
Previous Year	-	259.50	-	-	259.50

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

Description	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>Transactions during the year</b>					
<b>Loans Granted</b>					
<b>Current Year</b>					
Given during the year	211.73	9.24	39,620.14	390.76	40,231.87
Returned during the year	2,671.18	-	62,487.46	15.58	65,174.22
Written off during the year	-	-	-	-	-
<b>Previous Year</b>					
Given during the year	7,037.97	0.11	23,892.64	521.58	31,452.30
Returned during the year	3,262.29	21,300.00	37,373.19	88.25	62,023.73
Written off during the year	-	0.08	-	-	0.08
<b>Loan Taken</b>					
<b>Current Year</b>					
Taken during the year	12,140.37	8.53	1,363.27	-	13,512.17
Repaid during the year	12,264.20	89.11	3,010.73	-	15,364.04
<b>Previous Year</b>					
Taken during the year	4,790.72	88.45	18,593.05	-	23,472.22
Repaid during the year	4,251.02	53.30	8,713.34	-	13,017.66
<b>Project advances</b>					
<b>Current Year</b>					
Given during the year	5.87	-	-	-	5.87
Returned during the year	-	-	-	-	-
Interest income	567.56	-	-	-	567.56
Interest Expense	(84.20)	-	-	-	(84.20)
<b>Previous year</b>					
Given during the year	9.94	-	-	-	9.94
Returned during the year	1.00	-	-	-	1.00
Interest income	483.33	-	-	-	483.33
<b>Security Deposits</b>					
<b>Current Year</b>					
Returned during the year	-	-	(1,900.00)	-	(1,900.00)
Interest Income	-	-	1,468.08	-	1,468.08
Provision made during the year	-	-	27.57	-	27.57
<b>Previous Year</b>					
Given during the year	-	-	-	-	-
Returned during the year	-	-	-	-	-
Interest Income	-	-	-	-	-
Provision made during the year	-	-	-	-	-

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019**

Description	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><u>Other Receivables</u></b>					
<b>Current Year</b>					
Given during the year	-	0.27	-	-	0.27
Balance W/off	-	-	-	-	-
<b>Previous Year</b>					
Given during the year	-	0.42	-	-	0.42
Balance W/off	-	24.13	-	-	24.13
<b>Trade Receivable</b>					
<b>Current Year</b>					
Given during the year	-	-	-	-	-
Received during the year	-	-	46.40	-	46.40
<b>Previous Year</b>					
Given during the year	-	-	-	-	-
Received during the year	-	-	-	-	-
<b>Other Payables</b>					
<b>Current Year</b>					
Income recognised during the year	-	-	-	-	-
Payments made during the year	-	-	-	-	-
<b>Previous Year</b>					
Income recognised during the year	-	-	8.33	-	8.33
Payments made during the year	-	-	0.07	-	0.07
<b>Advance Received against sale of flats</b>					
Current Year	-	-	-	-	-
Previous Year	-	-	-	-	-
<b>Advertisement Income</b>					
Current Year	-	-	40.00	-	40.00
Previous Year	-	-	8.33	-	8.33
<b>Balances written back</b>					
Current Year	-	-	-	-	-
Previous Year	-	-	-	0.01	0.01
<b>CSR Expenditure</b>					
Current Year	-	-	-	-	-
Previous Year	-	-	7.58	-	7.58
<b>Rent Paid</b>					
Current Year	-	-	285.98	-	285.98
Previous Year	-	-	98.55	-	98.55

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

Description	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>Director Sitting Fees</b>					
Current Year	-	-	-	9.40	9.40
Previous Year	-	-	-	9.00	1.40
<b>Remuneration to KMP #</b>					
Current Year	-	-	-	-	-
Previous Year	-	-	-	79.30	79.30
<b>Reimbursement on behalf of others</b>					
Current Year	-	-	4.08	-	4.08
Previous Year	-	-	4.08	3.94	8.02
<b>Reimbursement of expenses to others</b>					
Current Year	-	-	7.94	-	7.94
Previous Year	17.99	0.19	6.20	0.79	25.17
<b>Civil Work Expenses</b>					
Current Year	-	-	-	-	-
Previous Year	-	-	54.44	-	54.44
<b>Compensation Income</b>					
Current Year	-	-	400.00	-	400.00
Previous Year	-	-	-	-	-
<b>Business Development Expenditure</b>					
Current Year	-	-	0.93	-	0.93
Previous Year	-	-	0.92	-	0.92
<b>Amount received /adjusted against granting of development rights/sale of land Current Year</b>					
Current Year	-	-	3,652.81	-	3,652.81
Previous Year	-	-	3,648.87	-	3,648.87
<b>Interest Expenses on Financial Assets/Liabilities recognised at amortised cost</b>					
Current Year	-	-	22.83	-	22.83
Previous Year	-	-	-	-	-
<b>Interest Income on Financial Assets/Liabilities recognised at amortised cost</b>					
Current Year	-	-	-	-	-
Previous Year	-	-	16.73	-	16.73
<b>Refundable Deposits Accepted</b>					
Current Year	-	-	-	-	-
Previous Year	-	-	11.50	-	11.50
<b>Expenses incurred by the Company</b>					
Current Year	-	-	-	-	-
Previous Year	0.12	1.00	65.08	-	66.20
<b>Gratuity taken over / transfered</b>					
Current Year	0.26	4.31	-	-	4.57
Previous Year	5.42	-	-	-	5.42

# As the liabilities for gratuity and leave encashment are provided on an actuarial basis for the Company as a whole, the amounts pertaining to key managerial personnel and relative of key managerial personnel are not included above.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

**Note 1**

The figure includes an amount of Rs. 1070.99 lacs (Previous year 1070.99 lacs) which relates to an entity in respect of which the group is an associate.

**(Rs. in lacs)**

<b>Guarantee/ Securitites given by the Group to the lenders on behalf of various entities (Refer note 56 and 58.2 (B)(c) )</b>				
<b>Particulars</b>	<b>Associates</b>	<b>Entities under Joint Control of Company/ its subsidiaries</b>	<b>Enterprises over which KMP and their relatives have significant influence.</b>	
Opening Balance as on 1st April 2018	17,450.00	-	USD 1380 lacs and Rs. 141,800.00 lacs	-
	(52,450.00)	(16,000.00)	(USD 1,380 lacs and Rs. 167,750.00 lacs)	(-)
Given during the year	-	-	-	-
	-	-	-	(-)
Released during the year	17,450.00	-	USD 1380 lacs and Rs. 27,500 Lacs	-
	(35,000.00)	(16,000.00)	(8,500.00)	(-)
Closing Balance as on March 31, 2019	-	-	Rs. 114,300.00 lacs	-
	(17,450.00)	-	(USD 1380 lacs and Rs. 141,800.00 lacs)	(-)

**Note:**

Aircraft Challenger 604 is given by way of hypothecation in favour of Punjab National Bank against term loan granted by the said bank to a related party, i.e., B D & P Hotels (India) Private Limited.

**iii. Guarantees and securities received by the Company for Loans taken from lenders**
**(Rs. in lacs)**

<b>Name</b>	<b>Relation</b>	<b>Opening Balance as on 1st April, 2018</b>	<b>Received during the year</b>	<b>Released during the year</b>	<b>Closing Balance as on 31st March, 2019</b>
Neelkamal Realtors & Builders Private Limited	Enterprises where individuals i.e. KMP and their relatives have significant interest	-	-	-	-
		(290)	(-)	(290)	(-)
Sanjana Goenka (7,000,000 Shares of the company)	Relative of KMP	-	-	-	-
Vinod Goenka	KMP	(3,000)	-	(3,000)	-
Shahid Balwa	KMP	-	24,000	-	24,000
Vinod Goenka	KMP				
Bamboo Hotel and Global Centre (Delhi) Private Limited	Enterprises over which KMP and their relatives have significant influence.	-	-	-	-
Eversmile Construction Company Private Limited	Enterprises over which KMP and their relatives have significant influence.	3,000	-	-	3,000
Shahid Balwa	KMP	(3,000)	(-)	(-)	(3,000)
Vinod Goenka	KMP	20,000	-	-	20,000
Shahid Balwa	KMP	(20,000)	(-)	(-)	(20,000)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

Name	Relation	Opening Balance as on 1st April, 2018	Received during the year	Released during the year	Closing Balance as on 31st March, 2019
Vinod Goenka	KMP	6,750	-	-	6,750
Shahid Balwa	KMP				
		6,750	(-)	(-)	(6,750)
Vinod Goenka	KMP	-	-	-	-
Shahid Balwa	KMP				
		(8,975)	-	(8,975)	-
Vinod Goenka	KMP	10,705	-	-	10,705
Shahid Balwa	KMP				
		-	(10,705)	-	(10,705)
Vinod Goenka	KMP	200	-	-	200
Shahid Balwa	KMP				
		(200)	-	-	(200)
Vinod Goenka	KMP	-	8,000	-	8,000
Shahid Balwa	KMP				
		-	-	-	-
Vinod Goenka	KMP	-	110,000	-	110,000
Shahid Balwa	KMP				
		-	-	-	-
Salim Balwa	KMP	39.42	-	-	39.42
Rajiv Agarwal	KMP				
Jayvardhan Goenka	KMP				
		(55.07)	-	(15.66)	(39.42)
Vinod Goenka	KMP	45,000.00	-	-	45,000.00
Neelkamal Tower Construction LLP Security of Shares in D B Realty Ltd held by it	Entity in respect of which the Company is an Associate				
		(45,000.00)	-	-	(45,000.00)
Vinod Goenka	KMP	44,239.00	-	(44,239.00)	-
Shahid Balwa	KMP				
		(44,239.00)	-	-	(44,239.00)

### Notes:

- 1 Milan Theatres Private Limited has also given corporate guarantees for Debentures issued by the Company. The outstanding principal amount of Debentures in the books of the Company is Rs. 7,809.29 lacs. (Previous Year Rs. Nil.)
- 2 Personal guarantee given by Mr. Vinod Goenka and Mr. Shahid Balwa of Rs. 110,000.00 lacs (Previous Year : Rs. Nil)

# D B REALTY LIMITED

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

Disclosure under Regulation 34(3) of SEBI (Listing Obligation and Disclosure Requirements, 2015)

(Rs. in lacs)

Loans and Advances to Associates					
Name	Op. Balance	Given during the year	Returned during the year	Closing Balance	Maximum Balance Outstanding
Mahal Pictures Private Limited	180.00 (180.00)	- -	- -	180.00 (180.00)	180.00 (180.00)
Sangam city township Private Limited	1,738.06 (1,498.33)	- -	278.09 (239.73)	- -	2,016.15 (1,738.06)
D.B.Hi-Sky Construction Private Limited	1,800.07 (1,547.53)	5.87 (9.94)	285.90 (243.60)	- (1.00)	2,091.84 (1,800.07)
Milan Theatres Private Limited	4,595.59 -	- (5,825.00)	320.20 (1,229.41)	4,275.39 (4,595.59)	4,595.59 (5,825.00)

(Rs. in lacs)

Loans given to Enterprises over which KMP and their relatives have significant influences					
Name	Op. Balance	Given during the year	Repaid during the year	Closing Balance	Maximum Balance Outstanding
Pune Buildtech Private Limited	0.15 -	- (0.15)	- -	0.15 (0.15)	0.15 (0.15)
D B Project Pvt Ltd(Loan Given)	- -	0.02 -	- -	0.02 -	0.02 -

### 61 Reconciliation of Liabilities arising from Financial Liabilities

(Rs. in lacs)

Particulars	As at March 31, 2018	Cash movement	Fair value Changes	Others	As at March 31, 2019
Long Term Borrowings	134,165.54	51,039.37	1,298.41	(3,717.13)	182,786.19
Short Term Borrowings	28,086.03	829.04	-	(1,821.10)	27,093.97
<b>Total</b>	<b>162,251.57</b>	<b>51,868.41</b>	<b>1,298.41</b>	<b>(5,538.23)</b>	<b>209,880.16</b>

(Rs. in lacs)

Particulars	As at March 31, 2017	Cash movement	Fair value Changes	Others	As at March 31, 2019
Long Term Borrowings	128,706.70	(9,680.23)	14,318.14	820.93	134,165.54
Short Term Borrowings	14,324.09	13,761.94	-	-	28,086.03
<b>Total</b>	<b>143,030.78</b>	<b>4,081.71</b>	<b>14,318.14</b>	<b>820.93</b>	<b>162,251.57</b>

These cash movements are included within the following lines in the Statement of Cash Flows:

- i Proceeds from Long-term Borrowings
- ii Repayment of Long-term Borrowings
- iii Increase/ (Decrease) in Short-term Borrowings
- iv Liability pertaining to disposal group

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

- 62** The Group has made investments in certain associates and related parties aggregating Rs. 18,527.27 Lacs (Previous year Rs. 4,653.73 lacs) and loans and receivables aggregating Rs. 4,410.51 Lacs (previous year Rs. 15,47.52 lacs) as at March 31, 2019, which have incurred significant losses or have negative net worth respectively as on March 31, 2019. The underlying projects in such entities are in the early stage 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 carrying value. The group considers its investment in such entities as long term and strategic in nature. Accordingly, no provision is considered necessary towards diminution in the value of the group's investments in such entities and for expected credit losses in respect of loans and receivables given to such entities, which are considered good and fully recoverable.
- 63** Figures of the previous year have been regrouped/ reclassified wherever necessary to conform to the presentation of the current year.  
The accompanying notes 1 to 63 form an integral part of the Consolidated Ind AS Financial Statements.

As per our report of even date.

**For Haribhakti & Co. LLP**

**Chartered Accountants**

ICAI Firm Regn No. 103523W/ W100048

**Snehal Shah**

Partner

Membership No. 048539

Place: Mumbai

Date: May 30, 2019

**For and on behalf of the Board**

**Vinod Goenka**

Chairman & Managing Director

DIN 00029033

**Jagat A. Killawala**

Director

DIN 00262857

**Asif Balwa**

Chief Financial Officer

**Shahid Balwa**

Vice Chairman & Managing Director

DIN 00016839

**Jignesh Shah**

Company Secretary

Membership No. A19129



# D B REALTY LIMITED

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## 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 Rs.)														
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	6,600,000	(764,936,134)	1,512,066,409	2,270,402,543	-	725,631,301	(32,544,977)	-	(32,544,977)	-	66.00%
2	Esteem Properties Private Limited	INR	India	1,000,000	(44,632,420)	1,143,398,954	1,143,398,956	-	-	(184,358)	-	(184,358)	-	100.00%
3	Neelkamal Shantinagar Properties Private Limited	INR	India	160,000	37,133,214	834,704,478	797,411,265	134,233,112	-	(73,706,035)	-	(73,706,035)	-	100.00%
4	Salfee Bucket Factory Private Limited	INR	India	248,000	(3,030,692)	41,520	2,824,212	-	-	(21,482)	-	(21,482)	-	100.00%
5	Real Gem Build Tech Private Limited	INR	India	100,000	(1,401,775,939)	11,155,063,861	12,556,739,799	31,671,388	622,701	(378,214,575)	234,407,395	(612,621,970)	-	100.00%
6	TURF ESTATE JOINT VENTURE PRIVATE LIMITED (FORMERLY KNOWN AS PRIYA CONSTRUCTIONS PRIVATE LIMITED)	INR	India	100,000	(34,462,993)	196,041,363	230,404,356	158,262,893	2,047,122	547,343	3,819,701	(3,272,358)	-	100.00%
7	D B Man Realty Ltd.	INR	India	140,000,000	(9,549,421)	131,724,335	1,273,756	-	-	(36,914)	-	(36,914)	-	91.00%
8	Royal Neira Constructions Private Limited	INR	India	15,000,000	(7,968,053)	789,968,711	782,936,764	-	588,110	(124,283)	-	(124,283)	-	50.40%
9	N. A. Estates Private Limited	INR	India	100,000	6,396,477	183,223,518	176,727,041	-	-	(22,314)	-	(22,314)	-	100.00%
10	Nine Paradise Erectors Private Limited	INR	India	100,000	(980,655)	1,048,605,949	1,049,486,604	8,804,622	-	(39,063)	-	(39,063)	-	100.00%
11	MIG (Bandra) Realtors and Builders Private Limited (Formerly DB MIG Realtors & Builders Private Limited)	INR	India	19,034,000	(1,997,907,147)	16,208,078,435	18,186,951,582	-	2,624,739,985	(1,611,132,583)	(523,603,777)	(1,087,528,806)	-	100.00%
12	Spacecon Realty Private Limited (Formerly DB Spacecon Private Limited)	INR	India	135,140	(84,686,124)	99,514	84,650,498	-	-	(4,142,135)	-	(4,142,135)	-	74.00%
13	Vanita Infrastructure Private Limited	INR	India	100,000	(41,782,296)	95,842,412	137,524,708	-	27,604,051	(30,770,770)	-	(30,770,770)	-	100.00%
14	DB View Infracon Private Limited	INR	India	100,000	362,585,974	5,334,558,825	4,971,872,851	329,356,711	365,390,556	359,774,498	-	359,774,498	-	100.00%
15	DB Contractors & Builders Private Limited	INR	India	100,000	(650,712)	852,856	1,403,568	450,000	-	(40,235)	-	(40,235)	-	100.00%
16	Goregaon Hotel and Realty Private Limited	INR	India	100,000	(260,392,024)	2,443,453,363	2,703,745,387	10,256,135	4,501,289	(139,535,814)	(712,221)	(140,248,035)	-	100.00%
17	Horizontal Realty and Aviation Private Limited	INR	India	140,056,030	(2,088,463,398)	1,858,518,169	3,806,925,537	-	285,861,887	282,854,826	(247,261,039)	530,115,865	-	62.86%

### Notes

- A There are no Subsidiaries which have been liquidated.  
B There are no Subsidiaries which are yet to commence operations.

**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**

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 %	Net worth 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
			No. of Share		Amount of Investment in Associates and Joint Venture			Considered in Consolidation	Not Considered in Consolidation		
			Equity Shares	Preference Shares							
	<b>Associates</b>										
1	Sangam City Township Private Limited	31-Mar-19	8,000	-	455,297,158.76	26.67%	229,522,628	(8,049,951)	NA	Due to Share holding	
2	DB Hi-Sky Private Limited	31-Mar-19	5,000	-	205,734,605.50	50.00%	(3,874,315)	(23,663)	NA	Due to Share holding	
3	Mahtai Pictures Private Limited	31-Mar-19	3,600	-	928,902,418.02	33.33%	40,854,647	2,306,308	NA	Due to Share holding	
4	Shiva Buildcon Private Limited	31-Mar-19	8,885	-	85,200,061.45	44.43%	(142,558)	(60,227)	NA	Due to Share holding	
5	Shiva Multitrade Private Limited	31-Mar-19	8,885	-	85,197,852.61	44.43%	(153,581)	(63,869)	NA	Due to Share holding	
6	Shiva Realtors Suburban Private Limited	31-Mar-19	8,885	-	85,199,306.98	44.43%	(142,286)	(60,172)	NA	Due to Share holding	
7	Neelkamal Realtors Tower Private Limited	31-Mar-19	1,125,163	660,918	489,593,529	42.82%	120,687,172	(182,113,307)	NA	Due to Share holding	
8	Milan Theatres Private Limited	31-Mar-18	327,555	-	-	32.76%	-	-	NA	Due to Indirect shareholding	
					-	-	-	-	-		
	<b>Joint Venture</b>				-	-	-	-	-		
1	DB Realty and Shreepati Infrastructures LLP	31-Mar-18	-	-	64,517,000	60.00%	64,426,361	(3,385)	NA	Due to Share in LLP by holding Company along with its wholly owned subsidiaries	
2	Sneh Developers	31-Mar-19	-	-	10,000	48.00%	(45,143)	(10,119)	NA	Due to Share in Firm by wholly owned subsidiaries	
3	Dynamix Realty	31-Mar-19	-	-	901,801,000	50.00%	24,382,088	(25,276,360)	NA	Due to Share in Firm	
4	DBS Realty	31-Mar-19	-	-	(652,273,648)	33.33%	(513,801)	(2,668,525)	NA	Due to Share in Firm	
5	DB (BKC) Realtors Private Limited	31-Mar-18	187,015	640,877	981,233,000	57.20%	2,422,227,330	(516,296)	NA	Due to Share holding	
6	Lokhandwala Dynamix Balwas Joint Venture	31-Mar-19	-	-	24,382,000	50.00%	24,382,088	33,840	NA	Due to Share in Joint Venture	
7	Lokhandwala D B Realty LLP	31-Mar-19	-	-	6,581,000	45.00%	5,335,943	(17,850)	NA	Due to Share in LLP	
8	Suraksha D B Realty	31-Mar-19	-	-	93,487,257	50.00%	93,487,257	383,903	NA	Due to Indirect Share in Firm	

**Notes**

- A There are no Associates or Joint Ventures which have been sold or liquidated.  
B There are no Associates and joint ventures which are yet to commence operations.

## NOTES

[illegible]

## NOTES

[illegible]

## 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 **Email:** investors@dbg.co.in

(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 **Thirteenth Annual General Meeting** of the Company, to be held on **Monday, the 30<sup>th</sup> day of September, 2019 at 3.00 p.m.** at Lakshdham High School Auditorium, Lakshdham High School, Gokuldharm, 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, 2019

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 Ms. Sunita Goenka, who retires by rotation and, being eligible, offers herself for re-appointment.		
3.	To not to fill the vacancy caused due to retirement of Mr Salim Balwa.		
4.	Adoption of new set of Article of Association		
5.	Re-appointment of Mr. Jagat Killawala, as an Independent Director.		
6.	Re-appointment of Mr.Nasir Mahmud Rafique as an Independent Director.		







#### REGISTERED OFFICE

DB House, General A.K. Vaidya Marg,  
Goregaon (East), Mumbai - 400 063, India  
**Telephone :** (+91-92)-40778600 | **Telefax :** (+91-22)-28415550  
**[www.dbrealty.co.in](http://www.dbrealty.co.in)**  
CIN : L70200MH2007PLC166818

## 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	

/We hereby record my/our presence at the THIRTEENTH ANNUAL GENERAL MEETING of the Company held on Monday the 30<sup>th</sup> day of September, 2019 at 3.00 p.m. at Lakshdham High School Auditorium, Lakshdham High School, Gokuldharm, 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 (EVEN)	User ID	Password

**Note:** Please read the instructions printed under the Note No. 20 & 21 to the Notice of 13th Annual General Meeting. The e-voting period commences on 27<sup>th</sup> September, 2019 (9:00 am IST) and ends on 29<sup>th</sup> September, 2019 (5.00 P.M. IST). The voting module shall be disabled by CDSL for voting thereafter.



## Annexure I

## Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along with Annual Audited Financial Results- Standalone

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2019  
(See Regulations 33/52 of SEBI (LODR) (Amendment) Regulations, 2016)

Sr. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
1	Turnover/ Total Income	41,868,636	Not ascertainable
2	Total Expenditure	1,744,079,176	
3	Net Profit/ (Loss)	(1,204,997,567)	
4	Earnings per Share	(4.95)	
5	Total Assets	37,729,930,480	
6	Total Liabilities	10,032,942,141	
7	Net Worth	27,696,988,340	
8	Any other financial items		
II	<b>Audit Qualification</b>		
1	<p><b>a. Details of Audit Qualification:</b> As stated in Note 3 to the Statement regarding non recognition/ re-measurement of financial guarantees aggregating Rs. 2,93,552.00 lakhs issued to banks/ financial institutions on behalf of various entities at fair value as required under Ind AS 109 - Financial Instruments. In absence of measurement of financial guarantees at fair value, we are unable to comment on the effects on the loss for the year ended March 31, 2019.</p> <p><b>b. Type of Audit Qualification:</b> Qualified Opinion</p> <p><b>c. Frequency of Qualification:</b> Repetitive</p> <p><b>d. For Audit Qualification where impact is quantified by the auditor, Management's views:</b> Impact is not quantified by the auditor.</p> <p><b>e. For Audit Qualification where impact is not quantified by the auditor:</b> (i) Management's estimation on the impact of audit qualification: Not ascertainable (ii) If management is unable to estimate the impact, reasons for the same: The Company has issued financial guarantees to bankers/financial institutions on behalf of various entities based on the terms of the sanctioned letters issued by such banks/financial institutions and generally the sanctioned letters / loan documents prohibited the Company to charge any commission on giving of such financial guarantees. Therefore, in compliance with the sanctioned letters/loan documents executed by the Company with such banks / financial institutions in the past, the management has decided not to charge any commission on such financial guarantees, which generally is a collateral security supported by other main primary securities in each such case. The Note No 3 is detailed in nature and self explanatory (iii) Auditors' Comments on (i) or (ii) above: Included in the Auditors' Report</p>		
2	<p><b>a. Details of Audit Qualification:</b> As stated in Note 4 to the Statement regarding non-evaluation of impairment provision for expected credit losses in accordance with Ind AS 109 - Financial Instruments, for loans and receivables aggregating Rs. 50,886.65 lakhs and Investments aggregating Rs. 87,368.26 lakhs respectively on March 31, 2019 to certain subsidiaries and related parties which have incurred significant losses or have negative net worth. We are unable to comment on the effects on the loss for the year ended March 31, 2019.</p> <p><b>b. Type of Audit Qualification:</b> Qualified Opinion</p> <p><b>c. Frequency of Qualification:</b> Repetitive</p> <p><b>d. For Audit Qualification where impact is quantified by the auditor, Management's views:</b> Impact is not quantified by the auditor.</p> <p><b>e. For Audit Qualification where impact is not quantified by the auditor:</b> (i) Management's estimation on the impact of audit qualification: Not ascertainable (ii) If management is unable to estimate the impact, reasons for the same: The loans are given to certain subsidiaries and related parties, in which the Company is having economic interest and the same are generally repayable on demand and investment in these subsidiaries and related parties are considered strategic and long term in nature. Such subsidiaries and related parties are in different stages of execution of Projects, where revenue recognition has not started and the Company is confident of recovering the same. Such loans and advances are towards the cost to be incurred / being incurred by the said entities for their projects and hence this to be considered to facilitate proper execution and as such will be repaid and / or recovered in due course. (iii) Auditors' Comments on (i) or (ii) above: Included in the Auditors' Report</p>		



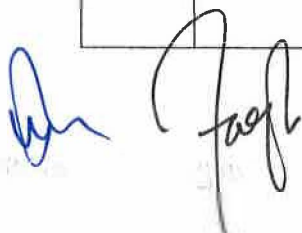
3	<p><b>a. Details of Audit Qualification:</b>  As stated in Note 5 to the Statement regarding measurement of its investments in equity instruments of one of its subsidiary company at fair value through other comprehensive income which the management has not considered as a subsidiary. Had it been treated as a subsidiary, then as per accounting policy, it should be measured at cost. Consequently, investments in these instruments and other comprehensive income are higher by Rs. 15,228.96 lakhs and Rs. 12,061.34 lakhs (net of tax) respectively as on March 31, 2019.</p> <p><b>b. Type of Audit Qualification:</b> Qualified Opinion</p> <p><b>c. Frequency of Qualification:</b> Repetitive</p> <p><b>d. For Audit Qualification where impact is quantified by the auditor, Management's views:</b> Investments in these instruments and other comprehensive income is higher by Rs. 15,228.96 lakhs and Rs. 12,061.34 lakhs (net of tax) respectively as on March 31, 2019. The Management is of the opinion that the said entity is not within its control, as it is managed by its own Board of Directors and the Company has not nominated any director on the Board of the said entity. Further, the investments by the Company in this entity are not just in equity shares but the same is in the form of different preference shares having maturity terms in future and the Company together with one of its wholly owned subsidiary company hold around 17.58% of current total paid-up share capital in the said entity. Hence control does not vest in the Company through its investment or otherwise and not required to be consolidated. Therefore, the management is of the opinion that the Company has rightly measured its investments in equity instruments of the said entity at fair value instead of measuring it at cost and has given accounting treatments accordingly.</p> <p><b>e. For Audit Qualification where impact is not quantified by the auditor:</b>  (i) Management's estimation on the impact of audit qualification: N/A  (ii) If management is unable to estimate the impact, reasons for the same: N/A  (III) Auditors' Comments on (i) or (ii) above:  Included in the Auditors' Report</p>	
III	<p><b>Signatories</b></p> <p>Managing Director</p> <p>Vinod Goenka CFO</p> <p>Asif Balwa Audit Committee Chairman</p> <p>Jagat Killawala Statutory Auditor</p> <p>Snehal Shah Partner - Haribhakti &amp; Co. LLP</p>	  
Place:	Mumbai	
Date:	30th May 2019	

## Annexure I

## Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along with Annual Audited Financial Results- Consolidated

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2019  
(See Regulations 33/52 of SEBI (LODR) (Amendment) Regulations, 2016)

Sr. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
1	Turnover/ Total Income	3,652,104,347	Not ascertainable
2	Total Expenditure	61,804,754,849	
3	Net Profit/ (Loss)	(25,996,624,587)	
4	Earnings per Share	(11.41)	
5	Total Assets	69,676,754,762	
6	Total Liabilities	48,920,072,626	
7	Net Worth	20,756,682,137	
8	Any other financial items		
II Audit Qualification			
1	<p><b>a. Details of Audit Qualification:</b> As stated in Note 3 to the Statement regarding non recognition/ re-measurement of financial guarantees aggregating Rs. 114,300.00 lakhs issued to banks/ financial institutions on behalf of various entities at fair value as required under Ind AS 109 - Financial Instruments. In absence of measurement of financial guarantees at fair value, we are unable to comment on the effects on the loss for the year ended March 31, 2019.</p> <p><b>b. Type of Audit Qualification:</b> Qualified Opinion</p> <p><b>c. Frequency of Qualification:</b> Repetitive</p> <p><b>d. For Audit Qualification where impact is quantified by the auditor, Management's views:</b> Impact is not quantified by the auditor.</p> <p><b>e. For Audit Qualification where impact is not quantified by the auditor:</b> (i) Management's estimation on the impact of audit qualification: Not ascertainable (ii) If management is unable to estimate the impact, reasons for the same: The Company has issued financial guarantees to bankers/financial institutions on behalf of various entities based on the terms of the sanctioned letters issued by such banks/financial institutions and generally the sanctioned letters / loan documents prohibited the Company to charge any commission on giving of such financial guarantees. Therefore, in compliance with the sanctioned letters/loan documents executed by the Company with such banks / financial institutions in the past, the management has decided not to charge any commission on such financial guarantees, which generally is a collateral security supported by other main primary securities in each such case. (iii) Auditors' Comments on (i) or (ii) above: Included in the Auditors' Report</p>		
2	<p><b>a. Details of Audit Qualification:</b> As stated in Note 4 to the Statement regarding non-evaluation of impairment provision for expected credit losses in accordance with Ind AS 109 - Financial Instruments, for loans and receivables aggregating Rs. 4,410.51 lakhs and Investments aggregating Rs. 18,527.27 lakhs respectively on March 31, 2019 to certain subsidiaries and related parties which have incurred losses or have negative net worth. We are unable to comment on the effects on the loss for the year ended March 31, 2019.</p> <p><b>b. Type of Audit Qualification:</b> Qualified Opinion</p> <p><b>c. Frequency of Qualification:</b> Repetitive</p> <p><b>d. For Audit Qualification where impact is quantified by the auditor, Management's views:</b> Impact is not quantified by the auditor.</p> <p><b>e. For Audit Qualification where impact is not quantified by the auditor:</b> (i) Management's estimation on the impact of audit qualification:Not ascertainable (ii) If management is unable to estimate the impact, reasons for the same: The loans are given to subsidiaries and related parties, in which the Company is having economic interest and the same is repayable on demand and investment in such associates are considered strategic and long term in nature. The said Associates are in the process of execution of real estate project, where revenue recognition has not started and the Company is confident of recovering the same. Such loans and advances are towards the cost to be incurred / being incurred by the said Associates for its project and hence this to be considered to facilitate proper execution and as such will be repaid and / or recovered in due course. (iii) Auditors' Comments on (i) or (ii) above: Included in the Auditors' Report</p>		

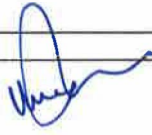



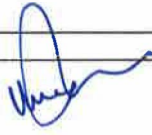



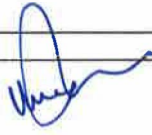







3	<p><b>a. Details of Audit Qualification:</b> As stated in Note 5 to the Statement the financial statements of one of the subsidiary companies and its subsidiaries/associates/ joint ventures have not been consolidated in the consolidated financial statements. The Holding Company controls the subsidiary company in terms of Ind AS 110. In absence of the availability of the consolidated financial statements of such subsidiary company, we are unable to quantify the effects on the consolidated financial statements of the Group and its associates and joint ventures.</p> <p><b>b. Type of Audit Qualification:</b> Qualified Opinion</p> <p><b>c. Frequency of Qualification:</b> Repetitive</p> <p><b>d. For Audit Qualification where impact is quantified by the auditor, Management's views:</b> Impact is not quantified by the auditor.</p> <p><b>e. For Audit Qualification where impact is not quantified by the auditor:</b> (i) Management's estimation on the impact of audit qualification: Not ascertainable (ii) If management is unable to estimate the impact, reasons for the same: The Management is of the opinion that the said entity is not within its control, as it is managed by its own Board of Directors and the Company has not nominated any director on the Board of the said entity. Further, the investments by the Company in this entity are not just in equity shares but the same is in the form of different preference shares having maturity terms in future and the Company together with one of its wholly owned subsidiary company hold around 17.58% of current total paid-up share capital in the said entity. Hence control does not vest in the Company through its investment or otherwise and not required to be consolidated. The said Note No. 5 is detailed in nature and self explanatory. (iii) Auditors' Comments on (i) or (ii) above: Included in the Auditors' Report</p>
4	<p><b>a. Details of Audit Qualification:</b> As stated in Note 5 to the Statement regarding measurement of its investments in equity instruments of one of its subsidiary company at fair value through other comprehensive income which the management has not considered as a subsidiary. Had it been treated as a subsidiary, then as per accounting policy, it should be measured at cost. Consequently, investments in these instruments and other equity (other comprehensive income) are higher by Rs 15,228.96 lakhs and Rs 12,061.34 lakhs (net of tax) respectively as on March 31, 2019.</p> <p><b>b. Type of Audit Qualification:</b> Qualified Opinion</p> <p><b>c. Frequency of Qualification:</b> Repetitive</p> <p><b>d. For Audit Qualification where impact is quantified by the auditor, Management's views:</b> Investments in these instruments and other comprehensive income are higher by Rs 15,228.96 lakhs and Rs 12,061.34 lakhs (net of tax) respectively as on March 31, 2019. Also as mentioned in point no. 3 above, we again stated that the Management is of the opinion that the said entity is not within its control, as it is managed by its own Board of Directors and the Company has not nominated any director on the Board of the said entity. Further, the investments by the Company in this entity are not just in equity shares but the same is in the form of different preference shares having maturity terms in future and the Company together with one of its wholly owned subsidiary company hold around 17.58% of current total paid-up share capital in the said entity. Hence control does not vest in the Company through its investment or otherwise and not required to be consolidated. Therefore, the management is of the opinion that the Company has rightly measured its investments in equity instruments of the said entity at fair value instead of measuring it at cost and has given accounting treatments accordingly.</p> <p><b>e. For Audit Qualification where impact is not quantified by the auditor:</b> (i) Management's estimation on the impact of audit qualification: N/A (ii) If management is unable to estimate the impact, reasons for the same: N/A (iii) Auditors' Comments on (i) or (ii) above: Included in the Auditors' Report</p>





5	<p><b>a. Details of Audit Qualification:</b> As stated in Note 9 to the Statement, regarding non impairment of goodwill as on March 31, 2019, created for one of the subsidiary company amounting to Rs. 15,194.80 lakhs as required under Ind AS 36 - Impairment of Assets. During the year, the said subsidiary has filed a scheme with National Company Law Tribunal to seek approval for slump sale of its entire project along with related assets and liabilities. Further, the subsidiary company is entitled to contingent consideration on sale of projects by the new project undertaking. Having regard to this development, there will not be any more project/business activities in the hands of said subsidiary. In the circumstances, in our view, goodwill needs to be tested for impairment and provision, if any, is required to be made in this regard. In the absence of impairment testing and determination of future contingent consideration, goodwill has been entirely carried in the books of account. We are unable to comment on the effects, if any, on the consolidated loss for the year ended March 31, 2019.</p> <p><b>b. Type of Audit Qualification:</b> Qualified Opinion</p> <p><b>c. Frequency of Qualification:</b> First Time</p> <p><b>d. For Audit Qualification where impact is quantified by the auditor, Management's views:</b> During the year, Real Gem Buildtech Private Limited (a wholly owned subsidiary company / WOS) has filed a Scheme with NCLT whereby it has proposed to transfer its all the assets and liabilities pertaining to Identified Project Undertaking, being "DB Crown" Project, on going concern basis as Slump Sale to Kingmaker Developers Private Limited (KDPL) for a consideration of Rs. 10 lakh. Additionally, as mentioned in the scheme, upon achieving certain milestones to be mutually agreed between said WOS and KDPL, said WOS shall be entitled to receive the such realization / sale proceeds of the Project Undertaking as Contingent consideration from KDPL. The Management is hopeful that the said Project Undertaking will be able to achieve those milestones and above Contingent consideration will accrue to the said WOS. Accordingly, no provision of impairment of goodwill is considered necessary by the Company.</p> <p><b>e. For Audit Qualification where impact is not quantified by the auditor:</b>  <b>(i) Management's estimation on the impact of audit qualification:</b> N/A  <b>(ii) If management is unable to estimate the impact, reasons for the same:</b> N/A  <b>(iii) Auditors' Comments on (i) or (ii) above:</b>  Included in the Auditors' Report</p>																								
III	<table border="1"> <tr> <td data-bbox="413 891 861 925"><b>Signatories</b></td><td data-bbox="861 891 1378 925"></td></tr> <tr> <td data-bbox="413 925 861 958">Managing Director</td><td data-bbox="861 925 1378 958"></td></tr> <tr> <td data-bbox="413 958 861 992">Vinod Goenka</td><td data-bbox="861 958 1378 992"></td></tr> <tr> <td data-bbox="413 992 861 1025">CFO</td><td data-bbox="861 992 1378 1025"></td></tr> <tr> <td data-bbox="413 1025 861 1059">Asif Balwa</td><td data-bbox="861 1025 1378 1059"></td></tr> <tr> <td data-bbox="413 1059 861 1093">Audit Committee Chairman</td><td data-bbox="861 1059 1378 1093"></td></tr> <tr> <td data-bbox="413 1093 861 1126">Jagat Killawala</td><td data-bbox="861 1093 1378 1126"></td></tr> <tr> <td data-bbox="413 1126 861 1160">Statutory Auditor</td><td data-bbox="861 1126 1378 1160"></td></tr> <tr> <td data-bbox="413 1160 861 1193">Sneh Shah</td><td data-bbox="861 1160 1378 1193"></td></tr> <tr> <td data-bbox="413 1193 861 1227">Partner - Haribhakti &amp; Co. LLP</td><td data-bbox="861 1193 1378 1227"></td></tr> <tr> <td data-bbox="413 1227 861 1261">Place:</td><td data-bbox="861 1227 1378 1261">Mumbai</td></tr> <tr> <td data-bbox="413 1261 861 1294">Date:</td><td data-bbox="861 1261 1378 1294">30th May 2019</td></tr> </table>	<b>Signatories</b>		Managing Director		Vinod Goenka		CFO		Asif Balwa		Audit Committee Chairman		Jagat Killawala		Statutory Auditor		Sneh Shah		Partner - Haribhakti & Co. LLP		Place:	Mumbai	Date:	30th May 2019
<b>Signatories</b>																									
Managing Director																									
Vinod Goenka																									
CFO																									
Asif Balwa																									
Audit Committee Chairman																									
Jagat Killawala																									
Statutory Auditor																									
Sneh Shah																									
Partner - Haribhakti & Co. LLP																									
Place:	Mumbai																								
Date:	30th May 2019																								