

**NOTICE**

NOTICE is hereby given that the Tenth Annual General Meeting of the Members of Gokuldham Real Estate Development Company Private Limited will be held on Saturday, 20<sup>th</sup> September, 2014 at 5.30 p.m. at the Registered Office of the Company, at DB House, Gen. A.K. Vaidya Marg, Goregaon (East), Mumbai 400063 to transact the following Business:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31<sup>st</sup> March, 2014, statement of Profit and loss Account for the year ended on that date together with the reports of the Board of Directors & Auditors thereon
2. To appoint a Director in place of Mr. N.P.Bajaj who retires by rotation and being eligible offers himself for reappointment.
3. To re-appoint Auditors and to fix their remuneration.

**“RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, M/s. M. A. Parikh & Company, Chartered Accountants, (Regn.No. 107556W) be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this 10<sup>th</sup> Annual General Meeting until the conclusion of the 13<sup>th</sup> Annual General Meeting, subject to ratification of their appointment by the shareholders at every Annual General Meeting of the Company at such remuneration as may be recommended / determined by the Audit Committee / Board of Directors in consultation with the Auditors

**SPECIAL BUSINESS**

4. **Appointment of Joshi, Apte & Associates, Cost Accountants as Cost Auditors**

To consider and, if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution**

**“RESOLVED THAT** pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, (including any statutory modification (s) or re-enactment thereof for the time being in force), M/S Joshi, Apte & Associates, Cost Accountants (Firm Registration Number 00240) being the Cost Auditor appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015 and the Board of Directors be and is hereby authorised to fix such remuneration along with service tax, and out of pocket expenses as may be recommended / determined by the Audit Committee / Board of Directors in consultation with the Auditors.”

**By Order of the Board**

**For Gokuldham Real Estate Development Company Pvt. Ltd.**

Sd/-  
Director

**Place: Mumbai**

**Date : May 22, 2014**

**Regd.Office: DB House, Gen. A.K.Vaidya Marg,  
Goregaon (East), Mumbai - 400063**

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE MEMBER OF THE COMPANY. The proxy in order to be effective must be deposited in writing at the registered office of the company not less than 48 hours before the commencement of the meeting.**
2. **Members / proxies should bring the attendance slip duly filled in for attending the meeting**
3. **The Explanatory Statements pursuant to section 102 of the Companies Act, 2013 relating to the aforesaid Special Business in the accompanying Notice is annexed.**

**GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE LIMITED**

**Regd. Office :** DB House, Gen. A. K. Vaidya Marg, Goregaon (East), Mumbai - 400 063. • Tel.: 91-22-4077 8600 • Fax: 91-22-2841 5550 / 2842 1667  
E-mail: info@dbg.co.in • Website: www.dbrealty.co.in

CIN: U45201MH2004PTC144704

**EXPLANATORY STATEMENT FORMING PART OF THE ACCOMPANYING NOTICE PURSUANT TO THE PROVISION OF SECTION 102 OF THE COMPANIES ACT, 2013****Item No.4**

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

On the recommendation of the Audit Committee at the meeting held on 22<sup>nd</sup> May, 2014, the Board has considered and approved appointment of M/s Joshi, Apte and Associates (FRN 00240), for the conduct of the audit of the Company's cost records at a remuneration along with service tax and out of pocket expenses as may be determined by the board of Directors in consultation with the Auditors.

The resolution at item no. 4 of the Notice is set out as an Ordinary Resolution for approval and ratification by the members in terms of section 148 of the Companies Act, 2013

None of the Directors of the Company and none of their relatives are deemed to be concerned or interested in the said resolution.

**By Order of the Board  
For Gokuldham Real Estate Development Company Pvt. Ltd.**

Sd/-  
Director

**Place: Mumbai  
Date : May 22, 2014**

**Regd. Office: DB House, Gen. A.K. Vaidya Marg,  
Goregaon (East), Mumbai - 400063**



## DIRECTORS' REPORT

To  
The Members  
Gokuldharm Real Estate Development Company Private Limited

Your Directors have pleasure in presenting the Annual Report together with the Audited Accounts of the Company for the year ended on 31<sup>st</sup> March, 2014.

### FINANCIAL RESULTS:

In accordance with the percentage completion method followed by the Company in recognizing the revenue, the Company has recognized revenue during the year and accounted in the Statement of Profit and Loss:

(Amount in Rs.)

Particulars	F.Y. 2013-14	F Y 2012-13
Gross Income	1,38,55,12,158	1,30,32,29,708
Less: Expenditure	96,93,47,271	1,24,84,35,571
Profit/(Loss) before taxation	41,61,64,887	5,47,94,137
Less : Tax provision	(15,40,03,298)	(2,52,29,176)
Profit/( Loss ) after taxation	26,21,61,589	2,95,64,961
Balance brought forward	80,97,81,600	78,02,16,639
Balance carried to Balance Sheet	1,07,19,43,189	80,97,81,600

### NATURE OF OPERATIONS

The on-going project viz. Orchid Woods at Goregaon (East) is in verge of completion and the possession is expected to be handed over in the current year, after obtaining Occupation Certificate.

### AMALGMATION OF COMPANY WITH D B REALTY LIMITED, HOLDING COMPANY

The Board of Directors at their Board meeting held on 7<sup>th</sup> February, 2014 have accorded their approval of a proposal for amalgamation of the Company with the Holding Company i.e. D B Realty Ltd. with effect from 1<sup>st</sup> April, 2013 (the Appointed Date) subject to approvals of the shareholders and concerned authorities.

### DIVIDEND

In order to conserve resources for the completion of the Project, the Directors have not proposed any dividend on the Equity Share Capital for the year.

### STATUS OF THE COMPANY

The Company continues to be a subsidiary company of D B Realty Limited.

#### **GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE LIMITED**

## **DIRECTORS**

The Board of Director is duly constituted during the year under and there is no change in the Board of Directors of the Company.

Mr. N.P.Bajaj retires at the ensuing annual general meeting and being eligible offer himself for reappointment.

## **DIRECTORS RESPONSIBILITY STATEMENT:**

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed:

- (i) that in the preparation of the Accounts for the year ended on 31<sup>st</sup> March, 2014, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- (iii) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- (iv) that the Directors had prepared the Accounts on a going concern basis.

## **AUDITORS' REPORT**

The Auditors have in their Report drawn attention by way of Emphasis of matter on certain Notes to Accounts of the Company relating to the proposed amalgamation of the Company with its holding Company, D B Realty Ltd. and also non payment of remuneration to the Managing / Whole-time Directors of the Company. These notes are self explanatory. Your Board has with consent of the Managing / Whole-time Directors decided that no remuneration be paid for the year, as stated in the Note 36.1 to the Accounts.

## **FIXED DEPOSITS**

The Company has not accepted any deposit from the public within the meaning of Section 58A of the Companies Act, 1956 during the year under review.

## **PARTICULARS OF EMPLOYEES**

There is no employee in the Company whose particulars are required to be given under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

Your Company is not covered by the schedule of Industries which are required to furnish the information in Form A pursuant to Section 217 (1)(e) read with Rule 2 of the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988.

The Company has neither imported any technology nor carried on the business of export or import and therefore the disclosure requirements against technology absorption are not applicable.

During the year under review, the Company had no inflow and outflow of foreign exchange. (Previous year expenditure in Foreign Currency on account of Travelling expenses Rs. 72,530/- and CIF value of Imports Rs. 1,13,15,388/-)

**COST AUDITORS**

The Company has appointed M/S Joshi, Apte & Associates, Cost Accountants (Firm Registration Number 00240) to conduct the audit of the cost records of the Company for the financial year 2014-15 in pursuance of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules 2014 read with Companies (Cost Records and Audit) Rules, 2014.

**AUDITORS:**

The Statutory Auditors of the Company M/s. M. A. Parikh & Co., Chartered Accountants, Mumbai retire at the ensuing Annual General Meeting and being eligible, offer themselves, for re-appointment. The Board recommends their re-appointment as the Auditors of the Company.

**ACKNOWLEDGEMENT:**

Your Directors would like to express their appreciation for the support extended by the Bankers, Government Authorities, its Employees at all level, Creditors and Suppliers.

**On behalf of the Board of Directors  
Gokuldham Real Estate Development Company Pvt. Ltd,**

Sd/-  
Director

Sd/-  
Director

Place: Mumbai  
Date: May 22, 2014

**GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE LIMITED**

**M. A. PARIKH & CO.**  
**CHARTERED ACCOUNTANTS**

**Independent Auditor's Report**  
**To the Members of Gokuldharm Real Estate Development Private Limited**

**Report on the Financial Statements**

We have audited the accompanying financial statements of Gokuldharm Real Estate Development Private Limited ("the Company") which comprise the Balance Sheet as at 31 March 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

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

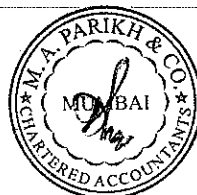
Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with General Circular 15/2013 dated 13<sup>th</sup> September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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



## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31 March 2014;
- (ii) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (ii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

## Emphasis of Matter

Attention is drawn to following notes of the audited financial statements:

- (i) Note No. 1 and 30 as regards Company's proposed Amalgamation with its holding company effective 1<sup>st</sup> April 2013; and
- (ii) Note No. 36.1 as regards the decision of the Management of not to pay any remuneration to the Managing Directors/ Whole Time Director for which their consent have been obtained.

Our opinion is not qualified in respect of the matters stated here-in-above.

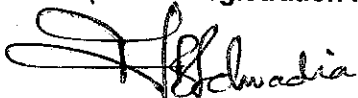
## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - (i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (ii) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - (iii) the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (iv) in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Act read with General Circular 15/2013 dated 13<sup>th</sup> September, 2013 of the ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013; and

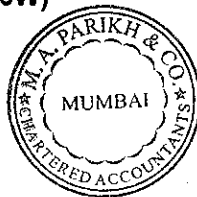


- (v) on the basis of written representations received from the directors as on 31 March 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

**For M.A.Parikh & Co.  
Chartered Accountants  
(Firm's Registration No. 107556W)**



**Partner  
Name: Dhaval B. Selwadia  
Membership No. 100023**



**Mumbai, Date: 22<sup>nd</sup> May, 2014**



**ANNEXURE TO THE AUDITORS' REPORT**  
(Referred to in paragraph 1 of our report of even date)

1. Fixed Assets

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed Assets have been physically verified by the management as of the year-end. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its fixed assets. No material discrepancies were noticed on such verification.
- (c) The Company's business is that of real estate development and accordingly, disposal of fixed assets does not affect the going concern assumption.

2. Inventories

- (a) The Company is in the business of real estate development and as up to the year-end the project undertaken for development and construction is in progress. The inventory consists of units under construction and building materials. As explained to us, building materials are issued to contractors and as such inventory as of year-end is based on their confirmation / statement. Units under construction have been physically verified by the management at reasonable intervals, based on stage of completion of the project.
- (b) In our opinion and according to the information and explanations given to us, the procedure of physical verification followed by the management as regards units under construction is reasonable and adequate in relation to the size of the Company and the nature of its business. According to the information and explanations given to us, adequate reconciliation is carried out for building materials issued to the contractors. As explained to us, no material discrepancies were noticed on such physical verification / reconciliation.
- (c) The Company is maintaining proper records of inventory in respect of units under construction and of building materials.

3. In respect of loans, secured or unsecured, granted or taken by the Company to or from companies, firms or other parties covered in the register maintained under section 301 of the Act, according to the information and explanations given to us:

- (a) The Company has granted unsecured loans to its holding company and four companies covered in the register maintained under section 301 of the Act. The maximum balance outstanding at any time during the year was Rs. 831,287,980/- and the year-end balance is Rs. 585,573,133/-. In respect of a loan granted to a company covered in the register maintained under section 301 of the Act in a prior year and squared-off also, interest thereon of Rs. 87,130,688/- is outstanding.
- (b) The loans alongwith interest are repayable on demand. In view of the same, question of any overdue amount does not arise.



- (c) According to the information and explanations given to us, the rate of interest and the other terms and conditions of the said loans, are prima facie not prejudicial to the interest of the Company.
- (d) The Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Act.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and inventory except for certain items for which alternate quotations were not called for and for the sale of flats. During the course of our audit, no major weakness has been noticed in the internal control system in respect of the said areas.
5. In our opinion and according to the information and explanations given to us during the year, no contracts or arrangements referred to in section 301 of the Act were entered into. Therefore, the requirements of Clause 4(v) of the Order are not applicable.
6. The Company has not accepted any deposits from the public and consequently, the directives issued by the Reserve Bank of India and the provisions of section 58A, 58AA or any other relevant provisions of the Act and the rules framed there under are not applicable.
7. A firm of Chartered Accountants has been appointed by the management to carry out the function of internal audit, which in our opinion commensurate with the size of the Company and the nature of its business.
8. For the year under reference, the Companies (Cost Accounting Records) Rules, 2011 are applicable to the Company in relation to its construction activities. Based on our examination of books of account and other relevant records, in our opinion, prima facie, the said books and records gives information in relation to utilization of materials, labour and other items of costs as referable to its said construction activities.
9. Statutory Dues
- (a) According to the information and explanations given to us and according to the books and records as produced before us, in our opinion, as regards undisputed statutory dues:
- (i) Non payment of the advance tax for the year ended 31<sup>st</sup> March, 2014 of Rs. 12,80,09,012/-, which includes Rs. 5,76,04,056/- due for a period of more than six months from the date it became payable;
- (ii) Arrears of income tax outstanding for more than six months from the date it became payable – Rs. 12,367,139/-;
- (iii) Non-payment of interest on delay in payment of dues of service tax: (Refer Note No. 20(c) of the audited financial statements); and
- (iv) As regards balance statutory dues, the Company was generally regular in depositing the same with the statutory authorities. Further, there were no arrears as at March 31, 2014 for a period of more than six months from the date they became payable.



- (b) According to the information and explanations given to us, there are no disputed dues of Income – tax / Value Added tax / Service Tax/Custom duty / Excise duty / Cess.
10. The Company does not have any accumulated losses. The Company has not incurred cash losses in the financial year concerned and in the immediately preceding financial year.
  11. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to its banks and financial institution. Reference is drawn to Note No.5.1 of the audited financial statements as regards terms of repayment.
  12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore, the requirements of Clause 4(xii) of the Order are not applicable.
  13. The Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the requirements of Clause 4(xiii) of the Order are not applicable.
  14. The Company is not dealing or trading in shares, securities, debentures and other investments. Therefore, the requirements of Clause 4(xiv) of the Order are not applicable.
  15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions. Therefore, the requirements of Clause 4(xv) of the Order are not applicable.
  16. The Company has not obtained any new term loan during the year. Therefore, the requirements of Clause 4(xvi) of the Order are not applicable.
  17. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, funds raised on short – term basis have not been utilised for long term investment.
  18. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act. Therefore, the requirements of Clause 4(xviii) of the Order are not applicable.
  19. The Company has not issued any debentures. Therefore, the requirements of Clause 4(xix) of the Order are not applicable.
  20. The Company has not raised any monies by way of Public Issue. Therefore, the requirements of Clause 4(xx) of the Order are not applicable.



21. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

**For M.A.Parikh & Co.**  
**Chartered Accountants**  
**(Firm's Registration No. 107556W)**



**Partner**  
**Name: Dhaval B. Selwadia**  
**Membership No. 100023**



**Mumbai, Date: 22<sup>nd</sup> May, 2014**

**GOKULDHAM REAL ESTATE DEVELOPMENT CO. PVT.LTD.**  
**BALANCE SHEET AS AT 31ST MARCH 2014**

( Amount in Rs.)

Particulars		Note No.	As at 31.03.14	As at 31.03.13
I.	<b>EQUITY AND LIABILITIES</b>			
1	<b>Shareholders' funds</b>			
	(a) Share Capital	3	50,000,000	50,000,000
	(b) Reserves and Surplus	4	1,471,943,189	1,209,781,600
2	<b>Non-current liabilities</b>			
	(a) Long-Term Borrowings	5	-	171,951,670
	(b) Other Long Term Liabilities	6	103,043,439	95,110,575
	(c) Long-Term Provisions	7	10,603,743	22,370,796
3	<b>Current liabilities</b>			
	(a) Short-Term Borrowings	8	10,626,034	-
	(b) Trade Payables	9	117,499,112	157,331,780
	(c) Other Current Liabilities	10	1,518,546,116	2,200,881,470
	(d) Short-Term Provisions	11	141,517,717	15,857,782
	<b>TOTAL</b>		<b>3,423,779,350</b>	<b>3,923,285,673</b>
II.	<b>ASSETS</b>			
1	<b>Non-current assets</b>			
	(a) Fixed Assets	12		
	(i) Tangible Assets		1,393,020	1,648,565
	(ii) Intangible Assets		253,968	423,280
	(b) Non-Current Investments	13	1,655,096,000	1,243,400,000
	(c) Deferred Tax Assets	14	5,059,843	7,838,141
	(d) Long-Term Loans and Advances	15	4,243,874	1,088,333,874
	(d) Other Non-Current Assets	16	61,494,631	57,668,879
2	<b>Current assets</b>			
	(a) Inventories	17	501,137,237	935,413,112
	(b) Trade Receivables	18	128,348,694	140,030,485
	(c) Cash And Bank Balances	19	25,500,082	22,181,632
	(d) Short-Term Loans and Advances	20	734,001,263	242,076,174
	(e) Other Current Assets	21	307,250,738	184,271,531
	<b>TOTAL</b>		<b>3,423,779,350</b>	<b>3,923,285,673</b>

See accompanying notes forming part of financial statements

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In terms of our report of even date attached


For M.A. PARIKH & CO.  
Chartered Accountants




PARTNER  
Name : Dhaval B. Selwadia  
Membership No. : 100023

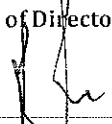
Place : Mumbai  
Date : 22nd May,2014

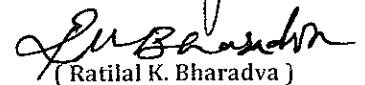


  
( Vinod Goenka )  
Managing Director

  
( Shanti Dalmia )  
Whole Time Director

For and on Behalf of Board of Directors

  
( Salim Balwa )  
Managing Director

  
( Ratilal K. Bharadva )  
Company Secretary

**GOKULDHAM REAL ESTATE DEVELOPMENT CO PVT.LTD.**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014**

		(Amount in Rs.)		
Particulars		Note No.	For the Year Ended 31.03.14	For the Year Ended 31.03.13
1	Revenue from Operations	22	1,283,439,388	1,201,828,562
2	Other Income	23	102,072,770	101,401,146
3	<b>Total Revenue</b>		<b>1,385,512,158</b>	<b>1,303,229,708</b>
4	<b>Expenses:</b>			
	(a) Project Expenses	24	473,913,942	605,366,300
	(b) Changes in inventories of Project Work-in-Progress	25	353,904,058	466,330,028
	(c) Employee Benefits Expenses	26	12,764,849	32,077,407
	(d) Finance Costs	27	90,530,067	80,624,812
	(e) Depreciation and Amortization Expense	28	-	102,928
	(f) Other Expenses	29	38,234,355	63,934,096
	<b>Total expenses</b>		<b>969,347,271</b>	<b>1,248,435,571</b>
5	<b>Profit before Tax</b>	31	<b>416,164,887</b>	<b>54,794,137</b>
6	<b>Tax Expenses:</b>			
	Current Tax	30	(149,900,000)	(23,000,000)
	Deferred Tax		(2,778,298)	3,927,983
	Prior Years' Tax Adjustments		(1,325,000)	(6,157,159)
			<b>(154,003,298)</b>	<b>(25,229,176)</b>
7	<b>Profit for the Year</b>		<b>262,161,589</b>	<b>29,564,961</b>
	Earnings per equity share: Basic and Diluted	46	524.32	59.13

See accompanying notes forming part of financial statements

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In terms of our report of even date attached


For M.A. PARIKH & CO.  
Chartered Accountants




PARTNER  
Name : Dhaval B. Selwadia  
Membership No. : 100023

Place : Mumbai  
Date : 22nd May, 2014



  
( Vinod Goenka )  
Managing Director

  
( Shonit Dalmia )  
Whole Time Director

For and on Behalf of Board of Directors

  
( Salim Balwa )  
Managing Director

  
( Ratilal K. Bharadva )  
Company Secretary

**GOKULDHAM REAL ESTATE DEVELOPMENT CO PVT.LTD.**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014**

(Amount in Rs.)

Particulars		For the Year Ended 31.03.14		For the Year Ended 31.03.13	
(A)	<b>Cash Flow From Operating Activities:</b>				
	Profit before tax		416,164,887		54,794,137
	<b>Adjustments for:</b>				
	Interest and Finance Charges	138,167,407		104,408,847	
	Depreciation and Amortization Expense	-		102,928	
	Provision for Gratuity / Leave Encashment	(9,993,492)		11,530,303	
	Profit on sale of investment (immovable property)	-		(3,315,667)	
	Profit on sale of fixed assets	-		(7,436)	
	Interest income	(99,878,250)	28,295,665	(98,072,472)	14,646,503
	<b>Operating Profit before Working Capital</b>		<b>444,460,552</b>		<b>69,440,640</b>
	<b>Working Capital Changes:</b>				
	Trade Receivables and Advances	(99,594,879)		(13,143,209)	
	Inventories	430,919,880		479,145,578	
	Current Liabilities	(772,753,814)	(441,428,813)	(48,690,271)	417,312,098
	<b>Cash Generated from Operations</b>		<b>3,031,739</b>		<b>486,752,738</b>
	Taxes paid		(25,906,068)		(200,246,302)
	<b>Net Cash from Operating Activities</b>		<b>(22,874,329)</b>		<b>286,506,436</b>
(B)	<b>Cash Flow From Investing Activities:</b>				
	Loans	245,714,847		(734,287,980)	
	Interest income on loans received	48,729,776		40,241,603	
	Purchase of Investments	(25,800,000)		(387,200,000)	
	Sale of Immovable Property	-		8,820,000	
	Sale of Fixed Assets	-		129,580	
	Purchase of Fixed Assets	(44,900)		(942,703)	
	<b>Net Cash from Investing Activities</b>		<b>268,599,723</b>		<b>(1,073,239,500)</b>
(C)	<b>Cash Flow From Financing Activities:</b>				
	Borrowings (Net)	(107,587,508)		836,876,216	
	Interest and Finance Charges	(134,819,436)		(94,438,644)	
	<b>Net Cash from Financing Activities</b>		<b>(242,406,944)</b>		<b>742,437,572</b>
	<b>Net Increase in Cash and Cash Equivalents</b>		<b>3,318,450</b>		<b>(44,295,492)</b>
	Add: Cash and Cash Equivalents (Opening)		22,181,632		66,477,124
	<b>Cash and Cash Equivalents (Closing)</b>		<b>25,500,082</b>		<b>22,181,632</b>
(D)	<b>Cash and Cash Equivalents includes:</b>				
	Cash on hand		78,805		25,120
	Bank Balances		25,421,277		22,156,512
			<b>25,500,082</b>		<b>22,181,632</b>

For M.A. PARIKH & CO.  
Chartered Accountants

For and on behalf of Board of Directors




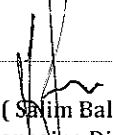


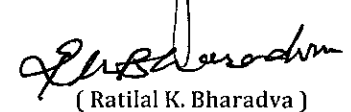
PARTNER  
Name : Dhaval B. Selwadia  
Membership No. : 100023

Place : Mumbai  
Date : 22nd May, 2014

  
( Vinod Goenka )  
Managing Director

  
( Shonit Dalmia )  
Whole Time Director

  
( Sanim Balwa )  
Managing Director

  
( Ratilal K. Bharadva )  
Company Secretary

**GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**1 CORPORATE INFORMATION**

The Company, a subsidiary of D B Realty Limited, is engaged in the business of development and construction of real estate. At present, it has undertaken development and construction of residential project on the land situated at Village Dindoshi, Goregaon (East), Mumbai 400 063, known as DB Woods (the Project). The work of the Project is in progress as of the year end.

The Company is a "public company" under the Companies Act, 1956 (the Act), but continues to use the word "private" as permitted under law.

The Board of Directors at their Board Meeting held on 7th February, 2014 have accorded their approval of amalgamation of the Company with the holding company i.e. D B Realty Ltd with effect from 1st April, 2013 (the Appointed Date). The Scheme is subject to approvals. The purposes of the Amalgamation are set-out in Para No.2 of the Scheme which inter-alia includes to reflect the consolidated network.

**2 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

**2.1 Basis of Accounting**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India ("Indian GAAP") to comply with the Accounting Standards notified under Section 211 (3C) of the Companies Act, 1956 ("the 1956 Act") (which continues to be applicable in respect of Section 133 of the Companies Act, 2013 ("the 2013 Act") in terms of General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs and the relevant provisions of the 1956 Act / 2013 Act as applicable). The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

**2.2 Preparation and Presentation of Financial Statements**

The preparation of financial statements in conformity with the GAAP requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as on the date of financial statements. The difference, if any, between actual results and the estimate is recognized in the period in which the results are known.

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule VI to the Act. The Cash Flow Statement has been prepared and presented as per the requirements of Accounting Standard (AS-3) "Cash Flow Statements". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule VI to the Act are presented by way of notes forming part of the accounts alongwith other notes required to be disclosed under the notified accounting standards.

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria's set out in the Schedule VI to the Act. Based on the nature of business and other relevant factors, the Company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

**2.3 Fixed Assets and Depreciation / Amortization**

**Tangible Assets:**

Fixed Assets are stated at cost of acquisition less accumulated depreciation. Cost includes cost incurred to bring the assets to their present location and condition. Depreciation on fixed assets has been provided for on written down value method at the rates and in the manner as specified in Schedule XIV to the 1956 Act.

**Intangible Assets:**

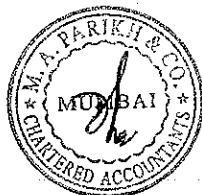
Intangibles represent computer software and is stated at its cost of acquisition less accumulated amortization. It is amortized by allocating the cost of the asset as an expense over its useful life as estimated by the Management.

**2.4 Investments**

(a) Immovable Property purchased and held as non current investment is valued at cost less accumulated depreciation. Depreciation is provided for on written down value method at the rates and in the manner as specified in Schedule XIV to the 1956 Act.

(b) Other non current investment is carried at cost. Provision for diminution is made to recognize a decline, other than temporary, in the value of investment.

(c) Units forming part of the Project given on long term lease are grouped as Other Non- Current Assets and are valued as per the accounting policy followed for valuing Project work-in-progress at cost. On completion, the same would be classified as "Non-current Investment". (Refer Note No. 45)





**GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**2.5 Inventories**

Project work-in-progress is valued at lower of cost or net realizable value. Direct expenses and construction overheads are taken as the cost of the Project. The project costs comprise of:

(a) *Cost of land and cost of development rights* - Includes cost of acquisition of land, development rights in land, rehabilitation costs, registration charges, stamp duty, brokerage and other incidental expenses.

(b) *Borrowing costs* - In accordance with the Accounting Standard - 16, "Borrowing Costs" which are incurred in relation to the Project are considered as part of the cost of the project.

(c) *Construction and development cost* - Includes cost that relates directly to the Project and costs that can be attributed to the Project activity in general.

Building Materials are valued at cost.

**2.6 Revenue Recognition**

**Sale of Flats:**

Revenue based on percentage completion method is recognized on execution of either deed of agreement or letter of allotment only if 10% of the sale consideration is realized and there is no uncertainty towards realization of the balance amount. In this method, the Company recognizes revenue in proportion to the actual cost incurred as against the total estimated cost of the Project. The cost of land and/or development rights is not included in computing such percentage completion. Revenue is net of indirect taxes.

The estimates relating to percentage of completion, cost of completion, area available for sale, etc., being of a technical nature are reviewed and revised periodically by the Management and are considered as change in estimates and accordingly, the effect of such change in estimates is recognized prospectively for the period in which such changes are determined.

**Other Operating Income:**

Other operating income is accounted for on accrual basis except for interest on delayed payments from allottees, which is accounted for when there is no uncertainty exist as to its ultimate collection.

**Other Income:**

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

**2.7 Borrowing Cost**

Borrowing costs which have a direct nexus with the Project, being a qualifying asset, are allocated to the cost of the Project. Other borrowing costs are expensed out as period cost.

**2.8 Foreign currency transactions and translations**

Foreign currency transactions are initially recorded at the rate of exchange prevailing on the date of the transaction. Monetary foreign currency assets and liabilities remaining unsettled at the balance sheet date are translated at the rates of exchange prevailing on that date and the resulting gains/ losses on such translation are recognized in the Statement of Profit and Loss.

**2.9 Employee Benefits**

Short term employee benefits:

Employee benefits payable wholly within twelve months of rendering the services are classified as short term employee benefits and are recognized in the period in which the employee renders the related service.

Post employment benefits:

Contribution to the provident fund, which is a defined contribution plan, is recognized as an expense in the Statement of Profit & Loss in the period in which the contribution is due.

Define Benefit Plan:

Gratuity is in the nature of defined benefit plan.

Provision for gratuity is calculated on the basis of actuarial valuation carried out as at the Balance Sheet date and is charged to the Statement of Profit and Loss. The actuarial valuation is performed by using the project unit credit method. The actuarial gains and losses are recognized immediately in the Statement of Profit and Loss.



**GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**Other Employee Benefit:**

Leave encashment is recognized as an expense in the Statement of Profit and Loss as and when it accrues. The Company determines the liability by using the project unit credit method with actuarial valuation carried out as at the Balance Sheet date. Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss.

**2.10 Operating lease**

Lease rentals under operating lease agreements are charged off / credited to the Statement of Profit & Loss in accordance with the terms of the lease agreement.

**2.11 Taxes on Income**

Tax on income for the current year is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognized on timing differences between the income accounted in the financial statements and the taxable income for the year and is quantified by using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax assets are recognized and carried forward to the extent that there is a virtual / reasonable certainty (as applicable) with sufficient future taxable income will be available against which such deferred tax assets can be realized.

**2.12 Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognized for liabilities that can be measured only by using its substantial degree of estimation, if:

- (a) The Company has a present obligation as a result of a past event;
- (b) A probable outflow of resources is expected to settle the obligation; and
- (c) The amount of obligation can be reliably estimated.

Contingent liability is disclosed in case of:

- (a) A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; or
- (b) A present obligation arising from past events, when no reliable estimate is possible; or
- (c) A possible obligation arising from past events, where the probability of outflow of resources is remote.

Contingent assets are neither recognized, nor disclosed.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

**2.13 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;
- (b) Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of the Management.

**2.14 Earnings per Share**

The Company reports basic and diluted Earnings per Share (EPS) in accordance with Accounting Standard 20 on "Earnings Per Share". Basic EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and weighted average number of shares outstanding for the period is adjusted for the effects of all dilutive potential equity shares.

**2.15 Cash Flow Statement**

Cash Flow Statement is prepared by the indirect method set out in Accounting Standard 3 on "Cash Flow Statements" and present the cash flows by operating, investing and financing activities of the Company.

**2.16 Accounting policies not specifically referred to otherwise are consistent with the generally accepted accounting principles followed by the Company.**



**GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

(Amount in Rs.)

**3 Share Capital**

Particulars	Number	As at 31 March 2014	Number	As at 31 March 2013
<b>Authorised</b>				
Equity Shares of Rs.100/- each	500,000	50,000,000	500,000	50,000,000
0.1% Redeemable Cumulative Preference Shares of Rs. 100/- each	4,000,000	400,000,000	4,000,000	400,000,000
	<b>4,500,000</b>	<b>450,000,000</b>	<b>4,500,000</b>	<b>450,000,000</b>
<b>Issued</b>				
Equity Shares of Rs.100/- each fully paid-up	500,000	50,000,000	500,000	50,000,000
<b>Total</b>	<b>500,000</b>	<b>50,000,000</b>	<b>500,000</b>	<b>50,000,000</b>
<b>Subscribed &amp; Paid up</b>				
Equity Shares of Rs.100/- each fully paid-up	500,000	50,000,000	500,000	50,000,000
<b>Total</b>	<b>500,000</b>	<b>50,000,000</b>	<b>500,000</b>	<b>50,000,000</b>

**3.1 Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the year:**

Particulars	Opening Balance	Fresh Issue	Closing Balance
<b>Equity Shares</b>			
Year ended 31st March, 2013			
-Number of equity shares	500,000	-	500,000
-Amount	50,000,000	-	50,000,000
Year ended 31st March, 2014			
-Number of equity shares	500,000	-	500,000
-Amount	50,000,000	-	50,000,000

**3.2 Rights, preferences and restrictions attached to equity shares**

Each shareholder is eligible for one vote per share held. The dividend as and when proposed by the Board of Directors shall be subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

3.3 3,74,990 Equity Shares (Previous Year 3,74,990) are held by D B Realty Limited, the holding company.

3.4 Details of shares held by shareholders holding more than 5% of the aggregate equity shares in the Company.

Name of Shareholder	As at 31 March 2014		As at 31 March 2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
D B Realty Ltd.	374,990	74.998%	374,990	74.998%
Konark Realtch Pvt. Ltd.	125,000	25.000%	125,000	25.000%
<b>Total</b>	<b>499,990</b>	<b>99.998%</b>	<b>499,990</b>	<b>99.998%</b>

**4 Reserves & Surplus**

Particulars	As at 31 March 2014	As at 31 March 2013
(a) Capital Redemption Reserve		
As per last year (Refer Note below)	400,000,000	400,000,000
(b) Surplus as per Statement of Profit & Loss		
Balance as at the beginning of the year	809,781,600	780,216,639
Add: Profit for the year	262,161,589	29,564,961
Balance as at the end of the year	1,071,943,189	809,781,600
<b>Total</b>	<b>1,471,943,189</b>	<b>1,209,781,600</b>

The Company had issued redeemable preference shares, which were redeemed out of profits in the year ended 31st March 2011. In order to comply with the requirements of Section 80 of the Act, the Company had transferred the said amount to the account of Capital Redemption Reserve.



**GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

(Amount in Rs.)

**5 Long-Term Borrowings**

Particulars	As at 31 March 2014	As at 31 March 2013
<b>Term Loans</b>		
Housing Development Finance Corporation Limited (Refer Note No. 5.1)	-	171,951,670
<b>Total</b>	-	<b>171,951,670</b>

**5.1 Terms and Conditions:**

Security / Guarantee

- Mortgage of certain flats of the Project (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.
- Exclusive charge on the Scheduled Receivables emanating from the Project.
- Mortgage of the land at Village Bapnala, Andheri (East), Mumbai, owned by Eversmile Construction Co. Pvt. Ltd, the development rights whereof being vested with ECC DB Joint Venture entered into by and between Eversmile Construction Co. Pvt. Ltd, DB Realty Limited and Konark Developers.
- Personal guarantee of the Managing Director

Terms of Repayment

The loan is repayable within 24 months from the date of first disbursement (14.09.2012) by ensuring that a fixed % of sums received from allottees against sale of flats shall be used towards the principal repayment, which shall be reviewed periodically. However, the maximum principle amount of the loan cannot exceed as under:-

At the end of the 19th month: Rs. 125,00,00,000  
 At the end of the 20th month: Rs. 100,00,00,000  
 At the end of the 21st month: Rs. 75,00,00,000  
 At the end of the 22nd month: Rs. 50,00,00,000  
 At the end of the 23rd month: Rs. 25,00,00,000  
 At the end of the 24th month: Rs. Nil

The principal amount outstanding as of the year-end of Rs. 86,28,95,803/- is classified as current maturities of long term debt since at the end of the 24th month from the date of first disbursement, the loan has to be repaid and the said date falls in the ensuing financial year. The current maturities for the preceding financial year was determined based on expected project receipts and % thereof to be adjusted against principal amount. However, HDFC Limited, suo motto adjusted at lower %/ did not adjusted, the receipts against the principal amount, which resulted into lower repayment against preceding financial year's current maturities of long term debt.

Rate of Interest:

The Applicable Rate is the HDFC Corporate Prime Lending Rate plus/minus Spread. The effective rate of interest for the year is 15.60% (Previous Year: 15%)

**6 Other Long-Term Liabilities**

Particulars	As at 31 March 2014	As at 31 March 2013
Trade Payables (Refer Note below and Note No. 39)	102,111,189	94,178,326
Security Deposits for Leased Units (Refer Note No. 45.1)	932,250	932,250
<b>Total</b>	<b>103,043,439</b>	<b>95,110,575</b>

Represents amount retained as per the terms of the contract(s) and are due for payment after a period of 12 months from the year-end.

**7 Long-Term Provisions**

Particulars	As at 31 March 2014	As at 31 March 2013
<b>Provision for employee benefits</b>		
Gratuity (unfunded)	5,057,159	7,538,888
Leave Encashment (unfunded)	5,546,584	14,831,908
<b>Total</b>	<b>10,603,743</b>	<b>22,370,796</b>

**8 Short-Term Borrowing**

Particulars	As at 31 March	As at 31 March
Overdraft Facility from Oriental Bank of Commerce (Refer Note below)	10,626,034	-
<b>Total</b>	<b>10,626,034</b>	-

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



**GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

(Amount in Rs.)

**9 Trade Payables**

Particulars	As at 31 March 2014	As at 31 March 2013
Sundry Creditors (Refer Note No. 39)	117,499,112	157,331,780
<b>Total</b>	<b>117,499,112</b>	<b>157,331,780</b>

**10 Other Current Liabilities**

Particulars	As at 31 March 2014	As at 31 March 2013
(a) Current maturities of long term borrowings (Refer Note No.5)	862,895,803	809,157,675
(b) Interest accrued and due on borrowings	15,942,068	12,594,097
(c) Advances received from Customers	570,432,225	1,247,824,547
(d) Amount Refundable on Cancellation of Flats	29,667,988	32,350,151
(e) Statutory dues	18,763,215	26,875,544
(f) Employees' Benefits Payable	6,986,400	6,887,757
(g) Other Payables (Refer Note below)	13,858,417	65,191,699
<b>Total</b>	<b>1,518,546,116</b>	<b>2,200,881,470</b>

Includes Rs. Nil (Previous Year : Rs. 5,00,00,000/-) received as deposit towards allotment of flats.

**11 Short-Term Provisions**

Particulars	As at 31 March 2014	As at 31 March 2013
<b>(a) Provision for employee benefits</b>		
Gratuity (unfunded)	1,155,801	736,531
Leave Encashment (unfunded)	3,282,790	1,928,499
<b>(b) Provision for Income Tax (Net of Payment made thereagainst)</b>	<b>137,079,126</b>	<b>13,192,752</b>
<b>Total</b>	<b>141,517,717</b>	<b>15,857,782</b>



**COKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**12 Fixed Assets**

	(Amount in Rs.)									
	Gross Block			Accumulated Depreciation / Amortization			Net Block			
Fixed Assets	Balance as at 1 April 2013	Additions	Deletions	Balance as at 31 March 2014	Balance as at 1 April 2013	Depreciation charge for the year	Deletions	Balance as at 31 March 2014	Balance as at 31 March 2014	Balance as at 31 March 2013
<b>a</b>										
<b>Tangible Assets</b>										
Furniture and Fixtures	1,334,090	-	-	1,334,090	931,728	72,828	-	1,004,556	329,534	402,362
Office Equipments	2,317,001	44,900	-	2,361,901	1,260,842	151,599	-	1,412,441	949,460	1,056,159
Computer	1,053,825	-	-	1,053,825	863,781	76,018	-	939,799	114,026	190,044
<b>Total</b>	<b>4,704,916</b>	<b>44,900</b>	<b>-</b>	<b>4,749,816</b>	<b>3,056,351</b>	<b>300,445</b>	<b>-</b>	<b>3,356,796</b>	<b>1,393,020</b>	<b>1,648,565</b>
Previous Year	39,352,456	345,885	215,788	39,482,553	37,573,330	354,302	93,644	37,833,988	1,648,565	-
<b>b</b>										
<b>Intangible Assets</b>										
Computer software	843,040	-	-	843,040	419,760	169,312	-	589,072	253,968	423,280
Previous Year	246,222	596,818	-	843,040	195,952	223,908	-	419,760	423,280	-

Note: Depreciation is allocated to Project Expenses.



**GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

(Amount in Rs.)

**13 Non- Current Investments**

Particulars	As at 31 March 2014	As at 31 March 2013
Trade Investments - (Unquoted - valued at cost)		
In 12,43,500 (Previous Year-12,43,500) Redeemable Optionally Convertible Cumulative Preference Shares of Rs.10 each fully paid-up of MIG Bandra Realtors & Builders Private Limited (ROCCPS) (Refer Note No. 13.1) (Subsidiary under the 2013, Act)	1,243,400,000	1,243,400,000
In 8,57,700 (Previous Year-Nil) Redeemable Optionally Convertible Preference Shares of Rs.10 each fully paid-up of Konark Realtech Pvt.Ltd. (ROCPS) (Refer Note No. 13.2)	411,696,000	-
<b>Total</b>	<b>1,655,096,000</b>	<b>1,243,400,000</b>

13.1 The tenure of ROCCPS is six years from the date of allotment carrying coupon rate of 0.01%. Upon receiving the requisite approval for the project of the investee company, the shareholders shall be given option for conversion of ROCCPS into equity shares as per the value of equity shares. The shareholders also have the option of redemption at par or premium as may be decided by the Board of Directors of the investee company (the Board). Further, the tenure and coupon rate is also subject to change as per the decision of the Board.

13.2 The tenure of ROCPS is five years from the date of allotment carrying coupon rate of 0.01% on Non cumulative basis. The said preference shares shall be convertible at the option of the Company at book value/ issue price at the time of conversion. The Company, in compliance of the provisions of Section 372A of the 1956 Act, has ratified its Investment in ROCPS by taking post-facto authorisation of its shareholders at their meeting held on 1st March, 2014

13.3 The aforesaid investments are long term strategic investments, at present, the project(s) undertaken by these companies are at their initial stage of implementation

**14 Deferred Tax Assets**

Particulars	As at 31 March 2014	As at 31 March 2013
<u>Deferred Tax Asset:</u>		
Disallowances under section 40(A)(7)/43B of the Act	5,043,257	7,804,386
<u>Less: Deferred Tax (Liability)</u>		
Difference between book and tax depreciation	(16,586)	(33,755)
<b>Total</b>	<b>5,059,843</b>	<b>7,838,141</b>

**15 Long-Term Loans and Advances**

Particulars	As at 31 March 2014	As at 31 March 2013
(Unsecured and Considered good)		
Loan to Holding Company (Refer Note No.20(d))	-	699,200,000
Advance to a Related Party towards subscription of Redeemable Optionally Convertible Cumulative Preference Shares	1,304,000	387,200,000
Security Deposits	2,939,874	1,933,874
<b>Total</b>	<b>4,243,874</b>	<b>1,088,333,874</b>

**16 Other Non- Current Assets**

Particulars	As at 31 March 2014	As at 31 March 2013
Cost attributable to Leased Units (Refer Note No. 45.1)	61,494,631	57,668,879
<b>Total</b>	<b>61,494,631</b>	<b>57,668,879</b>

**17 Inventories**

Particulars	As at 31 March 2014	As at 31 March 2013
(a) Project Work-in-Progress (Valued at lower of cost or net realisable value)	455,803,418	809,707,476
(b) Materials at site (Refer Note below)	45,333,819	125,705,636
<b>Total</b>	<b>501,137,237</b>	<b>935,413,112</b>

As certified by the Management of the Company.



**GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

(Amount in Rs.)

**18 Trade Receivables**

Particulars	As at 31 March 2014	As at 31 March 2013
(Unsecured and Considered good)		
- Outstanding for a period more than six months from the date they are due for payment	89,531,138	36,249,870
- Others	38,817,556	103,780,615
<b>Total</b>	<b>128,348,694</b>	<b>140,030,485</b>

Represents installments due and payable on completion of agreed milestone(s) of work / in terms of contract.

**19 Cash and Bank Balances**

Particulars	As at 31 March 2014	As at 31 March 2013
Cash and Cash Equivalents		
(a) Cash on hand	78,805	25,120
(b) Bank Balances in Current Accounts	25,421,277	22,156,512
<b>Total</b>	<b>25,500,082</b>	<b>22,181,632</b>

**20 Short-Term Loans and Advances**

Particulars	As at 31 March 2014	As at 31 March 2013
(Unsecured and Considered good)		
Loans to Holding Company and other Related Parties (Refer to Note No. 20(d) and 44)	585,573,133	132,087,980
Advances Recoverable in Cash or in Kind		
(a) Related Parties (Refer to Note (a) below and Note No. 44)	12,506,915	27,665,768
(b) Others (Refer to Note (b) and (c) below)	135,370,211	81,074,859
Prepaid Expenses	75,556	10,360
Security Deposits Receivable	162,750	414,750
Receivable from Related Parties	312,698	822,457
<b>Total</b>	<b>734,001,263</b>	<b>242,076,174</b>

(a) Includes amounts due from Directors of Rs. 71,56,200/- (Previous year 1,86,92,700/-) (Refer Note No. 36)

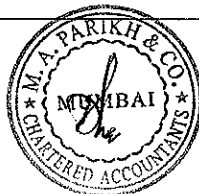
(b) The Company, in a prior year, had made a claim for refund of stamp duty of Rs. 69,86,650/- out of which during the year, claim for Rs. 49,67,350/- is not accepted and accordingly, the same is charged off to the Statement of Profit and Loss. As regards balance amount of Rs. 20,25,300/-, the Company is pursuing its claim for refund and is hopeful to get the same.

(c) The Company had provided for interest on delay in payment of dues of service tax of Rs. 1,27,68,254/- during the year ended 31st March, 2012, 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.

(d) As per the arrangement with the holding company, no amount was due for repayment during the year and hence, the loan amount as at 31.03.2013 was classified as long-term Loans and Advances. However, as per the revised understanding, the loan is repayable on demand and hence, the outstanding amount as on 31.03.2014 is classified as Short-Term loans and advances.

**21 Other Current Assets**

Particulars	As at 31 March 2014	As at 31 March 2013
Unbilled Revenue (Refer Note No. 32)	71,830,733	-
Interest accrued and due: (Unsecured and considered good)		
On Loans	235,411,815	184,271,531
On Security Deposit	8,190	-
<b>Total</b>	<b>307,250,738</b>	<b>184,271,531</b>





**GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

(Amount in Rs.)

**22 Revenue From Operations**

Particulars	For the year ended 31.03.2014	For the year ended 31.03.2013
Sale of Flats (Refer Note No. 2.6)	1,266,992,034	1,191,170,424
<b>Other Operating Income</b>		
Amounts Forfeited on cancellation of Flats	-	908,562
Charges on transfer of Flats	12,284,372	5,398,252
Interest on Delayed Payments from Allottees	4,162,982	4,351,324
	16,447,354	10,658,138
<b>Total</b>	<b>1,283,439,388</b>	<b>1,201,828,562</b>

**23 Other Income**

Particulars	For the year ended 31.03.2014	For the year ended 31.03.2013
<b>Interest on:</b>		
- Loans	99,834,018	98,072,472
- Interest on Security Deposit	44,232	-
Profit on Sale of Non-Current Investment	-	3,315,667
Sundry Credit Balances Written Back	69,027	5,571
Provision for Leave Encashment no longer required	2,125,493	-
Profit on Sale of Fixed Assets	-	7,436
<b>Total</b>	<b>102,072,770</b>	<b>101,401,146</b>

**24 Project Expenses**

Particulars	For the year ended 31.03.2014	For the year ended 31.03.2013
Direct Cost of Construction	403,198,380	536,219,925
<b>Construction Overheads:</b>		
- Salaries, Allowances and Bonus	13,735,166	34,218,121
- Contribution to Provident Fund and Other Allied Funds	300,450	359,025
- Staff Welfare and Other Amenities	1,270,134	6,899,464
- Gratuity	488,531	1,382,070
- Other Overheads	13,354,463	6,812,799
- Depreciation	469,757	578,110
	29,618,501	50,249,589
Less: Provision for Leave Encashment no longer required	2,714,527	-
	26,903,974	50,249,589
Financial Costs (Refer Note No. 27)	47,637,340	23,784,035
	477,739,694	610,253,549
Less: Cost attributable to Leased Units (Refer Note Nos. 21 & 45.1)	3,825,752	4,887,249
<b>Total</b>	<b>473,913,942</b>	<b>605,366,300</b>

**25 Changes in Inventories of Project Work-in-Progress**

Particulars	For the year ended 31.03.2014	For the year ended 31.03.2013
Balance as of commencement of the year:		
- Project work in progress	809,707,476	1,328,819,134
Less: Cost attributable to Leased Units (Refer Note Nos. 20 & 45.1)	-	52,781,630
Project work in progress as of commencement of the year	809,707,476	1,276,037,504
<b>Less:</b>		
Balance as of end of the year:		
- Project work in progress	455,803,418	809,707,476
<b>Total</b>	<b>353,904,058</b>	<b>466,330,028</b>



**GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

(Amount in Rs.)

**26 Employees Benefits Expenses**

Particulars	For the year ended 31.03.2014	For the year ended 31.03.2013
- Salaries, Wages and Bonus	11,152,547	24,947,645
- Contribution to Provident Fund and Other Allied Funds	235,255	296,249
- Gratuity	382,523	1,140,416
- Staff Welfare and Other Amenities	994,523	5,693,097
<b>Total</b>	<b>12,764,849</b>	<b>32,077,407</b>

**27 Finance Costs**

Particulars	For the year ended 31.03.2014	For the year ended 31.03.2013
(1) Interest on :		
Long term borrowings	137,961,660	88,878,847
Short term borrowings	205,747	-
	138,167,407	88,878,847
(2) Other Financial Charges	-	15,530,000
	138,167,407	104,408,847
Less: Transferred to Project Expenses	47,637,340	23,784,035
	47,637,340	23,784,035
<b>Total</b>	<b>90,530,067</b>	<b>80,624,812</b>

**28 Depreciation and amortization expenses**

Particulars	For the year ended 31.03.2014	For the year ended 31.03.2013
On Tangible Assets	300,445	354,302
On Immovable Property held as Non-current investments	-	102,928
Amortization of Intangible Assets	169,312	223,808
	469,757	681,038
Less: Transferred to Project Expenses	469,757	578,110
<b>Total</b>	<b>-</b>	<b>102,928</b>

**29 Other Expenses**

Particulars	For the year ended 31.03.2014	For the year ended 31.03.2013
Rent, Rates & Taxes	12,746,863	8,567,719
Legal and Professional Charges	5,279,917	7,065,468
Advertisement and Sales Promotion	8,439,849	31,924,722
Commission & Brokerage	6,054,768	10,655,936
Donation	127,000	-
Communication Expenses	214,730	364,874
Conveyance and Travelling	677,211	2,154,646
Payment to Auditors (Refer Note for break-up)	1,089,186	917,793
Foreign Exchange Fluctuation Loss (net)	1,830,211	413,248
Miscellaneous Expenses	1,774,621	1,869,690
<b>Total</b>	<b>38,234,355</b>	<b>63,934,096</b>

Particulars	For the year ended 31.03.2014	For the year ended 31.03.2013
<b>Payment to Auditors</b>		
- Audit Fees	700,000	700,000
- Taxation Matters	218,000	-
- Tax Audit	-	56,180
- Other Services	154,186	151,500
- Out of Pocket Expenses	17,000	10,113
<b>Total</b>	<b>1,089,186</b>	<b>917,793</b>



**GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

- 30 These accounts are prepared on a standalone basis and are subject to such modification(s)/adjustment(s) arising on accounting of the implications of the Scheme as may be approved by the Hon' High Court of Bombay.
- 31 During the year ended 31st March, 2013, the Management had revised the estimated project cost from Rs. 7,91,32,50,000/- to Rs. 8,39,04,00,000/- which had the impact of reversal of the profits recognized as upto 31st March, 2012 by Rs. 44,31,48,257/-. The Management has reviewed the project cost and has framed the opinion that there is no need to revise the project cost. This being a technical matter, the Auditors have relied upon. In view of the same, the net profit for the preceding financial year is not comparable with current year's net profit.
- 32 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.
- 33 The Company has granted security to Housing Development Finance Corporation Limited for securing the financial assistance of Rs. 300,00,00,000/- granted to Real Gem Buildtech Private Limited, a fellow subsidiary company. 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. The outstanding principal amount of the loan in the books of Real Gem Buildtech Private Limited as of 31st March 2014 is Rs.218,97,06,298/- (Previous Year Rs. 173,44,76,998/-).
- 34 The Company has given a "Guarantee" to Daimler Financial Services India Private Limited against the car finance facility of Rs 154,00,000/- sanctioned to Real Gem Buildtech Private Limited, a fellow subsidiary company. The outstanding principal amount of the facility in the books of Real Gem Buildtech Private Limited as of 31st March 2014 is Rs. 1,25,55,824/- (Previous Year Rs. Nil).
- 35 In the opinion of the Management, having regard to the State of Affairs of Real Gem Buildtech Private Limited, granting of such security/guarantee (Refer Note 33 and 34) is not prejudicial to the interest of the Company.
- 36 In view of inadequate profits for the year 31st March, 2013, remuneration to managerial personnel had exceeded the prescribed limits under the 1956 Act. Accordingly, the Company had paid minimum remuneration of Rs. 90,00,000/-, which was approved by the remuneration committee / shareholders. The excess remuneration of Rs. 1,86,92,700/- was recoverable from them, out of which, during the year, Rs. 1,15,36,500/- is refunded back and balance amount of Rs. 71,56,200/- is recovered since year-end.
- 36.1 In view of the Management's decision, no remuneration is payable for the year aggregating to Rs. 3,72,00,000/- to its Managing Directors/Whole Time Director as per their terms of appointment for which their consent have been obtained.
- 37 The new property tax structure has been challenged before the Hon' Bombay High Court. The Court pending disposal of the petition, has directed to pay 50% of the differential amount, which also applies to the Company, though not a party to the petition. The Company is contesting the differential amount of property tax before the appropriate authority. Accordingly, the Company has neither provided for nor paid such differential property tax of Rs. 61,15,456/- (Previous Year Rs. 45,86,592/-).

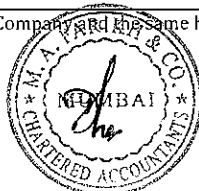
**38 Capital Commitment**

Particulars	(Amount in Rs.)	
	As at 31.03.14	As at 31.03.13
Investment in Redeemable Optionally Convertible Cumulative Preference Shares of Konark Realtech Pvt. Ltd.	427,000,000	432,800,000
Cost to be incurred for completion of Leased Units	5,699,724	9,526,105

**39 Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006**

Particulars	(Amount in Rs.)	
	For the Year ended 31.03.2014	For the Year ended 31.03.2013
Principal Amount outstanding to suppliers under MSMED Act, 2006 beyond the appointed date.	-	-
Interest accrued on the due to suppliers under MSMED Act on the above amount.	-	-
Payment made to suppliers (Other than interest) beyond the appointed date, during the year.	-	-
Interest paid to suppliers under MSMED Act (other than Section 16).	-	-
Interest paid to suppliers under MSMED Act (Section 16).	-	-
Interest due and payable to suppliers under MSMED Act for payments already made.	-	-
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED.	-	-

Note: The above information is compiled by the Company and the same has been relied upon by the Statutory Auditors.



**GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

40 Expenditure in foreign currency

(Amount in Rs.)

Particulars	For the Year ended	
	31.03.2014	31.03.2013
Travelling	-	72,530

41 Value of Imports on CIF basis in respect of:

(Amount in Rs.)

Particulars	For the Year ended	
	31.03.2014	31.03.2013
Doors, Windows & Grills	-	11,315,388

42 As per Accounting Standard-15 "Employee Benefits", the disclosure of Employee Benefits as defined in the Accounting Standard is given below:

**Defined Contribution Plan:**

Contribution to Provident Fund recognized as expense for the year is as under:

(Amount in Rs.)

Particulars	For the Year ended	
	31.03.2014	31.03.2013
Employer's Contribution to Provident Fund and Allied Funds	535,705	655,274

**Defined Benefit Plan:**

The present value of obligation is determined 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 an 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.

(Amount in Rs.)

Particulars	Gratuity (Un-Funded)	
	For the Year ended 31.03.2014	For the Year ended 31.03.2013
Defined Benefit obligation at the beginning of the year	8,275,419	3,861,445
Current Service Cost	1,843,242	3,775,322
Past Service Cost	1,205,894	-
Interest Cost	511,780	328,223
Settlement Cost/(Credit)	(2,118,309)	-
Benefit Paid	(242,409)	-
Actuarial (gain)/loss	(3,262,657)	310,429
<b>Defined Benefit obligation at the end of the year</b>	<b>6,212,960</b>	<b>8,275,419</b>

II. Expense recognized during the year:

(Amount in Rs.)

Particulars	Gratuity (Un-Funded)	
	For the Year ended 31.03.2014	For the Year ended 31.03.2013
Current Service Cost	1,843,242	3,775,322
Past Service Cost	1,205,894	-
Interest Cost	511,780	328,223
Settlement Cost/(Credit)	248,976	-
Actuarial (gain)/loss	(3,262,657)	310,429
	547,235	4,413,974
Less: Gratuity transferred to Company on transfer of employees on continuity basis.	-	(2,040,931)
Add: Gratuity of employees transferred from the Company upto the date of transfer	-	128,328
<b>Net Cost</b>	<b>547,235</b>	<b>2,501,371</b>



**GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**III. Actuarial assumptions**

(Amount in Rs.)

Particulars	Gratuity (Un-Funded)	
	For the Year ended 31.03.2014	For the Year ended 31.03.2013
Discount Rate	8.70%	8.00%
Rate of Escalation in Salary	10.00%	15.00%

**Notes:**

- 1 The obligation towards Gratuity is unfunded and therefore, the following disclosures are not given:
  - a. Reconciliation of Opening and Closing Balances of fair value of plan assets.
  - b. Details of Investments.
- 2 The obligation of Leave Encashment is provided for on actuarial basis done by an independent valuer and the same is unfunded. The amount credited/(provision recognised) in the Statement of Profit & Loss for the year is Rs. 48,40,020/- (Previous Year Rs. 93,20,956/-).
- 43 **Segment Reporting:**

Keeping in view the object of the Company as that of developing and constructing the Project, it has only one reportable segment and hence separate disclosure requirements of AS-17 Segment Reporting are not applicable.



**GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**44 Related Party Disclosure**

As per Accounting Standard 18 (AS-18) 'Related Party Disclosures', the disclosure of transactions with the related parties as defined in AS - 18 is given below:

**A. List of Related Parties with whom transactions have taken place and their relationship:**

**a) Holding Company**

D B Realty Limited

**b) Fellow Subsidiary Companies**

Neelkamal Realtors Suburban Private Limited  
Neelkamal Realtors Towers Private Limited  
Nine Paradise Erectors Pvt. Ltd.  
Real Gem Buildtech Pvt. Ltd.  
MIG Bandra Realtors and Builders Private Limited

**c) Jointly Controlled Entities of Holding Company/Fellow Subsidiaries (Joint Control Entities)**

Dynamix Realty  
Suraksha DB Realty  
DBS Realty

**d) Key Management Personnel (KMP)**

Vinod Goenka  
Shonit Dalmia  
Salim Balwa (w.e.f 1.02.2012)

**e) Enterprises over which KMP/ Relatives of KMP exercise Significant Influence (Associated Enterprises)**

Conwood Construction & Developers Private Limited  
Eon Aviation Pvt.Ltd.  
Eversmile Construction Co. Private Limited  
Upvan Developers  
K G Enterprise  
Majestic Infracore Pvt. Ltd.  
Pony Infrastructure & Contractors Ltd.  
New Grid Buildcon Pvt. Ltd.  
BD & P Hotels (I) Private Limited  
Nihar Construction Pvt. Ltd.  
Konark Realtech Private Limited (as investee party of the Company)

**B. Transactions with Related Parties and outstanding balances as of year end:**

(Amount in Rs.)

Description	Holding Company	Fellow Subsidiaries	Associated Enterprises	Joint Control Entities	KMP
<b>Loans Given, including interest receivable</b>					
Opening Balance [Refer Note (c)]	753,580,511	144,233,586	117,745,414	-	-
	(11,269,696)	(87,130,688)	(104,494,377)	(-)	(-)
Granted during the year	254,374,133				
	(95,300,000)	(52,387,980)	(2,700,000)	(-)	(-)
Interest Income	91,432,909		8,401,109		
	(60,422,790)	(5,238,798)	(11,723,375)	(-)	(-)
Repaid during the year, (including interest and TDS thereon)	407,144,291	57,102,898	84,535,525		
	(271,111,975)	(523,880)	(1,172,338)	(-)	(-)
Closing Balance	692,243,262	87,130,688	41,610,998		
	(753,580,511)	(144,233,586)	(117,745,414)	(-)	(-)
<b>Expenses Incurred and Closing Balances Thereagainst</b>					
<b>(a) Charges for use of premises (including interest on service tax) by the Company:-</b>					
Transactions during the year	-	-	8,389,569	-	-
	(-)	(-)	(12,481,884)	(-)	(-)
Closing Balance	-	-	70,581	-	-
	(-)	(-)	(717,750)	(-)	(-)
<b>Loan recoverable from Employees /Reimbursement of expenses incurred by the Company on behalf of parties</b>					
Transaction during the year	638,000	64,778	-	61,222	-
	(72,950)	(-)	(-)	(9,170,230)	(-)
Closing Balance	638,000	-	-	7,930	-
	(-)	(-)	(-)	(7,930)	(-)
<b>(b) Compensation for obtaining sub-development rights of the land</b>					
Closing Balance payable thereagainst	-	-	7,100,000	-	-
	(-)	(-)	(11,700,000)	(-)	(-)
<b>(c) Contractor charges</b>					
Transactions during the year	-	-	85,296,992	-	-
	(-)	(-)	(131,909,787)	(-)	(-)
Closing Balance	-	-	50,389,182	-	-
	(-)	(-)	(34,980,408)	(-)	(-)
<b>Mobilization Advance</b>					
Opening Balance	-	-	5,473,068	-	-
	(-)	(-)	(11,628,527)	(-)	(-)
Adjusted	-	-	3,622,353	-	-
	(-)	(-)	(6,155,459)	(-)	(-)
Closing Balance	-	-	1,850,715	-	-
	(-)	(-)	(5,473,068)	(-)	(-)



**GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

(Amount in Rs.)

Description	Holding Company	Fellow Subsidiaries	Associated Enterprises	Joint Control Entities	KMP
<b>Sale of Flat</b>					
Revenue Recognised	-	-	882,811	-	-
Advance received Outstanding at year-end	(-)	(-)	(515,910)	(-)	(-)
Amount Receivable at the year end	(-)	(-)	140,646	(-)	(-)
	(-)	(-)	(1,023,457)	(-)	(-)
	(-)	(-)	(-)	(-)	(-)
<b>Sale of Fixed Asset</b>					
Sale	-	-	-	-	-
Amount Receivable	(-)	(55,778)	(-)	(-)	(-)
	(-)	(-)	(-)	(-)	(-)
<b>Managerial remuneration</b>					
Transactions during the year	-	-	-	-	-
Closing Balance [Receivable]	(-)	(-)	(-)	(-)	(9,000,000)
	(-)	(-)	(-)	(-)	(7,156,200)
	(-)	(-)	(-)	(-)	(18,692,700)
<b>Hire Charges</b>					
Transactions during the year	-	-	132,956	-	-
Closing Balance	(-)	(-)	(1,881,471)	(-)	(-)
	(-)	(-)	1,843,842	(-)	(-)
	(-)	(-)	(1,843,842)	(-)	(-)
<b>Advance payment for investment in ROCCPS/ROCPs</b>					
Advance Paid	-	-	25,800,000	-	-
Shares Allotted	(-)	(193,400,000)	(387,200,000)	(-)	(-)
Closing Balance	(-)	(193,400,000)	(-)	(-)	(-)
	(-)	(-)	1,304,000	(-)	(-)
	(-)	(-)	(387,200,000)	(-)	(-)
<b>Investment in ROCCPS</b>					
Opening Balance	-	1,243,400,000	-	-	-
Shares Allotted	-	(1,050,000,000)	(-)	(-)	(-)
Closing Balance	(-)	(193,400,000)	411,696,000	(-)	(-)
	(-)	1,243,400,000	(-)	(-)	(-)
	(-)	(1,243,400,000)	411,696,000	(-)	(-)
	(-)	(-)	(-)	(-)	(-)
<b>Advance for TDR</b>					
Opening and Closing Balance	-	3,500,000	-	-	-
	(-)	(3,500,000)	(-)	(-)	(-)
<b>Reimbursement of Expenses / Transfer of Employees</b>					
<b>Reimbursement of Expenses</b>					
Incurred on behalf of the Company	835,720	1,681,533	935,619	-	-
Incurred by the Company	(413,307)	(13,953,351)	(2,367,629)	(173,794)	(-)
Employee dues transferred on transfer of their services	(-)	(-)	(15,161)	(-)	(-)
Closing Balance [Receivable]	(787,216)	(51,113)	(273,276)	(117,998)	-
Closing Balance Payable	(373,909)	(42,113)	(288,437)	(117,998)	(-)
	(-)	2,390,817	5,094	(-)	(-)
	(-)	(13,953,351)	(-)	(-)	(-)

**Material Transactions during the year**

Description of Transactions/Name of the Party	Amount	Outstanding as on 31.03.14	Amount	Outstanding as on 31.03.13
<b>Loans Granted</b>				
DB Realty Limited	254,374,133	692,243,262	95,300,000	753,580,511
MIG Bandra Realtors and Builders Private Limited	-	-	52,387,980	52,387,980
Pony Infrastructure & Contracts Limited	-	-	2,700,000	49,700,000
			<b>150,387,980</b>	<b>855,668,491</b>
<b>Contractor Charges</b>				
Majestic Infracon Pvt. Ltd.	85,296,992	50,389,182	131,989,787	34,980,408
	85,296,992	50,389,182	131,989,787	34,980,408
<b>Advance Payment for Investment in ROCCPS</b>				
Konark Realtech Private Limited	25,800,000	1,304,000	387,200,000	387,200,000
	25,800,000	1,304,000	387,200,000	387,200,000
<b>Investment in ROCCPS</b>				
Konark Realtech Private Limited	411,696,000	411,696,000	-	-
	411,696,000	411,696,000	-	-

**Notes:**

- Previous year figures are denoted in brackets.
- The aforesaid related parties are as identified by the Company and relied upon by the Statutory Auditors.
- Refer to Note No. 33 and 34 in relation to security/guarantee given by the Company for loan taken by Real Gem Buildtech Pvt. Ltd.



**GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**45 Operating Lease:**

45.1 (a) During the year ended 31st March, 2013, the Company had executed lease deeds for certain Units forming part of the Project for a period of 25 years, the construction work is in progress as of year end. The attributable costs in relation thereto have been classified as Other Non Current Assets and on completion would be classified as Non-Current Investment. In terms of the agreements, the lease rentals shall become due and payable commencing from the calendar month following the month of receipt of Occupation Certificate. The lease deeds are for 25 years and the lease rental is subject to increase by 5% every 5 years. Accordingly, the future lease rentals are disclosed based on the Management's estimate of the amounts that it would receive.

**45.1 (b) Disclosure in relation to Units given on Lease:**

Particulars	(Amount in Rs.)	
	For the Year ended 31.03.2014	For the Year ended 31.03.2013
Lease Income recognized in the Statement of Profit & Loss	-	-
Future Lease Income		
(a) Upto five years from the commencement of lease rental.	14,374,000	14,374,000
(b) After five years.	87,380,395	87,380,395
<b>Total of future lease income</b>	<b>101,754,395</b>	<b>101,754,395</b>

**45.2 Disclosure in relation to Premises taken on Lease:**

Particulars	(Amount in Rs.)	
	For the Year ended 31.03.2014	For the Year ended 31.03.2013
Lease payments recognized in the Statement of Profit & Loss	7,785,513	8,563,559
Future Lease Payments		
(a) Not later than one year.	6,032,149	7,808,784
(b) Later than one year but not later than five years.	12,984,200	23,426,352
(c) Later than five years.	-	-
<b>Total of future lease payments</b>	<b>19,016,349</b>	<b>31,235,136</b>

**46 Earnings Per Share:**

Particulars	(Amount in Rupees)	
	For the Year ended 31.03.2014	For the Year ended 31.03.2013
Profit after Tax as per the Statement of Profit & Loss	262,161,589	29,564,961
Weighted Number of Shares outstanding during the year	500,000	500,000
Basic & Diluted Earnings per Share	524.32	59.13
Face value per Equity Share	100	100

**47 Previous Year Figures:**

Previous year's figures have been regrouped / reclassified wherever necessary to confirm with those of the current year.

Signatures to Notes 1 to 47

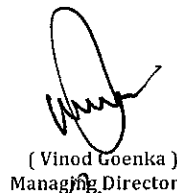
In terms of our report of even date attached

For M.A. PARIKH & CO.  
Chartered Accountants

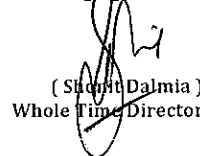


PARTNER  
Name : Dhaval B. Selwadia  
Membership No. : 100023

Place : Mumbai  
Date : 22nd May, 2014

( Vinod Goenka )  
Managing Director

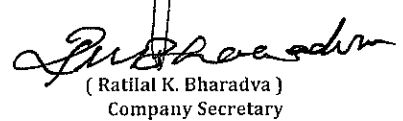


( Shantanu Dalmia )  
Whole Time Director

For and on behalf of Board of Directors



( Salim Balwa )  
Managing Director



( Ratilal K. Bharadva )  
Company Secretary