

DIRECTORS' REPORT

To
The Members
Gokuldham 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 31st March, 2015

FINANCIAL RESULTS**(Amount in Rupees)**

	For the financial year ending 31st March, 2015	For the financial year ending 31st March, 2014
Income	1,23,83,48,999	1,38,55,12,158
Less: Expenditure	87,84,63,080	97,06,72,271
Profit/ (Loss) Before tax	35,98,85,919	41,48,39,887
Less :Tax provision/Deferred tax	14,61,53,570	(15,26,78,298)
Profit/ (Loss) after tax	50,60,39,489	26,21,61,589
Balance brought forward from the previous year	107,19,43,189	80,97,81,600
Balance carried to Balance Sheet in the Profit and Loss Statement	1,57,79,82,678	1,07,19,43,189

STATUS OF THE PROJECT

The full occupation certificate of the Project "DB Woods" has been received on 23rd December, 2014 and the Company has initiated and substantially completed the process of handing over possession to flat buyers.

AMALGMATION OF COMPANY WITH D B REALTY LIMITED, HOLDING COMPANY

Your Company is in the process of amalgamation with D B Realty Limited, the Holding Company which is subject to approval from various authorities. The Company has filed petition with Hon'ble High Court of Bombay for approval.

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.

PARTICULARS OF EMPLOYEES

During the year under review, the Company was not having any employee drawing remuneration in excess of the limits prescribed under Section 197 (12) of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of the Managerial Personnel) Rules, 2014

GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE LIMITED

DIRECTORS

Mr. Vinod Goenka and Mr. Salim Balwa ceased to be Managing Directors and Directors with effect from 27th August, 2014. The Board places on record its appreciation for the guidance and services rendered by them during their tenure of Directorship.

Mr. Jagat Killawala, Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Mr. Jagat Killawala has given declaration that he met the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid in previous years

RISK MANAGEMENT POLICY OF THE COMPANY

The Board of Directors evaluate the risks associated with the Company's projects and business activities commensurate with the size of its business and scope of its activities, identify the risk, if any and take corrective steps as required from time to time.

CORPORATE SOCIAL RESPONSIBILITY

In compliance with Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules 2014, the Company has constituted Corporate Social Responsibility (CSR) Committee.

The Company has to spend in every financial year at least 2% of the average net profits of the Company made during the three immediately preceding financial years. The amount to be spent on CSR is Rs. 46.02 lakhs for the financial year 2014-15. Due to pending amalgamation of Company with the holding Company, the Company have not evaluated the options for spending. On approval of the amalgamation by the Hon'ble High Court, the same would be dealt with by the amalgamated Company.

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 31st March, 2015, 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 at the end of the financial year and of the profit of the Company for that period;
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and

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CIN: U45201MH2004PTC144704

- d) They have prepared the annual accounts on a going concern basis.
- e) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

FIXED DEPOSITS

The Company has not accepted any deposits from the public within the meaning of Section 73 and 74 of the Companies Act, 2013 read with rules 8(5)(v) of the Companies (Accounts) Rules, 2014, during the year under review.

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.

CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions that were 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 during the year under review with related party (/ies.) Hence no particulars in form AOC-2 have been furnished

EXTRACTS OF ANNUAL RETURN

Pursuant to sub-section 3(a) of Section 134 and sub-section (3) of Section 92 of the Companies Act 2013, read with Rule 12 of the Companies (Management and Administration) Rules, 2014 the extract of the Annual Return in Form no. MGT-9 (Annexure) as at March 31, 2015 forms part of this report

COMPOSITION OF AUDIT COMMITTEE

The Company is having an Audit committee comprising of the following directors and has been functioning effectively

Mr. Shonit Dalmia
Mr. Jagat Killawala
Mr. N.P.Bajaj

Due to the pending amalgamation of the company with the holding Company with effect from 01.04.2013, the Directors have not re-constituted the Audit Committee with the appointment of additional Independent Director.

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

Nomination and Remuneration Committee

The Company is having a Remuneration Committee comprising of the following Directors.

Mr. N.P.Bajaj
Mr. Jagat Killawala

GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE LIMITED

Due to the pending amalgamation of the company with the holding Company with effect from 01.04.2013, the Directors have not reconstituted the Remuneration Committee which functions as Nomination and Remuneration Committee. No Remuneration or sitting fees has been paid to any Director during the year

NUMBER OF BOARD MEETING DURING 2014-15

The Board met eight (9) times during the financial year 2014-15. The date on which the meetings were held are as follows:

22.05.2014; 24.07.2014; 27.08.2014; 20.09.2014; 03.11.2014; 15.11.2014; 23.01.2015, 14.03.2015 & 30.03.2015

STATUTORY AUDITORS

At the 10th Annual General Meeting held on 20th September, 2014, M/s M.A Parikh & Co, Chartered Accountants, were appointed as statutory auditors of the Company to hold office till the conclusion of the 13th Annual General Meeting. In terms of the first proviso to Section 139 of the Companies Act, 2013, the appointment of the auditors shall be placed for ratification at every Annual General Meeting. Accordingly, the appointment of M/s. M.A.Parikh & Co, Chartered Accountants, as statutory auditors of the Company, has to be placed for ratification by the shareholders. In this regard, the Company has received a certificate from the auditors to the effect that if they are reappointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

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 2015-16 in pursuance of Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014.

AUDITOR'S REPORT

The Auditors in their Report have qualified in Para 2(iv) of their Report that except for the effects of the matter described in Qualified Opinion, paragraphs drawing attention to Note No. 30 of the financial statements which states that no provision is made for current tax of Rs.128,100,000/- and the provision of Rs.149,900,000/- for the year ended 31st March, 2014 consequent to which the net profit for the year and shareholders' fund gets higher by Rs.278,000,000/- has been reversed and provision for income tax gets lower by the same amount, your Directors would like to state that provision of income tax, in relation to the period after 01.04.2013 to the year in which the scheme is approved by the Hon'High Court of Bombay shall be made in the accounts of amalgamated company

With regard to point iv(a)(iii) of CARO Report and Note No. 20 (c) of the audited financial statements for non-provision of interest on delay in payment of dues of service tax, your Directors would like to state that the same shall be recovered from allottees on reaching finality.

With regard to point iv (a)(ii) and iv (b) of CARO Report that arrears of income tax of Rs.13,692,190/- is outstanding for more than six month from the date it become payable and also that no provision is made for contested income tax demand of Rs. 12,99,513/-respectively, your Directors state that they would take necessary action if and when the demand is upheld and steps are being taken to meet this liability and that the contested tax demand would be met as and when the matter reaches finality.

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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

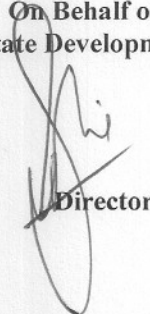
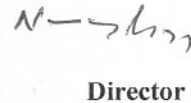
The Company has not imported any technology or carried out any business of export or import and therefore the disclosure requirement against technology absorption are not applicable. Further during the year under review, the Company has neither earned nor used any foreign Exchange.

2. There were no material changes or commitments affecting the financial position of the Company between the financial year end and date of this report.
3. 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.
4. No cases were filed under Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

ACKNOWLEDGEMENT:

Your Directors would like to express their appreciation for the support extended by the Bankers, the Government Authorities, its employees, suppliers and creditors.

On Behalf of the Board of Directors
For Gokuldharm Real Estate Development Company Pvt. Ltd.


Director
Director

Place: Mumbai
Date: May 18, 2015

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2015

GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE LIMITED

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	U45201MH2004PTC144704
2	Registration Date	25.02.2004
3	Name of the Company	GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE LIMITED
4	Category/Sub-category of the Company	Company limited by shares
5	Address of the Registered office & contact details	DB HOUSE, GEN. A.K.VAIDYA MARG, GOREGAON (EAST,) MUMBAI -400063
6	Whether listed company	No
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	N.A

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	D B Realty Limited Add:DB House, Gen. K. Vaidya Marg, Goregaon (East), Mumbai-400063	U45201MH2004PTC144704	Holding Company	74.998	2(46)

IV. SHARE HOLDING PATTERN	
(Equity share capital breakup as percentage of total equity)	

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2014]				No. of Shares held at the end of the year [As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Bodies Corp.	-	374,990	374,990	75.00%	-	374,990	374,990	75.00%	0.00%
e) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (1)	-	374,990	374,990	75.00%	-	374,990	374,990	75.00%	0.00%
(2) Foreign									
a) NRI Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Other Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (2)	-	-	-	0.00%	-	-	-	0.00%	0.00%
TOTAL (A)	-	374,990	374,990	75.00%	-	374,990	374,990	75.00%	0.00%

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B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Insurance Companies	-	-	-	0.00%	-	-	-	0.00%	0.00%
g) FIs	-	-	-	0.00%	-	-	-	0.00%	0.00%
h) Foreign Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
i) Others (specify)	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub-total (B)(1):-	-	-	-	0.00%	-	-	-	0.00%	0.00%
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	-	125,005	125,005	25.00%	-	125,005	125,005	25.00%	0.00%
ii) Overseas	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	0.00%	-	-	-	0.00%	0.00%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Others (specify)	-	5	5	0.00%	0	5	5	0.00%	0.00%
Non Resident Indians	-	-	-	0.00%	0	-	-	0.00%	0.00%
Overseas Corporate Bodies	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Nationals	-	-	-	0.00%	-	-	-	0.00%	0.00%
Clearing Members	-	-	-	0.00%	-	-	-	0.00%	0.00%
Trusts	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Bodies - D R	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub-total (B)(2):-	-	125,010	125,010	25.00%	-	125,010	125,010	25.00%	0.00%
Total Public (B)	-	125,010	125,010	25.00%	-	125,010	125,010	25.00%	0.00%
C. Shares held by Custodian for GDRs & ADRs	-	-	-	0.00%	-	-	-	0.00%	0.00%
Grand Total (A+B+C)	-	500,000	500,000	100.00%	-	500,000	500,000	100.00%	0.00%

(ii) 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	D B Realty Limited	374,990	75.00%	0	374,990	75.00%	0	0.00%

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

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year	No		No change			
	Changes during the year						
	At the end of the year						

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(iv) Shareholding Pattern of top ten Shareholders

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

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Konark Realtech Pvt. Ltd.						
		At the beginning of the year		125,000	25.00%		0.00%
		Changes during the year		-	0.00%	-	0.00%
		At the end of the year		125,000	25.00%	125,000	25.00%
2	K. M. Goenka/V. K. Goenka/ V. K. Goenka- Karta H.U.F., Pramod K. Goenka, Sunita Bali, Shanita Jain - Partners, K. G. Enterprises						
		At the beginning of the year		5	0.00%		0.00%
		Changes during the year		-	0.00%	-	0.00%
		At the end of the year		5	0.00%	5	0.00%
3	Conwood Construction & Developers Pvt. Ltd.						
		At the beginning of the year		5	0.00%		0.00%
		Changes during the year		-	0.00%	-	0.00%
		At the end of the year		5	0.00%	5	0.00%

(v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Name						
		At the beginning of the year					
		Changes during the year			None		
		At the end of the year					

V. INDEBTEDNESS

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

(Amt. Rs./Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	87,33,15,803.00	-	-	87,33,15,803.00
ii) Interest due but not paid	2,06,034.00	-	-	2,06,034.00
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	87,35,21,837.00	-	-	87,35,21,837.00
Change in Indebtedness during the financial year				
* Addition	109,51,35,333.00	-	-	109,51,35,333.00
* Reduction	116,03,03,356.00	-	-	116,03,03,356.00
Net Change	80,83,53,814.00	-	-	80,83,53,814.00
Indebtedness at the end of the financial year				
i) Principal Amount	80,56,73,237.00	-	-	80,56,73,237.00
ii) Interest due but not paid	14,53,725.00	-	-	14,53,725.00
iii) Interest accrued but not due	12,26,852.00	-	-	12,26,852.00
Total (i+ii+iii)	80,83,53,814.00	-	-	80,83,53,814.00

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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/WTD/ Manager			Total Amount (Rs/Lac)
		Name			
		Designation			
1	Gross salary				-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil			-
2	Stock Option				-
3	Sweat Equity				-
4	Commission				-
	- as % of profit				-
	- others, specify				-
5	Others, please specify				-
		Total (A)			-
		Ceiling as per the Act			-

B. Remuneration to other Directors

SN.	Particulars of Remuneration	Name of Directors			Total Amount (Rs/Lac)
1	Independent Directors				
	Fee for attending board committee meetings				
	Commission				
	Others, please specify				
	Total (1)				
2	Other Non-Executive Directors	Nil			
	Fee for attending board committee meetings				
	Commission				
	Others, please specify				
	Total (2)				
	Total (B)=(1+2)				
	Total Managerial Remuneration				
	Overall Ceiling as per the Act				

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

SN.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount (Rs/Lac)
		Name			
		Designation	CEO	CFO	CS
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				-
	(b) Value of perquisites u/s 17(2) Income-tax				-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961				-
2	Stock Option	Not Applicable			-
3	Sweat Equity				-
4	Commission				-
	- as % of profit				-
	- others, specify				-
5	Others, please specify				-
	Total		-	-	-

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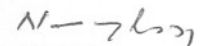
CIN: U45201MH2004PTC144704

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)
A. COMPANY					
Penalty					
Punishment					
Compounding			None		
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

On Behalf of the Board of Directors
For Gokuldham Real Estate Development Company Pvt. Ltd.


Director


Director

Place: Mumbai
Date: May 18, 2015

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M. A. PARIKH & CO.
CHARTERED ACCOUNTANTS

Independent Auditor's Report

To the Members of GOKULDHAM REAL ESTATE DEVELOPERS PRIVATE LIMITED
Report on the Financial Statements

We have audited the accompanying financial statements of **GOKULDHAM REAL ESTATE DEVELOPERS PRIVATE LIMITED** ("the Company") which comprise the Balance Sheet as at 31st March 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of



the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Basis of Qualified Opinion

As mentioned in note no. 30 of the financial statements, pending approval of the Scheme of Amalgamation by the Hon' High Court of Bombay, no provision is made for current tax of Rs. 128,100,000/- and the provision of Rs. 149,900,000/- for the year ended 31st March, 2014 is reversed for the reasons stated therein. Consequently the net profit for the year and shareholders' funds is higher by Rs. 278,000,000/- and provision for income tax is lower by the same amount.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, *except for the effects of the matter described in the Basis of Qualified Opinion paragraph above*, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2015, and its profit and cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 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 that:
 - (i) We have sought all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) In our opinion, *except for non-provision for current tax, pending approval of the Scheme of Amalgamation by the Hon' High Court of Bombay. (Reference is drawn to Note No. 30 of the financial statements)* 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;
 - (iii) the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;



- (iv) *Except for the effects of the matter described in the Basis of Qualified Opinion paragraph above, in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.*
- (v) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164(2) of the Act.
- (vi) 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:
- (a) The Company has disclosed the impact of pending litigation on its financial position in its financial statements. Refer Note No.38 to the financial statements. Except for the same, there are no other pending litigations which would impact the financial position of the Company;
- (b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- (c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund.

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




Partner

Name: Dhaval B. Selwadia
Membership No. 100023

Mumbai, Date: 18 MAY 2015

Annexure referred to in paragraph 1 of our report on Other Legal and Regulatory Requirement of even date

- (i) (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.
- (ii) (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.
- (c) The Company is maintaining proper records of inventory in respect of units under construction and of building materials. As explained to us, no material discrepancies were noticed on physical verification.
- (iii) In respect of loans, secured or unsecured, granted by the Company to companies, covered in the register maintained under section 189 of the Act
 - (a) According to the information and explanations given to us, the loans granted are repayable on demand and the Company has received back the principal amount as and when demanded.
 - (b) The loans alongwith interest are repayable on demand. In view of the same, question of any overdue amount does not arise
- (iv) 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 as well as for the sale of flats. During the course of our audit, no major weakness has been observed in the internal control system in respect of these areas.



- (v) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under section 148(1) of the Act and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (iv) (a) According to the information and explanations given to us and according to the books and records as produced before us, as regards undisputed statutory dues:
- (i) Non payment of the income tax, for the years ended 31st March, 2014 and 31st March, 2015 aggregating to Rs.269,583,994/- as, in the opinion of the management, upon receiving the approval of the Scheme of Amalgamation by the Hon' High Court of Bombay, income tax returns for these years of its holding company shall be revised so as to include the impact of amalgamation, whereby there shall not be any income tax liability;
 - (ii) Arrears of income tax outstanding for more than six months from the date it became payable – Rs. 13,692,190/-;
 - (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, 2015 for a period of more than six months from the date they became payable.
- (b) According to information and explanations given to us, the following are the details of disputed statutory dues not deposited:

Name of the Statute and Nature of Dues	Disputed Amount	Period to which the amount relates	Forum where the dispute is pending	Amount Deposited
Income Tax	1,299,513	01.04.2011 to 31.03.2012	Commissioner of Income Tax (Appeals)	Nil

- (iv) Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to its bank.
- (v) The term loans were applied for the purpose for which the loans were obtained.



- (vi) 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 course of our audit.

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



A handwritten signature in black ink, appearing to read "Dhaval B. Selwadia".

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

Mumbai, Date: 18 MAY 2015

GOKULDHAM REAL ESTATE DEVELOPMENT CO. PVT.LTD.
BALANCE SHEET AS AT 31ST MARCH 2015

(Amount in Rs.)

Particulars		Note No.	As at 31.03.15	As at 31.03.14
I.	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share Capital	3	5,00,00,000	5,00,00,000
	(b) Reserves and Surplus	4	1,97,79,82,678	1,47,19,43,189
2	Non-current liabilities			
	(a) Long-Term Borrowings	5	9,78,41,842	-
	(b) Other Long Term Liabilities	6	7,55,61,987	10,33,35,492
	(c) Long-Term Provisions	7	53,86,288	1,06,03,743
3	Current liabilities			
	(a) Short-Term Borrowings	8	55,32,63,012	1,06,26,034
	(b) Trade Payables	9	12,46,43,896	11,72,07,059
	(c) Other Current Liabilities	10	41,82,21,363	1,51,85,46,116
	(d) Short-Term Provisions	11	7,64,774	14,15,17,717
	TOTAL		3,30,36,65,840	3,42,37,79,350
II.	ASSETS			
1	Non-current assets			
	(a) Fixed Assets	12		
	(i) Tangible Assets		20,25,670	13,93,020
	(ii) Intangible Assets		1,98,807	2,53,968
	(b) Non-Current Investments	13	1,70,97,98,720	1,65,50,96,000
	(c) Deferred Tax Assets	14	13,13,412	50,59,843
	(d) Long-Term Loans and Advances	15	1,55,21,439	42,43,874
	(d) Other Non-Current Assets	16	6,57,49,116	6,14,94,631
2	Current assets			
	(a) Inventories	17	34,11,17,000	50,11,37,237
	(b) Trade Receivables	18	44,92,07,521	12,83,48,695
	(c) Cash And Bank Balances	19	5,04,27,562	2,55,00,082
	(d) Short-Term Loans and Advances	20	50,41,57,383	73,40,01,262
	(e) Other Current Assets	21	16,41,49,210	30,72,50,738
	TOTAL		3,30,36,65,840	3,42,37,79,350

See accompanying notes forming part of financial statements 1 to 47

In terms of our report of even date attached


For M.A. PARIKH & CO.
Chartered Accountants

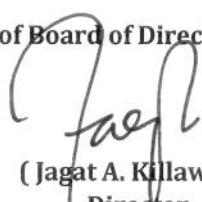


PARTNER
Name : Dhaval B. Selwadia
Membership No. : 100023




For and on Behalf of Board of Directors


(Shoujit Dalmia)
Whole Time Director


(Jagat A. Killawala)
Director

Place : Mumbai
Date : 18th May'2015


(Narayan P. Bajaj)
Director

GOKULDHAM REAL ESTATE DEVELOPMENT CO PVT.LTD.
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

(Amount in Rs.)

Particulars		Note No.	For the Year Ended 31.03.15	For the Year Ended 31.03.14
1	Revenue from Operations	22	1,16,31,34,142	1,28,34,39,388
2	Other Income	23	7,52,14,857	10,20,72,770
3	Total Revenue		1,23,83,48,999	1,38,55,12,158
4	Expenses:			
	(a) Project Expenses	24	64,42,44,813	47,39,13,942
	(b) Changes in Inventories of Project Work-in-Progress	25	13,53,98,769	35,39,04,058
	(c) Employee Benefits Expenses	26	88,76,502	1,27,64,848
	(d) Finance Costs	27	4,55,83,373	9,18,55,067
	(e) Depreciation and Amortization Expense	28	-	-
	(f) Other Expenses	29	4,43,59,623	3,82,34,356
	Total expenses		87,84,63,080	97,06,72,271
5	Profit before Tax	32	35,98,85,919	41,48,39,887
6	Tax Expenses:			
	Current Tax	30	-	(14,99,00,000)
	Deferred Tax		(37,46,430)	(27,78,298)
	Reversal of provision of current tax	30	14,99,00,000	-
			14,61,53,570	(15,26,78,298)
7	Profit for the Year		50,60,39,489	26,21,61,589
	Earnings per equity share (nominal value per share Rs. 100 each) :			
	Basic and Diluted	45	1,012.08	524.32

See accompanying notes forming part of financial statements 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





(Shomit Dalmia)
Whole Time Director

For and on Behalf of Board of Directors



(Jagat A. Kulkarni)
Director



(Narayan P. Bajaj)
Director

Place : Mumbai
Date : 18th May'2015

GOKULDHAM REAL ESTATE DEVELOPMENT CO PVT.LTD.
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

(Amount in Rs.)

Particulars	For the Year Ended 31.03.15		For the Year Ended 31.03.14	
(A) Cash Flow From Operating Activities:				
Profit before tax		35,98,85,919		41,48,39,887
Adjustments for:				
Interest and Finance Charges	16,37,94,309		13,94,92,407	
Provision for Gratuity / Leave Encashment	(88,91,272)		(99,93,492)	
Interest income	(7,19,20,506)	8,29,82,531	(9,98,78,250)	2,96,20,665
Operating Profit before Working Capital Changes		44,28,68,450		44,44,60,552
Working Capital Changes:				
Trade Receivables and Advances	(22,93,88,951)		(9,95,94,879)	
Inventories	15,55,67,398		43,09,19,880	
Current Liabilities	(39,67,06,247)	(47,05,27,800)	(77,27,53,814)	(44,14,28,813)
Cash Generated from Operations		(2,76,59,350)		30,31,739
Taxes (paid)		39,51,873		(2,59,06,068)
Net Cash from Operating Activities		(2,37,07,477)		(2,28,74,329)
(B) Cash Flow From Investing Activities:				
Loans	20,34,96,910		24,57,14,847	
Interest income on loans received	14,31,91,301		4,87,29,776	
Purchase of Investments	(5,40,94,720)		(2,58,00,000)	
Purchase of Fixed Assets	(3,79,135)		(44,900)	
Net Cash from Investing Activities		29,22,14,356		26,85,99,723
(C) Cash Flow From Financing Activities:				
Borrowings (Net)	(6,51,68,022)		(10,75,87,508)	
Interest and Finance Charges	(17,84,11,377)		(13,48,19,436)	
Net Cash from Financing Activities		(24,35,79,399)		(24,24,06,944)
Net Increase in Cash and Cash Equivalents		2,49,27,480		33,18,450
Add: Cash and Cash Equivalents (Opening)		2,55,00,082		2,21,81,632
Cash and Cash Equivalents (Closing)		5,04,27,562		2,55,00,082
(D) Cash and Cash Equivalents includes:				
Cash on hand		125		78,805
Bank Balances		5,04,27,437		2,54,21,277
		5,04,27,562		2,55,00,082

For M.A. PARIKH & CO.
Chartered Accountants



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



Place : Mumbai
Date : 18th May'2015


For and on behalf of Board of Directors



(Shonit Dalmia)
Whole Time Director



(Jagat A. Killawala)
Director



(Narayan P. Bajaj)
Director

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. It is developing and constructing a 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, 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 have been prepared in accordance with the Generally Accepted Accounting Principles in India ("GAAP") under the historical cost convention on an accrual basis, to comply in all material aspects with the applicable mandatory Accounting Standards and the relevant provisions of the Companies Act, 2013 (the Act).

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 to make 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 III 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 Schedule III 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 Schedule III to the Act.

2.3 Fixed Assets and Depreciation / Amortization

Tangible Assets:

Fixed Assets are capitalized at cost of acquisition, net of 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 straight line method based on useful life of the assets or remaining useful life of the assets existed as on April 1, 2014 as specified in Schedule II to the 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.



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

2.4 Investments

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

(b) 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. 44)

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.



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

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 and 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.

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 and 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.



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

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 2015	Number	As at 31 March 2014
Authorised				
Equity Shares of Rs.100/- each	5,00,000	5,00,00,000	5,00,000	5,00,00,000
0.1% Redeemable Cumulative Preference Shares of Rs. 100/- each	40,00,000	40,00,00,000	40,00,000	40,00,00,000
	45,00,000	45,00,00,000	45,00,000	45,00,00,000
Issued				
Equity Shares of Rs.100/- each fully paid-up	5,00,000	5,00,00,000	5,00,000	5,00,00,000
Total	5,00,000	5,00,00,000	5,00,000	5,00,00,000
Subscribed & Paid up				
Equity Shares of Rs.100/- each fully paid-up	5,00,000	5,00,00,000	5,00,000	5,00,00,000
Total	5,00,000	5,00,00,000	5,00,000	5,00,00,000

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
Equity Shares			
Year ended 31st March, 2014			
-Number of equity shares	5,00,000	-	5,00,000
-Amount	5,00,00,000	-	5,00,00,000
Year ended 31st March, 2015			
-Number of equity shares	5,00,000	-	5,00,000
-Amount	5,00,00,000	-	5,00,00,000

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 2015		As at 31 March 2014	
	No. of Shares	% of Holding	No. of Shares held	% of Holding
D B Realty Ltd.	3,74,990	74.998%	3,74,990	74.998%
Konark Realtech Pvt. Ltd.	1,25,000	25.000%	1,25,000	25.000%
Total	4,99,990	99.998%	4,99,990	99.998%



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

(Amount in Rs.)

4 Reserves & Surplus

Particulars	As at 31 March 2015	As at 31 March 2014
(a) Capital Redemption Reserve As per last year (Refer Note below)	40,00,00,000	40,00,00,000
(b) Surplus as per Statement of Profit & Loss		
Balance as at the beginning of the year	1,07,19,43,189	80,97,81,600
Add: Profit for the year	50,60,39,489	26,21,61,589
Balance as at the end of the year	1,57,79,82,678	1,07,19,43,189
Total	1,97,79,82,678	1,47,19,43,189

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 Companies Act, 1956, the Company had transferred the said amount to the account of Capital Redemption Reserve.

5 Long-Term Borrowings

Particulars	As at 31 March 2015	As at 31 March 2014
Unsecured Term Loan		
Indiabulls Housing Finance Limited	25,50,90,803	-
Less: Current maturities of long term debt	(15,72,48,961)	-
Total	9,78,41,842	-

5.1 Terms and Conditions:

Security / Guarantee

Pledge /charges of shares D B Realty Ltd. worth minimum 2.00 times of the loan amount , as acceptable to the lender, to be pledged in a depository as suggested by lender. Further, DB Realty Limited and Mr. Vinod Goenka have given corporate/ personal guarantee for securing the repayment of loans and dues thereon.

Terms of Repayment

The loan is repayable upto 36 months from the date of first disbursement i.e. 02.08.2014

Rate of Interest:

The effective rate of interest for the year is 16.% p.a.

6 Other Long-Term Liabilities

Particulars	As at 31 March 2015	As at 31 March 2014
Trade Payables (Refer Note below and Note No. 40)	7,46,29,737	10,24,03,242
Security Deposits for Leased Units (Refer Note No. 44.1)	9,32,250	9,32,250
Total	7,55,61,987	10,33,35,492

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.



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

(Amount in Rs.)

7 Long-Term Provisions

Particulars	As at 31 March 2015	As at 31 March 2014
Provision for employee benefits		
Gratuity (unfunded)	32,23,171	50,57,159
Leave Encashment (unfunded)	21,63,117	55,46,584
Total	53,86,288	1,06,03,743

8 Short-Term Borrowing

Particulars	As at 31 March 2015	As at 31 March 2014
Secured		
<u>Term Loan</u>		
IL&FS Financial Services Ltd (Refer Note No. 8.1)	54,13,89,287	-
Unsecured		
Overdraft Facility from Oriental Bank of Commerce (Refer Note No. 8.2)	1,18,73,725	1,06,26,034
Total	55,32,63,012	1,06,26,034

8.1 Terms and Conditions vis-à-vis loan from IL&FS Financial Services Ltd.:

8.1.1 Security / Guarantee

- (a) Pledge of fully paid up, de-materialised, unencumbered, freely transferable equity share of DB Realty Ltd, in favour of IFIN, equivalent to 2.00 x outstanding principal amount.
- (b) Pledge of 3,838,382 Shares of Marine Drive Hospitality Pvt. Ltd., constituting 15.53% of the paid share capital of MDHRPL held by DB Realty Ltd.
- (c) Mortgage and Hypothecation of two TDR Certificates of 85,287Square meters along with escrow of receivables emanating from sale of these TDR certificates held by Dynamix Realty on a pari passu basis for the term loan granted by IFIN to D B Realty Ltd.
- (d) First ranking hypothecation and escrow receivables from 614 sold units and 10 unsold units in the project.
- (e) Mortgage of and Hypothecation of receivables from approx 9000sq.mtr. freehold land near Mumbai Central, owned by N.A. Estates Pvt. Ltd.
- (f) Personal guarantee of Mr. Shahid Balwa and Mr. Vinod Goenka.

8.1.2 Terms of Repayment

The loan is repayable within 12 months from the date of first disbursement i.e. 21.11.2014

8.1.3 Rate of Interest:

The effective rate of interest for the year is 15.% p.a.

- 8.2** 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 2015	As at 31 March 2014
Sundry Creditors (Refer Note No. 40)	12,46,43,896	11,72,07,059
Total	12,46,43,896	11,72,07,059

10 Other Current Liabilities

Particulars	As at 31 March 2015	As at 31 March 2014
(a) Current maturities of long term debt (Refer Note No.5)	15,72,48,961	86,28,95,803
(b) Interest accrued and due on borrowings	-	1,59,42,068
(c) Advances received from Customers	19,61,33,525	57,04,32,225
(d) Amount Refundable on Cancellation of Flats	2,53,69,709	2,96,67,988
(e) Statutory dues	1,67,44,838	1,87,63,215
(f) Employees' Benefits Payable	61,14,008	69,86,400
(g) Other Payables	1,66,10,322	1,38,58,417
Total	41,82,21,363	1,51,85,46,116

11 Short-Term Provisions

Particulars	As at 31 March 2015	As at 31 March 2014
(a) Provision for employee benefits		
Gratuity (unfunded)	3,55,138	11,55,801
Leave Encashment (unfunded)	4,09,636	32,82,790
(b) Provision for Income Tax (Net of Payment made thereagainst)	-	13,70,79,126
Total	7,64,774	14,15,17,717



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

12 Fixed Assets

Fixed Assets	Gross Block		Accumulated Depreciation / Amortization		Net Block	
	Balance as at 1 April 2014	Balance as at 31 March, 2015	Balance as at 1 April 2014	Balance as at 31 March 2015	Balance as at 31 March 2015	Balance as at 31 March 2014
a						
Tangible Assets						
Furniture and Fixtures	13,34,090	13,63,340	10,04,556	8,16,530	5,46,810	3,29,534
Office equipments	23,61,901	25,94,287	14,12,441	12,94,232	13,00,055	9,49,460
Computers	10,53,825	11,71,324	9,39,799	9,92,519	1,78,805	1,14,026
Total	47,49,816	51,28,951	33,56,796	31,03,281	20,25,670	13,93,020
Previous Year	47,04,916	47,49,816	30,56,351	33,56,796	13,93,020	
b						
Intangible Assets						
Computer software	8,43,040	8,43,040	5,89,072	6,44,233	1,98,807	2,53,968
Total	8,43,040	8,43,040	5,89,072	6,44,233	1,98,807	2,53,968
Previous Year	8,43,040	8,43,040	4,19,760	5,89,072	2,53,968	

(*) Refer Note No.37



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 2015	As at 31 March 2014
Trade Investments - (Unquoted - valued at cost)		
In 1,243,500 (Previous Year-1,243,500) 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)	1,24,34,00,000	1,24,34,00,000
In 971,664 (Previous Year-857,700) Redeemable Optionally Convertible Preference Shares of Rs.10 each fully paid-up of Konark Realtech Pvt.Ltd. (ROCPS) (Refer Note No. 13.2)	46,63,98,720	41,16,96,000
Total	1,70,97,98,720	1,65,50,96,000

- 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. The said investment is long term strategic and, at present, the project undertaken by the company is at its initial stage of implementation.
- 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. In the opinion of the management, having regard to the state of affairs of the said company, there is no fall in the value of the Company's investment.

14 Deferred Tax Assets

Particulars	As at 31 March 2015	As at 31 March 2014
<u>Deferred Tax Asset:</u>		
Disallowances under section 40(A)(7)/43B of the Act	19,95,711	50,43,257
	19,95,711	50,43,257
<u>Less: Deferred Tax (Liability)</u>		
Difference between book and tax depreciation	6,82,299	(16,586)
Total	13,13,412	50,59,843

15 Long-Term Loans and Advances

Particulars	As at 31 March 2015	As at 31 March 2014
(Unsecured and Considered good)		
Advance towards subscription of Redeemable Optionally Convertible Cumulative Preference Shares	6,96,000	13,04,000
Security	1,48,25,439	29,39,874
Total	1,55,21,439	42,43,874



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

(Amount in Rs.)

16 Other Non- Current Assets

Particulars	As at 31 March 2015	As at 31 March 2014
Cost attributable to Leased Units (Refer Note No. 44.1)	6,57,49,116	6,14,94,631
Total	6,57,49,116	6,14,94,631

17 Inventories

Particulars	As at 31 March 2015	As at 31 March 2014
(a) Project Work-in-Progress (Valued at lower of cost or net realisable value)	32,04,04,649	45,58,03,418
(b) Materials at site (Refer Note below)	2,07,12,351	4,53,33,819
Total	34,11,17,000	50,11,37,237

As certified by the Management of the Company.

18 Trade Receivables

Particulars	As at 31 March 2015	As at 31 March 2014
(Unsecured and Considered good)		
- Outstanding for a period more than six months from the date they are due for payment	5,69,89,312	8,95,31,138
- Others	39,22,18,209	3,88,17,557
Total	44,92,07,521	12,83,48,695

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 2015	As at 31 March 2014
Cash and Cash Equivalents		
(a) Cash on hand	125	78,805
(b) Bank Balances in Current Accounts	3,76,92,287	2,54,21,277
Fixed Deposit with maturity more than 3 months but less than 12 months	1,27,35,150	-
Total	5,04,27,562	2,55,00,082



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

(Amount in Rs.)

20 Short-Term Loans and Advances

Particulars	As at 31 March 2015	As at 31 March 2014
(Unsecured and Considered good)		
Loans to Holding Company and other Related Parties (Refer to Note No. 43)	38,20,76,223	58,55,73,133
Advances Recoverable in Cash or in Kind		
(a) Related Parties (Refer to Note (a) below and Note No. 43)	2,31,919	93,27,543
(b) Others (Refer to Note (b) and (c) below)	11,63,94,639	13,88,62,281
Prepaid Expenses	1,14,116	75,555
Security Deposits Receivable	1,62,750	1,62,750
Income Tax (Net of provision made thereagainst)	51,77,736	-
Total	50,41,57,383	73,40,01,262

(a) Includes amounts due from Directors of Rs. Nil. (Previous year 71,56,200/-)

(b) The Company, in a prior year, had made a claim for refund of stamp duty of Rs. 6,986,650/- out of which during the year ended 31.03.2014, claim for Rs. 4,967,350/- was not accepted and accordingly, the same was charged off to the Statement of Profit and Loss. As regards balance amount of Rs. 2,025,300/-, the Company is perusing 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. 12,768,254/- 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.

21 Other Current Assets

Particulars	As at 31 March 2015	As at 31 March 2014
Unbilled Revenue (Refer Note No. 33)	-	7,18,30,733
Interest accrued and due: (Unsecured and considered good)		
On Loans	16,41,41,020	23,54,11,815
On Fixed Deposit	8,190	8,190
Total	16,41,49,210	30,72,50,738



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 31.03.2015	For the year ended 31.03.2014
Sale of Flats (Refer Note No. 2.6)	1,15,74,51,876	1,26,69,92,034
Other Operating Income		
Charges on transfer of Flats	44,65,000	1,22,84,372
Interest on Delayed Payments from Allottees	12,17,266	41,62,982
	56,82,266	1,64,47,354
Total	1,16,31,34,142	1,28,34,39,388

23 Other Income

Particulars	For the year ended 31.03.2015	For the year ended 31.03.2014
Interest on:		
- Loans	7,17,70,339	9,98,34,018
- Interest on Fixed Deposit	1,50,167	44,232
Sundry Credit Balances Written Back	-	69,027
Provision for Gratuity and Leave Encashment no longer required	32,94,351	21,25,493
Total	7,52,14,857	10,20,72,770

24 Project Expenses

Particulars	For the year ended 31.03.2015	For the year ended 31.03.2014
Direct Cost of Construction	39,58,91,455	40,31,98,380
Construction Overheads:		
- Salaries, Allowances and Bonus	1,67,34,802	1,37,35,166
- Contribution to Provident Fund and Other Allied Funds	6,17,047	3,00,450
- Staff Welfare and Other Amenities	11,29,150	12,70,134
- Gratuity	13,712	4,88,531
Other Overheads		
-Conveyance and Travelling	4,32,582	19,98,964
-Legal and Professional Fees	9,46,145	40,55,400
-Communication Expenses	8,20,370	6,44,190
-Rates & Taxes	11,38,63,076	27,99,346
-Security Service Charges	14,08,075	23,96,413
-Miscellaneous Expenses	43,55,333	14,60,150
- Depreciation	(1,98,353)	4,69,757
	14,01,21,939	2,96,18,501
Less: Provision for Gratuity and Leave Encashment no longer required	57,25,032	27,14,527
	13,43,96,907	2,69,03,974
Financial Costs (Refer Note No. 27)	11,82,10,936	4,76,37,340
	64,84,99,298	47,77,39,694
Less: Cost attributable to Leased Units (Refer Note Nos. 21 & 44.1)	42,54,485	38,25,752
Total	64,42,44,813	47,39,13,942



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

(Amount in Rs.)

25 Changes in Inventories of Project Work-in-Progress

Particulars	For the year ended 31.03.2015	For the year ended 31.03.2014
Balance as of commencement of the year:		
- Project work in progress	45,58,03,418	80,97,07,476
Less:		
Balance as of end of the year:		
- Project work in progress	32,04,04,649	45,58,03,418
Total	13,53,98,769	35,39,04,058

26 Employees Benefits Expenses

Particulars	For the year ended 31.03.2015	For the year ended 31.03.2014
- Salaries, Wages and Bonus	78,63,798	1,11,52,547
- Contribution to Provident Fund and Other Allied Funds	3,55,067	2,35,255
- Gratuity	7,891	3,82,523
- Staff Welfare and Other Amenities	6,49,746	9,94,523
Total	88,76,502	1,27,64,848

27 Finance Costs

Particulars	For the year ended 31.03.2015	For the year ended 31.03.2014
(1) Interest on borrowings:		
From Banks	8,07,91,214	13,81,67,407
From Companies	7,22,27,095	-
	15,30,18,309	13,81,67,407
(2) Others:		
Financial Charges	94,51,000	-
Interest on non payment of Income Tax	13,25,000	13,25,000
	16,37,94,309	13,94,92,407
Less: Transferred to Project Expenses	11,82,10,936	4,76,37,340
	11,82,10,936	4,76,37,340
Total	4,55,83,373	9,18,55,067

28 Depreciation and amortization expenses

Particulars	For the year ended 31.03.2015	For the year ended 31.03.2014
On Tangible Assets	5,76,385	3,00,445
Amortization of Intangible Assets	60,049	1,69,312
	6,36,434	4,69,757
Less: Transferred to Project Expenses	6,36,434	4,69,757
Total	-	-



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

(Amount in Rs.)

29 Other Expenses

Particulars	For the year ended 31.03.2015	For the year ended 31.03.2014
Rent, Rates & Taxes	63,72,148	1,27,46,863
Legal and Professional Charges	42,90,323	52,79,917
Advertisement and Sales Promotion	2,60,10,384	84,39,849
Commission & Brokerage	3,20,920	60,54,768
Donation	2,00,000	1,27,000
Communication Expenses	2,73,457	2,14,730
Conveyance and Travelling	1,44,194	6,77,211
Payment to Auditors (Refer Note for break-up)	10,53,750	10,89,186
Foreign Exchange Fluctuation Loss (net)	6,74,832	18,30,211
Miscellaneous Expenses	50,19,615	17,74,621
Total	4,43,59,623	3,82,34,356

Payment to Auditors		
- Audit Fees	7,00,000	7,00,000
- Taxation Matters	1,84,000	2,18,000
- Other Services	1,50,000	1,54,186
- Out of Pocket Expenses	19,750	17,000
Total	10,53,750	10,89,186



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 of Amalgamation (the Scheme) as may be approved by the Hon' High Court of Bombay. As per the Scheme, the amalgamation shall be effective 1st April, 2013. The Scheme is filed before the Hon' High Court of Bombay after receiving in principle approvals from Securities and Exchange Board of India, BSE Ltd. and National Stock Exchange of India Limited. Therefore, the management of both the companies have decided to make provision for income tax, if any, in relation to period falling after 01.04.2013 to the year in which the Scheme is approved by the Hon' High Court of Bombay, in the accounts of amalgamated company and hence no provision is made for current tax of Rs. 12,81,00,000/- and the provision of Rs. 149,900,000/- for the year ended 31st March, 2014 has been reversed. Consequently, the net profit for the year is higher by Rs. 278,000,000/-.
- 31 The Company, upon issued full occupation certificate for its project, in terms of final building plans, has made claim on allottees for additional consideration for the flats sold consequent to increase in area. The aggregate claim of such consideration is Rs.145,825,463/- and is considered in recognising the revenue from sale of flats. In the opinion of the Management of the Company there is reasonable certainty of its collection.
- 32 The Management of the Company has revised the estimated project cost from Rs. 8,390,400,000/- to Rs. 8,540,400,000/- which has the impact of reversal of the profits recognised as upto 31st March, 2014 of Rs.71,138,651/-. The project costs is as certified by the Company and the same has been relied upon by the Statutory Auditors.
- 33 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.
- 34 The Company has granted security to Housing Development Finance Corporation Limited for securing the financial assistance of Rs. 3,000,000,000/- 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 2015 is Rs.2,897,206,298/- (Previous Year Rs. 2,189,706,298/-).
- 35 The Company has given a "Guarantee" to Daimler Financial Services India Private Limited against the car finance facility of Rs 15,400,000/- 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 2015 is Rs. 10,487,379/- (Previous Year Rs. 12,555,824/-).
- 36 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.
- 37 **Depreciation**
- 37.1 Effective from April 1, 2014, the Company has changed its accounting policy for charging depreciation from written down value method to straight line method in respect of all tangible fixed assets. The Management believes that such change conforms well with the provisions of the Companies Act, 2013. On account of this change, in the current year there is a reversal of depreciation of Rs. 1,233,575/- out of the depreciation charged for the period upto March 31, 2014, which is credited to Statement of Profit and Loss.
- 37.2 Further, the Company re-assessed the useful lives of fixed assets, in consonance with the requirement of Schedule II to the Companies Act, 2013, whereby an amount of Rs.550,858/- is charged off to the Statement of Profit and Loss.
- 38 No provision is made for contested income tax demand of Rs. 1,299,513/-.

39 **Capital Commitment**

(Amount in Rs.)

Particulars	As at 31.03.15	As at 31.03.14
Investment in Redeemable Optionally Convertible Cumulative Preference Shares of Konark Realtech Pvt. Ltd.	37,29,05,280	42,70,00,000
Cost to be incurred for completion of Leased Units	16,83,786	56,99,724

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

(Amount in Rs.)

Particulars	For the Year ended	For the Year ended
	31.03.2015	31.03.2014
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.

41 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	For the Year ended
	31.03.2015	31.03.2014
Employer's Contribution to Provident Fund and Allied Funds	9,72,114	5,35,705

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	For the Year ended
	31.03.2015	31.03.2014
Defined Benefit obligation at the beginning of the year	62,12,960	82,75,419
Current Service Cost	7,63,472	18,43,242
Past Service Cost	-	12,05,894
Acquisition adjustment	4,05,976	-
Interest Cost	5,40,138	5,11,780
Settlement Cost/(Credit)	(16,155)	(21,18,309)
Benefit Paid	(5,93,691)	(2,42,409)
Actuarial (gain)/loss	(37,34,391)	(32,62,657)
Defined Benefit obligation at the end of the year	35,78,309	62,12,960



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

II. Expense recognized during the year:

(Amount in Rs.)

Particulars	Gratuity (Un-Funded)	
	For the Year ended	For the Year ended
	31.03.2015	31.03.2014
Current Service Cost	7,63,472	18,43,242
Acquisition Adjustment	(34,764)	-
Past Service Cost	-	12,05,894
Interest Cost	5,40,138	5,11,780
Settlement Cost/(Credit)	(759)	2,48,976
Actuarial (gain)/loss	(37,34,391)	(32,62,657)
	(24,66,304)	5,47,235

III. Actuarial assumptions

(Amount in Rs.)

Particulars	Gratuity (Un-Funded)	
	For the Year ended	For the Year ended
	31.03.2015	31.03.2014
Mortality Table	Indian Assured Lives Mortality (2006-2008) ultimate	Indian Assured Lives Mortality (2006-2008) ultimate
Discount Rate	8.70%	8.00%
Rate of Escalation in Salary	10.00%	15.00%
Expected Average remaining working lives of employees (Years)	5.48	2.94

IV. Experience adjustments

(Amount in Rs.)

Particulars	Gratuity (Un-Funded)	
	For the Year ended	For the Year ended
	31.03.2015	31.03.2014
Present value of obligation	35,78,309	62,12,960
Plan assets	-	-
Surplus/ (Deficit)	(35,78,309)	(62,12,960)
Experience (gain) or loss on plan liabilities	(46,62,917)	13,181
Experience (gain) or loss on plan assets	-	-

Notes:

- The obligation towards Gratuity is unfunded and therefore, the following disclosures are not given:
 - Reconciliation of Opening and Closing Balances of fair value of plan assets.
 - Details of Investments.
- 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. 6,251,186/- (Previous Year Rs. 4,840,020/-).

42 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

43 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

a) Holding Company

D B Realty Limited

b) Fellow Subsidiary Companies

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

c) Associated Enterprises

Konark Realtech Private Limited (Investing Company)
Neelkamal Realtors Towers Private Limited
Suraksha DB Realty
ECC DB JV

d) Enterprise where individuals i.e KMP and their relatives have significant influence

BD & P Hotels (I) Private Limited
Marine Drive Hospitality & Realty Private Limited
Conwood Construction & Developers Private Limited
Schreiber Dynamix Daries Limited (upto 26.08.2014)
Eon Aviation Pvt.Ltd. (upto 26.08.2014)
Goan Hotels and Clubs Pvt.Ltd. (upto 26.08.2014)
Pony Infrastructure & Contractors Ltd. (upto 26.08.2014)
Majestic Infracon Pvt. Ltd. (upto 26.08.2014)
K G Enterprise (upto 26.08.2014)
Konark Synthetic Ltd.

d) Key Management Personnel (KMP)

Vinod Goenka (upto 26.08.2014)
Shonit Dalmia
Salim Balwa (upto 26.08.2014)
N.P. Bajaj

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

(Amount in Rs.)

Description	Holding Company	Fellow Subsidiaries	Associated Enterprises	Enterprise where individuals i.e KMP and their relatives have significant influence	KMP
Loans Given, including interest receivable					
Opening Balance [Refer Note (c)]	69,22,43,262	8,71,30,688	13,04,000	4,16,10,998	-
	(75,35,80,511)	(14,42,33,586)	(13,04,000)	(11,77,45,414)	(-)
Granted during the year	20,35,62,967	-	3,59,10,000	-	-
	(25,43,74,133)	(-)	(-)	(-)	(-)
Interest Income	6,48,60,332	-	24,10,007	18,24,658	-
	(9,14,32,909)	(-)	(-)	(84,01,109)	(-)
Repaid during the year, (including interest and TDS thereon)	54,37,30,006	-	3,96,24,007	36,93,464	-
	(40,71,44,291)	(5,71,02,898)	(-)	(8,45,35,525)	(-)
Closing Balance	41,69,36,555	8,71,30,688	-	7,21,50,000	-
	(69,22,43,262)	(8,71,30,688)	(13,04,000)	(4,16,10,998)	(-)

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

Description	Holding Company	Fellow Subsidiaries	Associated Enterprises	Enterprise where individuals i.e KMP and their relatives have significant influence	KMP
Loans Taken					
Opening Balance	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
Taken during the year	-	26,82,90,764	-	-	-
	(-)	(-)	(-)	(-)	(-)
Repaid during the year	-	26,82,90,764	-	-	-
	(-)	(-)	(-)	(-)	(-)
Closing Balance	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
Advance payment for investment in ROCPS					
Advance Paid	-	-	5,53,98,720	-	-
	(-)	(-)	(2,58,00,000)	(-)	(-)
Shares Allotted	-	-	5,47,02,720	-	-
	(-)	(-)	(41,16,96,000)	(-)	(-)
Closing Balance	-	-	6,96,000	-	-
	(-)	(-)	(-)	(-)	(-)
Investment in ROCCPS/ ROCPS					
Opening Balance	-	1,24,34,00,000	41,16,96,000	-	-
	(-)	(1,24,34,00,000)	(-)	(-)	(-)
Shares Allotted	-	-	5,47,02,720	-	-
	(-)	(-)	(41,16,96,000)	(-)	(-)
Closing Balance	-	1,24,34,00,000	46,63,98,720	-	-
	(-)	(1,24,34,00,000)	(41,16,96,000)	(-)	(-)
Security Deposit					
Closing Balance	-	-	-	2,52,000	-
	(-)	(-)	(-)	(-)	(-)
Sale of Flat					
Revenue Recognised	-	-	-	-	3,52,83,376
	(-)	(-)	(-)	(-)	(-)
Amount Receivable at the year end	-	-	-	-	1,87,83,376
	(-)	(-)	(-)	(-)	(-)
Expenses Incurred and Closing Balances Thereagainst					
(a) Charges for use of premises (including interest on service tax) by the Company:-					
Transactions during the year	-	-	-	30,13,097	-
	(-)	(-)	(-)	(83,89,569)	(-)
Closing Balance	-	-	-	-	-
	(-)	(-)	(-)	(70,581)	(-)
(b) Compensation for obtaining sub-development rights of the land					
Closing Balance payable thereagainst	-	-	-	71,00,000	-
	(-)	(-)	(-)	(71,00,000)	(-)



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

Description	Holding Company	Fellow Subsidiaries	Associated Enterprises	Enterprise where individuals i.e KMP and their relatives have significant influence	KMP
(c) Contractor charges					
Transactions during the year	-	-	-	2,76,25,197	-
Closing Balance	(-)	(-)	(-)	(8,52,96,992)	(-)
Mobilization Advance					
Opening Balance	(-)	(-)	(-)	6,85,45,518	-
Adjusted	(-)	(-)	(-)	(5,03,89,182)	(-)
Closing Balance	-	-	-	18,50,715	-
	(-)	(-)	(-)	(54,73,068)	(-)
	-	-	-	12,32,770	-
	(-)	(-)	(-)	(36,22,353)	(-)
	-	-	-	6,17,945	-
	(-)	(-)	(-)	(18,50,715)	(-)
(d) Managerial remuneration					
Transactions during the year	-	-	-	-	-
Closing Balance [Receivable]	(-)	(-)	(-)	(-)	(-)
	(-)	(-)	(-)	(-)	(71,56,200)
(e) Hire Charges					
Transactions during the year	-	-	-	-	-
Closing Balance	(-)	(-)	(-)	(1,32,956)	(-)
	(-)	(-)	(-)	18,43,842	(-)
	(-)	(-)	(-)	(18,43,842)	(-)
(f) Purchase of materials/ services					
Transactions during the year	-	-	-	6,24,980	-
Closing Balance	(-)	(-)	(-)	(96,076)	(-)
	(-)	(-)	(-)	(46,873)	(-)
(g) Reimbursement of Expenses / Transfer of Employees/ Statutory Dues					
Statutory Dues paid on behalf of the Company	-	15,21,914	-	-	-
Incurred on behalf of the Company	(-)	(-)	(-)	(9,35,619)	(-)
Incurred by the Company	(8,35,720)	(16,81,533)	(-)	(-)	(-)
Employee dues transferred to Company on transfer of their services	(-)	(-)	(-)	(-)	(-)
Employee dues transferred from Company on transfer of their services	(-)	-	3,78,645	2,75,995	-
	(-)	(-)	(-)	(-)	(-)
	-	-	44,254	-	-
Closing Balance [Receivable]	(-)	(-)	(47,58,102)	(43,750)	(-)
Closing Balance Payable	(-)	(3,12,698)	7,930	2,23,989	(-)
	(-)	(-)	(7,930)	(-)	(-)
	-	-	-	52,861	-
	(-)	(-)	(23,90,817)	(48,844)	(-)



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

C. Material Transactions during the year

Description of Transactions/Name of the Party	Amount	Outstanding as on 31.03.15	Amount	Outstanding as on 31.03.14
Loans Granted				
<u>Holding Company</u> DB Realty Limited	20,35,62,967	35,20,76,223	25,43,74,133	55,55,73,133
<u>Associated Enterprise</u> Konark Realtech Private Limited	3,59,10,000	-	-	13,04,000
<u>Enterprise where individuals i.e. KMP and their relatives have significant influence</u> Majestic Infracon Pvt. Ltd.	-	3,00,00,000.00	-	3,00,00,000.00
	23,94,72,967	38,20,76,223	25,43,74,133	58,68,77,133
Interest Income				
<u>Holding Company</u> DB Realty Limited	6,48,60,332	6,48,60,332	9,14,32,909	13,66,70,129
<u>Fellow Subsidiaries</u> Nine Paradise Erectors Pvt. Ltd.	-	8,71,30,688	-	8,71,30,688
<u>Associated Enterprise</u> Konark Realtech Private Limited	24,10,007	-	-	-
<u>Enterprise where individuals i.e. KMP and their relatives have significant influence</u> Majestic Infracon Pvt. Ltd. Pony Infrastructure & Contract Ltd	18,24,658 -	4,21,50,000 -	45,00,000 39,01,109	81,00,000 35,10,998
	6,90,94,997	19,41,41,020	9,98,34,018	23,54,11,815
Loans Taken				
<u>Fellow Subsidiaries</u> DB View Realtors & Builders Pvt. Ltd. Neelkamal Realtors Suburban Pvt. Ltd.	14,25,00,000 12,57,90,764	- -	- -	- -
	26,82,90,764	-	-	-
Advance payment for investment in ROCPS				
<u>Associated Enterprise</u> Konark Realtech Private Limited	5,53,98,720	6,96,000	2,58,00,000	-
Investment in ROCCPS				
<u>Fellow Subsidiaries</u> MIG (Bandra) Realtors & Builders Pvt. Ltd.	-	1,24,34,00,000	-	1,24,34,00,000
<u>Associated Enterprise</u> Konark Realtech Private Limited	5,47,02,720	46,63,98,720	41,16,96,000	41,16,96,000
	5,47,02,720	1,70,97,98,720	41,16,96,000	1,65,50,96,000
Security Deposit				
<u>Enterprise where individuals i.e. KMP and their relatives have significant influence</u> Konark Synthetics Ltd	-	2,52,000	-	-



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

Description of Transactions/Name of the Party	Amount	Outstanding as on 31.03.15	Amount	Outstanding as on 31.03.14
Sale of Flat Key Managerial Personnel N.P. Bajaj	3,52,83,376	1,87,83,376	-	-
Charge for use of Premises Enterprise where individuals i.e. KMP and their relatives have significant influence Conwood Construction and Developers Pvt. Ltd. K G Enterprise	- 30,13,097 30,13,097	- - -	93,228 82,96,341 83,89,569	- 70,581 70,581
Compensation for obtaining sub-development rights of the land Enterprise where individuals i.e. KMP and their relatives have significant influence Conwood Construction and Developers Pvt. Ltd.	-	71,00,000	-	71,00,000
Contractor Charges Enterprise where individuals i.e. KMP and their relatives have significant influence Majestic Infracon Pvt. Ltd.	2,76,25,197 2,76,25,197	6,85,45,518 6,85,45,518	8,52,96,992 8,52,96,992	5,03,89,182 5,03,89,182
Mobilization Advance Enterprise where individuals i.e. KMP and their relatives have significant influence Majestic Infracon Pvt. Ltd.	-	6,17,945	-	18,50,715
	9,65,59,964	16,38,44,357	18,73,73,122	10,98,70,241
Hire Charges Enterprise where individuals i.e. KMP and their relatives have significant influence Eon Aviation Pvt.Ltd.	-	18,43,842	1,32,956	18,43,842
Purchase of materials/services Enterprise where individuals i.e. KMP and their relatives have significant influence Schreiber Dynamix Daries Ltd BD & P Hotels(I) Private Limited	5,40,015 84,965 6,24,980	- - -	- 96,076 96,076	- 46,873 46,873
Statutory dues paid on behalf of the Company Fellow Subsidiaries Real Gem Buildtech Pvt. Ltd.	15,21,914	-	-	-
Enterprise where individuals i.e. KMP and their relatives have significant influence Pony Infrastructure Pvt. Ltd.	-	-	9,35,619	5,094



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

Description of Transactions/Name of the Party	Amount	Outstanding as on 31.03.15	Amount	Outstanding as on 31.03.14
<u>Incurring on behalf of the Company</u>				
<u>Holding Company</u>				
DB Realty Limited	-	-	8,35,720	-
<u>Fellow Subsidiaries</u>				
Real Gem Buildtech Pvt. Ltd.	20,59,147	-	16,81,533	(3,12,698)
	20,59,147	-	25,17,253	(3,12,698)
<u>Employees dues transferred to Company on transfer of their services</u>				
<u>Associated Enterprises</u>				
Neelkamal Realtors Tower Pvt.Ltd.	3,78,645	-	-	-
<u>Enterprise where individuals i.e. KMP and their relatives have significant influence</u>				
Marine Drive Hospitality & Realty Pvt Ltd	2,23,989	2,23,989	-	-
Goan Hotels & Clubs Private Limited	52,006	(52,861)	-	-
	6,54,640	1,71,128	-	-
<u>Employees dues transferred from Company on transfer of their services</u>				
<u>Associated Enterprises</u>				
Neelkamal Realtors Tower Pvt.Ltd.	44,254	-	47,58,102	23,90,817
<u>Enterprise where individuals i.e. KMP and their relatives have significant influence</u>				
ECC DB JV	-	-	43,750	43,750
	44,254	-	48,01,852	24,34,567

Notes:

- (a) Previous year figures are denoted in brackets.
- (b) The aforesaid related parties are as identified by the Company and relied upon by the Statutory Auditors.
- (c) 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

44 Operating Lease:

44.1 (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 on possession being granted. 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.

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

Particulars	(Amount in Rs.)	
	For the Year ended 31.03.2015	For the Year ended 31.03.2014
Lease Income recognized in the Statement of Profit & Loss	-	-
Future Lease Income		
(a) Upto five years from the commencement of lease rental.	1,43,74,000	1,43,74,000
(b) After five years.	8,73,80,395	8,73,80,395
Total of future lease income	10,17,54,395	10,17,54,395

44.3 Disclosure in relation to Premises taken on Lease:

Particulars	(Amount in Rs.)	
	For the Year ended 31.03.2015	For the Year ended 31.03.2014
Lease payments recognized in the Statement of Profit & Loss	63,72,148	77,85,513
Future Lease Payments		
(a) Not later than one year.	63,33,756	60,32,149
(b) Later than one year but not later than five years.	66,50,444	1,29,84,200
(c) Later than five years.	-	-
Total of future lease payments	1,29,84,200	1,90,16,349

45 Earnings Per Share:

Particulars	(Amount in Rupees)	
	For the Year ended 31.03.2015	For the Year ended 31.03.2014
Profit after Tax as per the Statement of Profit & Loss	50,60,39,489	26,21,61,589
Weighted Number of Shares outstanding during the year	5,00,000	5,00,000
Basic & Diluted Earnings per Share	1,012.08	524.32
Face value per Equity Share	100	100



46 Disclosure as per Guidance note on Accounting for Real Estate Transactions (Revised 2012):

(Amount in Rupees)

Particulars	For the Year ended	For the Year ended
	31.03.2015	31.03.2014
Project Revenue Recognised in the reporting period	1,15,74,51,876	1,26,69,92,034
The aggregate amount of :		
- Cost incurred till date	7,94,09,94,219	7,16,13,54,441
- profits recognised till date	2,96,26,88,936	2,58,48,76,838
Work in Progress	32,04,04,649	45,58,03,418
Unbilled Revenue	-	7,18,30,733

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



For and on behalf of Board of Directors




(Shomit Dalmia)
Whole Time Director



(Jagat A. Khlawala)
Director

Place : Mumbai
Date : 18th May'2015



(Narayan P. Bajaj)
Director