

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 9th Annual Report together with the Audited Accounts of the Company for the year ended on 31st March, 2015:

FINANCIAL PERFORMANCE & OVERALL BUSINESS:

The summary of financial results of the Company is as under:

Particulars	(Amount in Rs.)	
	For the Year Ended on 31-03-2015	For the Year Ended on 31-03-2014
Revenue from operations	--	--
Other income	69,81,806	65,68,658
Total Revenue	69,81,806	65,68,658
Total Expenses	8,02,56,317	22,79,83,779
Loss before Exceptional and Extraordinary Items and tax	(7,32,74,511)	(22,14,15,121)
Exceptional items	-	-
Prior Period Expense	-	-
Loss before tax	(7,32,74,511)	(22,14,15,121)
Tax Expenses		
1) Previous Year	-	-
2) Current Year	-	-
3) Deferred tax income	13,853,883	15,40,86,644
Loss for the period	(59,420,628)	(6,73,28,477)

The Company is executing Project 'Orchid Heights', Jacob Circle, Mumbai and the said Project has been launched in a revised format under the new development control regulations (DCR). The Company follows Percentage Completion method for the purpose of recognizing revenue and since the Company has not recognized achieved threshold limit, the company has shown loss during the year towards administrative and other indirect expenses.

The project, "Orchid Heights" at Mahalakshmi, is being implemented in accordance with the revised plans. IOD for 2.5 FSI has been received and the Commencement Certificate (CC) issued by the Municipal Corporation in respect of Sale Towers (upto 15th Floor) of A Wing and upto plinth level of B Wing for the said Project has been received and the work at the Project site will be expedited in accordance with the approvals. Further, the finishing for Rehab Tower 1 and commencement of excavation for the Rehab Tower 2 buildings are in progress. The Company expects to get positive response from customers, which will boost up bookings in the Project in the future.

With regard to legal case between the Company and descendants of Lessors, the Consent Terms are expected to be signed with the said Lessors in the Court of Small Causes at Bombay in near future for settlement of the case.

TRANSFER TO RESERVES:

The Company has not transferred any amount to reserves

DIVIDEND

In the absence of profits, your directors do not recommend any dividend.

NEELKAMAL REALTORS TOWER PVT. LTD.

Regd. Office : DB House, Gen. A. K. Vaidya Marg, Goregaon (East), Mumbai - 400 063. • Tel.: 91-22-4077 8600 • Fax: 91-22-2841 5550 / 2842 1667
CIN: U70100MH2005PTC158322

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 last year.

DISCLOSURES UNDER SEC. 134(3)(I) OF THE COMPANIES ACT, 2013

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate and the date of this report

DISCLOSURE OF ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:

During the year under review, there has been no such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

RISK MANAGEMENT:

Although the Company does not have formal Risk Management Policy as the elements of risk threatening the Company's existence is very minimal, the same are reviewed and appropriate steps are taken from time to time to mitigate such risks.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable to the Company, as the Company has not earned profits.

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 substantially in the notes to the Financial Statements.

CONTRACTS / ARRANGEMENTS / TRANSACTIONS WITH RELATED PARTIES:

All the transactions/contracts/arrangements of the nature as specified in Section 188(1) of the Companies Act, 2013 entered by the Company during the year under review with related party (/ies) are in the ordinary course of business and on arms' length basis. Hence, Section 188(1) is not applicable and consequently no particulars in form AOC-2 have been furnished. However, out of abundant caution, in compliance with Sec. 188 of the Companies Act, 2013, the Company has passed Shareholders' resolution/s with regard to management fees paid to its holding company during the year under review pursuant to Third Supplemental Agreement, which was in fact executed before implementation of Sec. 188 of the Companies Act, 2013.

AUDIT REPORT AND OUR COMMENTS:

The Audit Report does not contain any qualification. However, without qualifying but as a matter of emphasis, the auditors have drawn attention of the members with regard to

- (i) Note no. 14.1 regarding outstanding loans and advances of Rs. 943,359,291/- paid in the past to an erstwhile contractor for its project. As mentioned in the said Note, this pertained to advances paid in the past by the Company towards mobilization and

NEELKAMAL REALTORS TOWER PVT. LTD.

Regd. Office : DB House, Gen. A. K. Vaidya Marg, Goregaon (East), Mumbai - 400 063. • Tel.: 91-22-4077 8600 • Fax: 91-22-2841 5550 / 2842 1667
CIN: U70100MH2005PTC158322



machinery advances for its Project and the amounts became refundable from the said contractor due to cancellation of the aforesaid contract. The said contractor has confirmed the balance payable to the Company and the Company considers the said amount as good and recoverable.

- (ii) Note no. 33 of the financial statements regarding recognition of expense and income for ongoing projects which are based upon estimated costs, as per the judgment of management and certified by the Company's technical personnel, which is a factual one and self explanatory.

Further, although the observations in the Annexure to Auditors' Report are self explanatory, as a matter of better disclosure, your Directors offer the following clarifications and further explanations on the same:

1. With regard to observation of Auditors in Para (iv) relating to the strengthening of the internal controls for tenancy payments/compensation, and also Project contracting including proper documentation, it may be noted that such payments are made in accordance with the decisions taken in the competitive business environment and the payments are continuously monitored and documented. The internal control systems continuously evolve in a rapid business environment and implemented with a view to achieve efficiency and cost effectiveness. The Company also has internal auditors, who review the internal controls and adequacy thereof. As observed by the Auditors, there is no continuing failure to correct major weakness in internal controls.
2. With regard to observation of Auditors as stated in para no. (vii)(b) about non-depositing of interest on service tax of Rs. 65,65,236/- on booking of flats / premises for the year from 2010 to 2012, your directors have to state that the matter of applicability of service tax on purchase of flats was pending before Hon. Supreme Court during this period. However, subsequently the Company sent communications to all the flat buyers for collecting service tax and based on collection from the customers, the Company has deposited service tax with the Service Tax authority and the Company shall continue to deposit such dues as and when collected from the customers, as the service tax is the liability of customers.

With regard to observation of Auditors as stated in para no. (vii)(b) about non deposit of Property Tax of Rs. 7,11,79,893/- for the year from 2010–2015, the Company has initiated the process of reconciling the same based on the available records, as it was felt that the amount of property tax as ascertained by the authority is quite higher and accordingly the Company shall take necessary steps in the matter.

3. With regard observations of Auditors as stated in para no. (viii) about accumulated losses at the end of the financial year which exceed fifty percent of its net worth and company incurred cash losses in the current and immediately preceding financial year, your directors have to state that since the Company follows Project Completion method for recognizing the revenue, such kind of situation is very common across all real estate companies. However, in future when the Company completes the Project and will start recognizing the revenue, the networth of the Company will turn out to be positive after wiping off all the accumulated losses.

The provisions relating to Secretarial Audit by a practicing company secretary is not applicable to the Company.

ANNUAL RETURN:

The extracts of Annual Return in Form MGT-9 pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in Annexure and is attached to this Report.

NEELKAMAL REALTORS TOWER PVT. LTD.

Regd. Office : DB House, Gen. A. K. Vaidya Marg, Goregaon (East), Mumbai - 400 063. • Tel.: 91-22-4077 8600 • Fax: 91-22-2841 5550 / 2842 1667
CIN: U70100MH2005PTC158322



NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW:

During the financial year 2014-15, the Board of Directors met 7 times, viz. 22-05-2014, 08-08-2014, 14-10-2014, 05-11-2014, 12-12-2014, 08-01-2015 and 12.02.2015. The gap between any two meetings has been less than one hundred and twenty days.

DIRECTORS RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility Statement:-

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (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.

PARTICULARS OF EMPLOYEES:

During the year under review, the details of employees 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 is attached Annexure with the Directors' Report and none of such employees held any shares in the Company and were not related to any of the Directors of the Company.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

The Company does not have any Subsidiary, Joint venture or Associate Company.

DEPOSITS:

The Company has neither accepted nor renewed any deposits during the year under review

DIRECTORS:

Mr. Vinod Thomas, Mr. Saleh Afimiwala, Mr. Manoj Borkar and Mr. V. Chandrasekhar nominees of IL&FS are continuing as Directors of the Company.

AUDITORS:

Pursuant to the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and as per the approval of the shareholders taken in the previous Annual General Meeting, M/s. Haribhakti & Co. LLP, Chartered Accountants, hold office upto the conclusion of 11th (Eleventh) AGM to be held in the year 2017. However, their appointment as Statutory Auditors of the Company is subject to ratification by the members at every AGM. The Company has received a certificate from the said Auditors that they are eligible to hold office as the Auditors of the Company and are not disqualified for being so appointed.

NEELKAMAL REALTORS TOWER PVT. LTD.

Regd. Office : DB House, Gen. A. K. Vaidya Marg, Goregaon (East), Mumbai - 400 063. • Tel.: 91-22-4077 8600 • Fax: 91-22-2841 5550 / 2842 1667
CIN: U70100MH2005PTC158322

Accordingly, the Board of Directors has recommended, for the approval / ratification by the shareholders, the re-appointment of M/s. Haribhakti & Co. LLP, Chartered Accountants, as the Statutory Auditors of the Company to hold office from the conclusion of ensuing AGM till the conclusion of the next AGM on remuneration to be decided by the Board.

AUDIT COMMITTEE AND VIGIL MECHANISM:

In compliance with the provisions of new Companies Act, 2013, the Board has initiated the process of inducting independent directors on the Board. The Board shall constitute Audit Committee and formulate vigil mechanism immediately upon induction of new independent directors in near future.

SHARES

a. BUY BACK OF SECURITIES:

The Company has not bought back any of its securities during the year under review.

b. SWEAT EQUITY

The Company has not issued any Sweat Equity Shares during the year under review.

c. BONUS SHARES

No Bonus Shares were issued during the year under review.

d. EMPLOYEES STOCK OPTION PLAN

The Company has not provided any Stock Option Scheme to the employees.

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

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy and technology absorption have not been furnished considering the nature of activities undertaken by the Company during the year under review.

During the year under review, the earning in foreign exchange is Nil and expenditure of Rs.15,11,730/- have been paid to Wind Engineering Consultancy for Company's Project.

ACKNOWLEDGEMENT:

Your Directors takes this opportunity to thank the customers, suppliers, bankers, financial institutions and various regulatory authorities and employees for their consistent support to the Company.

On behalf of the Board of Directors
for Neelkamal Realtors Tower Pvt. Ltd.,

Place: Mumbai
Date : 25.05.2015



Director



Director

NEELKAMAL REALTORS TOWER PVT. LTD.

Regd. Office : DB House, Gen. A. K. Vaidya Marg, Goregaon (East), Mumbai - 400 063. • Tel.: 91-22-4077 8600 • Fax: 91-22-2841 5550 / 2842 1667
CIN: U70100MH2005PTC158322



ANNEXURE-TO THE DIRECTORS' REPORT

Statement under sub-section (3) of Section 178 of the Companies Act, 2013 :

Name	Designation	Remuneration Received (in Rs.)	Age	Qualification & Experience	Date of commencement of employment/ Date of Joining	Previous Employment
* Mr. Rajiv Agarwal	COO	23,82,276/-	54	B. Sc 30 years	01-09-2007	Dynamix Group CEO
* Mr. K. S. Bhatti	Group President (Taxation)	15,00,600/-	63	Post Graduate (Literature) 36 Years	01-12-2009	(Commissioner of Income Tax) Income Tax Department of Government of India
* Mr. V. B. Mathankar	Sr. Executive Vice President	16,86,408/-	70	M.A. (Economics) 45 Years	16-08-2007	Member Administrative-Maharashtra Administrative Tribunal
* Mr. Nitesh Kumar	Executive Director Project	18,92,001/-	48	B.E. Civil 23 Years	07-01-2012	Desbuild Incorporated, USA – Project Manager

* Employed for part of the year.

ANNEXURE-TO THE DIRECTORS' REPORT

FORM NO. MGT 9 EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2015

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	U70100MH2005PTC158322
2.	Registration Date	26-12-2005
3.	Name of the Company	Neelkamal Realtors Tower Private Limited
4.	Category/Sub-category of the Company	Private Company / Limited by Share / Company having share capital
5.	Address of the Registered office & contact details	DB House, Gen. A. K. Vaidya Marg, Goregaon (East), Mumbai – 400 063
6.	Whether listed company	No
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Private Limited C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bandup (West), Mumbai – 400078 Tel No. : 022 – 25963838 Fax No. : 022 - 25946969 mumbai@linkintime.co.in

NEELKAMAL REALTORS TOWER PVT. LTD.

Regd. Office : DB House, Gen. A. K. Vaidya Marg, Goregaon (East), Mumbai - 400 063. • Tel.: 91-22-4077 8600 • Fax: 91-22-2841 5550 / 2842 1667
CIN: U70100MH2005PTC158322

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	Construction and Real Estate Development	4100	NA

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

S N No	Name and Address of the Company	CIN/GLN	Holding/Subsidiary /Associate	% of shares held	Applicable Section
1	D B Realty Limited DB House, Gen. A. K. Vaidya Marg, Goregaon (East), Mumbai - 400063	L70200MH2007PLC166818	Holding Company	*54.31	2(4 6)

*With economic interest of 50.83% as on 31.03.2015 (including ROCCPS)

IV. **VI. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**
Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[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	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	1010807	1010807	38.47	1125152	-	1125153	42.82	4.35
e) Banks / FI									
f) Any other	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	-	1010807	1010807	38.47	1125152	-	1125153	42.82	4.35

NEELKAMAL REALTORS TOWER PVT. LTD.

Regd. Office : DB House, Gen. A. K. Vaidya Marg, Goregaon (East), Mumbai - 400 063. • Tel.: 91-22-4077 8600 • Fax: 91-22-2841 5550 / 2842 1667
CIN: U70100MH2005PTC158322

B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	212590	212590	8.09	197556	-	197556	7.52	0.57
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FII's	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	212590	212590	8.09	197556	-	197556	7.52	-
2. Non-Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	1404410	1404410	53.44	1305098	-	1305098	49.66	3.78
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-

NEELKAMAL REALTORS TOWER PVT. LTD.

Regd. Office : DB House, Gen. A. K. Vaidya Marg, Goregaon (East), Mumbai - 400 063. • Tel.: 91-22-4077 8600 • Fax: 91-22-2841 5550 / 2842 1667
CIN: U70100MH2005PTC158322

982

Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies – D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	1404410	1404410	53.44	1305098	-	1305098	49.66	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	1617000	1617000	61.53	1502654	-	1502654	57.18	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	2627807	2627807	100	2627807	-	2627807	100	-

B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	D B Realty Ltd	1010807	38.47	30.00	1128153	42.82	30.00	4.35

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

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1010807	38.47	1010807	38.47
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	114346 (Increase-Transfer)	4.35	1125153	42.82
	At the end of the year #	1125153	42.82	1125153	42.82

Note :#The aforesaid 11,25,153 equity shares (at the end of the year) includes 1,14,346 new Equity Shares (with voting rights) acquired by the Company from other shareholder during the year and 10,10,807 Equity Shares Class A - without voting rights.

NEELKAMAL REALTORS TOWER PVT. LTD.

Regd. Office : DB House, Gen. A. K. Vaidya Marg, Goregaon (East), Mumbai - 400 063. • Tel.: 91-22-4077 8600 • Fax: 91-22-2841 5550 / 2842 1667
CIN: U70100MH2005PTC158322

Signature

Signature

**D) Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters and Holders of GDRs and ADRs):**

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
1	IL&FS Trust Company Pvt Ltd Sold 15,034 Shares on 27.01.2015	2,12,590	8.09	1,97,556	7.52
2	IIRF Holdings VII Limited Sold 99,312 Shares on 28.01.2015	14,04,410	53.44	13,05,098	49.66
	At the end of the year	16,17,000	61.53	15,02,654	57.18

E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	-	-	-	-

V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2386490214	-	-	2406490214
ii) Interest due but not paid	27857659	-	-	278576659
iii) Interest accrued but not due	3027	-	-	3027
Total (i+ii+iii)	2414350900	-	-	2434350900
Change in Indebtedness during the financial year				
* Addition	789495253	-	-	790070253

NEELKAMAL REALTORS TOWER PVT. LTD.

Regd. Office : DB House, Gen. A. K. Vaidya Marg, Goregaon (East), Mumbai - 400 063. • Tel.: 91-22-4077 8600 • Fax: 91-22-2841 5550 / 2842 1667
CIN: U70100MH2005PTC158322

* Reduction	-	-	-	-
Net Change	789495253	-	-	790070253
Indebtedness at the end of the financial year				
i) Principal Amount	3134462685	-	-	3155037685
ii) Interest due but not paid	69382446	-	-	69382446
iii) Interest accrued but not due	1022	--	--	1022
Total (i+ii+iii)	3203846153	-	-	3224421153

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
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	-	-	-	-	-
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
1	Independent Directors	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
2	Other Non-Executive Directors	-	-	-	-	-
	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	-	-	-	-	-

NEELKAMAL REALTORS TOWER PVT. LTD.

Regd. Office : DB House, Gen. A. K. Vaidya Marg, Goregaon (East), Mumbai - 400 063. • Tel.: 91-22-4077 8600 • Fax: 91-22-2841 5550 / 2842 1667
CIN: U70100MH2005PTC158322

[Handwritten signatures]

[Handwritten signature]

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

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary	-	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(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	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	-	-	-

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	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

On behalf of the Board of Directors
for Neelkamal Realtors Tower Pvt. Ltd.,

N. B. Bhasas.

Director

[Signature]

Director

Place: Mumbai
Date : 25.05.2015

NEELKAMAL REALTORS TOWER PVT. LTD.

Regd. Office : DB House, Gen. A. K. Vaidya Marg, Goregaon (East), Mumbai - 400 063. • Tel.: 91-22-4077 8600 • Fax: 91-22-2841 5550 / 2842 1667
CIN: U70100MH2005PTC158322

963

INDEPENDENT AUDITOR'S REPORT

To the Members of Neelkamal Realtors Tower Private Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Neelkamal Realtors Tower Private Limited ("the Company"), which comprise of the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the 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 judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls and ensuring their operating effectiveness and the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 there under.

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 as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls.



An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, 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 March 31, 2015, its loss and its cash flows for the year ended on that date.

Emphasis of Matter

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

1. Note No. 14.1 regarding short term loans and advances of Rs. 943,359,291 given in 2010-11 to an erstwhile contractor for its project. The amount has remained outstanding since then. Management of the Company has considered such amount as good and recoverable.
2. Note No. 33 regarding recognition of expense and income for ongoing projects which are based upon estimated costs, as per the judgment of Company's management and certified by Company's technical personnel.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

- (1) As required by the Companies (Auditors' 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:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;



- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. We have not received written representation from a director of the Company as on March 31, 2015. In respect of the aforesaid director, in the absence of written representation received, we are unable to comment whether the director is disqualified as on March 31, 2015 from being appointed as a director in terms of sub-section (2) of Section 164 of the Act. For the remaining directors, on the basis of the written representations received from the directors, as on March 31, 2015 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of sub-section (2) of Section 164 of the Act;
- f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note No. 22 of financial statements;
- (ii) The Company did not have any long-term contracts including derivative contracts. Hence, the question making any provision for any material foreseeable losses does not arise;
- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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


Chetan Desai
Partner
Membership No. 017000



Mumbai: May 25, 2015

ANNEXURE TO INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Neelkamal Realtors Tower Private Limited on the financial statements for the year ended March 31, 2015]

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) During the year, fixed assets have been physically verified by the management as per the regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As informed, no material discrepancies were noticed on such verification.
- (ii) (a) The inventories comprise of payments for acquisition of tenancy rights, related compensation, contract payments and other expenditure on construction and development of the project of the Company. As explained to us, physical verification of project site was carried out during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) Keeping in view the nature of inventory, the procedures of physical verification of the project site followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory except that in respect of its component of payments to tenants, the Company needs to improve on its documentation (refer sub-note of Note no 17 of financial statements). As informed, no material discrepancies were noticed on physical verification carried out during the year.
- (iii) As informed, the Company has not granted any loans, secured or unsecured to Companies, Firms or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions stated in paragraph 3 (iii)(a) and 3 (iii)(b) of the Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there exists an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of fixed assets. As regards inventory, the Company needs to strengthen internal controls for (a) tenancy payments / compensation - Refer sub note of note no. 17 forming part of financial statements; and (b) project contracting (including proper documentation for machinery / mobilization advances at the time of pre closure) to be commensurate with the size of the Company and the nature of its business. As regards booking of Flats as revenue, we are represented that



the Flats are booked with different specifications and terms of payment at different point of times on terms agreed in case to case basis with parties and hence, pricing is not comparable; we have relied on this explanation. Further, the Company has received payments from parties on the basis of request for allotment for Flats and it is in the process of formalizing the documentation in this regard. The system of obtaining independent confirmation of balance requires to be given more emphasis. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system of the Company.

- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 of the Act and the rules framed there under.
- (vi) The Central Government of India has prescribed the maintenance of cost records for the products of the Company under sub-section (1) of Section 148 of the Act and the rules framed there under. However, at present the Company does not fall under the criteria for which such records are required to be made and maintained.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, service tax, value added tax, cess and any other material statutory dues applicable to it. Further, as explained to us, the provisions relating to sales tax, customs duty, wealth tax and excise duty are presently not applicable to the Company.

According to the information and explanations given to us, the aforesaid undisputed dues, which were outstanding, at the yearend for a period of more than six months from the date they became payable are as follows:

Name of Statue	Nature of Dues	Amount (Rs.)	Period to which the amount relates	Due date	Date of Payment
Finance Act, 1994	Interest on service tax	6,565,236	April 2010 to March 2012	Various dates	Not paid
Mumbai Municipal Corporation Act, 1888	Property Tax	71,179,893	April 2010 to March 2015	Various dates	Not paid

(b) According to the information and explanation given to us, there are no dues with respect to income tax, service tax, value added tax, and cess which have not been deposited on account of any dispute.

(c) According to the information and explanations given to us, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.



- (viii) The accumulated losses of the Company are more than fifty percent of its net worth. Further, the Company has incurred cash losses during the financial year and in the immediately preceding financial year.
- (ix) According to the information and explanations given to us, the Company has defaulted in repayment of its dues to bank. The particulars of delays in repayment of dues (including interest) are as follows:

Particulars	Amount (Rs.)	Period of Delay (Days)
Interest on Term Loan (Yes Bank)	32,326,432	31

- (x) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company, for loans taken by others from bank, are not prejudicial to the interest of the Company.
- (xi) According to the information and explanations given to us, except for Rs. 1,008,261,302, the term loans have been applied for the purpose for which the loans were obtained.
- (xii) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such instance by the management.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W



Chetan Desai

Partner

Membership No.: 017000

Mumbai : May 25, 2015

Neelkamal Realtors Tower Private Limited

Balance Sheet as at 31st March, 2015

Particulars		Note No	As at 31st March 2015	As at 31st March 2014
I.	<u>EQUITY AND LIABILITIES</u>			
1	Shareholders' funds			
	(a) Share capital	2	32,887,250	32,887,250
	(b) Reserves and surplus	3	674,997,672	734,418,300
			707,884,922	767,305,550
2	Non-current liabilities			
	(a) Long-term borrowings	4	3,154,335,128	2,406,239,945
	(b) Long-term provisions	5	1,897,470	18,555,022
			3,156,232,598	2,424,794,967
3	Current liabilities			
	(a) Short-term borrowings	6	-	32,565,358
	(b) Trade payables	7	101,755,790	61,249,068
	(c) Other current liabilities	8	3,401,677,358	3,335,560,606
	(d) Short-term provisions	9	779,959	10,192,312
			3,504,213,107	3,439,567,344
	TOTAL		7,368,330,627	6,631,667,861
II.	<u>ASSETS</u>			
1	Non-current assets			
	(a) Fixed assets	10		
	(i) Tangible assets		76,716,796	109,691,098
	(ii) Intangible assets		519,371	429,107
	(b) Long-term loans and advances	11	28,329,840	239,533,188
	(c) Deferred Tax Assets (Net)	30	167,940,527	154,086,644
			273,506,534	503,740,037
2	Current assets			
	(a) Inventories	12	4,494,334,133	3,753,229,481
	(b) Cash and Bank balances	13	15,954,373	102,745,314
	(c) Short-term loans and advances	14	2,369,748,108	2,197,896,671
	(d) Other current assets	15	214,787,479	74,056,358
			7,094,824,093	6,127,927,824
	TOTAL		7,368,330,627	6,631,667,861
	Significant accounting policies	1		

As per our report of even date annexed

For Haribhakti & Co. LLP,
Chartered Accountants
(ICAI Firm Reg no 103523W)


Chetan Desai
Partner
Membership No. 017000

Place: Mumbai
Date: 25th May 2015



For and on behalf of the Board of Directors of
Neelkamal Realtors Tower Private Limited,


Director


Director



Place: Mumbai
Date: 25th May 2015

Neelkamal Realtors Tower Private Limited

Statement of Profit and loss for the Year ended on 31st March, 2015

Particulars		Note No	For the year ended on 31st March 2015	For the year ended on 31st March 2014
I.	Revenue from operations		-	-
II.	Other income	16	6,981,806	6,568,658
III.	Total Revenue (I + II)		6,981,806	6,568,658
IV.	Expenses:			
	Project expenses	17	741,104,652	502,226,864
	Changes in inventories	18	(741,104,652)	(502,226,864)
	Employee benefits expense	19	18,619,151	47,014,408
	Finance costs	20	3,353,735	140,953
	Depreciation and amortization expense	10	40,084,193	52,054,645
	Other expenses	21	18,199,238	128,773,773
	Total expenses		80,256,317	227,983,779
	Loss before exceptional and extraordinary items and tax (III-IV)		(73,274,511)	(221,415,121)
VI.	Exceptional items		-	-
VII.	Loss before extraordinary items and tax (V - VI)		(73,274,511)	(221,415,121)
VIII.	Extraordinary Items		-	-
	Prior Period Expense		-	-
IX.	Loss before tax (VII- VIII)		(73,274,511)	(221,415,121)
X	Tax expense:			
	(1) Current year		-	-
	(2) Deferred tax	30	13,853,883	154,086,644
			(59,420,628)	(67,328,477)
XI	Loss for the period (IX - X)			
XII	Earnings per share:	27		
	(1) Basic		(18.07)	(20.47)
	Equity Shares - voting		(29.88)	(33.86)
	Class A Shares- Non voting			
	(2) Diluted		(18.07)	(20.47)
	Equity Shares - voting		(29.88)	(33.86)
	Class A Shares- Non voting			
	Nominal value per share Rs.10/- each (Previous year Rs. 10)			
	Significant accounting policies	1		

As per our report of even date annexed

For Haribhakti & Co. LLP,
Chartered Accountants
(ICAI Firm Reg no 103523W)

Chetan Desai
Partner
Membership No. 017000

Place: Mumbai
Date: 25th May 2015



For and on behalf of the Board of Directors of
Neelkamal Realtors Tower Private Limited,

Director

Director

Place: Mumbai
Date: 25th May 2015

Neelkamal Realtors Tower Private Limited

Cash Flow Statement for the Year Ended 31st March, 2015

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH, 2015	FOR THE YEAR ENDED 31ST MARCH, 2014
	Rs.	Rs.
Cash Flow From Operating Activities:		
(Loss) before tax	(73,274,511)	(221,415,121)
<u>Adjustment for</u>		
Depreciation	33,833,866	59,889,941
Interest expense	23,486	46,524
loss on sale of fixed assets	-	300
Working Capital Adjustments		
(Increase) in inventories	(519,827,108)	(312,748,870)
(Increase) in loans and advances	44,218,788	(1,454,066,783)
Increase in current liabilities	65,223,404	135,309,206
Increase/(Decrease) in provisions	(26,069,905)	16,117,551
(Increase) in deposits under lien	(3,067,622)	(85,740)
Cash form/(used in) operations	(478,939,603)	(1,776,952,992)
Less: Taxes paid	-	-
Net cash (used in) operating activities	(478,939,603)	(1,776,952,992)
Cash Flow From Investing Activities:		
Fixed asset purchased	(949,826)	(308,661)
Proceed from sale of Fixed Assets	-	42,667
Net Cash (used) in Investing Activities	(949,826)	(265,994)
Cash Flow From Financing Activities:		
Proceeds of long term borrowing	748,222,740	2,386,112,388
Interest paid on Loan borrowed	(355,157,851)	(249,040,604)
Interest received on Loan given	29,781,605	78,006,332
Repayment of secured loan	(250,270)	(250,269)
Repayment of unsecured loan	(32,565,358)	(338,727,375)
Net Cash from financing activities	390,030,866	1,876,100,471
Net Increase / (Decrease) in Cash & Cash Equivalents (A+B+C)	(89,858,563)	98,881,485
Add: Cash and Cash Equivalents (Opening)	101,527,297	2,645,812
Cash and Cash Equivalents (Closing)	11,668,734	101,527,297

(i) <u>Reconciliation of Cash and Cash Equivalents</u>		
Cash and Bank Balance (as per notes 13)	15,954,373	102,745,314
Less: Fixed Deposit under Lien	4,285,639	1,218,017
Cash and Cash Equivalent at the end of the year	11,668,734	101,527,297

- (ii) The Cash flow Statement has been prepared under the indirect method as set out in accounting standards (AS-3) Cash flow statement as notified by the companies (Accounting Standards) Rules, 2006
- (iii) Corresponding figure of previous year have been regrouped wherever necessary.

As per our report of even date annexed

For Haribhakti & Co. LLP,
Chartered Accountants
(ICAI Firm Reg no 103523W)

Chetan Desai
Partner
Membership no 017000

Place: Mumbai
Date: 25th May 2015



For and on behalf of the Board of Directors of
Neelkamal Realtors Tower Private Limited,

M. Baskar
Director

[Signature]
Director

Place: Mumbai
Date: 25th May 2015

Note 2 : Share Capital

Particulars	As at 31st March 2015		As at 31st March 2014	
	No.	Rs.	No.	Rs.
Authorised				
Equity shares of Rs.10/- each	1,625,000	16,250,000	1,625,000	16,250,000
Class A Equity shares of Rs.10/- each	1,675,000	16,750,000	1,675,000	16,750,000
0.002% Cumulative redeemable optionally convertible preference shares of Rs.10/- each	700,000	7,000,000	700,000	7,000,000
Total	4,000,000	40,000,000	4,000,000	40,000,000
Issued, Subscribed & Paid up				
Equity shares of Rs.10/- each	1,617,000	16,170,000	1,617,000	16,170,000
Class A Equity shares of Rs.10/- each	1,010,807	10,108,070	1,010,807	10,108,070
0.002% Redeemable Optionally Convertible Cumulative preference shares Series B (ROCCPS-B) of Rs.10/- each	660,918	6,609,180	660,918	6,609,180
Total	3,288,725	32,887,250	3,288,725	32,887,250

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year.

Equity Shares Particulars	As at 31st March 2015		As at 31st March 2014	
	No.	Rs.	No.	Rs.
Shares outstanding at the beginning of the year	1,617,000	16,170,000	1,617,000	16,170,000
Shares converted during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	1,617,000	16,170,000	1,617,000	16,170,000

Class A Equity shares Particulars	As at 31st March 2015		As at 31st March 2014	
	No.	Rs.	No.	Rs.
Shares outstanding at the beginning of the year	1,010,807	10,108,070	1,010,807	10,108,070
Shares converted during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	1,010,807	10,108,070	1,010,807	10,108,070

.002% ROCCPS B Particulars	As at 31st March 2015		As at 31st March 2014	
	No.	Rs.	No.	Rs.
Shares outstanding at the beginning of the year	660,918	6,609,180	660,918	6,609,180
Shares issued during the year	-	-	-	-
Shares converted/redemption during the year	-	-	-	-
Shares outstanding at the end of the year	660,918	6,609,180	660,918	6,609,180

(b) Rights, preferences and restriction attached to shares

The Company has two classes of equity shares having a par value of Rs.10 per share. Each holder of equity shares except Class A equity share holder is entitled to one vote per share. D B Realty Limited who holds all Class A equity share and certain other equity shares is entitled to 50.83% economic rights & other equity shareholders are entitled to 49.17% economic rights. However, The class A equity shares shall be entitled to voting rights as follows:

- A) till such time that the Conversion of 0.002% ROCCPS Series B has not occurred, the class A equity shares shall not be entitled to any voting right in a shareholders meeting of the company.
 B) on and from the date of occurrence of conversion, each Class A equity shares shall be entitled to one vote in a shareholders meeting of the Company.



Notes to the financial statements for the Year ended 31st March, 2015

The ROCCPS Series 'B' are convertible in equity shares in the ratio of 1:1.755 equity shares class A only upon the earlier of (i) the trigger Milestone being achieved and the Company not having any loan outstanding or the Company having no objection certificate from lenders: (ii) the expiry of tenure of ROCCPS Series B: or (iii) upon occurrence of a liquidity event.

The tenure of ROCCPS Series B Shall be 20 years from the date of subscription. The date of subscription is as follows:

No. of Shares	Date of Subscription
484,673	21/01/2007
88,122	16/02/2007
88,123	28/02/2007
660,918	

The ROCCPS Series 'B' are redeemable if so decided by board subject to the satisfaction of the following condition (i) redemption can be undertaken at any time after the ROCCPS Series B is eligible to be converted into shares but before the expiry of tenure and (ii) prior consent of all shareholders is received for redemption. The ROCCPS Series B shall be redeemable at par or at the premium if so decided by board.

Arrears of preference dividend:

Particulars	As at 31st March 2015	As at 31st March 2014
On 0.002% Redeemable Optionally Convertible Cumulative preference shares Series B	1,078	946
(+) Dividend distribution tax	172	151
Total	1,250	1,097

The Company has not made provision for above arrears of cumulative dividend on preference shares as the Company has incurred losses.

By virtue of Memorandum of Association, preference shareholders are not entitled for any voting rights. However, due to non payment of dividend by the Company for more than 2 years by virtue of Sec 87 of the Companies Act 1956, the preference share holders are entitled for voting rights for all resolutions.

(c) Details of shares held by shareholders holding more than 5% shares in the Company

Name of Shareholder	As at 31st March 2015		As at 31st March 2014	
	No. of Shares	% of Holding	No. of Shares	% of Holding
<u>In respect of Equity shares (including Class "A" equity share)</u>				
D B Realty Limited	1,125,153	42.82%	1,010,807	38.47%
IIRF Holdings VII Limited	1,305,098	49.66%	1,404,410	53.44%
IL&FS Trust Company Limited	197,556	7.52%	212,590	8.09%
<u>In respect of 0.002% Redeemable Optionally Convertible Cumulative preference shares Series B (ROCCPS-B)</u>				
D B Realty Limited	660,918	100%	660,918	100%

(d) Shares held by holding/ultimate holding company and/or their subsidiaries/associates

Name of Shareholder	As at 31st March 2015		As at 31st March 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
<u>In respect of Equity shares</u> IIRF Holdings VII Limited	1,305,098	49.66%	1,404,410	53.44%



Neelkamal Realtors Tower Private Limited

Notes to the financial statements for the Year ended 31st March, 2015

Note 3 : Reserves & Surplus

Particulars	As at 31st March 2015	As at 31st March 2014
	Rs.	Rs.
a. Securities premium account	1,066,012,033	1,066,012,033
	1,066,012,033	1,066,012,033
b. Surplus		
Opening balance	(331,593,733)	(264,265,256)
Add: Net (loss) for current year	(59,420,628)	(67,328,477)
Closing balance	(391,014,361)	(331,593,733)
Total (a+b)	674,997,672	734,418,300

Note 4 : Long-Term Borrowings

Particulars	As at 31st March 2015	As at 31st March 2014
	Rs.	Rs.
Secured		
<u>Term loans</u>		
Yes bank Limited (Refer note (i))	3,134,335,128	2,386,112,388
Default - Interest for the month of Feb 2015 & March 2015 of Rs. 6,93,82,446/- has not been paid. However, the said interest was paid on 27.04.2015		
<u>Term loans (Vehicle Loan)</u>		
From banks		127,557
ICICI Bank (Refer note (ii)) (Secured by hypothecation on Vehicles)		
<u>Interest free deposit</u>		
From D B Realty Ltd against project 'Orchid West View'	20,000,000	20,000,000
Total	3,154,335,128	2,406,239,945

Note (i)

Purpose of loan:

The Company has obtained loan for the purpose of Orchid Height project.

Rate of Interest:

The Loan carries interest @13.75% p.a. payable monthly (Yes Bank base rate plus 3.00% p.a. spread)

Repayment Terms:

Total Tenor of 54 months including moratorium period of 39 months and repayable in 5 structured quarterly installments at the beginning of the quarter after a moratorium of 13 quarters (39 months) as below:

14th quarter (March 2017) - 25.00%

15th quarter (June 2017) - 25.00%

16th quarter (September 2017) - 16.66%

17th quarter (December 2017) - 16.67%

18th quarter (March 2018) - 16.67%

Security:

(i) Exclusive charge by in respect of all that pieces and parcels of land of Byculla Division CS no.1906 admeasuring 19434.10 Square Meters and structure constructed or to be constructed thereon.

(ii) All moveable fixed and current assets including receivable (present and future) of the project "ORCHID HEIGHT".

(iii) Escrow Account of project receivables (Orchid Heights). Exclusive charge by way of 30% of total shareholding of the company which are held by D B Realty Limited (986,618 class A equity share)

(iv) Personal Guarantee of Mr Shahid Balwa and Mr Vinod Goenka.

(v) Corporate Guarantee of D B Realty Limited.

Note (ii)

It is vehicle loan taken at rate of 9.62% p.a. against hypothecation of the vehicle. It is repayable in 59 equal monthly installments (including interest) of Rs 22,980/- from the date of the loan i.e. 01-11-2010. As on March 31, 2015, 6 installments remain to be due and payable.



Neelkamal Realtors Tower Private Limited

Notes to the financial statements for the Year ended 31st March, 2015

Note 5 : Long Term Provisions

Particulars	As at 31st March 2015	As at 31st March 2014
	Rs.	Rs.
<u>Provision for employee benefits</u>		
Gratuity (unfunded)	1,037,415	11,115,907
Leave encashment (unfunded)	860,055	7,439,115
Total	1,897,470	18,555,022

Note 6 : Short-Term Borrowings

Particulars	As at 31st March 2015	As at 31st March 2014
	Rs.	Rs.
Unsecured		
(i) Loan taken from related parties*	-	32,565,358
Total	-	32,565,358

*Repayable on demand containing interest rate @18.50% w.e.f. 01.08.2013 (till 31.07.2013 interest rate was @18%) compounding on monthly basis.



Neelkamal Realtors Tower Private Limited

Notes to the financial statements for the Year ended 31st March, 2015

Note 7 : Trade Payables

Particulars	As at 31st March 2015	As at 31st March 2014
	Rs.	Rs.
Trade payables*	101,755,790	61,249,068
Total	101,755,790	61,249,068

*The Company has sent letters to creditors for confirming of their status under the Micro, Small and Medium Enterprises Development Act, 2006, but no party has confirmed their status under MSME Act, 2006 as on date.

*Based on verification of invoices of suppliers, the Company has not identified any supplier covered under MSME Act, 2006.

Note 8 : Other Current Liabilities

Particulars	As at 31st March 2015	As at 31st March 2014
	Rs.	Rs.
Current maturities of long-term debt	127,557	250,269
Interest accrued but not due on borrowings	1,022	3,027
Interest accrued and due on borrowings	69,382,446	27,857,659
Advance received from customers*	2,974,103,749	2,873,216,198
Amount refundable against cancellation of flat booking	238,291,724	325,632,849
Salary payable	4,400,201	19,339,177
Other liabilities	114,795,660	89,261,428
Interest Free refundable deposit	575,000	-
Total	3,401,677,358	3,335,560,606

*The Company has received amounts aggregating Rs. 2,974,103,749/- (Previous year Rs. 2,873,216,198/-) from various parties towards purchase of flats for its project Orchid Heights as on March 31, 2015. In respect of payments received of Rs. 172,496,822/- (previous year Rs. 150,490,776/-), the Company is in the process of entering into the request for allotment/ term sheets and the said amount as at the year-end is part of "Advance Received from customers" under 'Other Current Liabilities'.

Note 9 : Short Term Provisions

Particulars	As at 31st March 2015	As at 31st March 2014
	Rs.	Rs.
<u>Provision for employee benefits</u>		
Gratuity (unfunded)	391,942	3,622,631
Leave encashment (unfunded)	388,017	6,569,681
Total	779,959	10,192,312



Note 10 : Fixed Assets

Particular	Gross Block				Accumulated Depreciation						Net Block	
	Balance as at 1st April 2014	Additions/ (Disposals)	Balance as at 31st March 2015	Balance as at 1st April 2014	Depreciation for the year*	Depreciation Due to Method Change	Depreciation due to Nil useful	Depreciation charge for the period*	Disposal / Adjustment	Balance as at 31st March 2015	Balance as at 31st March 2015	Balance as at 31st March 2014
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
a Tangible Assets												
Plant and Equipment	78,834,575	-	78,834,575	21,126,057	5,195,602	(13,285,532)	-	(8,089,930)	-	13,036,127	65,798,448	57,708,518
Furniture and Fixtures	80,223	-	80,223	65,130	10,233	(41,466)	-	(31,232)	-	33,898	46,326	15,093
Vehicles	7,160,744	-	7,160,744	5,524,487	1,171,696	(2,073,962)	-	(902,269)	-	4,622,221	2,538,523	1,636,257
Office equipment	902,906	-	902,906	342,607	418,785	(203,099)	29,417	245,103	-	587,710	315,196	560,299
Sample Flat	149,002,988	-	149,002,988	99,335,326	47,184,280	(4,966,766)	-	42,217,513	-	141,552,839	7,450,149	49,667,662
Computers & Related Equipments	773,490	732,048	1,505,538	670,220	202,568	(158,548)	223,144	267,164	-	937,384	568,154	103,270
Total	236,754,926	732,048	237,486,974	127,063,827	54,183,164	(20,729,373)	252,561	33,706,352	-	160,770,179	76,716,796	109,691,098
Previous Year	236,724,125	30,801	236,754,926	67,385,074	59,719,036	-	59,719,036	(40,283)	-	127,063,827	109,691,099	169,339,050
b Intangible Assets												
Computer Software	836,292	217,778	1,054,070	407,185	116,441	11,073	-	127,514	-	534,699	519,371	429,107
Total	836,292	217,778	1,054,070	407,185	116,441	11,073	-	127,514	-	534,699	519,371	429,107
Previous Year	641,682	194,610	836,292	236,280	170,905	-	-	170,905	-	407,185	429,107	405,402
c Capital Work In Progress												
Total	-	-	-	-	-	-	-	-	-	-	-	136,626,611
Previous Year	-	-	-	-	-	-	-	-	-	-	-	-
Grand Total	237,591,218	949,826	238,541,044	127,471,012	54,299,605	-20,718,300	252,561	33,833,866	-	161,304,878	77,236,167	110,120,205
Previous Year	237,365,807	225,411	237,591,218	67,621,354	59,889,941	-	-	59,889,941	(40,283)	127,471,012	110,120,206	306,371,063

* Depreciation Inventorised/(reversed) during the period Rs.(6,25,0327/-) (Previous year Rs.7,835,295)

1a. During the current year, effective from April 1, 2014, the Company has changed its accounting policy for charging depreciation from Written down method ("WDV") to Straight line method ("SLM") in respect of all the fixed assets other than intangible assets and sample flat, which are temporary structure in nature, which were already being depreciated under SLM. The Management believes that such changes better reflect the actual use of assets acquired. On account of this change in accounting policy, the Company has in current year, reversed an amount of Rs.2,0718,300/- on account of excess depreciation charged for the period upto March 31, 2014 and adjusted the same in depreciation of Rs.8,555,461/- in P&L account and project cost of Rs. 12,162,839/- As a result of this change, the net profit for the current year is higher by Rs.8,555,461/-.

1b. In accordance with requirement of schedule II of the Companies Act, 2013, the Company has re-assessed the useful lives of the fixed assets. Due to such change in estimations, an amount of Rs.2,102,446/- has been charged to the financial results of the current year representing the depreciation on the carrying value of assets as on April 1, 2014 on the basis of remaining useful lives. Further, an amount of Rs. 252,561/- has been charged to the financial results of the current year in respect of assets whose remaining life is NIL as at April 1, 2014.



Neelkamal Realtors Tower Private Limited

Notes to the financial statements for the Year ended 31st March, 2015

Note 11 : Long-Term Loans & Advances
(Unsecured, considered good, unless stated otherwise)

Particulars	As at 31st March 2015	As at 31st March 2014
	Rs.	Rs.
(a) Capital Advances Machiney Advances*	-	230,000,000
(b) Security Deposits Security deposits	329,090	310,790
Tax deducted at source	28,000,750	9,222,398
	28,329,840	239,533,188

*The Company has given Rs. 23 crore to Marine Drive Hospitality and Realty Private Limited (Formerly known as D B Hospitality Private Limited) against purchase of Cranes & other Machiney for Orchid Height Project against total value of Machiney Rs 55 Crores. During the year, the same has been cancelled and converted into loan which is repayable on demand.

Note 12 : Inventories

Particulars	As at 31st March 2015	As at 31st March 2014
	Rs.	Rs.
Work-in-progress (Valued at Cost)		
(a) Project: Orchid Height (Refer Note (i))	4,363,043,560	3,621,938,908
	4,363,043,560	3,621,938,908
(b) Project: Orchid West View (Refer Note (ii))	131,290,573	131,290,573
Total	4,494,334,133	3,753,229,481

Note (i). (a) All movable and immovable assets related to this project are pledged with yes bank against the term loan of Rs.350 crores.

(b) The Company has been executing a project for development of commercial/residential premises at Byculla, Mumbai. For this, the Company had acquired a plot of land which is for 999 years of lease beginning from 17-12-1900. The amount paid for the acquisition of the plot of land, compensation paid to existing tenants for vacating the area occupied by them or surrendering/ assigning the tenancy rights in favour of the Company, and project related expenses have been disclosed as "Project Work In Progress-Orchid Heights."

The Company had entered into a contract with Pony Infrastructure and Contractors Limited (formerly known as Dynamix Balwas Infrastructure Limited), a company in which a director is interested, for Rs 6,655,070,026/-. The said contract was revised to Rs. 6,824,042,681 on January 10, 2011.

The said contract had again been revised to Rs 6,836,180,293 on November 25, 2011. Further, the said agreement had been pre closed and final agreement value was Rs 771,538,565 on February 27, 2012 and accordingly final bills pertains to revised agreement value were settled till financial year ending 2011-12.

The Company has obtained all critical approvals, from the authorities concerned according to the new DCR. Further, the civil contract of the project has been awarded to IL&FS Engineering & Construction Company Limited during the year 2013-14 for an amount of Rs.6,750,058,810/-.



Neelkamal Realtors Tower Private Limited

Notes to the financial statements for the Year ended 31st March, 2015

Note (ii) (a) In terms of the Indenture of Mortgage dated 28th March 2013, the Company has created charge/mortgage on land bearing survey no 7 & 17 bearing corresponding CTS numbers 19A, 19A/1, 2,3A, 3B, 4 to 52, 19B situated in village of Chincholi (Malad) in sub district of Mumbai suburban with area of approximately 21814.80 square meter (which is already mortgaged with Punjab national bank, large corporate branch, cuffe parade, Mumbai to secure the bank guarantee facility of Rs. 443,200,000/- availed by D B Realty Limited vide mortgage dated 11th September, 2009) in favor of Punjab national bank , fort branch, Mumbai, to further secure the payment of outstanding term loan of Rs. 305,000,000/- taken by PNB to Pune Buildtech Pvt. Ltd. (formerly known as Dynamix balwas Resorts Private Limited). Further, the same security is also extended for loan facility of Rs.140,000,000/- availed by BD & P Hotels (India) Private Limited by Punjab National Bank.

(b) The Company (owner) has acquired a plot of land at Chincholi, Malad (West), Mumbai by paying for the acquisition of the plot of land. The said expenditure has been disclosed as Project expenditure under Inventory as the Company has entered into joint development agreement dated October 22, 2009 with DB Realty Limited (developer) on revenue sharing basis whereby the net revenue derived from the re-development / construction of the said property shall be shared and distributed between the Owner and the Developer in the proportion of 10% and 90% respectively provided the Owner's share of the net revenue shall be minimum Rs. 20,00,00,000 and not more than Rs. 25,00,00,000. The developer has deposited with the Company a sum of Rs. 2,00,00,000 by way of security deposit. The project is still at start-up stage and expenditure incurred of Rs 1,57,24,834/- in earlier years had recovered from the developer. All the expenditure incurred during the year related to aforesaid project has been borne by the developer.

Note 13 : Cash and Bank balances

Particulars	As at 31st March 2015	As at 31st March 2014
	Rs.	Rs.
a. Cash & Cash Equivalent		
Cash on hand	141,049	117,129
Balances with banks	11,527,685	101,410,168
b. Other Bank Balances		
Margin money deposit (under lien with bank)	4,285,639	1,218,017
	15,954,373	102,745,314



Neelkamal Realtors Tower Private Limited

Notes to the financial statements for the Year ended 31st March, 2015

Note 14 : Short-Term Loans and Advances
(Unsecured, considered good, unless stated otherwise)

Particulars	As at 31st March 2015	As at 31st March 2014
	Rs.	Rs.
a. Loans and advances		
Refundable Mobilisation & Other advance (Refer sub note i)	943,359,291	943,359,291
Loan to Other Parties (Refer sub note ii)	1,157,092,258	1,005,262,309
Trade advance	7,150,043	1,468,863
Mobilisation advance	201,794,302	203,974,254
Advance recoverable in cash or in kind or for value to be received	60,275,906	38,794,080
Staff loan	12,570	4,706,500
Prepaid expenses		
Others	63,738	331,374
Total	2,369,748,108	2,197,896,671

(i) During the year 2010-11, the Company paid Rs. 605,000,000 for mobilization advance and Rs. 685,000,000 as machinery advance, out of which Rs 315,859,291 for mobilization advance and Rs. 627,500,000 as machinery advance was outstanding as on March 31, 2015 which is refundable from the Pony Infrastructure and Contractors Limited due to cancellation of contract and the same is good and recoverable.

(ii) The Loan of Rs.1,008,261,302/- given to Heaven Star Hotels (Delhi) Private Limited (Formerly known as D B Hotels Private Limited) is repayable on demand having 15% interest rate compounded annually & Rs.148,830,956 given to Marine Drive Hospitality & Realty Pvt Ltd is repayable before July 2015 having 15% interest rate compounded monthly.

Note 15 : Other Current Assets

Particulars	As at 31st March 2015	As at 31st March 2014
	Rs.	Rs.
Interest accrued but not due	66,320	7,622
Interest accrued and due	214,703,684	69,164,383
Other Receivable	17,475	4,884,352
	214,787,479	74,056,357



Neelkamal Realtors Tower Private Limited

Notes to the financial statements for the Year ended 31st March, 2015

Note 16 : Other Income

Particulars	For the year ended on 31st March 2015	For the year ended on 31st March 2014
	Rs.	Rs.
Lease rental*	6,962,597	6,163,116
Foreign Exchange Gain	-	4,170
Sundry credit balance written back	1,760	66,966
Other Misc income	17,449	334,406
Total	6,981,806	6,568,658

*The operating lease is for a period of 12 months w.e.f. 1st October 2014 related to usage of batching plant, which can be extended by mutual consent. Additional amount of taxes is being charged on these rentals as per the applicable rates. There is no escalation of rentals for the lease tenure, which is presently agreed between the parties.

Note 17 : Project Expenses

Particulars	For the year ended on 31st March 2015	For the year ended on 31st March 2014
	Rs.	Rs.
Project: Orchid Height		
Purchase of Tenancy rights and other related compensation*	41,026,300	31,919,016
Project salaries, wages and bonus	25,189,108	62,199,639
Contribution to provident fund and other fund	335,450	692,999
Legal, professional and consultancy Fees	233,723,112	25,280,566
Civil work cost	65,846,132	99,111,902
Interest and finance charges	396,657,148	345,490,658
Security charges	2,173,666	2,238,930
Rent, rates & taxes	156,053,294	2,115,967
Other construction expenses	1,730,373	3,348,224
Depreciation	(6,250,327)	7,835,295
Less: Interest income	(175,379,604)	(78,006,332)
Total	741,104,652	502,226,864

*The plot on which the Company's project Orchid Height is coming up was earlier occupied by some tenants. These tenants are either compensated for forgoing / surrendering tenancy rights or relocated to rehabilitation building. Meanwhile the tenants who are to be relocated are provided with temporary accommodation by way of transit camp. The Company has paid during the year ended on March 31, 2015 amounts aggregating Rs. 41,026,300/- (Previous year Rs.31,919,016) towards acquisition/ settlement of tenancy rights. Further, the Company is also in the process of obtaining/ completing the required additional documentation such as compensation receipts, PAN card copy, rent receipts, electricity bills, etc.

Note 18 : Changes in Inventories

Particulars	For the year ended on 31st March 2015	For the year ended on 31st March 2014
	Rs.	Rs.
(a) Project: Orchid Height		
Opening inventory	3,621,938,908	3,119,712,044
Closing inventory	(4,363,043,560)	(3,621,938,908)
Changes in inventories	(741,104,652)	(502,226,864)
(b) Project: Orchid West View		
Opening inventory	131,290,573	131,290,573
Closing inventory	(131,290,573)	(131,290,573)
Changes in Inventories	-	-
Total (a+b)	(741,104,652)	(502,226,864)



1. Company Background and significant accounting policies:

A. Company Background:

Neelkamal Realtors Tower Private Limited (the "Company") was incorporated on December 26, 2005 as a private limited company with its registered office in Mumbai. The Company has been set up to carry on the business of a real estate including residential, commercial and public utilities. The Company is a subsidiary of IIRF Holding VII Limited w.e.f. October 25, 2012 considering voting rights and control of the Board. However, the Company is also a subsidiary of D B Realty Limited w.e.f. 1st April 2014 considering definition of the Companies Act 2013.

B. Significant Accounting Policies

a. Basis of preparation of financial statements

The Financial Statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under the *Companies (Accounting Standard) Rules, 2006, (as amended)* and the relevant provisions of the Companies Act, 2013 and the companies Act 1956, to the extent applicable. The financial statements have been prepared on an accrual basis and under the historical cost convention.

b. Use of estimates

The preparation of the financial statements is in conformity with the generally accepted accounting principles which requires the management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and the disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on the management's best knowledge of events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets and liabilities in future periods.

c. Fixed assets

Fixed Assets is stated at cost, net of accumulated depreciation and/or accumulated impairment, if any. The cost of fixed assets comprises purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

d. Depreciation & amortization

Depreciation on fixed assets is provided on Straight Line Method basis using the rates and in the manner prescribed in Schedule II to the Companies Act, 2013 including depreciation on sample flat which has been amortised over a period of three years on a straight line basis considered as temporary structure. The Company is considering 5% residual value for each asset for the purpose of depreciable asset.



e. Impairment of assets

The Company assesses on each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's net selling price and its value in use. An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the statement of Profit & Loss when an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

f. Inventories

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

g. Revenue recognition

Revenue from sale of properties under construction is recognized on the basis of percentage of completion method subject to transfer of significant risk and rewards to the buyer, outcome of the real estate project can be estimated reliably and stage of completion of the project reaches at reasonable level of development as specified below.

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

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

- All critical approvals necessary for commencement of the project have been obtained.
- At least 25% of construction & development cost(excluding cost incurred in acquisition of land and its development rights and borrowing cost) is incurred.
- At least 25% of the saleable project area is secured by contracts or agreements with buyers.



- And at least 10 % of the total revenue as per the agreements of sale or any other legally enforceable documents are realized at the reporting date in respect of each of the contracts and it is reasonable to expect that the parties to such contracts will comply with the payment terms as defined in the contracts.

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

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

h. Employee benefits

a) Defined Contribution Plan:

Company's Contribution paid / payable for the period to Defined Contribution Retirement Benefit plan viz. Provident fund is charged to the statement of Profit and Loss.

b) Defined Benefit Plan and other long term benefit:

Company's liabilities towards Defined Benefit Schemes viz. Gratuity benefits and other long term benefit viz. compensated absences are determined using the Projected Unit Credit Method. Actuarial valuations under the Projected Unit Credit Method are carried out at the Balance Sheet date. Actuarial gains and losses are recognised in the statement of Profit and Loss in the period of occurrence of such gains and losses. Past service cost is recognised immediately to the extent benefits are vested.

c) Short term employee benefits:

Short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized undiscounted during the period employee renders services.

i. Operating lease

Asset acquired on lease where significant portions of the risks and rewards incidental to ownership are retained by the lessor is classified as operating lease. Lease rentals are charged to the statement of profit and loss.

j. Foreign currency translations

Transactions in foreign currencies are recognized at the prevailing exchange rates on the transaction date. The exchange difference between the rate prevailing on the date of transaction and on the date of settlement as also on translation of monetary items at the end of the year is recognized as income or expense, as the case may be.

In case of monetary items which are covered by forward contracts, the difference between the period end rate and the rate on the date of the contract is recognized as an exchange difference and the premium paid on forward contracts has been recognized over the life of the contract.



k. Borrowing costs

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

Borrowing cost that is attributable to the acquisition or construction of qualifying assets are considered as a part of cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for the intended use. All other borrowing cost is charged to the statement of Profit & Loss.

l. Taxes on income

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

At each balance sheet date the company reassesses recognized deferred tax assets and liabilities and recognizes unrecognized deferred tax assets, to the extent they become reasonably certain or virtually certain of realization, as the case may be.

m. Provisions and contingent liability

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date.

A contingent liability is a possible obligation that may arise from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized in the financial statements nor disclosed in the financial statements.



22. Contingent Liabilities not provided for

Particulars	As at 31.03.15	As at 31.03.14
Claim against Company not acknowledged as debt (for eighteen (previous year twenty seven) numbers of cases) petition filed against Company, in relation to the Orchid height and Orchid West View projects including one specific legal suit filed by Mr. Byram Rustom Jeejeebhoy against the M/s Jecce Corporation (Lessor) & the Company in relation land litigation.	Amount not ascertainable	Amount not ascertainable
The Company has given corporate guarantee & security to Punjab National Bank on behalf of D B Realty Ltd. The outstanding balance of corporate guarantee & security is Rs.443,200,000/- However, the said bank guarantee were expired before March 31, 2015 and outstanding balance of bank guarantee taken by D B Realty Ltd is Rs. Nil. Further, the Company has also given security to Punjab National Bank on behalf of Pune Buildtech Private Limited (formerly known as Dynamix Balwas Resorts Private Limited) for Rs 305,000,000 and had further extended security to Punjab National Bank on behalf of BD & P Hotels (India) Private Limited for Rs. 140,000,000/-. However, the Company has taken counter guarantee against the same from respective entities.	888,200,000/-	748,200,000/-
The Company has not recognized brokerages which are due based on the milestone of payment received from customer. The same has been considered as contingent liability as all the bookings are under re-negotiation stage with all the customers with new plan and area based on final settlement. Hence, the brokerages which are due based on specific milestone are shown as contingent liability till the time of final settlement.	25,539,605	25,539,605
In case of cancellation of flat, all cancellation happened for which payment has not been made are not accepted by customers till the date. The Company has given option to all customers to cancel and get refund with interest or to be continuing as a customer with orchid height project with new plan and area. Hence, Interest liability is not certain as on reporting date. However, the Board has already approved interest @ 12%p.a. on all cancellation in board meeting dated November 3, 2012. Hence, all interest on cancelled flat for which payment has not been made are considered as contingent liability.	129,935,684/-	138,588,166/-



23. Capital & Other Commitment

Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances) amounting to Rs. Nil (Previous Year Rs. 320,000,000/-) and estimated amount of contracts remaining to be executed other than capital account and not provided for amounting to Rs. 6,979,291,755/- (Previous Year Rs. 7,057,080,915/-).

24. Employee Benefits

The Company has classified various employee benefits as under:

A. Defined Contribution Plan

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

Particulars	2014-15	2013-14
Contribution to Provident Fund	360,640	556,381

B. Defined Benefit Plans

The following table sets out the status of the gratuity plan (non-funded) and the amounts recognized in the Company's financial statements as at March 31, 2015:

a) Reconciliation of opening and closing balances of Defined Benefit Obligation:

Particulars	For the Year Ended 31st March 2015 (Rs.)	For the Year Ended 31st March 2014 (Rs.)
Present Value of Obligation as at 1 st April 2014	14,738,538	55,24,450
Acquisition Adjustment	585,184	14,259,015
Interest Cost	366,028	767,416
Past Service Cost	-	2,623,628
Current Service Cost	394,882	1,560,648
Settlement Cost / (credit)	(14,668,072)	(3,783,090)
Benefits Paid	(133,354)	(1,609,951)
Actuarial (Gain)/Loss	146,151	(5,821,857)
Present Value of Obligation as at 31 st March 2015	1,429,357	14,738,538

Amounts Recognized in the Balance Sheet:

Particulars	As at 31st March, 2015 (Rs.)	As at 31st March, 2014 (Rs.)
Present Value of Obligation as at 31 st March 2015	1,429,357	14,738,538
Fair value of Plan Assets as at 31 st March, 2015	NIL	NIL
Current Liability	391,342	3,622,631
Non-Current Liability	1,037,415	11,115,907
(Asset)/Liability recognised in the Balance Sheet	(1,429,357)	14,738,538



Expenses Recognized in the Profit and Loss Account

Particulars	For the Year Ended 31st March 2015 (Rs.)	For the Year Ended 31st March 2014 (Rs.)
Current Service Cost	394,882	2,778,927
Acquisition adjustment	(7,855)	(899,762)
Past Service Cost	-	2,623,628
Interest Cost	366,028	767,416
Settlement (Gain)/Loss	602,924	729,487
Actuarial (Gain)/Loss	146,151	(5,821,857)
Expenses recognized in the statement of Profit and Loss Account at the end of the year	1,502,130	177,839

Separate provision has been made for gratuity for amounting Rs.298,339/- for employees left during the year for which payment has not been made. Further the same are shown under the salary payable and not included in above disclosure. Out of total gratuity expense, Rs.925,784/- have been inventorised in the project.

Valuations in respect of Gratuity and Leave Encashment have been carried out by independent actuary, as at the Balance Sheet date, based on the following assumptions:

Particulars	For the Year Ended 31st March 2015	For the Year Ended 31st March 2014
(i) Mortality Table	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
(ii) Discount Rate (Per Annum)	7.80%	8.70%
(iii) Rate of Increase in Compensation levels	15.00%	10.00%
Expected Average remaining working lives of employees (years)	5.66	2.97

The estimates of rate of escalation in salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is extracted from the report obtained from Actuary.

Particulars	For the Year Ended 31st March 2015 (Rs.)	For the Year Ended 31st March 2014 (Rs.)
Experience adjustments on actuarial (Gain)/ loss:-		
Plan liabilities gain/(loss)	170,233	3,820,268
Plan assets (gain)/loss	Nil	Nil

Other Long Term Employee Benefit:

The compensated absences charge for the year ended 31st March, 2015, based on actuarial valuation carried out using the Projected Unit Credit Method, amounting Rs. 2,757,679/- (for Previous Year Rs. -750,926/-). Out of which Rs 1,300,963/- (Previous year Rs -334,406/-) has been recognized in the Profit and Loss Account and balance Rs 1,456,716/- (Previous



year Rs -416,520/-) has been charged to project cost. The amounts are shown as negative due to excess recovery from group entities on account of transfer of employees.

The Company had also made provision for sick & casual leave as on 31st March 15, for Rs.2,33,586/- which has not been included in Actuary report.

25. Details of Remuneration to Auditors:

Particulars	2014-15	2013-14
For Audit Fees (including limited review)	1,100,000	1,100,000
For Certification, IPO Related work and Other Services	-	20,000
For out of Pocket Expense	23,287	13,469
Service Tax	138,837	41,217
Total	1,262,124	1,174,686

26. Details of Managerial Remuneration paid to Key Managerial Personnel :

Particulars	2014-15	2013-14
Salim Balwa - (Whole Time Director)		
- Salary (including all allowances)*	NIL	NIL

* excluding gratuity & long term compensated absences.

27. Computation of Earning per Equity Share :

Particulars		2014-15	2013-14
Profit / (Loss) After Tax	(Rs.)	(59,420,628)	(67,328,477)
Less: Arrears of dividend on Cumulative Redeemable Optionally Convertible Preference Shares	(Rs.)	(132)	(132)
Less: Dividend Distribution Tax	(Rs.)	(21)	(21)
(Loss) for Basic EPS	(Rs.)	(59,420,781)	(67,328,630)
Nominal Value of Shares	(Rs.)	10	10
Weighted Average No. of shares			
Equity Shares	(Nos.)	1,617,000	1,617,000
Class A Equity Shares	(Nos.)	1,010,807	1,010,807
Basic			
Equity Shares - Voting	(Rs.)	(18.07)	(20.47)
Class A Shares-Non Voting	(Rs.)	(29.88)	(33.86)
Diluted			
Equity Shares - Voting	(Rs.)	(18.07)	(20.47)
Class A Shares-Non Voting	(Rs.)	(29.88)	(33.86)

NOTE: In calculating the earning per share, the effects of dilution is ignored as 0.002% Cumulative Redeemable Optionally Convertible Preference shares are considered to be anti-dilutive.



28. Related Party Disclosure

(i) Disclosures as required by the Accounting Standard 18 - "Related Party Disclosures" are given below:

Sr. No.	Name and Relationship of the Related Party
Related Party where control exists:	
Ultimate Holding Company: IL&FS India Realty Fund LLC	
Holding Company: IIRF Holdings VII Limited	
Related parties with whom transactions have taken place during the year:	
Key Management Personnel (KMP):	
1	Salim Balwa (Whole time Director)(upto 11.06.2013)
Entities having significant influence:	
1	D B Realty Limited

ii) Details of transactions with related parties and balances as on balance sheet date:

Description	With Holding Company	With Fellow Subsidiary	Entities having significant influence	Key Management Personnel (KMP)	Enterprise where individuals i.e. KMP and their relatives have significant influence
Loans Taken					
Opening balance as on 1st April 2014			32,565,358		
			(143,319,936)		
Taken during the year			3,820,207		
			(26,240,351)		
Repaid during the year			36,385,565		
			(136,994,929)		
Closing Balance as on 31 st March, 2015			-		
			(32,565,358)		
Gurantee & Security Given on behalf of D B Realty Limited			443,200,000		
			(443,200,000)		
Counter Gurantee given by D B Realty Limited			443,200,000		
			(443,200,000)		
Gurantee given by D B Realty Limited to Yes Bank on behalf of the Company			3,500,000,000		
			(3,500,000,000)		
Deposit Received					
Opening balance as on			20,000,000		



Neelkamal Realtors Tower Private Limited
Notes to the Financial Statements for the year ended March 31, 2015

1st April 2014		(20,000,000)		
Taken during the year	-			
Repaid during the year	-			
Closing Balance as on 31 st March, 2015		20,000,000		
		(20,000,000)		
Sundry Creditors				
Opening balance as on 1st April 2014		-		
Expenses incurred during the period		204,602,000		
Expenses repaid during the period		196,366,000		
Closing Balance as on 31 st March, 2015		8,236,000		
Reimbursement of Expenses				
Expenses incurred during the period	-	23,071,548		
	-	(8,325,030)		
Interest Payable				
Expenses incurred during the period		3,117,957		
		(14,854,351)		
Professional fees paid				
Expenses incurred during the period	-	195,000,000		
	-			

(Figures in bracket denote previous year's balances/transactions).

Consideration receivable against development rights given by the Company.

Particular	Projects	Receivable against Development Rights#
DB Realty Limited	Sakseria	10% of Net Revenue towards the Sakseria Project but not less than Rs 200,000,000/- and not more than Rs 250,000,000/-

Same as previous year

*In terms of the Indenture of Mortgage dated 28th March 2013, the Company has created charge/mortgage on land bearing survey no 7 & 17 bearing corresponding CTS numbers 19A, 19A/1, 2,3A, 3B, 4 to 52, 19B situated in village of Chincholi (Malad) in sub district of Mumbai suburban with area of approximately 21814.80 square meter (which is already mortgaged with Punjab national bank, large corporate branch, cuffe parade, Mumbai to secure the bank guarantee facility of Rs. 443,200,000/- availed by D B Realty Limited vide mortgage dated 11th September, 2009) in favor of Punjab national bank, fort branch, Mumbai, to further secure the



payment of outstanding term loan of Rs. 305,000,000/- taken by PNB to Pune Buildtech Pvt. Ltd. (formerly known as Dynamix balwas Resorts Private Limited). Further, the same security is also extended for loan facility of Rs.140,000,000/- availed by BD & P Hotels (India) Private Limited by Punjab National Bank.

Material Transactions disclosure during the year.

Particulars	Opening	Debit	Credit	Closing
D B Realty Limited				
Loan Taken	32,565,358	36,385,565	3,820,207	-
Guarantee/Security given	443,200,000	-	-	443,200,000
Guarantee given to Yes bank on behalf of the Company	3,500,000,000	-	-	3,500,000,000
Deposit Received	20,000,000	-	-	20,000,000
Reimbursement of Expenses	-	2,3071,548	-	-
Interest Charged	-	3,117,957	-	-
Professional Fees	-	195,000,000	-	8,236,000

29. Obligation on Long-term, Non Cancellable Operating Lease assets taken on Lease

The Company has taken commercial premises on non cancellable operating lease and the lease rentals debited to profit and loss account as per the schedule given below.

Particulars	For the Year Ended 31st March 2015 (Rs.)	For the Year Ended 31st March 2014 (Rs.)
Lease rentals recognized in the Profit and Loss Account	4,496,949	2,34,13,406

Future minimum lease payments are as per the schedule provided below:

Particulars	As at 31st March 2015 (Rs.)	As at 31st March 2014 (Rs.)
Within one year of balance sheet date	NIL	17,987,799
Due in a period between 1-5 year	NIL	40,687,858
Due after five years	NIL	NIL

Additional amount of service tax will be collected on these rentals as per the applicable rates existing at the time of payment.

30. Deferred Tax (Liabilities)/ Assets

The Components of Deferred Tax Assets/Liabilities are as follows:

Particulars	As at 31st March 2015 (Rs.)	As at 31st March 2014 (Rs.)
Deferred Tax Assets	(Recognised)	(Recognised)
Amount Disallowed u/s 43B of Income Tax Act , 1961	827,326	8,882,926
Carried forward business loss	180,603,536	161,730,116
	181,430,861	170,613,042



Deferred Tax Liability		
Related to Fixed Assets	13,490,335	16,526,398
	(13,490,335)	(16,526,398)
Net Deferred Tax Assets	167,940,527	154,086,644

Note:- The Company has recognized deferred tax assets of amounts Rs. 167,940,527/- (previous year Rs. 154,086,644/-) as at March 31, 2015 based on the virtual certainty of the future taxable profit in near future as the Company is in process of re-launching its main project "Orchid Height" with revised plan.

31. The Company is principally engaged in a single business segment i.e. realty development & would constitute the only reportable business segment in accordance with the requirement of the AS-17 -Segment Reporting issued by the institute of Chartered Accountant of India.

32. Foreign Currency Transactions :

The foreign currency exposures that have not been hedged by any derivative instrument or otherwise as on March 31, 2015 are Rs. Nil (previous year Rs Nil).

Additional information pursuant to paragraphs 3, 4C and 4D of part II of schedule VI of the Companies Act, 2013

Expenditure in foreign currency

Particulars	2014-2015	2013-2014
Professional fees	1,511,730	1,259,263

33. Recognition of Income and Expenses for on-going projects are based upon actual sales value, estimated costs and work completion status. The work completion status is determined based on the actual costs incurred vis-a-vis the estimated cost of the project. The estimated costs of every project are reviewed periodically and revised whenever required. The consequential effect of such revision is considered in the year of revision and in the balance future period of the project.

34. Disclosures As per Guidance Note on Accounting for Real Estate Transactions (Revised 2012)

Particulars	2014-2015	2013-2014
Project Revenue Recognised in the reporting period	NIL	NIL
The Aggregate amount of cost incurred and profits recognised till date	NIL	NIL
Advances Received (Net of revenue recognition)*	2,974,103,749	2,873,216,198
Work in Progress	4,494,334,133	3,753,229,481
Unbilled Revenue	NIL	NIL

*excluding advance received against cancelled bookings.



35. The amounts and disclosures included in the financial statements of the previous year have been regrouped / reclassified wherever necessary to correspond to figures of current year.

For Haribhakti & Co. LLP,
Chartered Accountants
(ICAI Firm Reg no 103523W)



Chetan Desai

Partner

Membership No. 017000

Place: Mumbai

Dated: 25th May, 2015

For and on behalf of Board



Director



Director

