

**DIRECTORS' REPORT**

To  
The Members  
DB MAN REALTY LIMITED

Your Directors have pleasure in presenting the 7<sup>th</sup> Annual Report together with the Audited Accounts of the Company for the year ended 31<sup>st</sup> March, 2015

**NATURE OF OPERATIONS**

Your Company was awarded Letter of Allotment for development and construction of an Eco-Friendly Affordable Township at Bhosari, Pune on a public private partnership basis by Pimpri Chinchwad New Township Development Authority (PCNTDA) which was subsequently cancelled during the year ended 31<sup>st</sup> March, 2012. The Company has in this regard filed a writ petition before the Hon 'High Court of Bombay, which is pending for admission.

**FINANCIAL RESULTS****(Amount in Rupees)**

	<b>For the financial year ending 31<sup>st</sup> March, 2015</b>	<b>For the financial year ending 31<sup>st</sup> March, 2014</b>
Income	1,266	-
Less: Expenditure	1,18,066	87,047
Profit/ Loss Before tax	(1,16,800)	(87,047)
Less :Tax provision/Deferred tax	-	-
Profit/ Loss after tax	(1,16,800)	(87,047)
Balance brought forward from the previous year	(89,00,961)	(88,13,914)
Balance carried to Balance Sheet	(90,17,761)	(89,00,961)

**DIVIDEND**

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

**STATUS OF THE COMPANY**

The Company continues to be Subsidiary Company of D B Realty Limited.

**DIRECTORS**

Mr. Satish Agarwal and Mr. Suresh Atkur were appointed as Additional Directors with effect from 24<sup>th</sup> December, 2014 and 10<sup>th</sup> March, 2015 respectively and they hold the office up to the date of the annual general meeting. The Company has received Notices in writing from members proposing their appointment as Directors of the Company.

**DB MAN REALTY LIMITED**

Mr. Ashok Mehta and Mr. Jayvardhan Goenka ceased to be Directors with effect from 24<sup>th</sup> December, 2014 and 10<sup>th</sup> March, 2015 respectively. The Board places on record its appreciation for the guidance and services rendered by them during their tenure of Directorship.

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

#### **TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND**

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

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013, if any, are given in the notes to the Financial Statements.

#### **CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

All related party transactions that were entered during the financial year were in the ordinary course of the business of the Company and were on arm's length basis. There were no materially significant related party transactions entered by the Company during the year under review with related party (/ies.) Hence no particulars in form AOC-2 have been furnished

#### **RISK MANAGEMENT POLICY OF THE COMPANY**

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

#### **CORPORATE SOCIAL RESPONSIBILITY**

The Company has not made any profit in the preceding three financial years and hence the Directors spending of 2% of the average net profit of the preceding three financial years on CSR activities does not apply

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

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

- a) In the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d) They have prepared the annual accounts on a going concern basis.

- e) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **FIXED DEPOSITS**

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

#### **EXTRACTS OF ANNUAL RETURN**

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

#### **NUMBER OF BOARD MEETING DURING 2014-15**

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

21.05.2014; 28.07.2014; 01.11.2014; 24.12.2014; 23.01.2015 & 10.03.2015

#### **CONSTITUTION OF COMMITTEES**

Your Company has initiated the process of inducting Independent directors in the company. As soon as Independents Directors are appointed, Your Company shall constitute Audit Committee and Nomination and Remuneration Committee and will accordingly formulate vial mechanism policy, remuneration policy etc Since the Company at present does not have any project activity for execution, the scope and function of Audit Committee is minimal and insignificant.

The Company has not constituted Nomination and Remuneration Committee so far for similar reasons. No remuneration has been paid to the Directors during the year.

#### **STATUTORY AUDITORS**

At the 6<sup>th</sup> Annual General Meeting held on 20<sup>th</sup> September, 2014, M/s M.A Parikh & Co, Chartered Accountants, were appointed as statutory auditors of the Company to hold office till the conclusion of the 11<sup>th</sup> Annual General Meeting. In terms of the first proviso to Section 139 of the Companies Act, 2013, the appointment of the auditors shall be placed for ratification at every Annual General Meeting. Accordingly, the appointment of M/s. M.A.Parikh & Co, Chartered Accountants, as statutory auditors of the Company, is being placed for ratification by the shareholders. In this regard, the Company has received a certificate from the auditors to the effect that if they are reappointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

#### **PARTICULARS OF EMPLOYEES:**

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

#### **AUDITORS' REPORT**

With regard to the Auditors observation drawing attention to Note No.1 and Note No.15 to the Audited Financial Statements, your Directors would like to state that the said Notes are self-explanatory. The Directors are hopeful of positive outcome in the said matters.



With regard to the Auditors' observation in point iii of CARO Report that the accumulated losses exceed 50% of the networth of the Company and the Company has incurred cash losses during the current year and preceding financial year, your Directors would like to state that the Company would be able to set off the losses against the revenue that would be earned and recognized by the Company in respect of the project which was earlier awarded but cancelled on which a writ petition is filed, since the Company is hopeful of a positive outcome of the same.

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

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

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

2. There were no material changes or commitments affecting the financial position of the Company between the financial year end and date of this report.
3. No significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.
4. No cases were filed under Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

**ACKNOWLEDGEMENT:**

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

On Behalf of the Board of Directors  
For DB Man Realty Limited

  
Director  
Director

Place: Mumbai  
Date: May 18, 2015

**EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2015

**DB MAN REALTY LIMITED**

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

I. REGISTRATION & OTHER DETAILS:		
1	CIN	U45400MH2008PLC186121
2	Registration Date	22.08.2008
3	Name of the Company	DB MAN REALTY LIMITED
4	Category/Sub-category of the Company	Company Limited by Shares
5	Address of the Registered office & contact details	DB House, Gen. A.K. Vaidya Marg, Goregaon (East) Mumbai-400063
6	Whether listed company	No
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Not Applicable

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	N.A		

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES					
SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	D B Realty Limited Address:DB House, Gen. A.K. Vaidya Marg, Goregaon (East) Mumbai-400063	L70200MH2007PLC166818	Holding Company	91.01	2(46)

**IV. SHARE HOLDING PATTERN**

(Equity share capital breakup as percentage of total equity)

**(i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2014]				No. of Shares held at the end of the year [As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/ HUF	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Bodies Corp.	0.00	7,140,000	7,140,000	51.00%	0.00	12,740,000	12,740,000	91.00%	78.43%
e) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub Total (A) (1)</b>	-	<b>7,140,000</b>	<b>7,140,000</b>	<b>51.00%</b>	-	<b>12,740,000</b>	<b>12,740,000</b>	<b>91.00%</b>	<b>78.43%</b>
(2) Foreign									
a) NRI Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Other Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub Total (A) (2)</b>	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>TOTAL (A)</b>	-	<b>7,140,000</b>	<b>7,140,000</b>	<b>51.00%</b>	-	<b>12,740,000</b>	<b>12,740,000</b>	<b>91.00%</b>	<b>78.43%</b>

**DB MAN REALTY LIMITED**

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

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CIN: U45400MH2008PLC186121

<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Insurance Companies	-	-	-	0.00%	-	-	-	0.00%	0.00%
g) FIs	-	-	-	0.00%	-	-	-	0.00%	0.00%
h) Foreign Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
i) Others (specify)	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub-total (B)(1):-</b>	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	0.00	6,860,000	6,860,000	49.00%	0.00	1260000	1,260,000	9.00%	-81.63%
ii) Overseas	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Individuals	-	-	-	-	-	-	-	0.00%	0.00%
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	0.00%	-	-	-	0.00%	0.00%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Others (specify)	-	-	-	0.00%	-	-	-	-	-
Non Resident Indians	-	-	-	0.00%	-	-	-	0.00%	0.00%
Overseas Corporate Bodies	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Nationals	-	-	-	0.00%	-	-	-	0.00%	0.00%
Clearing Members	-	-	-	0.00%	-	-	-	0.00%	0.00%
Trusts	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Bodies - DR	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub-total (B)(2):-</b>	-	6,860,000	6,860,000	49.00%	-	1,260,000	1,260,000	9.00%	-81.63%
<b>Total Public (B)</b>	-	6,860,000	6,860,000	49.00%	-	1,260,000	1,260,000	9.00%	-81.63%
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Grand Total (A+B+C)</b>	-	14,000,000	14,000,000	100.00%	-	14,000,000	14,000,000	100.00%	-3.20%

**(ii) Shareholding of Promoter**

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	D B Realty Limited	7,140,000	51.00%		12,740,000	91.00%	0	78.43%

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

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year	01.04.2014		7,140,000	51.00%	7,140,000	51.00%
	Changes during the year	24.12.2014	Transfer	5,600,000	40.00%	560,000	4.00%
	At the end of the year	31.03.2015		12,740,000	91.00%	12,740,000	91.00%

**DB MAN REALTY LIMITED**

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**(iv) Shareholding Pattern of top ten Shareholders**

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

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Man Infraconstruction Ltd and its nominee						
	At the beginning of the year	01.04.2014		4,200,000	30.00%		
	Changes during the year	24.12.2014	Transfer			4,200,000	30.00%
	At the end of the year	31.03.2015				-	0.00%
2	Conwood Agencies Private Limited and its nominee						
	At the beginning of the year			1,260,000	9.00%		0.00%
	Changes during the year			No change			
	At the end of the year			1,260,000	9.00%	1,260,000	9.00%
3	Ajwani Infrastructure Pvt. Ltd.						
	At the beginning of the year	01.04.2014		1,400,000	10.00%		
	Changes during the year	24.12.2014	Transfer			1,400,000	10.00%
	At the end of the year	31.03.2015				-	0.00%

**(V) Shareholdings of Directors and Key Managerial Personnel**

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Name						
	At the beginning of the year						
	Changes during the year						
	At the end of the year						
				<b>NONE</b>			
2	Name						
	At the beginning of the year						
	Changes during the year						
	At the end of the year						

**V. INDEBTEDNESS**

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

(Amt. Rs./Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	-	795,000.00	-	795,000.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	795,000.00	-	795,000.00
<b>Change in Indebtedness during the financial year</b>				
* Addition	-	75,000.00	-	75,000.00
* Reduction	-	-	-	-
<b>Net Change</b>	-	75,000.00	-	75,000.00
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	870,000.00	-	870,000.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	870,000.00	-	870,000.00

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount (Rs/Lac)
		Name			
		Designation			
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	<b>Nil</b>			-
	(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 (Rs/Lac)
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	<b>Nil</b>			
	Commission				
	Others, please specify				
	Total (2)				
	Total (B)=(1+2)				
	Total Managerial Remuneration				
	Overall Ceiling as per the Act				

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

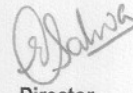
SN.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount (Rs/Lac)
		Name			
		Designation	CEO	CFO	CS
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				-
	(b) Value of perquisites u/s 17(2) Income-				-
	(c) Profits in lieu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



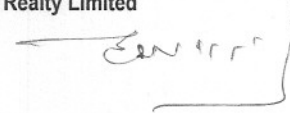
**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

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)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			None		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

On Behalf of the Board of Directors  
For DB Man Realty Limited



Director



Director

Place: Mumbai  
Date: May 18, 2015

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

**Independent Auditor's Report  
To the Members of D B Man Realty Limited  
Report on the Financial Statements**

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

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

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

**Auditor's Responsibility**

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

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

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

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

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



## 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 31st March 2015, and its loss and cash flows for the year ended on that date.

## Emphasis of Matter

Attention is drawn to Note No. 1 of the financial statements for the status of the project and Note No. 13 as regards the opinion framed by the management on the outcome of the writ petition before the Hon' High Court of Bombay, whereby the project work-in-progress of Rs. 13,17,01,611/- is not written off. The writ petition is at pre-admission stage. Our opinion is not qualified for these matters.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - (i) We have sought all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (iii) the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (iv) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (v) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2015 from being appointed as a director in terms of Section 164(2) of the Act.
  - (vi) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - (a) The Company has disclosed the impact of pending litigation on its financial position in its financial statements. Refer Note No. 15 to the financial statements.





- (b) The Company does not have any long-term contracts including derivative contracts and hence, the question of making any provision if required for material foreseeable losses, if any, does not arise.
- (c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund.

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



*C. Ghelani*

Partner  
Name: Chintan Ghelani  
Membership No. 132791

Mumbai, Date: 18 MAY 2015

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

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no discrepancies were noticed on such verification.
- (ii) According to the records of the Company, the Company is regular in depositing the undisputed income-tax dues with the appropriate authority.
- (iii) The Company's accumulated losses at the end of the financial year are less than 50% of its net worth. The Company has incurred cash losses in the current financial year as well as in the immediately preceding financial year.
- (iv) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the Management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

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



*C. Ghelani*

**Partner  
Name: Chintan Ghelani  
Membership No. 132791**

**Mumbai, Date: 18 MAY 2015**

## BALANCE SHEET AS AT 31ST MARCH, 2015

( Amount in Rs)

Particulars		Note No	As at 31st March 2015	As at 31st March 2014
I.	<b>EQUITY AND LIABILITIES</b>			
1	<b>Shareholders' Funds</b>			
	(a) Share Capital	3	14,00,00,000	14,00,00,000
	(b) Reserves and Surplus	4	(90,17,761)	(89,00,961)
			13,09,82,239	13,10,99,039
2	<b>Non-Current Liabilities</b>			
	Long Term Borrowings	5	8,70,000	7,95,000
3	<b>Current Liabilities</b>			
	(a) Trade Payables	6	1,47,128	1,01,651
	(b) Other Current Liabilities	7	5,550	6,560
			1,52,678	1,08,211
	<b>TOTAL</b>		<b>13,20,04,916</b>	<b>13,20,02,250</b>
II.	<b>ASSETS</b>			
1	<b>Non-Current Assets</b>			
	<u>Fixed Assets</u>			
	Tangible Assets	8	-	30,712
2	<b>Current Assets</b>			
	(a) Inventories	9	13,17,01,611	13,17,01,611
	(b) Cash and cash equivalents	10	43,305	7,673
	(c) Short-term loans and advances	11	2,60,000	2,62,254
			13,20,04,916	13,19,71,538
	<b>TOTAL</b>		<b>13,20,04,916</b>	<b>13,20,02,250</b>

See accompanying notes forming part of financial statements

1 to 21

In terms of our report of even date attached

For.M.A PARIKH & CO.  
Chartered Accountants



PARTNER  
Name : Chintan Ghelani  
Membership No. : 132791

Place : Mumbai  
Date : 18.05.2015

For and on Behalf of Board of Directors

  
( Ebrahim Balwa )  
Director

  
( Satish Agarwal )  
Director



**DB MAN REALTY LIMITED**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015**

( Amount in Rs)

Particulars		Note No	For the Year Ended 31st March 2015	For the Year Ended 31st March 2014
1	<b>Income</b>			
	Other Income	12	1,266	-
2	<b>Total Revenue</b>		<b>1,266</b>	<b>-</b>
3	<b>Expenses:</b>			
	Depreciation	8	30,712	12,490
	Other expenses	13	87,354	74,557
	<b>Total Expenses</b>		<b>1,18,066</b>	<b>87,047</b>
4	<b>(Loss) for the year</b>		<b>(1,16,800)</b>	<b>(87,047)</b>
5	Earning per equity share Basic and Diluted		0.008	0.006

See accompanying notes forming part of financial statements

1 to 21

In terms of our report of even date attached

**For.M.A PARIKH & CO.**  
Chartered Accountants

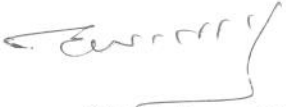


**PARTNER**  
Name : Chintan Ghelani  
Membership No. : 132791

Place : Mumbai  
Date : 18.05.2015

For and on Behalf of Board of Directors

  
( Ebrahim Balwa )  
Director

  
( Satish Agarwal )  
Director

DB MAN REALTY LIMITED

Notes forming part of financial statements

( Amount in Rs)

3 Share Capital:

Particulars	As at 31st March 2015		As at 31st March 2014	
	Number	Amount in Rs.	Number	Amount in Rs.
<b>Authorized</b> Equity Shares of Rs.10/- each	1,40,00,000	14,00,00,000	1,40,00,000	14,00,00,000
	<b>1,40,00,000</b>	<b>14,00,00,000</b>	<b>1,40,00,000</b>	<b>14,00,00,000</b>
<b>Issued</b> Equity Shares of Rs.10/- each fully paid up	1,40,00,000	14,00,00,000	1,40,00,000	14,00,00,000
	<b>1,40,00,000</b>	<b>14,00,00,000</b>	<b>1,40,00,000</b>	<b>14,00,00,000</b>
<b>Subscribed &amp; Paid up</b> Equity Shares of Rs.10/- each fully paid up	1,40,00,000	14,00,00,000	1,40,00,000	14,00,00,000
	<b>1,40,00,000</b>	<b>14,00,00,000</b>	<b>1,40,00,000</b>	<b>14,00,00,000</b>

1.1 Reconciliation of number of Equity shares:

There is no movement in the number of equity shares during the year ended 31st March, 2015 as well as during the year ended 31st March, 2014.

1.2 Rights, preferences and restriction attached to equity shares:

The Company has only one class of equity shares having a par value of Rs.10 per share.

1.3 1,27,40,000 Equity Shares (Previous Year -71,40,000) are held by the holding company, DB Realty Limited and its nominee.

1.4 Details of Shareholders holding more than 5 % of the aggregate equity shares in the Company:

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
DB Realty Limited and its nominee	1,27,40,000	91%	71,40,000	51%
Man Infraconstruction Ltd and its nominee	-	0%	42,00,000	30%
Conwood Agencies Private Ltd and its nominee	12,60,000	9%	12,60,000	9%
Ajwani Infrastructure Pvt. Ltd	-	0%	14,00,000	10%
<b>Total</b>	<b>1,40,00,000</b>	<b>100%</b>	<b>1,40,00,000</b>	<b>100%</b>

4 Reserves & Surplus:

Particulars	As at 31st March 2015	As at 31st March 2014
<b>Surplus in Statement of Profit &amp; Loss</b>		
Opening balance	(89,00,961)	(88,13,914)
Add:(Loss) for the year	(1,16,800)	(87,047)
Closing Balance	<b>(90,17,761)</b>	<b>(89,00,961)</b>
<b>Total</b>	<b>(90,17,761)</b>	<b>(89,00,961)</b>

5 Long Term Borrowings:

Particulars	As at 31st March 2015	As at 31st March 2014
Unsecured Loans from Shareholders ( Include Rs. 4,80,000 for current year from ex-shareholders)	8,70,000	7,95,000
<b>Total</b>	<b>8,70,000</b>	<b>7,95,000</b>

**Note:** There are no specific terms of repayment and the said loans are not expected to be repaid in the ensuing financial year, having regard to Company's State of affairs as explained in note no.15. Hence, the same have been classified as long term.



## **DB MAN REALTY LIMITED**

### **Notes forming part of financial statements**

#### **1 CORPORATE INFORMATION:**

The Company, a Special Purpose Vehicle, was formed by D B Realty Limited, Conwood Agencies Private Limited, Man Infraconstruction Limited and Ajwani Infraconstruction Private Limited, for the purpose of developing and constructing an Eco Friendly Affordable Township at Sector 12 at Bhosari, Pune on a public private partnership basis for which Letter of Allotment (LOA) dated 25th August, 2009 was issued by Pimpri Chinchwad New Town Development Authority (the Project). The said LOA was cancelled during the year ended 31st March, 2012, against which writ petition has been filed before the Hon' High Court of Bombay, which is pending for admission. Further, during the year, the equity shares held by Man Infraconstruction Limited and Ajwani Infraconstruction Private Limited stands transferred to D B Realty Limited.

#### **2 SIGNIFICANT ACCOUNTING POLICIES:**

##### **2.1 Basis of Preparation of Financial Statements**

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

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria's set out in Schedule III to the Companies Act, 2013.

##### **2.2 Use of Estimates**

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the period reported. Actual results could differ from those estimates. Any revision to accounting estimates is recognized in accordance with the requirements of the respective accounting standard.

##### **2.3 Fixed Assets and Depreciation**

###### **Tangible Assets:**

Fixed Assets are capitalized at cost of acquisition, net of accumulated depreciation. Cost includes cost incurred to bring the assets to their present location and condition. Depreciation on fixed assets has been provided for on straight line method based on useful life of the assets or remaining useful life of the assets existed as on April 1, 2014 as specified in Schedule II to the Companies Act, 2013.

##### **2.4 Inventories**

Project Work- In- Progress represents cost incurred in relation to development and construction of the Project. Reference is drawn to Note No.15 stating the basis on which the management has continued to value the Project Work-in-Progress at cost.

##### **2.5 Provision and Contingent Liabilities**

Provisions are recognized when there is a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

A disclosure for a contingent liability is made when there is a possible or present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

##### **2.6 Taxes on Income**

Income tax expense comprises current tax (i.e. amount of tax for the year determined in accordance with income tax) and deferred tax charge or credit (reflecting the tax effects of timing differences between the accounting income and taxable income for the year.)

The deferred tax charge or credit and the corresponding tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognised only to the extent that there is a reasonable certainty that the assets can be realised in future. However, where there is unabsorbed depreciation or carried forward losses under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed at each Balance Sheet date and written down or written up to reflect the amount that is reasonably / virtually certain(as the case may be) to be realised.

##### **2.7 Earnings per Share**

The Company reports basic Earnings per Share (EPS) in accordance with Accounting Standard 20 on Earnings Per Share . Basic EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year.

##### **2.8 Cash Flow Statement**

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

##### **2.9 Accounting policies not specifically referred to above are consistency with the generally accepted accounting principles followed by the Company.**





**DB MAN REALTY LIMITED**

**Notes forming part of financial statements**

( Amount in Rs)

6 **Trade payables:**

Particulars	As at 31st March 2015	As at 31st March 2014
Sundry Creditors (Refer note no.18 )	1,47,128	1,01,651
<b>Total</b>	<b>1,47,128</b>	<b>1,01,651</b>

7 **Other Current Liabilities:**

Particulars	As at 31st March 2015	As at 31st March 2014
Statutory Dues Payable	5,550	6,560
<b>Total</b>	<b>5,550</b>	<b>6,560</b>



DB MAN REALTY LIMITED

Notes forming part of financial statements

8 Fixed Assets: (at cost)

Particulars	Gross Block			Accumulated Depreciation				Net Block	
	Balance as at 1st April 2014	Addition during the year	Balance as at 31st March 2015	Balance as at 1st April 2014	Depreciation charged for the year	Impact on P&L due to Method Change	Impact due to Re-assessment of useful life	Balance as at 31st March 2015	Balance as at 31st March 2014
	Tangible Assets								
Computers	1,12,830	-	1,12,830	97,924	-	(24,564)	39,470	1,12,830	14,906
Office Equipments	29,150	-	29,150	13,344	23,287	(7,481)	-	29,150	15,806
<b>Grand Total</b>	<b>1,41,980</b>	<b>-</b>	<b>1,41,980</b>	<b>1,11,268</b>	<b>23,287</b>	<b>(32,045)</b>	<b>39,470</b>	<b>1,41,980</b>	<b>30,712</b>
Previous Year	1,41,980	-	1,41,980	98,778	12,490	-	-	1,11,268	30,712



DB MAN REALTY LIMITED

Notes forming part of financial statements

( Amount in Rs)

9 Inventories:

Particulars	As at 31st March 2015	As at 31st March 2014
(Valued at cost)		
Project Work-In-Progress (Refer Note No.15)	13,17,01,611	13,17,01,611
<b>Total</b>	<b>13,17,01,611</b>	<b>13,17,01,611</b>

10 Cash and bank balances:

Particulars	As at 31st March 2015	As at 31st March 2014
(a) Cash on hand	39,128	2,965
(b) Bank Balances in Current Accounts	4,177	4,708
<b>Total</b>	<b>43,305</b>	<b>7,673</b>

11 Short-term loans and advances:

Particulars	As at 31st March 2015	As at 31st March 2014
(Unsecured, considered good)		
Advances recoverable in cash or kind	2,60,000	2,62,254
<b>Total</b>	<b>2,60,000</b>	<b>2,62,254</b>

12 Other Income

Particulars	For the Year Ended 31st March 2015	For the Year Ended 31st March 2014
Sundry Balance Writtenback	1,266	-
<b>Total</b>	<b>1,266</b>	<b>-</b>

13 Other Expenses:

Particular	For the Year Ended 31st March 2015	For the Year Ended 31st March 2014
Legal and Professional Charges	6,250	6,925
Conveyance and Travelling	30	-
Remuneration to Auditors:		
-Audit Fees	30,000	30,000
-Other Services	24,000	24,000
-Out of Pocket Expenses	1,500	-
-Service Tax	3,153	6,674
Miscellaneous Expenses	22,421	6,958
<b>Total</b>	<b>87,354</b>	<b>74,557</b>

14 Derecognition

14.1 Effective from April 1, 2014, the Company has changed its accounting policy for charging depreciation from Written down method to Straight line method in respect of all Tangible fixed assets. The Management believes that such change conforms well with the provisions of the Companies Act, 2013. On account of this change, in the current year there is a reversal of depreciation of Rs. 32,045/- out of the depreciation charged for the period upto March 31, 2014. Out of this, Rs. 32,045/- has been credited to statement of Profit & Loss. As a result of this change, the net profit for the current year is higher by Rs. 32,045/-.

14.2 In accordance with requirement of Schedule II of the Companies Act, 2013, the Company has re-assessed the useful lives of the fixed assets. Due to such change in estimations, an amount of Rs. 3,026/- has been reversed 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. 39,470/- 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.



2

**Notes forming part of financial statements**

- 15 **Project work-in-progress- Rs. 13,17,01,611/-:**  
Comprises of cost of construction of Rs. 1,96,61,500/- and interest of Rs. 11,20,40,111/- and the same is not written off, though the LOA stands cancelled, as the Company expects positive outcome from the writ petition whereby it would be able to develop the Project or awarded compensation of an amount not lower than the value of Project work-in-progress.
- 16 As regards deferred tax, the Company will account the same when there is a reasonable/ virtual certainty for recognition thereof in accordance with Accounting Standard -22 dealing with Accounting for Taxes on Income.
- 17 **Segment Reporting:**  
Keeping in view the object of the Company as that of developing and constructing a Real Estate Project, it has only one reportable segment and hence separate disclosure requirements of AS-17 Segment Reporting are not applicable.
- 18 **Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006**

Particulars	For the Year Ended 31st March 2015	For the Year Ended 31st March 2014
	Rs.	Rs.
Principal Amount outstanding to suppliers under MSMED Act, 2006 beyond the appointed date	-	-
Interest accrued on the amount due to suppliers under MSMED Act on the above amount	-	-
Payment made to suppliers (other than Interest) beyond the appointed date during the year/ period	-	-
Interest paid to suppliers under MSMED Act (other than section 16)	-	-
Interest paid to suppliers under MSMED Act (section 16)	-	-
Interest due and payable to suppliers under MSMED Act for payments already made	-	-
Interest accrued and remaining unpaid at the end of the period/ year to suppliers under MSMED Act	-	-

**Note:** The above information is compiled by the Company on the basis of the information made available by vendors and the same has been relied upon by the Auditors.

19 **Related Party Disclosures:**

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

**Holding Company**  
D B Realty Limited

**Enterprises Over Which Directors Exercise Significant Influence**  
Man Infraconstruction Limited (upto 23rd December, 2014)  
Ajwani Infrastructures Private Limited (upto 23rd December, 2014)  
DB Hi-Sky Constructions Pvt.Ltd  
Real Gem Buildtech Pvt Ltd

( Amount in Rs)

B **Transactions with Related Parties and Outstanding Balances as of year end:**

Nature of Transaction	Holding Company	Enterprises Over Which Directors Exercise Significant Influence
<b><u>Loans Taken</u></b>		
Opening Balance	3,15,000	4,80,000
	(2,50,000)	(4,80,000)
Taken During the Year	75,000	-
	(65,000)	(-)
Repaid /Adjusted During the Year	-	-
	(-)	(-)
Closing Balance	3,90,000	4,80,000
	(3,15,000)	(4,80,000)



**Notes forming part of financial statements**

<b>Reimbursement of Statutory Obligations</b>		
Opening Balance	-	2,254
	(-)	(3,317)
Granted During the Year	-	28,603
	(-)	(7,163)
Repaid	-	30,857
	(-)	(6,100)
Closing Balance	-	-
	(-)	(2,254)

<b>Charges for Use of Premises (including service tax and interest thereon) by the Company</b>		
Opening Balance	-	-
	(-)	(36,072)
Interest on Service Tax / Rent Paid	-	-
	(-)	(-)
Paid during the year	-	-
	(-)	(36,072)
Closing Balance	-	-
	(-)	(-)

**Notes:**

- (i) The aforesaid related parties are as identified by the Company and relied upon by the Auditors.  
(ii) Figures in bracket refer to previous year's figures.

**20 Earnings Per Share**

As per AS-20, "Earning Per Share", the disclosure of Company's EPS is as follows.

Particulars	For the Year Ended 31st March 2015	For the Year Ended 31st March 2014
(Loss) for the year as per Statement of Profit & Loss	(1,16,800)	(87,047)
Weighted average number of shares outstanding during the year	1,40,00,000	1,40,00,000
Basic and Diluted Earnings Per Share	(0.008)	(0.006)
Face Value Per Equity Share	10	10

**21 Previous Year figures:**

The previous year figures have also been regrouped / reclassified to confirm to current year's classification.

Signature to Notes 1 - 21

In terms of our report of even date attached

**FOR M.A.PARIKH & CO.**  
Chartered Accountants



**PARTNER**  
Name : Chintan Ghelani  
Membership No. :132791

Place : Mumbai  
Date : 18.05.2015

For and on Behalf of Board of Directors

( Ebrahim Balwa )  
Director

( Satish Agarwal )  
Director