

**BOARD OF DIRECTORS**

Mr. Vijay Arora  
Mr. Preniel Nair  
Mr. Satish Agarwal  
Mr. Parag K. Shah

**AUDITORS**

Shaparia Mehta & Associates L L P,  
Chartered Accountants, Mumbai.

**BANKERS**

Bank of Baroda  
New India Co-op Bank Ltd

**REGISTERED OFFICE**

808, Krushal Commercial Complex,  
Above Shoppers Stop, G. M. Road,  
Chembur (W), Mumbai – 400 089  
CIN: U45202MH2009PTC194430  
T: 22 2526 0582. F: 2526 0589

**CIN : U45202MH2009PTC194430**

## DIRECTORS' REPORT

The Members,  
**ROYAL NETRA CONSTRUCTIONS PRIVATE LIMITED**  
Mumbai

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

### 1. FINANCIAL STATEMENTS & RESULTS:

#### a. Financial Results:

The Company's performance during the year ended 31<sup>st</sup> March, 2015 as compared to the previous financial year, is summarized below:

	2014-15 (Rs.)	2013-14 (Rs.)
Other Income	7,98,615	804,594
Expenses	9,67,619	950,971
Profit/(loss) before exceptional items and tax	<b>(1,69,004)</b>	<b>(146,377)</b>
Exceptional items		
Amalgamation Expenses	-	-
Profit/(loss) before extraordinary items and tax	<b>(1,69,004)</b>	<b>(146,377)</b>
Tax expenses for current year		
MAT credit (where applicable)		
Current Tax Expense relating to prior years	-	(3,732)
Net Current tax expenses	-	<b>(3,732)</b>
Profit/(loss) after Tax	<b>(1,69,004)</b>	<b>(150,109)</b>

#### b. OPERATIONS:

There was no change in nature of the business of the Company, during the year under review.

#### c. REPORT ON PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:

During the year under review, your Company did not have any subsidiary, associate and joint venture company.

#### d. DIVIDEND:

In view of loss incurred by the Company, your Directors do not recommend any Dividend for the period ended on 31<sup>st</sup> March 2015.



**e. TRANSFER TO RESERVES:**

In view of loss incurred during the year under review, the Board of Directors has not recommended transfer of any amount to reserves.

**f. REVISION OF FINANCIAL STATEMENT:**

There was no revision of the financial statements for the year under review.

**g. DEPOSITS:**

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014 during the year under review. Hence, the requirement for furnishing of details of deposits which are not in compliance with the Chapter V of the Act is not applicable.

**h. DISCLOSURES UNDER SECTION 134(3)(I) OF THE COMPANIES ACT, 2013:**

No material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this report.

**i. DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL:**

No orders have been passed by any Regulator or Court or Tribunal which can have impact on the going concern status and the Company's operations in future.

**j. PARTICULAR OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES:**

The details of transactions/contracts/arrangements entered by the Company with related party(ies) as defined under the provisions of Section 2(76) of the Companies Act, 2013, during the financial year under review, are furnished in Annexure I and forms part of this Report.

**k. PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS AND SECURITIES:**

The Company has not given any Loans or issued any guarantees or made any Investments of the section 186 of the Companies Act, 2013 and rules made thereunder and hence, the question of compliance of the provisions does not arise during the F.Y. 2014-15.

**l. DISCLOSURE UNDER SECTION 43(a)(ii) OF THE COMPANIES ACT, 2013:**

The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.



**m. DISCLOSURE UNDER SECTION 54(1)(d) OF THE COMPANIES ACT, 2013:**

The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Section 54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

**n. DISCLOSURE UNDER SECTION 62(1)(b) OF THE COMPANIES ACT, 2013:**

The Company has not issued any equity shares under Employees Stock Option Scheme during the year under review and hence no information as per provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

**2. MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

The Board of Directors of the Company is duly constituted. During the year under review, Mr. Parag K. Shah was appointed as in Additional Director of the Company w.e.f. 10th March, 2015 to hold office upto the date of ensuing Annual General Meeting. The Company has received notice from shareholder along with requisite deposits proposing the candidature of Mr. Parag K. Shah for appointment as Directors at the ensuing Annual General Meeting.

At the forthcoming Annual General Meeting of the Company, Mr. Vijay Arora shall retire by rotation and being eligible, he has offered himself for re-appointment.

None of the Directors of the Company has resigned as Director of the Company.

**3. DISCLOSURES RELATED TO BOARD [COMMITTEES AND POLICIES]-(if applicable)**

**a. BOARD MEETINGS:**

The Board of Directors met Five times during the financial year ended 31<sup>st</sup> March 2015 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder.

**b. DIRECTOR'S RESPONSIBILITY STATEMENT:**

In terms of Section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended 31<sup>st</sup> March, 2015, the Board of Directors hereby confirms that:

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. such accounting policies have been selected and applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2015 and of the profit/loss of the Company for that year;
- c. proper and sufficient care was taken 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 annual accounts of the Company have been prepared on a going concern basis;
  - e. proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;

**c. INTERNAL CONTROL SYSTEMS:**

Adequate internal control systems commensurate with the nature of the Company's business and size and complexity of its operations are in place has been operating satisfactorily. Internal control systems comprising of policies and procedures are designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations and that all assets and resources are acquired economically, used efficiently and adequately protected.

**d. PAYMENT OF REMUNERATION / COMMISSION TO DIRECTORS FROM HOLDING OR SUBSIDIARY COMPANIES:**

None of the managerial personnel i.e. Managing Director and Whole time Directors of the Company are in receipt of remuneration/commission from the Holding or Subsidiary Company of the Company.

**4. AUDITORS AND REPORTS:**

The matters related to Auditors and their Reports are as under:

**a. OBSERVATIONS OF STATUTORY AUDITORS ON ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2015:**

The observations made by the Statutory Auditors in their report for the financial year ended 31<sup>st</sup> March 2015 read with the explanatory notes therein are self-explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

**b. RATIFICATION OF APPOINTMENT OF AUDITORS:**

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. Shaparia Mehta & Associates L L P, Chartered Accountants, Firm Registration Number 112350W / W -100051 the Statutory Auditors of the Company have been appointed for a term of five years. However, their appointment as Statutory Auditors of the Company shall be required to be ratified by the Members at the ensuing Annual General Meeting. The Company has received a confirmation from the said Auditors that they are not disqualified to act as the Auditors and are eligible to hold the office as Auditors of the Company.

**5. OTHER DISCLOSURES:**

Other disclosures as per provisions of Section 134 of the Act read with Companies (Accounts) Rules,



2014 are furnished as under:

a. **EXTRACT OF ANNUAL RETURN:**

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, Extract of the Annual Return for the financial year ended 31<sup>st</sup> March 2015 made under the provisions of Section 92(3) of the Act is attached as Annexure II which forms part of this Report.

b. **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 Company has neither earned nor used any foreign exchange.

6. **ACKNOWLEDGEMENTS AND APPRECIATION:**

The Directors wish to express their gratitude to the Bankers and all the business associates for their continuous support to the Company and to the Shareholders for the confidence reposed in the Company's management.

**For and on behalf of the Board of Directors**

*Vijay Arora*

**Director**

*[Signature]*

**Director**

**Place: Mumbai  
Date: 22.05.2015**



**ANNEXURE I**

**Form No. AOC-2**

**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto**

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

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

<b>Name(s) of the related party</b>	D B REALTY LTD	SHRI VIJAY ARORA	SHRI PARAG K SHAH
<b>Nature of relationship</b>	HOLDING CO	DIRECTOR	DIRECTOR
<b>Nature of contracts/ arrangements/ transactions</b>	UNSECURED LOAN TAKEN BY CO	UNSECURED LOAN TAKEN BY CO	UNSECURED LOAN TAKEN BY CO
<b>Duration of the contracts / arrangements/transactions</b>			
<b>Salient terms of the contracts or arrangements or transactions including the value, if any</b>			
<b>Date(s) of approval by the Board, if any</b>			
<b>Amount paid as advances, if any</b>			
<b>CLOSING LOAN AMT AS ON 31.03.15</b>	33,24,68,000	60,00,000	11,72,25,436

*(Handwritten initials)*





**ANNEXURE II**

**EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31<sup>st</sup> March 2015

*[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]*

**I. REGISTRATION AND OTHER DETAILS:**

CIN	:	U45202MH2009PTC194430
Registration Date	:	29/07/2009
Name of the Company	:	ROYAL NETRA CONSTRUCTIONS PRIVATE LIMITED
Category / Sub-Category of the Company	:	Company limited by shares
Address of the Registered office and contact details	:	808, Krushal Commercial Complex, G.M.Road, Chembur (West), Mumbai 400089, Maharashtra, India Tel : 022-4246 3999 Fax : 022-2526 0589 Email : office@maninfra.com, Website : www.maninfra.com
Whether listed company	:	No
Name, Address and Contact details of Registrar and Transfer Agent, if any:	:	-

**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:-

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Real Estate	9972	100%

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

Sr. No.	Name and address of the Company	CIN / GLN/LLPIN	Holding / subsidiary / associate	% of shares held	Applicable section
1	DB Realty Limited DB House, Gen. A. K. Vaidya Marg, Goregaon (East), Mumbai-400063	L70200MH2007PLC166818	Holding Company	50.40%	2(87)(ii)

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

**i. Category-wise Share Holding as on 31<sup>st</sup> March, 2015:**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	75,600	75,600	50.40	-	75,600	75,600	50.40	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total(A)(1):	-	75,600	75,600	50.40	-	75,600	75,600	50.40	-



*(Handwritten signature)*



<b>(2) Foreign</b>									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2):	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	-	75,600	75,600	50.40	-	75,600	75,600	50.40	-
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):</b>	-	-	-	-	-	-	-	-	-
<b>(2) Non-Institutions</b>									
<b>a) Bodies Corp.</b>									
i) Indian	-	15,870	15,870	10.58	-	15,870	15,870	10.58	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	58,530	58,530	39.02	-	58,530	58,530	39.02	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
Foreign Portfolio Investor (Corporate)	-	-	-	-	-	-	-	-	-
c) Others	-	-	-	-	-	-	-	-	-
<b>Sub-total(B)(2):</b>	-	74,400	74,400	49.60	-	74,400	74,400	49.60	-
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	-	74,400	74,400	49.60	-	74,400	74,400	49.60	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	-	15,00,000	15,00,000	100	-	15,00,000	15,00,000	100	-

ii. Shareholding of Promoters:



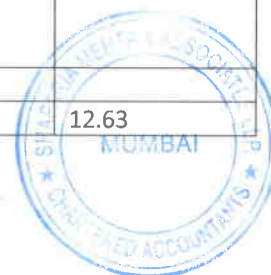

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	
1.	DB Realty Limited	75,600	50.40	-	75,600	50.40	-	-
	<b>Total</b>	<b>75,600</b>	<b>50.40</b>	<b>-</b>	<b>75,600</b>	<b>50.40</b>	<b>-</b>	<b>-</b>

iii. Change In Promoters' Shareholding:

Sr. No.		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
1.	<b>DB Realty Limited</b>	75,600	50.40	75,600	50.40
		There is no change in the absolute shareholding during the year.			
	At the End of the year	N.A.	N.A.	75,600	50.40

iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and holders of GDRs and ADRs):

Sr. No.	For Each of the Top 10 Shareholders Name, Date & Reason of change	Shareholding at the beginning of the year (01-04-2014)		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	<b>Murugan Properties and Management Private Limited</b>	15,000	25.25	15,000	25.25
	At the End of the year (or on the date of separation, if separated during the year) (31-03-2015)	N.A.	N.A.	15,000	25.25
2.	<b>Bharat M. Modi</b>	6,000	10.10	6,000	10.10
	At the End of the year (or on the date of separation, if separated during the year) (31-03-2015)	N.A.	N.A.	6,000	10.10
3.	<b>Raja Mirani</b>	12,000	20.20	12,000	20.20
	At the End of the year (or on the date of separation, if separated during the year) (31-03-2015)	N.A.	N.A.	12,000	20.20
4.	<b>Mansi P. Shah j/w Parag K. Shah</b>	7,500	12.63	7,500	12.63
	At the End of the year (or on the date of separation, if separated during the year) (31-03-2015)	N.A.	N.A.	7,500	12.63
5.	<b>Manan P. Shah j/w Mansi P. Shah</b>	6,000	10.10	6,000	10.10
	At the End of the year (or on the date of separation, if separated during the year) (31-03-2015)	N.A.	N.A.	6,000	10.10
6.	<b>Vandana Desai j/w Berjis Desai</b>	7,500	12.63	7,500	12.63



	At the End of the year (or on the date of separation, if separated during the year) (31-03-2015)	N.A.	N.A.	7,500	12.63
<b>7.</b>	<b>Ajwani Infrastructure Private Limited</b>	870	1.46	870	1.46
	At the End of the year (or on the date of separation, if separated during the year) (31-03-2015)	N.A.	N.A.	870	1.46
<b>8.</b>	<b>Navin Ajwani j/w Garima Ajwani</b>	4,530	7.63	4,530	7.63
	At the End of the year (or on the date of separation, if separated during the year) (31-03-2015)	N.A.	N.A.	4,530	7.63

**v. Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	For each of the Directors and KMP	Shareholding at the beginning of the year (01.04.2014)		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
<b>1.</b>	<b>Vijay Arora</b>	6,000	4.00	6,000	4.00
	At the End of the year (or on the date of separation, if separated during the year) (31.03.2015)	N.A.	N.A.	6,000	4.00
<b>2.</b>	<b>Preneel Nair</b>	6,000	4.00	6,000	4.00
	At the End of the year (or on the date of separation, if separated during the year) (31.03.2015)	N.A.	N.A.	6,000	4.00
<b>3.</b>	<b>Parag Shah j/w Mansi P. Shah</b>	3,000	2.00	3,000	2.00
	At the End of the year (or on the date of separation, if separated during the year) (31.03.2015)	N.A.	N.A.	3,000	2.00



**V. INDEBTEDNESS :**

	Secured Loans Excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	442,490,800	-	442,490,800
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	84,215,639	-	84,215,639
Total ( I + ii + iii )	-	526,706,439	-	526,706,439
Changes in Indebtedness during the financial year				
Addition	-	111,093,436	-	111,093,436
Reduction	-	(67,364,200)	-	(67,364,200)
Net Change	-	43,729,236	-	43,729,236
Indebtedness at the end of the financial year				
i) Principal Amount	-	486,220,036	-	486,220,036
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	65,801,797	-	65,801,797
Total ( I + ii + iii )	-	552,021,833	-	552,021,833



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

The Directors of the Company are not paid any kind of remuneration and as per Companies Act, 2013 the Company is not required to appoint any Key Managerial Personnel; hence the disclosure is not applicable to the Company.

**A. REMUNERATION TO OTHER DIRECTORS:**

Sl. No.	Particulars of Remuneration	Name of Directors	Total Amount (in Rs.)
	<b>1. Independent Directors</b>		NIL
	• Fee for attending board / committee meetings	-	
	• Commission	-	
	• Others, please specify	-	
	<b>Total (1)</b>		
	<b>2. Other Non-Executive Directors</b>		
	• Fee for attending board / committee meetings	Mr. Satish Agarwal	
		Mr. Parag Shah	
		Mr. Vijay Arora	
	• Commission	Mr. Preneel Nair	
	• Others, please specify		
	<b>Total (2)</b>		
	<b>Total (B)=(1+2)</b>		
	<b>Total Managerial Remuneration</b>		
	Overall Ceiling as per the Act		

**B. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD:**

The Company has not appointed any Key Managerial Personnel during the F.Y. 2014-15; hence the disclosure is not applicable to the Company.

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

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD /NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty			NIL		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			NIL		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			NIL		
Punishment					
Compounding					

For Royal Netra Constructions Private Limited

Place: Mumbai  
Date: 22.05.15

*Vijay Arora*  
Director

*Preneel Nair*  
Director





**TO THE MEMBERS OF ROYAL NETRA COMPANY PRIVATE LIMITED**

**1. Report on the Financial Statements**

We have audited the accompanying financial statements of Royal Netra Company Private Limited, which comprise the Balance Sheet as at 31st March, 2015, Statement of Profit and Loss and the cash flow statement for the year ended, and a summary of the significant accounting policies and other explanatory information.

**2. Management's Responsibility for the Standalone 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 and presentation of the 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, 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.

**3. Auditor's Responsibility**

Our responsibility is to express an opinion on the 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 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 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 standalone 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 its cash flow for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

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 the paragraph 3 and 4 of the Order, to the extent applicable.

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, 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) The Company has prepared its financial statements on going concern basis.
- (f) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (h) 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 does not have any pending litigations which would impact its financial position.



ii. The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as required under the applicable law or accounting standard.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For Shaparia Mehta & Associates LLP**  
**Chartered Accountants**  
**(Firm's Registration No.- 112350W / W-100051)**

*H. Shah*

**Hiral Shah**  
**Partner**  
**Membership No.- 106147**  
**Place of Signature: Mumbai**  
**Date: 22<sup>nd</sup> May, 2015**



# SHAPARIA MEHTA & ASSOCIATES LLP

## CHARTERED ACCOUNTANTS

1/74, KRISHNA KUNJ, R. A. KIDWAI ROAD, KING'S CIRCLE, MATUNGA (C. RLY.), MUMBAI - 400 019. INDIA

TELE FAX : +91 22 2409 8905 / 06 / 07 / 08 • E-mail : office.smca@gmail.com • Web : www.smca.in

### Annexure to the Independent Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2015, we report that:

- i. The Company does not own any tangible fixed assets in the current year, thus the provisions of clauses i (b) and of the order are not applicable to the Company.
- ii. The Company holds an inventory related to construction cost of project which is carried in the books under Work-In-Progress. As the Company does not hold inventories as defined in Accounting Standard 2, Valuation of Inventories, item (ii) of paragraph of the order is not applicable to the Company.
- iii. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses iii (b) and iii (c) of the order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of fixed assets and with regard to the provision of services. During the course of our audit, we have not observed any major weaknesses in internal controls.
- v. In our opinion and according to the information and explanations given to us the Company has not accepted any deposits from the public so as to require any compliance of the directives of Reserve Bank of India or the provisions of section 73 or 76 of the Companies Act, 2013. As explained to us, the Company has not received any order passed by the Company Law Board or the National Company Law Tribunal or any court or other forum.
- vi. According to the information and explanation given to us, maintenance of cost records is not applicable to the Company.
- vii.
  - a. According to the information and explanations given to us, the Company is normally regular in depositing undisputed statutory dues Income-tax TDS, Service tax, and any other applicable statutory dues with the appropriate authorities. As explained to us, there are no outstanding statutory dues as at the last day of the financial year for a period of more than six months from the date they became payable.
  - b. According to the information and explanations given to us, there are no disputed dues of Income tax, sales tax / VAT, and service tax which have not been deposited on account of any dispute.



- c. The Company was not required to transfer any amount to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 2013 and rules made there under.
- viii. The Company, registered for a period not less than five years, has accumulated losses at the end of financial year not less than 50% of its year end net worth. The Company has incurred a cash loss of Rs. 1,69,004 in the financial year covered by our audit and Rs. 1,43,192 in immediately preceding financial year.
- ix. The Company did not have any outstanding dues to financial institutions, banks or debenture holders during the year thus reporting requirements under this sub-clause are not applicable.
- x. According to the information and explanations given to us the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xi. The Company did not have any term loans outstanding during the year , thus reporting requirements under this sub-clause are not applicable.
- xii. 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 Shaparia Mehta & Associates LLP**  
**Chartered Accountants**  
**(Firm's Registration No.- 112350W / W-100051)**

*Hiral Shah*

**Hiral Shah**  
**Partner**  
**Membership No.- 106147**  
**Place of Signature: Mumbai**  
**Date: 22<sup>nd</sup> May, 2015**



**ROYAL NETRA CONSTRUCTIONS PVT LTD**

**Balance Sheet as at 31 March, 2015**

**(Amount in Rupees)**

Particulars		Note No.	As at 31 March, 2015	As at 31 March, 2014
<b>A</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Shareholders' funds</b>			
	(a) Share capital	3	15,000,000	15,000,000
	(b) Reserves and surplus	4	(7,422,112)	(7,248,330)
<b>2</b>	<b>Non - Current liabilities</b>			
	Long-term provisions		-	-
<b>3</b>	<b>Current liabilities</b>			
	(a) Short-term borrowings	5	486,220,036	442,490,800
	(b) Trade payables	6	143,540,500	142,288,500
	(c) Other current liabilities	7	65,911,795	84,284,139
	(d) Short Term Provisions		-	-
	<b>TOTAL</b>		<b>703,250,219</b>	<b>676,815,109</b>
<b>B</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-current assets</b>			
	(a) Fixed Assets	8		
	(I) Tangible Assets		-	4,778
	(II) Intangible Assets		63,873,510	127,747,026
	(c) Long-term loans and advances	9	557,934	520,837
<b>2</b>	<b>Current assets</b>			
	(a) Inventories	10	628,049,571	533,528,082
	(b) Cash and Bank Balances	11	10,719,244	11,790,386
	(c) Short-term loans and advances	12	49,960	3,224,000
	(d) Other current assets		-	-
	<b>TOTAL</b>		<b>703,250,219</b>	<b>676,815,109</b>
	See accompanying notes forming part of the financial statements	1 to 24		

In terms of our Report of even date attached.

For Shaparia Mehta & Associates L L P  
Chartered Accountants  
Firm Registration No.: 112350W / W-100051

*H Shah*

Partner  
Name: Hiral Shah  
Membership No: 106147

Place : Mumbai  
Date : 22.05.2015



For ROYAL NETRA CONSTRUCTIONS PVT LTD

*V. Ganesh*

Director

*[Signature]*

Director





**ROYAL NETRA CONSTRUCTIONS PVT LTD**

**Statement of Profit and Loss for the financial year ended 31 March, 2015**

(Amount in Rupees)

Particulars		Note No.	For the year ended 31 March, 2015	For the year ended 31 March, 2014
1	Other income	13	798,615	804,594
	<b>Total revenue</b>		<b>798,615</b>	<b>804,594</b>
2	<b>Expenses</b>			
	( Increase ) / Decrease in Work - In - Progress	10	(94,521,489)	(84,683,925)
	Employee Benefits Expenses	14	65,008	683,083
	Finance Costs	15	392,055	-
	Depreciation and Amortization Expenses	8	63,873,516	63,876,701
	Other expenses	16	31,158,529	21,075,112
	<b>Total expenses</b>		<b>967,619</b>	<b>950,971</b>
3	<b>Profit / (Loss) before exceptional and extra ordinary items and tax</b>		<b>(169,004)</b>	<b>(146,377)</b>
4	<b>Exceptional Items</b>			
	Amalgamation Expenses		-	-
5	<b>Profit / (Loss) before extra ordinary items and tax</b>		<b>(169,004)</b>	<b>(146,377)</b>
6	<b>Tax Expense :</b>			
	Current Tax Expense for current year		-	-
	(Less :) MAT Credit ( Where applicable )		-	-
	Current Tax Expense relating to prior years		-	(3,732)
	Deferred Tax		-	(3,732)
7	<b>Profit / (Loss) for the year</b>		<b>(169,004)</b>	<b>(150,109)</b>
8	<b>Earnings per share :</b>	20		
	Basic and Diluted		(1.13)	(1.00)
	See accompanying notes forming part of the financial statements	1 to 24		

In terms of our Report of even date attached.

For Shaparia Mehta & Associates L L P  
Chartered Accountants  
Firm Registration No.: 112350W / W-100051

*H Shah*

Partner  
Name: Hiral Shah  
Membership No: 106147

Place : Mumbai  
Date : 22.05.2015



For ROYAL NETRA CONSTRUCTIONS PVT LTD

*Vijayans*

Director



*[Signature]*

Director



**ROYAL NETRA CONSTRUCTIONS PVT LTD**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015**

(Amount in Rupees)

PARTICULARS	2014-2015		2013-2014	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
(Loss) before tax and extraordinary items		(169,004)		(146,377)
<b>Adjustment for</b>				
Depreciation	63,873,516		63,876,701	
Interest Income	(789,090)		(804,594)	
		63,084,426		63,072,107
<b>Adjustment for changes in Working Capital</b>		62,915,422		62,925,730
Changes in Inventories	(94,521,489)		(84,683,924)	
Changes in Loan & Advances and other current assets	3,215,852		2,150,242	
Changes in Liabilities & Provisions	1,646,717		(751,270)	
		(89,658,920)		(83,284,952)
Cash generated from operations		(26,743,498)		(20,359,222)
Taxes (paid)/ Refund		-		113,020
<b>Net cash from operating activities - (A)</b>		(26,743,498)		(20,246,202)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Interest Income	789,090		1,775,976	
Less : TDS on interest	78,909			
Loan Given Refunded By Party	-	710,181	6,000,000	7,775,976
<b>Net cash used in investing activities- (B)</b>		710,181		7,775,976
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Interest Paid	(9,451,367)		-	
Loan Refunded	(67,364,200)		(5,000,000)	
Loan Taken	101,777,742		17,100,000	
<b>Net cash from financing activities - (C)</b>		24,962,175		12,100,000
<b>D. NET (DECREASE) IN CASH AND CASH EQUIVALENT (A+B+C)</b>		(1,071,142)		(370,226)
Opening cash and cash equivalent		11,790,386		12,160,612
Closing cash and cash equivalent		10,719,244		11,790,386
(Decrease) in Cash Balance		(1,071,142)		(370,226)

**Notes :**

1 Cash and Cash equivalent represents Cash and bank balances.

2 Cash & Cash Equivalents as under:

	As at 31.03.2015	As at 31.03.2014
Cash on Hand	4,800	5,000
Balance In Current accounts with scheduled Banks	1,914,444	2,985,386
Balance In Deposit accounts with scheduled Banks	8,800,000	8,800,000
Other Bank Balance	-	-
	10,719,244	11,790,386

In terms of our report of even date attached.

For Shaparia Mehta & Associates L L P  
Chartered Accountants  
Firm Registration No.: 112350W / W-100051

For ROYAL NETRA CONSTRUCTIONS PVT LTD

Partner  
Name: Hiral Shah  
Membership No: 106147



Director

Director

Place : Mumbai  
Date : 22.05.2015

3 Share Capital

Particulars	As at 31 March, 2015		As at 31 March, 2014	
	Number of shares	Amount in Rupees	Number of shares	Amount in Rupees
<b>(a) Authorized</b>				
Equity shares of Rs.100 each with voting rights	185,000	18,500,000	185,000	18,500,000
0% Redeemable / convertible Participating Preference Shares of Rs.100 each	165,000	16,500,000	165,000	16,500,000
<b>(b) Issued</b>				
Equity shares of Rs.100 each fully paid-up	150,000	15,000,000	150,000	15,000,000
<b>(c) Subscribed and fully paid up</b>				
Equity shares of Rs.100 each fully paid-up	150,000	15,000,000	150,000	15,000,000
<b>Total</b>	<b>150,000</b>	<b>15,000,000</b>	<b>150,000</b>	<b>15,000,000</b>

(a) Reconciliation of number of shares

Particulars	As at 31 March, 2015		As at 31 March, 2014	
	Number of shares	Amount in Rupees	Number of shares	Amount in Rupees
Shares outstanding at the beginning of the year	150,000	15,000,000	150,000	15,000,000
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	<b>150,000</b>	<b>15,000,000</b>	<b>150,000</b>	<b>15,000,000</b>

The Company has Equity shares having face value of Rs. 100/- per share. Each shareholder is eligible for one vote per share held. the voting rights dividend rights and winding up rights are in proportion to number of shares held.

(b) Details of shares held by each shareholder holding more than 5% shares:

Name of shareholder	As at 31 March, 2015		As at 31 March, 2014	
	Number of shares held	% of holding	Number of shares held	% of holding
D B Realty Ltd	75,600	50.40%	75,600	50.40%
Murugan Properties And Management Pvt Ltd	15,000	10.00%	15,000	10.00%
Rajendra Mirani	12,000	8.00%	12,000	8.00%

(c) Details of shares held by the holding company:

Particulars	Equity shares with voting rights	% of holding
<b>As at 31 March, 2015</b>		
D B Realty Ltd	75,600	50.40%
<b>As at 31 March, 2014</b>		
D B Realty Ltd	75,600	50.40%



**ROYAL NETRA CONSTRUCTIONS PVT LTD**  
Notes forming part of the financial statements

**4 Reserves and surplus**

Particulars	(Amount in Rupees)	
	As at 31 March, 2015	As at 31 March, 2014
<b>Security Premium Account :</b>		
Balances at the beginning of the year	13,500,000	13,500,000
Add : Addition During the year	-	-
Balances at the end of the year	<b>13,500,000</b>	<b>13,500,000</b>
<b>(Deficit) in Statement of Profit and Loss</b>		
Balances at the beginning of the year	(20,748,330)	(20,598,221)
Less: Depreciation written off according to Companies Act 2013.	(4,778)	-
Add: (Loss) for the year	(169,004)	(150,109)
Balances at the end of the year	<b>(20,922,112)</b>	<b>(20,748,330)</b>
<b>Total</b>	<b>(7,422,112)</b>	<b>(7,248,330)</b>

**5 Short-term borrowings**

Particulars	(Amount in Rupees)	
	As at 31 March, 2015	As at 31 March, 2014
Unsecured Loans repayable on Demand	30,526,600	127,490,800
Unsecured Loans from related parties [ Refer Note no.: 18]	455,693,436	315,000,000
<b>Total</b>	<b>486,220,036</b>	<b>442,490,800</b>

**6 Trade payables**

Particulars	(Amount in Rupees)	
	As at 31 March, 2015	As at 31 March, 2014
- Micro Enterprises and Small Enterprises [ Refer note: 17]	-	-
- Others	143,540,500	142,288,500
<b>Total</b>	<b>143,540,500</b>	<b>142,288,500</b>

Note: 6.1 : The company will allot constructed area to the creditor as a part consideration. Trade payable includes estimated cost of constructions of such constructed area.

**7 Other current liabilities**

Particulars	(Amount in Rupees)	
	As at 31 March, 2015	As at 31 March, 2014
Interest accrued and not due on borrowings	3,424,595	21,838,437
Interest accrued and not due on borrowings from related party [ Refer Note no.: 18]	62,377,202	62,377,202
Statutory Dues	45,836	8,200
Others	64,162	60,300
<b>Total</b>	<b>65,911,795</b>	<b>84,284,139</b>



ROYAL NETRA CONSTRUCTIONS PVT LTD

Notes forming part of the financial statements

8 Fixed Assets

Particulars	Gross Block				Depreciation		Net Block	
	As at	Additions	Deletion	As at	Up to	Depreciation Provided For	Up to	As at
	01-Apr-14			31-Mar-15	01-Apr-14	the year	31-Mar-15	31-Mar-14
Tangible Asset Computers	38,300	-	38,300	38,300	33,522	-	-	4,778
<b>Total</b>	<b>38,300</b>	<b>-</b>	<b>-</b>	<b>38,300</b>	<b>33,522</b>	<b>-</b>	<b>-</b>	<b>4,778</b>
Previous Year	38,300	-	-	38,300	30,337	3,185	33,522	7,963

Particulars	Gross Block				Depreciation		Net Block	
	As at	Additions	Deduction /	As at	Up to	For	Up to	As at
	01-Apr-14		Scrap	31-Mar-15	01-Apr-14	the Period	31-Mar-15	31-Mar-14
In-Tangible Asset Goodwill on Amalgamation	319,367,573	-		319,367,573	191,620,547	63,873,516	255,494,063	127,747,027
<b>Total</b>	<b>319,367,573</b>	<b>-</b>	<b>-</b>	<b>319,367,573</b>	<b>191,620,547</b>	<b>63,873,516</b>	<b>255,494,063</b>	<b>127,747,027</b>
Previous Year	319,367,573	-	-	319,367,573	127,747,031	63,873,516	191,620,547	191,620,542

The Debit Balance arising on the amalgamation has been debited to the Goodwill, as per the Order of the Honorable High Court of Mumbai dated 22nd March, 2012. The same shall be amortized over a period of 5 years beginning with the financial year 2011-2012. The amortized value of the Goodwill has been added to the cost of Work - In - Progress and carried forward as Closing Inventory

Consequent to the introduction of Schedule II of Companies Act, 2013, the useful life of certain assets has been revised. Accordingly depreciation for the year is lower by Rs. 1,911. As per the transitional provision, depreciation of Rs. 4,778 has been adjusted against retained earnings.



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Note. 9. Long-term loans and advances

Particulars	As at 31 March, 2015	As at 31 March, 2014
(Unsecured, considered good)		
MAT Credit Entitlement	72,425	72,425
Income Tax Refund	75,791	117,603
T D S	159,718	80,809
Other Loan and Advances	250,000	250,000
<b>Total</b>	<b>557,934</b>	<b>520,837</b>

Note. 10 Inventories

(At lower of cost and net realizable value)

Particulars	As at 31 March, 2015	As at 31 March, 2014
Work-in-progress (Refer Note 10.1 below)	628,049,571	533,528,082

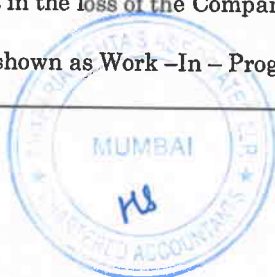
Note. 10.1 Details of inventory of work-in-progress

Particulars	As at 31 March, 2015	As at 31 March, 2014	Increase during the year	Increase during the previous year
Land Cost	41,786,055	41,786,055	-	-
Development Rights	118,000,000	118,000,000	-	-
Land Premium	5,664,995	5,664,995	-	-
Purchase of Materials	396,307	396,307	-	-
Labour Job	130,107	130,107	-	-
Hardship Compensation for Shifting	101,760,500	70,780,500	30,980,000	20,483,000
Professional Fees ( Architect )	1,906,618	1,906,618	-	-
Coordination Charges	2,500,000	2,500,000	-	-
Bank Guarantee Charges	96,966	96,966	-	-
Miscellaneous Expenses	-	-	-	(22)
Employee Benefit Cost	14,854,968	14,854,968	-	1,039,536
Gratuity, Leave & Bonus Provision Written Back	(413,162)	(478,170)	65,008	(356,453)
Conveyance Expenses	222,850	222,850	-	48,985
Diwali Expenses	3,096,188	3,096,188	-	-
Site Expenses	403,000	403,000	-	403,000
Other Expenses	314,722	314,722	-	-
Interest On Loan Taken	85,273,282	84,881,227	392,055	-
Less : Interest on Bank F D R	(3,437,888)	(2,648,798)	(789,090)	(807,637)
Amortization of goodwill	255,494,063	191,620,547	63,873,516	63,873,516
	<b>628,049,571</b>	<b>533,528,082</b>	<b>94,521,489</b>	<b>84,683,925</b>

10.1.1. Expenses incurred in relation to slum dwellers have been included under Work -In - Progress.

10.1.2. During the period, the Company has given advance payment of Compensation for shifting to various slum occupants for alternate rehabilitation. The Company has started recognizing hardship compensation as one time expenditure, instead of previously followed method of expensing out on pro rata basis. The impact of the same is increase of expense and value of inventory by Rs.1,27,04,000 for the year. The change has no impact in the loss of the Company.

10.1.3. Payments made for the SRA project are being shown as Work -In - Progress.



**ROYAL NETRA CONSTRUCTIONS PVT LTD**  
Notes forming part of the financial statements

**Note 11 Cash and Bank Balances**

Particulars	As at 31 March, 2015	As at 31 March, 2014
<b>A) Cash and cash equivalents</b>		
(a) Cash on hand	4,800	5,000
(b) Balances with banks		
(i) In current accounts	1,914,444	2,985,386
<b>Total</b>	1,919,244	2,990,386
<b>B) Other Bank Balances</b>		
<b>Earmarked Deposit</b>		
- Balances held as margin money or security against borrowings, guarantees and other commitments (Refer Note 12.1 below)	8,800,000	8,800,000
<b>Total</b>	8,800,000	8,800,000
<b>Grand Total :</b>	10,719,244	11,790,386

**Notes: 11.1**

Balances with banks include margin monies amounting to Rs.88,00,000 (As at 31 March, 2015) which have original maturity of 12 months.

**Note 12 Short-term loans and advances**

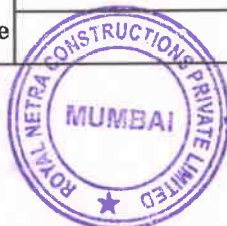
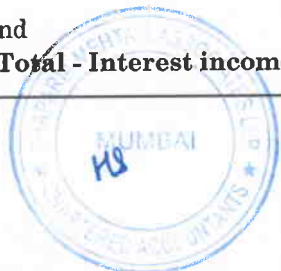
Particulars	As at 31 March, 2015	As at 31 March, 2014
(a) <u>Prepaid expenses</u>		-
Pre-paid Compensation for Shifting		3,224,000
(b) Balance with Government Authorities	49,960	-
<b>Total</b>	49,960	3,224,000

**Note 13 Other income**

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
a.) Interest income (Refer Note 13.1 below)	797,238	804,093
c.) Other non-operating income	1,377	501
<b>Total</b>	798,615	804,594

**Note 13.1**

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
Interest income comprises:		
Interest from banks on:		
deposits	789,090	796,210
Interest on income tax refund	8,148	7,883
<b>Total - Interest income</b>	797,238	804,093



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**ROYAL NETRA CONSTRUCTIONS PVT LTD**  
Notes forming part of the financial statements

**Note 14 Employee benefits expense**

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
Salary and Wages	-	1,039,536
Gratuity, Leave & Bonus Provision paid / (Written Back)	65,008	(356,453)
<b>Total</b>	<b>65,008</b>	<b>683,083</b>

**Note 15 Finance costs**

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
(a) Interest expense on: (i) Borrowings	392,055	-
<b>Total</b>	<b>392,055</b>	<b>0</b>

**Note 16 Other expenses**

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
Hardship Compensation for Shifting	30,980,000	20,483,000
Conveyance Expenses	250	60,724
Rates and taxes	4,400	5,020
Site expenses	-	403,000
Legal and professional	26,820	34,714
Payments to auditors (Refer Note 16.1 below)	117,753	78,236
Miscellaneous expenses	29,306	10,418
<b>Total</b>	<b>31,158,529</b>	<b>21,075,112</b>

**Notes 16.1 Bifurcation of payment to auditors**

Payments to the auditors :		
As auditors - statutory audit	40,000	37,753
For taxation matters	77,753	13,483
For other services	-	27,000
<b>Total</b>	<b>117,753</b>	<b>78,236</b>



**ROYAL NETRA CONSTRUCTIONS PVT LTD**

**Notes forming part of the financial statements**

**Notes 16.2 Bifurcation of Other Expenses**

Particulars	For the year ended 31 March, 2015		For the year ended 31 March, 2014	
	Profit & Loss Account	Transferred to Work -In - Progress	Profit & Loss Account	Transferred to Work -In - Progress
Hardship Compensation for Shifting	-	30,980,000	-	20,483,000
Conveyance Expenses	-	-	11,739	48,985
Rates and taxes	4,400	-	5,020	-
Legal and professional	26,820	-	34,714	-
Site expenses	-	-	-	403,000
Payments to auditors	117,753	-	78,236	-
Miscellaneous expenses	27,929	-	10,418	-
<b>Total</b>	<b>176,902</b>	<b>30,980,000</b>	<b>140,127</b>	<b>20,934,985</b>



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

(Amount in Rupees)

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

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

18 Segment Reporting

The Company has only reporting segment, hence segment reporting is not applicable.

19 Related Party Disclosure

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

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

a) Holding Company

D B Realty Ltd

b) Key Management Personnel

Mr. Vijay Arora

Mr. Preniel Nair

Mr. Satish Agarwal

Mr Parag K Shah

B. Transactions with Related Parties and outstanding balances as on 31.03.2015

Description	(Amount in Rupees)		
	Holding Company	Key Management Personnel	Total
<b>Transaction during the year</b>			
Taken during the year	17,468,000 (0)	69,309,742 (6,000,000)	86,777,742 (6,000,000)
Repaid during the year	- (0)	- (0)	- (0)
Interest on Loan	- (0)	- (0)	- (0)
<b>Closing Balance</b>			
Loan	332,468,000 (315,000,000)	123,225,436 (6,000,000)	455,693,436 (321,000,000)
Accrued Net Interest On Loan	62,377,202 (6,23,77,202)	- (0)	62,377,202 (6,23,77,202)

Notes :

1.) Related parties have been identified by the Management

2.) Figures in bracket relates to the previous year

3.) Mr. Parag K Shah has been appointed as the director of the Company w.e.f. 10.03.2015



**20 Earnings Per Share:**

The Profit/ (Loss) considered in ascertaining the Company's Earnings Per Share comprises the net profit/ (loss) after tax. The number of shares used in computing Basic and Diluted Earnings Per share is the weighted average number of shares outstanding during the period

Particulars	(Amount in Rupees)	
	For the year ended 31 March, 2015	For the year ended 31 March, 2014
Net Loss after tax as per Statement of Profit & Loss	(169,004)	(150,109)
Weighted Number of Shares outstanding during the year	150,000	150,000
Basic & Diluted Earnings per Share	(1.13)	(1.00)
Face value per Equity Share	100	100

**21 Deferred Tax**

Particulars	(Amount in Rupees)	
	For the year ended 31 March, 2015	For the year ended 31 March, 2014
<b>22.1 Deferred Tax ( Liability ) / Asset</b>		
<u>Tax Effect of Items constituting Deferred Tax Liability</u>		
On difference between book balance and tax balance of fixed assets	-	(212)
Tax effect of items constituting deferred tax liability	-	(212)
<u>Tax Effect of Items constituting Deferred Tax Assets</u>		
Unabsorbed Depreciation Carried Forward	-	-
Preliminary Expenses	-	(212)
Tax effect of items constituting deferred tax assets	-	(212)
<b>Net Deferred Tax ( Liability ) / Asset</b>	-	-

**22.2** The Company has recognized deferred tax asset to the extent of the corresponding deferred tax liability on the difference between the book balance and the written down value of fixed assets under Income Tax. The Company has not recognized deferred tax asset on unabsorbed depreciation and brought forward business losses based on the Management's estimates of virtual certainty of future profits.

**23 Contingent Liability :**

There is no contingent liability as on 31st March, 2015

**24 Previous Year Figures:**

Previous Year Figures have been regrouped and reclassified wherever necessary, so as to confirm with the figures of the current year.

**Signatures to Notes 1 to 24**

In terms of our report of even date attached.

For Shaparia Mehta & Associates L L P  
Chartered Accountants  
Firm Registration No.: 112350W / W-100051

*H Shah*  
Partner  
Name: Hiral Shah  
Membership No: 106147

Place: Mumbai  
Date : 22.05.2015



For ROYAL NETRA CONSTRUCTIONS  
PVT LTD

*Vijay Anand*  
Director



*Emil N*  
Director