



## NOTICE

**NOTICE** is hereby given that the Thirty Annual General Meeting of the Members of Priya Constructions Private Limited will be held on Tuesday, 27<sup>th</sup> September, 2016 at 2.00 p.m at the Registered Office of the Company at DB House, Gen. A. K. Vaidya Marg, Goregaon (East), Mumbai - 400 063 to transact the following business:

### AGENDA

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended March 31, 2016, and the Reports of the Board of Directors and the Auditors thereon.
2. To appoint Director in place of Mr. N.P.Bajaj (DIN: 00718905) who retires by rotation and being eligible offers himself for re-appointment.
3. To re-appoint the Statutory Auditors and to fix their remuneration:

**“RESOLVED THAT** pursuant to the provisions of Section 139 ,142 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby ratifies the appointment of M/s. M.A.Parikh & Co., Chartered Accountants (Firm’s Registration No. 107556W), as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the next AGM of the Company to be held in the year 2017 at such remuneration plus service tax, out-of-pocket, travelling expenses etc., as may be mutually agreed between the Board of Directors and the Auditors.”

**By order of the Board of Directors  
For Priya Constructions Private Limited**

**Sd/-  
Director**

**Place: Mumbai  
Date : May 16, 2016**

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

### NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE MEMBER OF THE COMPANY. The proxy in order to be effective must be deposited in writing at the registered office of the company not less than 48 hours before the commencement of the meeting.**
2. **Members / proxies should bring the attendance slip duly filled in for attending the meeting**

### **PRIYA CONSTRUCTIONS PVT. LTD.**

**Regd. Office :** DB House, Gen. A. K. Vaidya Marg, Goregaon (East), Mumbai - 400 063. • Tel.: 91-22-4077 8600 • Fax: 91-22-2841 5550 / 2842 1667  
E-mail: info@dbg.co.in • Website: www.dbrealty.co.in  
CIN: U45200MH1986PTC039169



## DIRECTORS' REPORT

To  
**The Members**  
**Priya Constructions Private Limited**

Your Directors have pleasure in presenting the 30<sup>th</sup> Annual Report together with the Audited Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2016

### OPERATION

The Company had executed a Memorandum of Understanding (MOU) with D B Realty Ltd., whereby it has agreed to grant development rights in respect of the unutilized development potential on the land at Lower Parel, Mumbai, whereon it has constructed a building known as "Turf Estate".

### FINANCIAL RESULTS

(Amount in Rupees)

	For the financial year ending 31 <sup>st</sup> March, 2016	For the financial year ending 31 <sup>st</sup> March, 2015
Income	7,82,00,000	-
Less: Expenditure	7,66,30,273	22,13,217
Profit/ (Loss )Before tax	15,69,727	(22,13,217)
Less :Tax provision/Deferred tax	(3,50,000)	-
Profit/( Loss) after tax	12,19,727	(22,13,217)
Balance brought forward from the previous year	(2,20,64,935)	(1,98,51,718)
Balance carried to Balance Sheet	(2,08,45,205)	(2,20,64,935)

### STATUS OF THE COMPANY

The Company continues to be Wholly Owned Subsidiary Company of D B Realty Limited

### DIVIDEND

Your directors do not recommend any dividend for the year under review.

### TRANSFER TO RESERVES

The Company has not transferred any amount to Reserves during financial year 2015-16

### SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

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

#### **PRIYA CONSTRUCTIONS PVT. LTD.**

## **DIRECTORS**

The Board of Directors of the Company is duly constituted. During the year under review, there is no change in the Board of Directors.

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

## **AUDITOR'S REPORT**

The Auditors in their CARO Report have pointed out with regard to Para vii(b) that the Company has not deposited disputed income tax dues of Rs. 1,78,035/- and the dispute is pending before the Commissioner of Income Tax (Appeals), your Directors state that they would take necessary action if and when the demand is upheld and steps are being taken to meet this liability

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

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

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

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

## **INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has in place adequate internal financial controls with reference to financial statements. During the year no reportable material weakness in the design or operation was observed and the Auditors in their report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 which is annexed as Annexure - B to the Auditors' Report have expressed opinion about the adequacy of the financial controls which were functioning effectively.

## **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, 2016, 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;

### **PRIYA CONSTRUCTIONS PVT. LTD.**

- 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, 2016 forms part of this report

### **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.

### **CONSTITUTION OF NOMINATION AND REMUNERATION COMMITTEE**

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company. No remuneration has been paid to Directors during the year.

### **DECLARATION OF INDEPENDENT DIRECTORS**

The provisions of Section 149 pertaining to the appointment of Independent Directors do not apply to our Company

### **DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM**

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 do not apply to the Company.

### **NUMBER OF BOARD MEETING DURING 2015-16**

The Board met four (4) times during the financial year 2015-16. The date on which the meetings were held are as follows:

02.05.2015, 20.07.2015, 30.10.2015 & 29.01.2016

### **PRIYA CONSTRUCTIONS PVT. LTD.**

## **STATUTORY AUDITORS**

M/s. M.A.Parikh & Co, Chartered Accountants were appointed as Statutory Auditors for a period of 5 years in the Annual General Meeting held on 20<sup>th</sup> September, 2014 and 24<sup>th</sup> September, 2015. Their continuance of appointment for the financial year 2016-17 is to be ratified by the shareholders in the ensuing Annual General Meeting.

The Company has received a certificate from the above Auditors to the effect that if they are re-appointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

## **SHARES**

### **1. BUY BACK OF SECURITIES**

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

### **2. SWEAT EQUITY**

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

### **3. BONUS SHARES**

No bonus shares were issued during the year under review.

### **4. EMPLOYEE STOCK OPTION PLAN**

The Company has not provided any Stock Plan Scheme to the Employee

## **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. 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

## **OTHER DISCLOSURES**

1. There was no revision in the financial statements.
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.

### **PRIYA CONSTRUCTIONS PVT. LTD.**



3. There was no shares held by trustee for the benefit of employees and hence no disclosure under Rule 16(4) of the Companies (Share Capital and Debentures) Rules, 2014 has been furnished.
4. 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.
5. 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, financial institutions, the Government Authorities, its employees, suppliers and creditors.

**On Behalf of the Board of Directors  
For Priya Construction Private Limited**

**Sd/-  
Director**

**Sd/-  
Director**

**Place: Mumbai  
Date: May16, 2016**

**PRIYA CONSTRUCTIONS PVT. LTD.**



FORM NO. MGT 9

(Annexure to Directors' Report)

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2016

PRIYA CONSTRUCTIONS PVT LTD

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

I. REGISTRATION & OTHER DETAILS:		
1	CIN	U45200MH1986PTC039169
2	Registration Date	10.03.1986
3	Name of the Company	PRIYA CONSTRUCTIONS PVT LTD
4	Category/Sub-category of the Company	Company Limited by shares
5	Address of the Registered office & contact details	DB HOUSE, GEN. A.K.VAIDYA MARG, GOREGAON (EAST), MUMBAI - 400063
6	Whether listed company	No
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	N.A

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	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 Add:DB House, Gen. K. Vaidya Marg, Goregaon (East), Mumbai-400063	L70200MH2007PLC166818	Holding Company	100%	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-2015]				No. of Shares held at the end of the year [As on 31-March-2016]				% 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	-	-	-	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.		10,000	10,000	100.00%	10,000		10,000	100.00%	0.00%
e) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub Total (A) (1)</b>	-	10,000	10,000	100.00%	10,000	-	10,000	100.00%	0.00%
<b>(2) Foreign</b>									
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>	-	10,000	10,000	100.00%	10,000	-	10,000	100.00%	0.00%

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<b>B. Public</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%	-	-	-	0.00%	0.00%
ii) Overseas	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	0.00%	-	-	-	0.00%	0.00%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Others (specify)									
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 - D R	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub-total (B)(2):-</b>	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Total Public (B)</b>	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Grand Total (A+B+C)</b>	-	10,000	10,000	100.00%	10,000	-	10,000	100.00%	0.00%

**(ii) Shareholding of Promoter**

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	D B Realty Limited	10,000	100.00%	0	10,000	100.00%	0	0.00%

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

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

**(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	Name						
	At the beginning of the year	<b>Not applicable</b>					
	Changes during the year						
	At the end of the year						

**(v) Shareholding of Directors and Key Managerial Personnel:**

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Name						
	At the beginning of the year	<b>None</b>					
	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	-	225,356,152.00	-	225,356,152.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	225,356,152.00	-	225,356,152.00
<b>Change in Indebtedness during the financial year</b>				
* Addition	-	50,000.00	-	50,000.00
* Reduction	-	-	-	-
<b>Net Change</b>	-	50,000.00	-	50,000.00
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	225,406,152.00	-	225,406,152.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	225,406,152.00	-	225,406,152.00

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

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount (Rs/Lac)
		Name			
		Designation			
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961				
2	Stock Option	<b>Nil</b>			
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				
	Commission				
	Others, please specify				
	Total (1)				
2	Other Non-Executive Directors	<b>Nil</b>			
	Fee for attending board committee				
	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				

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**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		<b>None</b>			
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

On Behalf of the Board of Directors  
For Priya Constructions Private Limited

Sd/-  
Director

Director

Place: Mumbai  
Date: May 16, 2016

**PRIYA CONSTRUCTIONS PVT. LTD.**

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

**Independent Auditor's Report**  
**To the Members of Priya Constructions Private Limited**  
**Report on the Financial Statements**

We have audited the accompanying financial statements of **Priya Constructions Private Limited** ("the Company") which comprise the Balance Sheet as at 31st March 2016, 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 and presentation 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 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 2016, and its profit and cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("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"** a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2016 from being appointed as a director in terms of Section 164(2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure "B"**; and



- (g) 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) As per the information and explanations given to us by the Management of the Company, the pending litigation would not impact its financial position and therefore, no disclosures are made for such pending litigation in its Financial Statements.
  - (b) The Company does not have any long-term contracts including derivative contracts for which there could be any material foreseeable losses and hence, the question of making provision for such losses does not arise.
  - (c) There are 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: 16.05.2016**

## **Annexure – A to the Auditors' Report**

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

- (i) The Company does not own any fixed assets. Thus, paragraph 3(i) of the Order is not applicable.
- (ii) The Company does not hold any inventory as of year-end. Thus, paragraph 3(ii) of the Order is not applicable.
- (iii) The Company has not granted loans to parties covered in the register maintained under section 189 of the Act. Thus, paragraph 3(iii) of the Order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 185 of the Act with respect to the loan granted. The Company has not made any investments or given guarantees.
- (v) The Company has not accepted any deposits from the public. Thus, paragraph 3(v) of the Order is not applicable.
- (vi) The Company is not required to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Act. Thus, paragraph 3(vi) of the Order is not applicable.
- (vii) (a) According to the records of the Company, the Company is regular in depositing the undisputed statutory dues of income-tax and other applicable statutory dues with appropriate authorities.  

According to the information and explanations given to us, no undisputed amounts payable in respect of income tax were in arrears as at 31<sup>st</sup> March, 2016 for a period of more than six months from the date they became payable. The Company did not have any dues on account of provident fund, employees' state insurance, sales tax, service tax, duty of customs, duty of excise, value added tax and cess.
- (b) The Company has not deposited disputed income tax dues of Rs. 1,78,035/- and the dispute is pending before the Commissioner of Income Tax (Appeals). Except for the same, the Company does not have any disputed dues of sales tax, service tax, duty of custom, duty of excise, valued added tax and cess.
- (viii) The Company has not made any borrowings from financial institutions, banks and government or issued debentures. Thus, paragraph 3(viii) of the Order is not applicable.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Thus, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of our audit.
- (xi) The Company has not paid managerial remuneration during the year. Thus, paragraph 3 (xi) of the Order is not applicable.



- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Thus, paragraph 3(xii) of the Order is not applicable.
- (xiii) The Company has not entered into any transaction, as prescribed under section 188 of the Act, with its related parties. Thus, paragraph 3(xiii) of the Order is not applicable.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Thus, paragraph 3(xiv) of the Order is not applicable.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xiv) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

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

*C. Ghelani*

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



**Mumbai, Date: 16.05.2016**



## **Annexure - B to the Auditors' Report**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **Priya Constructions Private Limited** ("the Company") as of 31 March 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



### **Meaning of Internal Financial Controls over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditure of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

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

*C. Ghelani*



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

**Mumbai, Date: 16.05.2016**

**PRIYA CONSTRUCTIONS PRIVATE LIMITED**

**BALANCE SHEET AS AT 31st MARCH, 2016**

( Amount in Rs.)

Particulars	Note No	As at	As at
		31st March, 2016	31st March, 2015
		Amount in Rs	Amount in Rs
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds:</b>			
(a) Share Capital	3	100,000	100,000
(b) Reserves and Surplus	4	(20,845,205)	(22,064,935)
		(20,745,205)	(21,964,935)
<b>2 Current liabilities</b>			
(a) Short-term Borrowings	5	225,406,152	225,356,152
(b) Trade Payables	6		
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		43,567	5,211
(c) Other Current Liabilities	7	41,716,575	140,843
(d) Short-term Provisions	8	-	178,035
		267,166,294	225,680,241
<b>TOTAL</b>		<b>246,421,089</b>	<b>203,715,306</b>
<b>II. ASSETS</b>			
<b>1 Non-current assets</b>			
Non-current Investments	9	157,117,848	160,006,028
<b>2 Current assets</b>			
(a) Inventories	10	-	43,298,800
(b) Trade Receivables	11	46,400,000	-
(c) Cash and Cash equivalents	12	41,523	12,725
(d) Short-term Loans and Advances	13	42,861,718	397,753
		89,303,241	43,709,278
<b>TOTAL</b>		<b>246,421,089</b>	<b>203,715,306</b>

See accompanying notes forming part of financial statements 1 to 26

In terms of our report of even date attached

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

*C. Ghelani*

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



**For and on Behalf of Board of Directors**

*N.P. Bajaj*

**(N.P. Bajaj)**  
Director

*Ishaq Y. Balwa*

**(Ishaq Y. Balwa)**  
Director

Place :Mumbai  
Date : 16.05.2016

**PRIYA CONSTRUCTIONS PRIVATE LIMITED**

**STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31st MARCH, 2016**

Particulars		Note No.	( Amount in Rs.)	
			For the Year Ended 31st March, 2016	For the Year Ended 31st March, 2015
			Amount in Rs	Amount in Rs
1	Revenue from Operations	14	78,200,000	-
2	<b>Total Revenue</b>		<b>78,200,000</b>	<b>-</b>
3	Expenses:			
	Changes in Inventories	15	32,098,800	-
	Share of Loss in Partnership Firm		2,888,180	2,075,308
	Other expenses	16	41,643,293	137,909
	<b>Total expenses</b>		<b>76,630,273</b>	<b>2,213,217</b>
4	<b>Profit/(Loss) before tax</b>		<b>1,569,727</b>	<b>(2,213,217)</b>
5	<b>Tax expense:</b>			
	Current tax	19	(350,000)	-
6	<b>Profit/ (Loss) for the year</b>		<b>1,219,727</b>	<b>(2,213,217)</b>
7	Earnings per equity share(face value of Rs. 10/- each):	24		
	- Basic		121.97	(221.32)

See accompanying notes forming part of financial statements 1 to 26

In terms of our report of even date attached

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



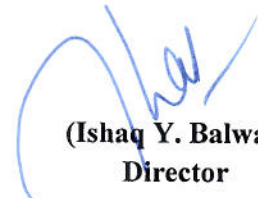
**PARTNER**  
**Name :Chintan Ghelani**  
**Membership No. :132791**



**For and on Behalf of Board of Directors**



**(N.P.Bajaj )**  
**Director**



**(Ishaq Y. Balwa )**  
**Director**

**Place :Mumbai**  
**Date : 16.05.2016**

**PRIYA CONSTRUCTION PRIVATE LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016**

Particulars	For the Year Ended 31st March, 2016		For the Year Ended 31st March, 2015	
	Amount in Rs	Amount in Rs	Amount in Rs	Amount in Rs
<b>(A) Cash Flow From Operating Activities:</b>				
(Loss) as per Statement of Profit and Loss		(1,318,453)		(4,288,525)
Share of Loss in a Partnership Firm	2,888,180	2,888,180	2,075,308	2,075,308
<b>Operating Income before working capital Changes</b>		<b>1,569,727</b>		<b>(2,213,217)</b>
<b>Adjustments for changes in Working Capital :</b>				
Inventories	43,298,800		-	
Trade Receivable	(46,400,000)		-	
Loans and Advances	(42,210,000)		(361,570)	
Liabilities	41,614,088	(3,697,112)	(69,298)	(430,868)
<b>Cash Flow from Operating Activities:</b>		<b>(2,127,385)</b>		<b>(2,644,085)</b>
Less: Taxes paid		(782,000)		-
<b>Net Cash Flow from Operating Activities:</b>		<b>(2,909,385)</b>		<b>(2,644,085)</b>
<b>(B) Cash Flow From Investing Activities:</b>				
Contribution made in a partnership firm	2,888,180		2,010,308	
<b>Net Cash used in Investing Activities</b>		<b>2,888,180</b>		<b>2,010,308</b>
<b>(C) Cash Flow From Financing Activities:</b>				
Unsecured Loans	50,000		620,000	
<b>Net Cash Generated from Financing Activities</b>		<b>50,000</b>		<b>620,000</b>
<b>Net Increase in Cash and Cash Equivalents</b>		<b>28,795</b>		<b>(13,777)</b>
Add: Cash and Cash Equivalents (Opening)		12,728		26,504
<b>Cash and Cash equivalents (Closing)</b>		<b>41,523</b>		<b>12,728</b>
<b>Cash and Cash equivalents includes</b>				
Cash on hand		19,204		507
Bank balances		22,319		12,221
		<b>41,523</b>		<b>12,728</b>

In terms of our report of even date attached

For M.A.PARIKH & CO  
Chartered Accountants



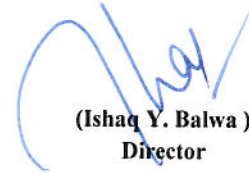

**PARTNER**  
Name :Chintan Ghelani  
Membership No. :132791

Place : Mumbai  
Dated: 16.05.2016

For and on Behalf of Board of Directors



(N.P.Bajaj )  
Director



(Ishaq Y. Balwa )  
Director

## **PRIYA CONSTRUCTIONS PRIVATE LIMITED**

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

#### **1 CORPORATE INFORMATION**

The Company is a subsidiary of D B Realty Limited, a "public company" and consequently, it is also a public company. However, it continues to use the word "Private Limited" as permitted by law.

#### **2 STATEMENT OF 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 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 Investment**

The Company's investment comprises of contribution in a partnership firm in the capacity as a partner and the balance is inclusive of adjustment on account of share of profit/loss for the year.

##### **2.4 Inventories**

Inventories are valued at lower of cost or estimated net realizable value. Cost includes the cost of purchase and cost incurred in bringing the inventories to their present location and condition.

##### **2.5 Taxes on Income**

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

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 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.

##### **2.6 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.



**PRIYA CONSTRUCTIONS PRIVATE LIMITED**

**Notes forming part of financial statements**

**2.7 Earnings per Share**

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

**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 present the cash flows by operating, investing and financing activities of the Company.

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



**PRIYA CONSTRUCTIONS PRIVATE LIMITED**

Notes forming part of financial statements

**3 Share Capital**

Particulars	As At 31st March, 2016		As at 31st March, 2015	
	Number	Amount in Rs	Number	Amount in Rs
<b>Authorised</b>				
Equity Shares of Rs.10/- each	50,000	500,000	50,000	500,000
	<b>50,000</b>	<b>500,000</b>	<b>50,000</b>	<b>500,000</b>
<b>Issued</b>				
Equity Shares of Rs.10/- each fully paid-up	10,000	100,000	10,000	100,000
	<b>10,000</b>	<b>100,000</b>	<b>10,000</b>	<b>100,000</b>
<b>Subscribed &amp; Paid up</b>				
Equity Shares of Rs.10/- each fully paid-up	10,000	100,000	10,000	100,000
	<b>10,000</b>	<b>100,000</b>	<b>10,000</b>	<b>100,000</b>

3.1 There is no movement in the number of equity shares during the year ended 31st March, 2016 as well as during the year ended 31st March, 2015.

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

The Company has only one class of equity share having a par value of Rs.100 per share. Each holder of equity share is entitled for one vote per share. Accordingly, all equity shares rank equally with regards to dividends and share in the Company's residual assets. The equity share-holders are entitled to receive dividend as and when declared.

On winding up of the Company, the holder's of equity shares will be entitled to receive the residual assets of the Company after distribution of all preferential amounts in proportion to the number of equity shares held.

3.3 10,000 Equity Shares (Previous Year -10,000) are held by D B Realty Limited, the holding company and its nominee.

**3.4 Details of Shareholders holding more than 5 % of the aggregate shares in the Company:**

Name of Shareholder	As At 31st March, 2016		As at 31st March, 2015	
	No. of Shares	% of Holding	No. of Shares	% of Holding
DB Realty Limited and its nominee	10,000	100%	10,000	100%
<b>Total</b>	<b>10,000</b>	<b>100%</b>	<b>10,000</b>	<b>100%</b>

**4 Reserves & Surplus**

Particulars	As At 31st March, 2016	As at 31st March, 2015
	Amount in Rs	Amount in Rs
Surplus as per Statement of Profit & Loss		
Opening balance	(22,064,935)	(19,851,718)
Add: Profit/(Loss) for the year	1,219,727	(2,213,217)
Closing Balance	<b>(20,845,205)</b>	<b>(22,064,935)</b>
<b>Total</b>	<b>(20,845,205)</b>	<b>(22,064,935)</b>

**5 Short Term Borrowings**

Particulars	As At 31st March, 2016	As at 31st March, 2015
	Amount in Rs	Amount in Rs
<b>Unsecured</b>		
Loan from Holding Company (Refer Note below)	225,406,152	225,356,152
<b>Total</b>	<b>225,406,152</b>	<b>225,356,152</b>

Note: Interest free, repayable on demand

**6 Trade Payables**

Particulars	As At 31st March, 2016	As at 31st March, 2015
	Amount in Rs	Amount in Rs
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises (Refer Note No.17)	43,567	5,211
<b>Total</b>	<b>43,567</b>	<b>5,211</b>





**PRIYA CONSTRUCTIONS PRIVATE LIMITED**

Notes forming part of financial statements

**7 Other Current Liabilities**

Particulars	As At 31st March, 2016	As at 31st March, 2015
	Amount in Rs	Amount in Rs
Statutory dues	3,100	4,450
Other payables	132,395	136,393
Compensation payable to Holding Company (Refer Note No.18 and 18.1)	41,581,080	-
<b>Total</b>	<b>41,716,575</b>	<b>140,843</b>

**8 Short Term Provisions**

Particulars	As At 31st March, 2016	As at 31st March, 2015
	Amount in Rs	Amount in Rs
Provision for Income Tax (Net of payment made thereagainst)	-	178,035
<b>Total</b>	<b>-</b>	<b>178,035</b>

**9 Non-current investments**

Particulars	As At 31st March, 2016	As at 31st March, 2015
	Amount in Rs	Amount in Rs
Investment in Firm Name: Evergreen Industrial Estate	157,117,848	160,006,028
Name of the Partners	Share of Profit/Loss %	Capital as at 31.03.2016
Priya Construction Private Limited	66	157,117,848
Jony Estate Pvt. Ltd.	33	77,805,746
Turf Estate Joint Venture (AOP)	1	8,166,751
<b>Total</b>	<b>157,117,848</b>	<b>160,006,028</b>

**10 Inventories**

Particulars	As At 31st March, 2016	As at 31st March, 2015
	Amount in Rs	Amount in Rs
(Valued at cost) Closing Stock (Premises)	-	43,298,800
<b>Total</b>	<b>-</b>	<b>43,298,800</b>

**11 Trade Receivables**

Particular	As At 31st March, 2016	As at 31st March, 2015
	Amount in Rs	Amount in Rs
(Unsecured and Considered good)		
(a) Outstanding for a period more than six months from the date they were due for payment (Refer Note No.15.1)	11,200,000	-
(b) Others	35,200,000	-
<b>Total</b>	<b>46,400,000</b>	<b>-</b>

**12 Cash and cash equivalents**

Particular	As At 31st March, 2016	As at 31st March, 2015
	Amount in Rs	Amount in Rs
(a) Cash on hand	19,204	507
(b) Bank Balance in Current Account	22,319	12,221
<b>Total</b>	<b>41,523</b>	<b>12,728</b>



**PRIYA CONSTRUCTIONS PRIVATE LIMITED**

Notes forming part of financial statements

**13 Short -Term loans and advances**

Particular	As At 31st March, 2016	As at 31st March, 2015
	Amount in Rs	Amount in Rs
(Unsecured and considered good)		
Loan to a Related Party (Refer Note No.22 and 23)	42,210,000	-
Advances recoverable in cash or in kind (Refer Note No.23)	397,753	397,753
Income Tax (Net of provision made thereagainst)	253,965	-
<b>Total</b>	<b>42,861,718</b>	<b>397,753</b>

**14 Revenue**

Particular	For the year ended 31 March, 2016	For the year ended 31 March, 2015
	Amount in Rs	Amount in Rs
Sale of Premises (Refer Note No.18 and 18.1)	78,200,000	-
<b>Total</b>	<b>78,200,000</b>	<b>-</b>

**15 Changes in Inventories**

Particular	For the year ended 31 March, 2016	For the year ended 31 March, 2015
	Amount in Rs	Amount in Rs
Balance as at commencement of the year:		
- Stock of Premises	43,298,800	43,298,800
Less: Re-Classified to Trade Receivable (Refer Note No.15.1)	11,200,000	-
Balance as of end of the year :	32,098,800	43,298,800
- Stock of Premises	-	43,298,800
<b>Total</b>	<b>32,098,800</b>	<b>-</b>

15.1 In the year of execution of the project, i.e. year ended 31-03-2010, on surrender of unit allotted to an allottee, the Company had accounted the same as its inventory at a value agreed with the said allottee. However, based on the understanding reached, both the parties executed a deed of cancellation dated 14.08.2013 whereby the proposed surrender of the unit in the year ended 31-03-2010 was terminated whereby the rights, title and interest in the said unit vested with the said allottee with an obligation to pay the sum of Rs. 1,12,00,000/- (the amount refunded) within a period of 24 months effective 14.08.2013, which has remained unpaid. The management is of the opinion that the said amount shall be refunded in due course of time. However, the effects for the deed for cancellation had remained to be given in the accounts, which are being given in these accounts by reclassifying the "Inventory" to "Trade Receivables", being a prior year adjustment. Further, the said receivable is subject to confirmation.

**16 Other Expenses**

Particular	For the year ended 31 March, 2016	For the year ended 31 March, 2015
	Amount in Rs	Amount in Rs
Compensation on resale of units (Refer Note No.18 and 18.1)	41,581,080	-
Legal and Professional Charges	7,943	5,050
Communication Expenses	387	7,147
Conveyance and Travelling	-	519
Remuneration to Auditors'		
- Audit Fees	25,000	25,000
- In Other Capacity	18,000	37,000
- Out of Pocket Expenses	1,000	2,500
- Service Tax	4,495	4,884
Miscellaneous Expenses	5,388	55,809
<b>Total</b>	<b>41,643,293</b>	<b>137,909</b>



**PRIYA CONSTRUCTIONS PRIVATE LIMITED**  
**Notes forming part of financial statements**

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

Particulars	(Amount in Rupees)	
	For the year ended 31 March 2016	For the year ended 31 March 2015
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 Auditors.

- 18 The Company has rights in the land situated at Lower Parel, Mumbai and has constructed a building known as "Turf Estate" on the said land. For the balance development potential on the said land, the Company has entered into a Memorandum of Understanding [MOU] dated 5th August 2009 with DB Realty Limited [DBR], whereby it has agreed to grant rights for the balance development potential on the said land to DBR for Rs. 1,00,00,000/-, out of which Rs. 25,00,000/- has been paid on execution of MOU and the balance amount is due on execution of development agreement, which is not yet executed.
- 18.1 Further, in terms of the aforesaid MOU, DBR through the Company had the right to approach the unit-holders for re-development of Turf Estate. As the consideration in respect of two units had remained outstanding for long period of time, DBR entered into an arrangement with the Company for repurchasing the said units with a right to DBR to acquire the same at cost or otherwise to dispose off the same. Consequent to which, on behalf of DBR, the Company had repurchased the said two units in the year ended 31.03.2012. Accordingly, on sale of these units during the year, the Company has paid Rs. 4,15,81,080/- to DBR as "Compensation on Resale of Units".
- 18.2 Also further, DBR has formed a joint venture, know as Turf Estate (the JV), to develop and construct a real estate project, which involves rehabilitation of the occupants of the units forming part of the building constructed by the Company. A Memorandum of Understanding is entered into by the JV with 46 unit owners wherein the Company is a confirming party. For balance unit owners, the settlement with the JV is pending. The finality as regards rehabilitation of the occupants is not yet reached.
- 19 The Company's project namely "Turf Estate" was completed in the year ended 31st March, 2010. Consequent to survey action carried out in the year ended 31st March, 2007, to buy peace and avoid protracted litigation, the Company had offered Rs. 4,50,00,000/- as taxable income referable to the said project. Accordingly, profits of Rs. 2,15,69,006/- recognised as upto 31st March, 2014, were excluded in the computation of taxable income since lower than the agreed income offered to tax. During the year, the Company has re-sold the units re-purchased on account of cancellation of allotment letters with the original allottees and earned profit of Rs. 46,20,120/-. In computing the taxable income (other than book profits) the said profit is excluded since the aggregate profits so recognised till date are lower than the agreed income offered to tax.
- 20 Current tax represents Company's tax liability on its book profits under section 115JB of the Income Tax Act, 1961 (the Act) i.e. Minimum Alternate Tax (MAT). As per the Act, any excess of MAT paid over the normal tax payable can be carried forward and set-off against the future normal tax liabilities. However, in absence virtual certainty of earning sufficient taxable income in near future years, as a matter of prudence the Company has decided not to recognise MAT credit entitlement of Rs. 7,15,812/-
- 21 The Company is a Partner in Evergreen Industrial Estate and the balance in its capital account as of the year-end is Rs. 15,71,17,848/- (Previous Year Rs. 16,00,06,028/-), the source whereof in its hands represent unsecured loan from DBR.
- 22 The Company is engaged in the business of providing infrastructural facilities and therefore, by virtue of section 186(11)(a) of the Act, read with sub-section (7) of the said section, it is not mandatory to charge interest. Accordingly, it has not charged interest on the loan granted to Turf Estate JV.
- 23 **Related Party Disclosure:**  
As per Accounting Standard 18 (AS-18) 'Related Party Disclosure', 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:**

**Holding Company**  
D B Realty Limited

**Subsidiary of Holding Company, Jointly Controlled Entities by the Company/ Holding Company (Associated Enterprises)**

DB Hi Sky Constructions Pvt.Ltd  
Real Gem Buildtech Private Limited  
Evergreen Industrial Estate  
Turf Estate JV



**PRIYA CONSTRUCTIONS PRIVATE LIMITED**

**Notes forming part of financial statements**

**B Transactions with Related Parties and outstanding balance as of year-end:-**

(Amount in Rupees)

Particulars	Holding Company	Associated Enterprises
<b>Loan Taken</b>		
Opening Balance	225,356,152	-
	(224,736,152)	(-)
Taken during the year	50,000	-
	(620,000)	(-)
Repaid during the year	-	-
	-	(-)
Closing Balance	225,406,152	-
	(225,356,152)	(-)
<b>Loan Given</b>		
Opening Balance	-	-
	(-)	(-)
Given during the year	-	42,600,000
	(-)	(-)
Received back during the year	-	390,000
	(-)	(-)
Closing Balance	-	42,210,000
	(-)	(-)
<b>Compensation on resale of units (Refer Note No.18 and 18.1)</b>		
Transaction during the year	41,581,080	-
	(-)	(-)
Payable as of year-end	41,581,080	-
	(-)	(-)
<b>Reimbursement of Statutory Obligations</b>		
Opening Balance	-	-
	(-)	(1,116)
Statutory obligation paid on behalf of the Company	-	2,500
	(-)	(22,462)
Payment made	-	2,500
	(-)	(23,578)
Closing Balance	-	-
	(-)	(-)
<b>Reimbursement of Expenses</b>		
Opening Balance	-	397,753
	(-)	(-)
Expenses Paid on behalf of Company	-	-
	(-)	(397,753)
Payment Received	-	-
	(-)	(-)
Closing Balance	-	397,753
	(-)	(397,753)
<b>Contribution in the capital of Evergreen Industrial Estate (Partnership Firm)</b>		
Opening Balance	-	160,006,028
	(-)	(162,016,335)
Contribution during the year	-	-
	(-)	(65,001)
Withdrawal during the year	-	-
	(-)	(-)
Share of loss in Partnership Firm	-	2,888,180
	(-)	(2,075,308)
Balance in Capital Account of the Firm	-	157,117,848
	(-)	(164,026,642)

**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.



**PRIYA CONSTRUCTIONS PRIVATE LIMITED**

**Notes forming part of financial statements**

**24 Earnings Per Share:**

The Profit/ (Loss) considered in ascertaining the Company's Earnings Per Share comprises of Net Profit/ (Loss) After Tax.  
The number of shares used in computing basic Earnings Per Share is the weighted average number of shares outstanding during the year.  
There are no dilutive potential equity shares.

Particulars	(Amount in Rs)	
	Current Year	Previous Year
Loss after Tax as per Profit & Loss Account	1,219,727	(2,213,217)
Weighted number of shares outstanding during the year	10,000	10,000
Basic & Diluted Earnings per Share	121.97	(221.32)
Face Value per Equity Share	10	10

**25 Segment Reporting**

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


**26 Previous Year figures:**

The previous year figures have been rearranged and reclassified, wherever necessary to confirm with current year's presentation.

Signature to Notes 1 - 26

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: 16.05.2016**



**For and on Behalf of Board of Directors**

  
**(N.P. Bajaj)  
Director**

**Place: Mumbai  
Date: 16.05.2016**

  
**(Ishaq Y. Balwa)  
Director**