

M/S. REAL GEM BUILDTECH PRIVATE LIMITED

ANNUAL AUDITED ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH, 2016

MEHTA CHOKSHI & SHAH

Chartered Accountants

Maker Bhavan 3, 214, 2nd floor,

New Marine Lines, Mumbai 400 020

Tel. No. : 2205 7309 * 2208 8743 * 66334067

Fax : 2205 5432 * Email : chetanshah@camcs.in, vijaygajaria@camcs.in



NOTICE

NOTICE is hereby given that the 7th Annual General Meeting of the members of the Company will be held on Wednesday, the 28th September, 2016 at 3.00 p.m. at the Registered Office of the Company at DB House, Gen A.K. Vaidya Marg, Goregoan (East), Mumbai -400063 to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Financial Statements of the Company for the year ended 31st March, 2016 and the Reports of the Board of Directors and Auditors thereon;
2. To appoint Director in place of Mr. Salim Balwa, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration and in this regard to consider, and if thought fit, to pass with or without modification(s), the following resolution, which will be proposed as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, the appointment of M/s. Mehta Chokshi & Shah, Chartered Accountants, Mumbai (Reg No. 106201W), as the Statutory Auditors of the Company, who were appointed as auditors of the Company at the 5th Annual General Meeting of the Company to hold office till the conclusion of the 10th Annual General Meeting of the Company to be held in the year 2019, be and is hereby ratified and the Board of Directors be and is hereby authorized to do all such acts, deeds, matters as may be necessary to give effect to this resolution including fixation of their remuneration and reimbursement of out of pocket expenses incurred in connection hereto.”

SPECIAL BUSINESS:

4. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Rules made there under read with Schedule IV to the Act, (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Jagat Anil Killawala (DIN: 00262857), who was appointed as an Additional (Independent) Director of the Company by the Board of Directors at its meeting held on November 7, 2015 and whose term of office expires at this Annual General Meeting (‘AGM’) and in respect of whom the Company has received a Notice in writing from a Member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years commencing from November 7, 2015 and whose office shall not be liable to determination by retirement of directors by rotation.”

5. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Rules made there under read with Schedule IV to the Act, (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Nasir M. Rafique (DIN: 01623598), who was appointed as an Additional (Independent) Director of the Company by the

REAL GEM BUILDTECH PRIVATE LIMITED

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

E-mail: info@dbg.co.in • Website: www.dbrealty.co.in

CIN: U45202MH2009PTC193816



Board of Directors at its meeting held on November 7, 2015 and whose term of office expires at this Annual General Meeting ('AGM') and in respect of whom the Company has received a Notice in writing from a Member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years commencing from November 7, 2015 and whose office shall not be liable to determination by retirement of directors by rotation."

6. To consider, and if thought fit, to pass, with or without modification(s), the following as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sec. 188 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, if any, the consent of the Company be and is hereby accorded for the payments made/to be made on account of lodging and boarding services availed or to be availed by employees or official or authorised persons of the Company as official visit at the hotels of group Companies i.e. Grand Hyatt Goa (operating under the Company namely Goan Hotels & Clubs Private Limited) and Hotel Hilton (operating under the Company namely BD & P Hotels (India) Private Limited) upto Rs. 5 crores each for the financial year.

RESOLVED FURTHER THAT Board of Directors be and is hereby authorized to do all acts, deeds, matters and things as may be considered necessary, proper or desirable to give effect to this resolution."

**By order of the Board of Directors,
For Real Gem Buildtech Private Limited**

SD/-

Director

Place: Mumbai
Date: 27.05.2016

Registered 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 IN HIS/HER STEAD AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. Proxies, in order to be effective, must be duly stamped, completed, signed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
3. The relative Explanatory Statement pursuant to section 102(1) of the Companies Act, 2013, in respect of the Special Business set out above is annexed hereto.

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Explanatory Statement pursuant to section 102(1) of the Companies Act, 2013:

Item No.4

Pursuant to the Sec. 149 read with rules made thereunder and other applicable provisions of the Companies Act, 2013 the Company was require to appoint 2 Independent Director on the Board of the Company.

In order to comply with above requirement, the Board has decided to appoint Mr. Jagat A. Killawala, (DIN: 00262857) Independent Director of the Holding Company, D B Realty Limited as an Additional Director (Independent) of the Company with effect from 7th November, 2015. He holds office upto the date of this Annual General Meeting but is eligible for the appointment as an Independent Director for a term upto five years. The Company has received notice under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of an Independent Director

Mr. Jagat A. Killwala is an Industrialist and has been engaged in the business of manufacture of electrical switches, step lights for theatre applications and LED Products for lighting applications. He has been a premium distributor for Vimar Spa of Italy, for modular switches and accessories, Ilti Luce, Italy and Advance Fibre Optics for Fiber Otic Ligting etc for Mundocolr Spain for Theatre Lighting, He has been a Government Contractor & Railway Contractor in Signal & Telecom Dept.

Mr. Jagat A. Killawla has given a declaration to the Board that he meets the criteria of Independence as provided under section 149 (6) of the Companies Act, 2013 for appointment as Independent Director of the Company.

A copy of the draft Letter of Appointment for Independent Directors, setting out terms and conditions of appointment of Independent Directors is available for inspection at the Registered Office of the Company during business hours on any working day of the Company.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Jagat A. Killawala as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Jahat A. Killawla as an Independent Director, for the approval by the shareholder of the Company.

Except Mr. Jagat A. Killawala, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.4.

Item No. 5

Pursuant to the Sec. 149 read with rules made thereunder and other applicable provisions of the Companies Act, 2013 the Company was require to appoint 2 Independent Director on the Board of the Company.

In order to comply with above requirement, the Board has decided to appoint Mr. Nasir M. Rafique (DIN: 01623598) Independent Director of the Holding Company, D B Realty Limited as an Additional Director (Independent) of the Company with effect from 7th November, 2016. Mr. Nasir M. Rafique holds office upto the date of this Annual General Meeting but is eligible for the appointment as an Independent Director for a term upto five years. The Company has received notice under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of an Independent Director

Mr. Nasir M. Rafique has completed Engineering from IIT, Kanpur / AMU and Hotel Management from IHM, PUSA, New Delhi. He has been a Freelance Consultant for the last 6 years and prior to that has worked as Advisor to Dadabhai Group, Bahrain (1998-2005), and as Principal of IHMA (1974-1998).

Mr. Nasir M. Rafique has given a declaration to the Board that he meets the criteria of Independence as provided under section 149 (6) of the Companies Act, 2013 for appointment as Independent Director of the Company.

REAL GEM BUILDTECH PRIVATE LIMITED



A copy of the draft Letter of Appointment for Independent Directors, setting out terms and conditions of appointment of Independent Directors is available for inspection at the Registered Office of the Company during business hours on any working day of the Company.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Nasir M. Rafique as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Nasir M. Rafique as an Independent Director, for the approval by the shareholder of the Company.

Except Mr. Nasir M. Rafique, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.5.

Item No. 6

As per provisions of Sec. 188(1) read with Rules 15 of Companies (Meeting of Board and its Powers) Rules, 2014, a company (whether private or public) needs to obtain prior approval of the Board of Directors and in case transactions not exceeding such sums as prescribed therein.

Further, third proviso to Sec 188(1) provides that nothing in this sub-section shall apply to any transaction entered into by the Company in its ordinary course of business and on arm's length basis. The provisions of Sec. 188 (3) also provide that if any contract or arrangement entered into under Sec. 188(1) is not ratified by the Board or as the case may be by the shareholders at a meeting within three months from the date on which such contract or arrangement was entered into, such contract or arrangement shall be voidable at the option of the Board.

Although the payments made / to be made by the Company to the group Company's namely Goan Hotels and Clubs Private Limited and BD & P Hotels (India) Private Limited on account of lodging and boarding services availed or to be availed by employees or official of the Company as official visit at the hotels of group Companies, out of abundant caution, the Company intends to place this for the approval of the members.

All prescribed disclosures as required to be given under the provisions of the Companies Act, 2013 and the Companies (Meeting of Board and its Powers) Rules, 2014, are given here in below for kind perusal of members:

(a)	Name of the related party and nature of relationship	Goan Hotels and Clubs Private Limited BD & P Hotels (India) Private Limited (Group Companies)
(b)	Nature, duration of the contract and particulars of the contract or arrangement	The lodging and boarding services availed or to be availed by employees or official of the Company as official visit at the hotels of aforesaid group Companies intend to place this for the approval of the members It has also been agreed that all payments for the actions and obligations be undertaken by the Company with respect expenses incurred by the employees or official of the Company at hotels of aforesaid group Companies upto Rs. 5 crores each for the financial year.
(c)	Material terms of the contract or arrangement including the value, if any;	As referred in point (b) above
(d)	Any advance paid or received for the contract or arrangement, if any,	NIL
(e)	Manner of determining the pricing and other commercial terms both included as part of the contract and not considered as part of the contract	The payment shall be made by the Company to the group Companies in terms with this arrangement and the same are ensured to be upto 50% of prevailing market rate of services availed or to be availed by the employees or official of the Company at hotels of aforesaid group Companies

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(f)	Whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors;	All factors have been considered.
(g)	Any other information relevant or important for the members to take a decision on the proposed transaction/resolution	NIL

The Board of Directors accordingly recommend the resolution set out at Item no. 5 of the accompanying notice for the approval of the Members pursuant to the provisions of Section 188 of the Companies Act, 2013 as a Ordinary Resolution as an abundant precaution.

Mr. Rajiv Agarwal and Mr. Jayvardhan Goenka who are Directors of BD & P Hotels (India) Private Limited and Goan Hotels and Clubs Private Limited, respectively and Mr. Salim Balwa who is holds preference shares in BD & P Hotels (India) Private Limited shall be deemed to be interested or concerned, financial or otherwise in the proposed resolution.

**By order of the Board of Directors,
For Real Gem Buildtech Private Limited**

SD/-

Director

Place: Mumbai
Date: 27.05.2016

Registered Office:
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Goregaon (East), Mumbai – 400063

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DIRECTORS' REPORT

Dear Member

Your Directors have pleasure in presenting the 7th Annual Report together with the Audited Statement of Accounts of the Company for the year ended on 31st March, 2016:

FINANCIAL RESULTS:

(Amount in Rs)

Particulars	For the Year Ended 31.03.2016	For the Year Ended 31.03.2015
Total Income	12,07,958	42,31,189
Total Expenditure	15,18,82,253	13,39,20,072
(Loss) before Tax	(15,06,74,295)	(12,96,88,883)
Current tax	-	-
Deferred tax	2,76,60,069	4,17,78,926
Profit/(Loss) after Tax	(12,30,14,226)	(8,79,09,957)

STATUS OF PROJECTS

The Company is engaged in the business of real estate and construction and the Company is presently developing a residential project "DB Crown" at Prabhadevi and the Company is a wholly owned subsidiary of D B Realty Ltd. The Company's Project "DB Crown" at Prabhadevi is a residential project offering luxury of amplexness of space and an endless view of the sea. The construction work of the said project is progressing with an impressive pace as per revised plans and approval. The Company follows Percentage Completion method for recognizing the revenue. However, since the threshold limit under the Percentage Completion method is not achieved so far, the Company has not recognised revenue from operations for the year ended 31.03.2016.

TRANSFER TO RESERVES:

The Company has not transferred any amount to reserves

DIVIDEND

In the absence of any profits, your Directors do not recommend dividend for the year under review.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

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

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

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

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

During the year under review there has been no such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future. The Company has disclosed the impact of pending litigations on its financials position in its financial statements- Refer Note No.26 to the financial statements.

RISK MANAGEMENT:

The Board of Directors of the Company reviews/shall review the risks affecting the Company from time to time.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

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

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

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

CONTRACTS / ARRANGEMENTS / TRANSACTIONS WITH RELATED PARTIES:

All the transactions/contracts/arrangements of the nature as specified in Section 188(1) of the Companies Act, 2013 entered by the Company during the year under review with related party (/ies) are in the ordinary course of business and on arms' length basis. Hence, Section 188(1) is not applicable and consequently no particulars in form AOC-2 have been furnished

AUDIT REPORT AND OUR COMMENTS:

The provisions relating to submission of Secretarial Audit Report is not applicable to the Company. The Audit Report does not contain any qualification/ emphasis of matters. Further, notes to Financial Statements are self explanatory and does not require further clarifications/comments.

With regard to observation of Auditors as stated in para no. (vii)(a) of Annexure to Auditors Report observations as mentioned in annexure to Directors Report about few instances of delay in deposit of statutory dues, your Directors have to state that the Company shall initiate the process of payment and your Directors are hopeful of clearing the said liability in due course of time. The arrears of outstanding property tax as at 31st March, 2016 which was outstanding for more than six months from the date it became payable, your Directors have to state that the Company shall initiate the process of payment and your Directors are hopeful of clearing the said liability in due course of time.

ANNUAL RETURN:

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

REAL GEM BUILDTECH PRIVATE LIMITED



NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW:

During the financial year 2015-16, the Board of Directors met 10 times, viz. 24.04.2015, 19.05.2015, 30.07.2015, 05.09.2015, 28.10.2015, 03.11.2015, 07.11.2015, 14.12.2015, 18.01.2016 and 06.02.2016. The gap between any two meetings has been less than one hundred and twenty days.

DIRECTORS RESPONSIBILITY STATEMENT:

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

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

PARTICULARS OF EMPLOYEES:

During the year under review, the Company was having 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 and the said list of employees is attached as Annexure to the Directors' Report. None of such employees held any shares in the Company and were not related to any of the Directors of the Company.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

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

INTERNAL FINANCIAL CONTROL

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

DEPOSITS:

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

REAL GEM BUILDTECH PRIVATE LIMITED



DIRECTORS:

Mr. Nabil Patel is acting as Whole time Director of the Company. Further, Mr. Jayvardhan Goenka, Mr. Rajiv Agarwal, Mr. Salim Balwa are continuing as Directors of the Company.

During the year under review, Mr. Jagat Killawala and Mr. Nasir M. Rafique were appointed as Additional Directors and as Non-executive Independent Director of the Company for a period of five years with effect from 7th November, 2015

Mr. Salim Balwa, Director who retires by rotation and being eligible, offers himself for re-appointment subject to approval of Members in the ensuing Annual General Meeting. The Board recommends his re-appointment as Director of the Company.

DECLARATION OF INDEPENDENT DIRECTORS:

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

AUDITORS:

The Statutory Auditors of the Company M/s. Mehta Chokshi & Shah., Chartered Accountants, Mumbai, (Reg. No. 106201W) retire at the ensuing Annual General Meeting and being eligible, offer themselves, for re-appointment. The Board recommends their re-appointment as the Auditors of the Company.

RE CONSTITUTE AUDIT COMMITTEE AND VIGIL MECHANISM:

During the year under review, the Audit Committee was reconstituted to include Mr. Jayvardhan Goenka in place of Mr. Rajiv Agarwal and the reconstituted Audit Committee as on 31.03.2016 was as under ;

- a) Mr. Jayvardhan Goenka
- b) Mr. Jagat A. Killwala
- c) Mr. Nasir M. Rafique

The above composition of the Audit Committee consists of independent Directors viz., Mr. Jagat A. Killwala and Mr. Nasir M. Rafique who form the majority.

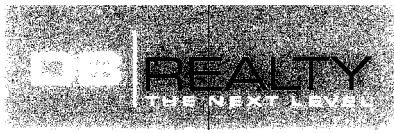
The Company has established a vigil mechanism and overseas through the committee, the genuine concerns expressed by the employees and other Directors. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided direct access to the chairman of the Audit Committee on reporting issues concerning the interests of co employees and the Company.

NOMINATION AND REMUNERATION COMMITTEE :

The Nomination and Remuneration Committee consists of the following members;

- a) Mr. Jayvardhan Goenka
- b) Mr. Jagat A. Killwala
- a) Mr. Nasir M. Rafique

REAL GEM BUILDTECH PRIVATE LIMITED



The above composition of the Nomination and Remuneration Committee consists of independent Directors viz., Mr. Jagat A. Killwala and Nasir M. Rafique who form the majority.

SHARES

a. **BUY BACK OF SECURITIES:**

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

b. **SWEAT EQUITY:**

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

c. **BONUS SHARES:**

No Bonus Shares were issued during the year under review.

d. **EMPLOYEES STOCK OPTION PLAN:**

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

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

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

There was no foreign exchange inflow or Outflow during the year under review.

ACKNOWLEDGEMENT:

Your Directors would like to express their appreciation for the support extended by the Bankers, Office Bearers of the Government Department, its Employees, Creditors and Suppliers.

**By order of the Board of Directors,
For Real Gem Buildtech Private Limited**

SD/-

SD/-

Director

Director

Place : Mumbai
Date : 27.05.2016

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ANNEXURE-TO THE DIRECTORS' REPORT

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

Name	Designation	Remuneration Received (in Rs.)	Age	Qualification & Experience	Date of commencement of employment/ Date of Joining	Previous Employment
*Mr. Daniel Jones	VP - Projects	40,54,809/-	32	Bachelor of Engineering (Civil), 8.5 Years	04-08-2015	Omkar Realtors & Developers, Kele Contracting, Gulf Technical Construction Company, Al Futtaim Carillion

* Employed for part of the year.

ANNEXURE- TO THE DIRECTORS' REPORT

FORM NO. MGT 9 EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2016

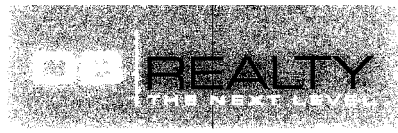
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1.	CIN	U45202MH2009PTC193816
2.	Registration Date	03-07-2009
3.	Name of the Company	Real Gem Buildtech Private Limited
4.	Category/Sub-category of the Company	Private Company / Limited by Share / Company having share capital
5.	Address of the Registered office & contact details	DB House, Gen. A. K. Vaidya Marg, Goregaon (East), Mumbai – 400 063
6.	Whether listed company	No
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Private Limited C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bandup (West), Mumbai – 400078 Tel No. : 022 – 25963838 Fax No. : 022 - 25946969 mumbai@linkintime.co.in

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II. **PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY** (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Construction and Real Estate Development	4100	NA

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

S N No	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/Associate	% of shares held	Applicable Section
1	D B Realty Limited DB House, Gen. A. K. Vaidya Marg, Goregaon (East), Mumbai - 400063	L70200MH2007PLC166818	Holding Company	100	2(46)

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

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-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	
A. Promoters									
(1) Indian									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.		10000	10000	100	-	10000	10000	100	-
e) Banks / FI									
f) Any other	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	-	10000	10000	100	-	10000	10000	100	-
B. Public Shareholding									
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-

REAL GEM BUILDTECH PRIVATE LIMITED

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CIN: U45202MH2009PTC193816

c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FII's	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts Foreign	-	-	-	-	-	-	-	-	-
Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	-	-	-	-	-	-	-	-

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C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	10000	10000	100	-	10000	10000	100	-

B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	D B Realty Limited	10000	100	--	10000	100	--	--

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

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	10000	100	10000	100
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	10000	100	10000	100

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

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	-	-	-	-

REAL GEM BUILTECH PRIVATE LIMITED

E) Shareholding of Directors and Key Managerial Personnel:

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

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2,916,190,252	165,000,000	-	3,081,190,252
ii) Interest due but not paid	-	9,853,150	-	9,853,150
iii) Interest accrued but not due	75,880	-	-	75,880
Total (i+ii+iii)	2,916,266,132	174,853,150	-	3,091,119,282
Change in Indebtedness during the financial year				
* Addition	934790451	(15,95,67,778)	-	775,222,673
* Reduction			-	-
Net Change	934790451	(15,95,67,778)	-	775,222,673
Indebtedness at the end of the financial year				
i) Principal Amount	3,80,152,1,729	1,52,85,372	-	3,816,807,101
ii) Interest due but not paid	49,447,557	-	-	49,447,557
iii) Interest accrued but not due	87,297	-	-	87,297
Total (i+ii+iii)	3,85,10,56,583	1,52,85,372	-	3,866,341,955

REAL GEM BUILDTech PRIVATE LIMITED



VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PRSONNEL-

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

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

B. Remuneration to other directors

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

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

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary	-	11,25,670/-	-	11,25,670/-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	11,25,670/-	-	11,25,670/-

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

**By order of the Board of Directors,
For Real Gem Buildtech Private Limited**

SD/-

SD/-

Director

Director

Place : Mumbai
Date : 27.05.2016

REAL GEM BUILDTECH PRIVATE LIMITED

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Mehta Chokshi & Shah
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

**To the Members of,
REAL GEM BUILDTECH PRIVATE LIMITED**

1 Report on the Financial Statements

We have audited the accompanying financial statements of REAL GEM BUILDTECH PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2 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 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 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.



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Tel. 2893 0502 • Telefax : 2893 05 03 • Email : abhaymehta@camcs.in

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. 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.

4 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, its loss and its cash flows for the year ended on that date.

5 Report on Other Legal and Regulatory Requirements

I. 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 the paragraph 3 and 4 of the Order.

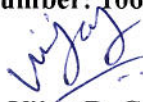
II. As required by Section 143 (3) of the Act, we report that:

- 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 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act; and



- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operative 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:
- i. The company has disclosed the impact of pending litigations on its financials position in its financial statements- Refer Note No.26 to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses
 - iii There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Mehta Chokshi & Shah
Chartered Accountants
Firm Registration Number: 106201W


Vijay R. Gajaria
Partner
M. No.: 137561



Place: Mumbai
Date: 27th May, 2016

Annexure - A to the Independent Auditors' Report
[Referred to in paragraph 5 (I) of our report of even date]

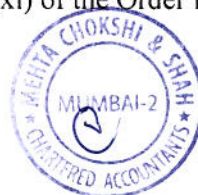
- (i) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All the assets have been physically verified by the management during the year and there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of the examination of the records of the Company, the immovable property of the company consists of Sample Flat (a temporary structure). Sample Flat, being a temporary structure, title deeds of the same has not been registered in the name of the company. Gross Block of the Sample Flat is Rs.19,85,45,427/- and Net Block of the same is Rs.7,43,94,806/-.
- (ii) The company is in the business of real estate development and its immovable property consists of a temporary structure, being a Sample Flat, Sales/Project Office etc. As per information and explanations given to us, these temporary structures are on the project site and will be demolished at appropriate point of time in project development and therefore title deed of the said temporary structure is not required to be registered. Gross Block of the said temporary structure is Rs.19,85,45,427/- and Net Block of the same is Rs.7,43,94,806/-.
- (iii) The Company has granted unsecured loans to five parties covered in the register maintained under section 189 of the Act.
- (a) The company, being engaged in real estate development, as per Section 186 (11) (a) of the Act read with clause (5) (a) of Schedule V Act, is engaged in the business of providing infrastructural facilities. Hence, it is not mandatory for it to charge interest on loan granted. Accordingly, it has not charged interest on loan given to some of the parties. Further, since the above loan are interest free, in our opinion, the terms and conditions of the said loan is prejudicial to the interest of the company to that extent.
- (b) The above loan is interest-free and repayable on demand. As per information given to us, the loan was repaid as and when demanded and hence the repayment of the above loan is regular. However, paragraph 3(iii)(b) of the Order is not applicable to the Company in respect of payment of the interest.
- (c) There was no overdue amount in respect of the loan granted to the company listed in the register maintained under section 189 of the Act. Hence, paragraph 3(iii) (c) 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 186 of the Act, with respect to the loans and investments made.



- (v) According to the information and explanations given to us, the Company has not accepted any deposits. Hence paragraph 3 (v) of the order is not applicable.
- (vi) In our opinion, the company does not qualify the prescribed criteria as specified in Companies (Cost Records and Audit) Rules, 2014, and therefore is not required to maintain the cost records as prescribed under Section 148 (1) of the Act. Hence paragraph 3 (vi) of the order is not applicable.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there have been a few instances of delay in depositing undisputed statutory dues including income tax and other applicable statutory dues with appropriate authorities. The arrears of outstanding property tax as at 31 March 2016 which was outstanding for more than six months from the date it became payable is Rs.2,31,98,251/-. The above property tax is outstanding for the period from October, 2013.

Further as explained to us, the provisions for Custom Duty, Excise Duty are not applicable to the Company during the year.

- (b) According to the information and explanations given to us, the details of disputed statutory dues is as follows:
Nature of Statute: **Income Tax Act, 1961**
Nature of Dues: **Income Tax**
Amount of dispute involved: **Rs.79,39,470/-**
Period to which amount relates: **Assessment Year 2013-14 (Financial Year: 2012-13)**
Forum where dispute is pending: **CIT (Appeals)-Mumbai.**
- (viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowing to a financial institution or bank. Hence, paragraph 3 (viii) of the order is not applicable.
- (ix) According to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments). However, with respect to term loans, they were applied for the purposes for which they were raised.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations given to us and based on our examination of the records, during the year the Company has not paid/provided for any managerial remuneration. Accordingly, 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. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records , during the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Accordingly, 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 , during the year 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.
- (xvi) According to the information and explanations given to us and based on our examination of the records, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Mehta Chokshi & Shah
Chartered Accountants
Firm Registration Number: 106201W


Vijay R. Gajaria
Partner
M. No.: 137561



Place: Mumbai
Date: 27th May, 2016

Annexure - B to the Independent Auditors' Report
[Referred to in paragraph 5 (II) (f) of our report of even date]

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 **REAL GEM BUILDTECH 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 Companies Act, 2013.

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 Companies Act, 2013, 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 Institute of Chartered Accountants of India. 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 expenditures 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 Institute of Chartered Accountants of India.

For Mehta Chokshi & Shah
Chartered Accountants
Firm Registration Number: 106201W


Vijay R. Gajaria
Partner
M. No.: 137561



Place: Mumbai
Date: 27th May, 2016

Real Gem Buildtech Private Limited

Balance Sheet as at 31st March 2016

(Amount in Rs.)

Particulars	Note No.	As at 31st March, 2016	As at 31st March, 2015
I EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share Capital	3	135,100,000	135,100,000
(b) Reserves and Surplus	4	(475,494,508)	(352,480,282)
2 Non-current liabilities			
(a) Long-term Borrowings	5	3,796,998,060	2,912,320,303
(b) Long-term Provisions	6	3,728,598	3,981,411
3 Current liabilities			
(a) Trade Payables	7	165,809,990	223,192,758
(b) Other Current Liabilities	8	6,016,119,854	5,680,402,084
(c) Short-term Borrowings	9	15,285,372	165,000,000
(d) Short-term Provisions	10	456,850	552,267
TOTAL		9,658,004,216	8,768,068,543
II ASSETS			
1 Non-current assets			
(a) Fixed Assets			
Tangible Assets	11	138,687,879	100,775,779
Intangible Assets		128,174	153,907
(b) Non-current Investments	12	49,600,000	699,600,000
(c) Long-term Loans and Advances	13	706,134,652	755,576,497
(d) Deferred Tax Assets (Net of Liability)		186,215,739	158,555,670
2 Current assets			
(a) Current Investment	14	1,196,790	5,069,161
(b) Inventories	15	4,597,364,372	3,474,328,550
(c) Cash and Bank Balances	16		
A) Cash and Cash Equivalents		44,727,497	4,165,439
B) Other Bank Balances		-	2,163,710
(d) Short-term Loans and Advances	17	3,933,949,113	3,567,656,773
(e) Other Current Assets	18	-	23,057
TOTAL		9,658,004,216	8,768,068,543

Significant Accounting Policies and Notes on Financial Statements

1 to 42

As per our attached report of even date


For Mehta Chokshi & Shah
Chartered Accountants
Firm Registration No. 106201W

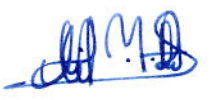

Vijay R Gajaria
Partner
Membership No. : 137561



Place : Mumbai
Date : 27th May, 2016

For and on Behalf of the Board


Rajiv Agarwal
Director


Nabil Patel
Director

Place : Mumbai
Date : 27th May, 2016

Real Gem Buildtech Private Limited

Statement of Profit and Loss for the Year Ended 31st March, 2016

(Amount in Rs.)

Particulars	Note No.	For the Year Ended 31st March, 2016	For the Year Ended 31st March, 2015
I. Income :			
Revenue from operations		-	-
Other income	19	1,207,958	4,231,189
Total Income		1,207,958	4,231,189
II. Expenditure:			
Project Expenses	20	1,123,035,822	1,117,631,292
(Increase)/Decrease in Inventories	21	(1,123,035,822)	(1,117,631,292)
Employee Benefit Expenses	22	12,373,462	11,186,513
Depreciation and Amortization Expense	11	28,502,179	28,233,691
Finance costs	23	3,313,341	15,228,623
Administrative and Other Expenses	24	107,693,271	79,271,245
Total Expenditure		151,882,253	133,920,072
III. (Loss) Before Tax (I-II)		(150,674,295)	(129,688,883)
IV. Tax expense:			
Current tax		-	-
Deferred tax	34	27,660,069	41,778,926
V. (Loss) after tax (III-IV)		(123,014,226)	(87,909,957)
VI. Earning per Share	33		
Basic and Diluted		(12,301)	(879)

Significant Accounting Policies and Notes on Financial Statements

I to 42

As per our attached report of even date

For Mehta, Chokshi & Shah
Chartered Accountants

Firm Registration No. 106201W



Vijay R Gajaria
Partner

Membership No. : 137561



Place : Mumbai
Date : 27th May, 2016

For and on Behalf of the Board



Rajiv Agarwal
Director



Nabil Patel
Director

Place : Mumbai
Date : 27th May, 2016

Cash Flow Statement for the Year Ended 31st March, 2016

(Amount in Rs.)

Particulars	For the Year ended 31st March,2016		For the Year ended 31st March,2015	
Cash Flow From Operating Activities:				
Net Profit/(Loss) before taxation and extraordinary items	(150,674,295)		(129,688,883)	
Adjustments for:				
Interest received on investment	(348,180)		(1,259,054)	
Dividend Received	(560,298)			
Profit on sale of Investment	(269,984)			
Provision for Gratuity	38,580		(585,038)	
Provision for Leave Encashment	64,621		(305,512)	
Depreciation	28,502,179		28,233,691	
Finance cost	3,313,341		15,228,623	
Operating Income before working Capital changes	(119,934,038)		(88,376,174)	
Adjustment for :				
(Increase)/Decrease in Inventories	(1,113,689,680)		(1,118,298,956)	
(Increase)/Decrease Non Current Loans and Advances	51,656,802		(52,186,298)	
(Increase)/Decrease Current Loans and Advances	(366,292,340)		166,476,519	
(Increase)/Decrease Other Current Assets	23,057		384	
(Increase)/Decrease in Deposit under Lien	2,163,710		(165,945)	
Increase/(Decrease) Long Term Provision	(356,013)		-	
Increase/(Decrease) Current Liabilities	278,239,585		238,097,414	
Cash used in operations	(1,268,188,917)		(854,453,056)	
Direct Taxes Paid	(2,214,957)		463,188	
Net Cash Flow From/(Used in) Operating Activities	A	(1,270,403,874)		(853,989,868)
Cash Flow From Investing Activities:				
Fixed Asset Purchased (Including Capital Work in Progress)	(75,734,688)		(12,464,638)	
Intangible asset purchase	-		(153,907)	
Interest received on investment	348,180			
Dividend Received	560,298			
Investment in Shares	650,000,000		-	
Investment in Mutual Fund	4,142,355		6,156,893	
Net Cash Flow From/(used in) Investing Activities	B	579,316,145		(6,461,652)
Cash Flow From Financing Activities:				
Finance Cost	(3,313,341)			
Proceed from Secured Loan	884,677,756		696,898,004	
Proceeds from Short Term Borrowing	(149,714,628)		165,000,000	
Net Cash Generated from Financing Activities	C	731,649,786		861,898,004
Net Increase in Cash and Cash Equivalents		40,562,058		1,446,484
Add: Cash and cash Equivalents (Opening)		4,165,439		2,718,955
Cash and Cash Equivalents (Closing)		44,727,497		4,165,439
Reconciliation of cash and cash equivalent:				
Cash and bank balance (As per Note no.15)		44,727,497		6329149
Less: Fixed deposits under lien		-		2163710
Cash and Cash equivalents (Closing)		44,727,497		4,165,439

As per our attached report of even date

For Mehta Chokshi & Shah
Chartered Accountants
Firm Registration No. 106201W

Vijay K Gajaria
Partner
Membership No. : 137561



For and on Behalf of the Board

Rajiv Agarwal
Director

Nabil Patel
Director

Place :Mumbai
Date :27th May,2016

Place :Mumbai
Date :27th May,2016

Real Gem Buildtech Private Limited

Notes Forming Part of Financial Statements

1 Company Background

The Company has entered into a Development Agreement with Bhishma Realty Limited (the owner of the land) to develop the property admeasuring 24,809 square meters of land at Prabhadevi, Dadar, Mumbai. In furtherance thereof the company has undertaken development of residential project in the name of “DB Crown”.

The Company being a subsidiary of DB Realty Limited has become a “Public Company” with effect from 23rd September, 2009.

2. Significant Accounting Policies

2.1 Basis of preparation of Financial Statements:

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 (‘Act’) read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified).

2.2 Accounting policies not specifically referred to otherwise, are consistent with the generally accepted accounting principles in India.

2.3 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.

2.4 Fixed Assets:

Tangible Assets:

Fixed Assets are recorded at their cost of acquisition, net of modvat/ cenvat, less accumulated depreciation and impairment losses, if any. The cost of fixed assets comprises purchase price and any attributable cost of bring the asset to its working condition for its intended use.

Intangible Assets:

Intangible Assets are recorded at their cost of acquisition, net of modvat/ cenvat, less accumulated amortization/ depletion.



2.5 Depreciation/Amortisation

Depreciation on fixed assets (other than sample flat) is provided on Straight Line Method basis using the rates and in the manner prescribed in Schedule II to the Companies Act, 2013.

Structures constructed for purpose of demonstration to prospective buyers (i.e. Sample Flats and Sales Office) are capitalised as buildings and depreciated over the period of six years as per Straight Line Method.

2.6 Borrowing Cost:

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

2.7 Taxes on Income:

- i. Tax expenses comprises both current and deferred tax. Current tax is measured at the amount expected to be paid to/ recovered from the tax authorities using the applicable effective rates. Deferred tax assets and liabilities are recognised for future tax consequences attributable to the timing differences between taxable income and accounting income that are capable of reversal in one or more of the subsequent periods and are measured using relevant enacted or substantial enacted effective rates as on the balance sheet date to the extent timing differences are expected to be crystallise.
- ii. Deferred tax assets are reviewed for appropriateness of the respective carrying value at each balance sheet date. The Company reassesses recognised deferred tax assets and liabilities and recognise unrecognised deferred tax assets, to the extent they become reasonably certain or virtually certain of realisation, as the case may be.

2.8 Provisions:

A provision is recognized when an enterprise has a present obligation as a result of past event; 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. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

2.9 Operating Lease:

Asset acquired on lease where significant portions of the risks and rewards incidental to ownership are retained by the lessor is classified as operating lease. Lease rentals are charged to profit and loss account on accrual basis and on straight line basis over the lease tenure if in case of long term non cancellable lease.



2.10 Contingent Liabilities:

Contingent liabilities are not provided for in this account, and if any the same is reflected in notes to account.

2.11 Employee Benefits:

a. Defined Contribution Plan:

The Company's Contribution paid/payable for the period to Defined Contribution retirement benefit plan is charged to Profit and Loss account or project work in progress, if it is directly related to project.

b. Defined Benefit Plan and other long term benefit:

The Company's liabilities towards Defined Benefit Schemes viz. Gratuity benefits and other long term benefit viz. leave encashment are determined using the Projected Unit Credit Method. Actuarial valuations under the Projected Unit Credit Method are carried out at the Balance Sheet date. Actuarial gains and losses are recognised in the Profit and Loss account in the period of occurrence of such gains and losses. Past service cost is recognised immediately to the extent of benefits are vested, otherwise it is amortised on straight-line basis over the remaining average period until the benefits become vested.

c. Short term employee benefits:

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

2.12 Inventories:

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

2.13 Revenue Recognition:

For Real Estate Project:

Revenue from sale of properties under construction is recognized on the basis of percentage of completion method subject to transfer of significant risk and rewards to the buyer, outcome of the real estate project can be estimated reliably and stage of completion of the project reaches at reasonable level of development i.e. at least 25% of total project cost should be incurred at reporting date.

When the outcome of a real estate project can be estimated reliably and the conditions stipulated below are satisfied, project revenue and project costs associated with the real estate project are recognised as revenue and expenses by reference to the stage of completion of the project activity at each reporting date. Stage of completion is arrived with reference to the entire project cost incurred



versus total estimated project cost. Further, with regard to total estimated cost of each project is based upon the judgment of management and certified by Company's technical personnel.

- All critical approvals necessary for commencement of the project have been obtained.
- At least 25% of construction & development cost (excluding cost incurred in acquisition of land and its development rights and borrowing cost) is incurred.
- At least 25% of the saleable project area is secured by contracts or agreements with buyers.
- And at least 10 % of the total revenue as per the agreements of sale or any other legally enforceable documents are realized at the reporting date in respect of each of the contracts and it is reasonable to expect that the parties to such contracts will comply with the payment terms as defined in the contracts.

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

For Interest Income:

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

2.14 Investments:

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. Current investments are carried in the financial statements at lower of cost or fair value determined on an individual investment basis. Long-term (Non Current) investments are carried at cost, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

2.15 Foreign Currency Transactions:

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

2.16 Cash Flow Statement:

Cash Flow are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.17 Cash and Cash Equivalents

Cash and cash equivalent for the purpose of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.



2.18 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average numbers of equity shares outstanding during the period are adjusted for events including a bonus issue, bonus element in right issue to existing shareholders, share split, and reverse share split. (Consolidation of shares).

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. The period during which, number of dilutive potential equity shares change frequently, weighted average number of shares are computed based on a mean date in the quarter, as impact is immaterial on earning per share.

2.19 Impairment of Assets:

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. Recoverable value is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal. An impairment loss is charged for when an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.



Real Gem Buildtech Private Limited

Notes Forming Part of Financial Statements

3 Share Capital

3.1 Details of Authorized, Issued, Subscribed and Paid up Share Capital

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	Number	Amount in Rs.	Number	Amount in Rs.
Authorized				
Equity Shares of Rs.10/- each	500,000	5,000,000	500,000	5,000,000
0.1% Redeemable Cumulative Preference Shares (RCPS) of Rs.10/- each	13,500,000	135,000,000	13,500,000	135,000,000
Total	14,000,000	140,000,000	14,000,000	140,000,000
Issued				
Equity Shares of Rs.10/- each	10,000	100,000	10,000	100,000
0.1% Redeemable Cumulative Preference Shares (RCPS) of Rs.10/- each	13,500,000	135,000,000	13,500,000	135,000,000
Total	13,510,000	135,100,000	13,510,000	135,100,000
Subscribed and Paid up				
Equity Shares of Rs.10/- each fully paid	10,000	100,000	10,000	100,000
0.1% Redeemable Cumulative Preference Shares (RCPS) of Rs.10/- each fully paid	13,500,000	135,000,000	13,500,000	135,000,000
Total	13,510,000	135,100,000	13,510,000	135,100,000

All of the above equity shares carry equal voting rights and there are no restrictions/preferences attached to any of the above share.

Note:- Terms of issue of RCPS:

The company may redeem the RCPS any time on or after expiry of 3 years from the date of allotment i.e. 1,500,000 shares on August 1, 2011 and 12,000,000 shares on September 6, 2011 to a maximum up to 20 years in not more than five lots. The RCPS shall carry cumulative preferential dividend @ 0.1% p.a.

3.2 Reconciliation of the outstanding number of shares

Particulars	Equity Shares		Equity Shares	
	As at 31st March, 2016		As at 31st March, 2015	
	Number	Amount in Rs.	Number	Amount in Rs.
Shares outstanding at the beginning of the year	10,000	100,000	10,000	100,000
Addition: Shares Issued during the year	-	-	-	-
Less: Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	10,000	100,000	10,000	100,000

Particulars	RCPS		RCPS	
	As at 31st March, 2016		As at 31st March, 2015	
	Number	Amount in Rs.	Number	Amount in Rs.
Shares outstanding at the beginning of the year	13,500,000	135,000,000	13,500,000	135,000,000
Addition: Shares Issued during the year	-	-	-	-
Less: Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	13,500,000	135,000,000	13,500,000	135,000,000

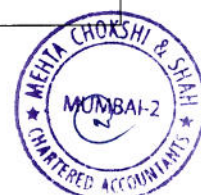
3.3 Details of number of shares held by the Holding Company

10,000 Equity Shares (Previous year 10,000) are held by D B Realty Limited (and its nominees), the holding company.

1,35,00,000 (Previous year 1,35,00,000) 0.1% Redeemable Cumulative Preference Shares are held by D B Realty Limited, the holding company.

3.4 The details of share holders holding more than 5% Shares

Name of Shareholder	As at 31st March, 2016		As at 31st March, 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
D B Realty Limited and its nominees	10,000 Equity Shares	100%	10,000 Equity Shares	100%
D B Realty Limited	1,35,00,000 Preference shares	100%	1,35,00,000 Preference shares	100%



Real Gem Buildtech Private Limited

Notes Forming Part of Financial Statements

4 Reserves and Surplus

Particulars	As at 31st March, 2016	As at 31st March, 2015
	Amount in Rs.	Amount in Rs.
(Deficit) in Statement of Profit and Loss		
Opening balance	(352,480,282)	(264,570,325)
Add: (Loss) for the year	(123,014,226)	(87,909,957)
Total	(475,494,508)	(352,480,282)

5 Long-Term Borrowing

Particulars	As at 31st March, 2016	As at 31st March, 2015
	Amount in Rs.	Amount in Rs.
Secured Loan		
Term Loan		
-From Financial Institution-HDFC Limited		
Tranche 1	2,851,026,705	2,897,206,298
Loan is Secured by:		
1. Exclusive mortgage overall the right, title, interest, claims, benefits and entitlements whatsoever in the unsold flats / units / Saleable Area being constructed (including car parking area, future FSI and other entitlements in connection therewith) and coming to the share of the Borrower / Mortgagor-1 under the said Agreements (including without limitation, any other deed, document, agreement or instrument in relation thereto) and in the project called "D B Crown"(construction both present and future) on freehold and leasehold land admeasuring 24,809.76 sq. metres situate at Gokhale Road (South), Dadar, Mumbai - 400 025 and bearing Final Plot No. 1043 of TPS IV, Mahim Division bearing C.S. no. 1123,with construction thereon present and future.		
2. Exclusive charge I security interest over the receivables / book debts / cash flows / revenues / rentals (including booking amounts), Escrow Account / Designated Account (or other accounts), insurance proceeds. Obligor Contracts etc. pertaining to the aforesaid property/ies in favour of HDFC in such form and manner as may be required by the Lender.		
3. Personal guarantee of Mr. Vinod Goenka, Director of Holding Company		
4. Corporate guarantee of D B Realty Limited, Holding Company		
5. Pledge of 2.60 crore shares in D B Realty Limited, Holding Company held by Neel kamal Tower Construction LLP (out of the above 2.60 crore shares, pledge has been created of 40 lakhs shares only.)		
6. Additional security of cash flows from project other than 'DB Crown' Project (The said security is yet to be executed.)		
7. Any/ or other security of similar/ higher value acceptable to HDFC Ltd (The said security is yet to be executed.)		
Repayment Schedule (Revised)		
As per the letter dated May 6, 2015 the repayment dates of the loan has been extended for a period of 19 months and the company will repay 10% of all sales receipts towards principal repayment from the 1st month from the date of the first disbursement at HDFC's option, this percentage receivable is subject formula for such percentage calculation. However, the company will ensure that the maximum principal outstanding from the date of the first disbursement of the loan does not exceed as per the schedule below.		
At the end of May 2019 : Rs.240.00 Crore		
At the end of June 2019 : Rs.180.00 Crore		
At the end of July 2019 : Rs.120.00 Crore		
At the end of August 2019 : Rs.60.00 Crore		
At the end of September 2019 : Rs.Nil		
or earlier at HDFC's option		
Rate of Interest :		
The above loan carries HDFC Corporate Prime Lending Rate Minus 250 bps (Current floating Interest rate is 15.15% p.a.)		
Tranche 2	932,000,000	
Loan is Secured by:		
1. Exclusive mortgage overall the right, title, interest, claims, benefits and entitlements whatsoever in the unsold flats / units / Saleable Area being constructed (including car parking area, future FSI and other entitlements in connection therewith) and coming to the share of the Borrower / Mortgagor-1 under the said Agreements (including without limitation, any other deed, document, agreement or instrument in relation thereto) and in the project called "D B Crown"(construction both present and future) on freehold and leasehold land admeasuring 24,809.76 sq. meters situate at Gokhale Road (South), Dadar, Mumbai - 400 025 and bearing Final Plot No. 1043 of TPS IV, Mahim Division bearing C.S. no. 1123,with construction thereon present and future.		



<p>2. Exclusive charge security interest over the receivables / book debts / cash flows / revenues / rentals (including booking amounts), Escrow Account / Designated Account (or other accounts), insurance proceeds, Obligor Contracts etc. pertaining to the aforesaid property/ies in favour of HDFC in such form and manner as may be required by the Lender.</p> <p>3. Personal guarantee of Mr. Vinod Goenka, Director of Holding Company</p> <p>4. Corporate guarantee of D B Realty Limited, Holding Company</p> <p>5. Pledge of 2.60 crore shares in D B Realty Limited, Holding Company held by Neel kamal Tower Construction LLP (out of the above 2.60 crore shares, pledge has been created of 40 lakhs shares only.)</p> <p>6. Additional security of cash flows from project other than 'DB Crown' Project (The said security is yet to be executed.)</p> <p>7. Any/ or other security of similar/ higher value acceptable to HDFC Ltd (The said security is yet to be executed.)</p> <p>Repayment Schedule The company will repay a certain % of all sales receipts towards principal repayment from the 1st month from the date of the first disbursement (at HDFC's option, (this percentage receivable is subject formula for such percentage calculation). However, the company will ensure that the maximum principal outstanding from the date of the first disbursement of the loan does not exceed as per the schedule below. (Month of First disbursement: October, 2015)</p> <p>At the end of 53rd Month from the First month of Disbursement : Nil (or earlier at HDFC's option)</p> <p>Rate of Interest : The above loan carries HDFC Corporate Prime Lending Rate Minus 150 bps (Current floating Interest rate is 16.15% p.a.)</p>		
Sub Total (a)	3,783,026,705	2,897,206,298
<p>Vehicle Loan</p> <p>1) Daimler Financial Services India Private Limited</p> <p>Total outstanding 8,172,135</p> <p>Less: Current Maturity of Term Loan (2,591,491)</p> <p>1. Secured against Hypothecation respective vehicle and guarantee of DB Realty Limited , Holding Company (Successor to Gokuldham Real Estate Development Company Private Limited, a fellow subsidiary company)</p> <p>Repayment Schedule Repayable in 60 equal monthly instalments of Rs.282,100/- Rate of Interest : 11.32% p.a.</p>	8,172,135 (2,591,491)	10,487,379 (2,315,244)
Sub Total (b)	5,580,644	8,172,135
<p>2) Oriental Bank of Commerce</p> <p>Total Outstanding 6,910,107</p> <p>Less: Current Maturity of Term Loan (1,310,772)</p> <p>1. Secured against Hypothecation respective vehicle and personal guarantee of: - Mr. Salim Balwa; Mr. Rajiv Agarwal and Mr. Jayvardhan Goenka (Directors of the company)</p> <p>Repayment Schedule Repayable in 84 equal monthly Rate of Interest : The above loan carries floating interest rate linked to Base rate Plus 50 bps</p>	6,910,107 (1,310,772)	8,496,575 (1,554,704)
Sub Total (c)	5,599,335	6,941,871
<p>3) Kotak Mahindra Prime Limited</p> <p>Total Outstanding 3,412,782</p> <p>Less: Current Maturity of Term Loan (621,406)</p> <p>1. Secured against Hypothecation respective vehicle</p> <p>Repayment Schedule Repayable in 59 equal monthly instalments of Rs.77,110/- each Rate of Interest : 9.50% p.a.</p>	3,412,782 (621,406)	-
Sub Total (d)	2,791,376	-
Total (a)+(b)+(c)+(d)	3,796,998,060	2,912,320,303



Real Gem Buildtech Private Limited

Notes Forming Part of Financial Statements

6 Long-Term Provisions

Particulars	As at 31st March, 2016	As at 31st March, 2015
	Amount in Rs.	Amount in Rs.
Provision for employee benefits (unfunded)		
Gratuity	1,995,198	2,349,183
Leave Encashment	1,733,400	1,632,228
Total	3,728,598	3,981,411

7 Trade Payables

Particulars	As at 31st March, 2016	As at 31st March, 2015
	Amount in Rs.	Amount in Rs.
Micro, Small and Medium Enterprises (Refer note no. 38)	-	-
Others	165,809,990	223,192,758
Total	165,809,990	223,192,758

8 Other Current Liabilities

Particulars	As at 31st March, 2016	As at 31st March, 2015
	Amount in Rs.	Amount in Rs.
Advance Received Towards Flat Bookings	5,160,178,640	4,757,075,370
Amount refundable against cancellation of Flat Bookings	34,338,494	19,731,750
Contractor Retention Money	27,749,891	2,704,159
Current Maturities of Long Term Debts	4,523,669	3,869,949
Interest accrued and due on Borrowing	-	9,853,150
Interest accrued and But not due on Borrowing	49,534,854	75,880
Bank Balance Due to Reconciliation	10,664,075	41,203,223
Statutory Liabilities	26,181,638	19,454,255
Salary Payable	9,614,206	9,271,789
Outstanding Expenses	121,291,013	45,408,396
Payable to Project Partner	572,043,374	771,754,165
Total	6,016,119,854	5,680,402,084

9 Short-Term Borrowing

Particulars	As at 31st March, 2016	As at 31st March, 2015
	Amount in Rs.	Amount in Rs.
Unsecured Loan		
From Oriental Bank of Commerce	15,285,372	-
Loan is Secured by: Against the Lien of FD of Orchid Breeze CHS Ltd Rate of Interest : 9.75 % p.a.		
Inter Corporate Deposit (Unsecured, Repayable on demand, Interest Free)		
From Fellow Subsidiary Company	-	100,000,000
From Others	-	65,000,000
Total	15,285,372	165,000,000

10 Short-Term Provisions

Particulars	As at 31st March, 2016	As at 31st March, 2015
	Amount in Rs.	Amount in Rs.
Provision for employee benefits (unfunded)		
Gratuity	172,023	246,268
Leave Encashment	284,827	305,999
Total	456,850	552,267



Real Gem Buildtech Private Limited

Notes Forming Part of Financial Statements

11 Fixed Assets

(Amount in Rs.)

Particulars	Gross Block			Accumulated Depreciation			Net Block	
	Balance as at 1st April, 2015	Additions	Balance as at 31st March, 2016	Balance as at 1st April, 2015	Depreciation for the period	Balance as at 31st March, 2016	Balance as at 31st March, 2015	Balance as at 31st March, 2015
a								
Tangible Assets								
Sample Flat	198,545,427	-	198,545,427	124,150,622	24,798,268	148,948,890	49,596,538	74,394,806
Office equipment	1,163,953	204,625	1,368,578	916,325	191,061	1,107,386	261,192	247,628
Computers and Related Equipments	1,904,832	1,243,901	3,148,733	1,419,612	296,273	1,715,885	1,432,848	485,220
Plant & Machinery	-	69,544,272	69,544,272	-	8,833,075	8,833,075	60,711,197	-
Vehicles*	29,119,838	4,741,890	33,861,728	3,471,714	3,703,911	7,175,625	26,686,103	25,648,124
Total	230,734,050	75,734,688	306,468,738	129,958,272	37,822,588	167,780,860	138,687,879	100,775,779
b								
Intangible Assets								
Computer Software	153,977	-	153,977	70	25,733	25,803	128,174	-
Total	153,977	-	153,977	70	25,733	25,803	128,174	-
Total	230,888,027	75,734,688	306,622,715	129,958,342	37,848,321	167,806,663	138,816,053	100,775,779
Previous Year	218,269,483	12,618,544	230,888,027	101,026,196	29,405,235	129,958,342	100,929,686	117,243,288

*Vehicle are hypothecated against Vehicle loans.



Real Gem Buildtech Private Limited

Notes Forming Part of Financial Statements

12 Non-Current Investments

Particulars	As at 31st March, 2016	As at 31st March, 2015
	Amount in Rs.	Amount in Rs.
(Non-Trade) (Unquoted)		
Investment in Equity Shares		
3,10,000 (P.Y.: 3,10,000) Equity Shares of Rs.10 each fully paid up in Saraf Chemicals Limited	49,600,000	49,600,000
(Trade) (Unquoted)		
Investment in Preference Shares		
Investment in Fellow Subsidiary		
NIL (P.Y.: 6,50,000) 0.01% Redeemable Optionally Convertible Cumulative Preference Shares of Rs. 10/- each at premium of Rs 990/- in MIG (Bandra) Realtors & Builders Private Limited fully paid up.	-	650,000,000
Total	49,600,000	699,600,000

13 Long-Term Loans and Advances

Particulars	As at 31st March, 2016	As at 31st March, 2015
	Amount in Rs.	Amount in Rs.
(Unsecured, considered good)		
Security Deposits		
-to Project Partner	700,000,000	700,000,000
-to Others	3,428,200	3,128,200
Capital Advance	-	51,986,298
Tax Deducted at source	2,706,452	461,999
Total	706,134,652	755,576,497

14 Current Investment

Particulars	As at 31st March, 2016	As at 31st March, 2015
	Amount in Rs.	Amount in Rs.
(Non Trade) (Unquoted)		
Investment in Reliance Capital Assets Management Limited (under portfolio management system)	1,196,790	5,069,161
Total	1,196,790	5,069,161

15 Inventories

Particulars	As at 31st March, 2016	As at 31st March, 2015
	Amount in Rs.	Amount in Rs.
(As valued and certified by Management)		
Opening Inventories	3,474,328,550	2,356,697,259
Add:-Project related expenses during the year	1,123,035,822	1,117,631,292
Total	4,597,364,372	3,474,328,550



Real Gem Buildtech Private Limited

Notes Forming Part of Financial Statements

16 Cash and Bank Balances

Particulars	As at 31st March, 2016	As at 31st March, 2015
	Amount in Rs.	Amount in Rs.
A. Cash and Cash Equivalents		
Cash in Hand	117,813	10,960
Cash at Site	200,000	500,000
Balance with Banks in current account	44,409,684	3,654,479
Total Cash and Cash Equivalents	44,727,497	4,165,439
B. Other Bank Balances		
Balance with Bank held as Margin Money/Security/Guarantee	-	2,163,710
Total	44,727,497	6,329,149

17 Short-Term Loans and Advances

Particulars	As at 31st March, 2016	As at 31st March, 2015
	Amount in Rs.	Amount in Rs.
(Unsecured, considered good)		
Related parties		
Loan Given (Repayable on demand)	3,131,087,751	2,900,607,151
Advance Recoverable in cash or in kind or for values to be received	60,000,000	-
Others		
Mobilization and Material Advance	243,513,035	262,224,336
Trade Advance	124,480,840	111,211,699
Security Deposit given for aggregation of land (Refer Note No.39)	285,900,000	251,400,000
Advance Recoverable in cash or in kind or for values to be received	1,192,179	-
Staff Loan	440,442	476,442
Prepaid Expenses	705,872	96,446
Service Tax and Interest Receivable	86,628,994	41,640,699
Total	3,933,949,113	3,567,656,773

18 Other Current Assets

Particulars	As at 31st March, 2016	As at 31st March, 2015
	Amount in Rs.	Amount in Rs.
Interest Accrued but not due on Fixed Deposit	-	23,057
Total	-	23,057



Real Gem Buildtech Private Limited

Notes Forming Part of Financial Statements

19 Other Income

Particulars	For the Year Ended 31st March, 2016	For the Year Ended 31st March, 2015
	Amount in Rs.	Amount in Rs.
Dividend	560,298	312,317
Interest Received	377,676	1,310,197
Profit on sale of Investment	269,984	-
Exchange Gain	-	937
Sundry Credit balance written off	-	2,607,738
Total	1,207,958	4,231,189

20 Project related expenses

Particulars	For the Year Ended 31st March, 2016	For the Year Ended 31st March, 2015
	Amount in Rs.	Amount in Rs.
Payment to and Provision for employees:		
a) Salaries, Wages and Bonus	37,780,109	17,539,215
b) Contribution to Provident Fund and Other	943,295	593,894
c) Staff Welfare and Other Amenities	2,373,857	(448,428)
Rates and Taxes	18,659,908	330,955,743
Site Expenses	828,367,415	375,737,181
Legal and Professional Fees	72,846,751	31,686,196
Telephone Expenses	508,146	337,496
Interest/Finance Charges Paid (Net)	513,281,816	389,293,745
Travelling and Conveyance Expenses	3,582,648	728,741
Security Charges	796,689	998,743
Printing and Stationery	844,176	349,652
General Expenses	5,728,424	905,740
Depreciation	9,346,142	698,456
	1,495,059,375	1,149,376,374
Less: Project Expenses Recovered	(372,023,553)	(31,745,082)
Total	1,123,035,822	1,117,631,292

21 (Increase)/Decrease in Inventories

Particulars	For the Year Ended 31st March, 2016	For the Year Ended 31st March, 2015
	Amount in Rs.	Amount in Rs.
Opening Inventories	3,474,328,550	2,356,697,259
Less: Closing Inventory- Project Work in Progress	(4,597,364,372)	(3,474,328,550)
Total	(1,123,035,822)	(1,117,631,292)



Real Gem Buildtech Private Limited**Notes Forming Part of Financial Statements****22 Employee benefit expenses**

Particulars	For the Year Ended 31st March, 2016	For the Year Ended 31st March, 2015
	Amount in Rs.	Amount in Rs.
Salaries, Wages and Bonus	11,789,967	11,220,262
Contribution to Provident Fund and Other	281,763	379,703
Staff Welfare and other amenities	198,531	477,099
Gratuity and Leave encashment	103,200	(890,551)
Total	12,373,462	11,186,513

23 Finance Charges

Particulars	For the Year Ended 31st March, 2016	For the Year Ended 31st March, 2015
	Amount in Rs.	Amount in Rs.
Interest on Loan	3,313,341	15,207,623
Stamp Duty Expenses	-	21,000
Total	3,313,341	15,228,623

24 Administrative and Selling expenses

Particulars	For the Year Ended 31st March, 2016	For the Year Ended 31st March, 2015
	Amount in Rs.	Amount in Rs.
Payment to Auditors	1,097,090	805,002
Bank Charge	49,611	50,277
Company Profession Tax	2,500	2,500
Travelling and Conveyance Expenses	610,410	242,914
Miscellaneous Office Expenses	4,715,960	4,485,968
Interest on delayed payments of Statutory obligation	611,645	554,289
Telephone Expenses	169,382	112,499
Printing and Stationery	281,392	116,551
Legal and Professional Fees	8,578,636	5,630,792
Rent	10,509,977	23,317,524
Sales Promotions and Publicity	81,009,661	43,952,930
Exchange Loss	57,007	-
Total	107,693,271	79,271,245



25. The Company is a subsidiary of D B Realty Limited, which has become a “Public Company” w.e.f. 23rd September 2009. Therefore, w.e.f. the said date, the Company has become a private company which is a subsidiary of a public company and accordingly, by virtue of provision of Section 2(71) of the Companies Act, 2013, the Company is a public company. The Company continues to use the word “Private Limited” as permitted by law.

26. **Contingent Liability:**

Particulars	(Amount in Rs.)	
	As At 31 st March, 2016	As at 31 st March, 2015
A. Arrears of Dividend on 0.1% Redeemable Cumulative Preference Shares (RCPS)	618,197	483,197
B. Securities provided to banks against credit facilities extended to (refer note 26.1 below): -Y J Realty & Aviation Private Limited (Facilities: Stand by letter of credit of US\$65 million Lease Rental Discounting of Rs. 850 Million and Term Loan of Rs. 300 Million)	Amount Unascertainable	Amount Unascertainable
C. Claim against the company not acknowledged as debt (Refer Note 26.2 below):	2,311,027	-
D. Income Tax Demand for AY 2013-14 pending at first appellate level	7,939,470	-
E. Objections raised by Project Partner with respect to Share in Project Expenses (Refer Note No.35)	30,000,000	

26.1 The company has provided security by way of registered mortgage (first charge) in favour of ICICI Bank over the Company’s 10 (ten) proposed flats within its Project “DB Crown” having proposed area admeasuring 22,653 square feet. The company is confident that M/s Y J Realty & Aviation Private Limited would fulfill the obligation under the credit facilities and does not expect any outflow of resources. Further, considering the fact that the 10 flats are to be constructed in future, the amount of contingent liability is not ascertainable.

26.2 The company is party to various legal proceedings (7 nos.) in its normal course of business and does not expect any outcome of these proceedings to have any adverse effect on its financial conditions, results of operations or cash flows. Hence, the same is reflected in contingent liabilities.

27. The Company during the year ended March 31, 2016 has incurred the net loss (before tax), as of date the company has accumulated losses and negative net worth as at 31.03.2016. However, in the opinion of the management, the company would be able to recoup all the losses and regain positive net worth once the revenue is recognised, thus resulting into adequate profits to provide financial stability to the company.

28. Keeping in view the parameters as per Guidance Note on Recognition of Revenue by the Real Estate Developers and AS 2 “Valuation of Inventories for valuing Project-Work-In- Progress (WIP) of Real Estate Developers”, the expenses incurred in the nature of administrative overheads which did not contribute in bringing Project WIP to its present location an condition have been charged off to the profit and loss account for the period as period cost.



29. As per AS-15, "Employee Benefits", the disclosure of employee benefits as defined in AS is given below.

Defined Benefit Plan

Consequent to the adoption of Accounting Standard on Employee Benefits (AS-15), the Company has accounted the present value of gratuity obligation (Non-Funded) based on actuarial valuation done by an independent valuer using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for compensated absences (Non-funded) is recognized in the same manner as gratuity.

The following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at March 31, 2016:

29.1 Reconciliation of opening and closing balances of Defined Benefit Obligation:

(Amount in Rs)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Liability at the beginning of the period	2,595,451	3,871,608
Acquisition Adjustment	590,319	165,651
Interest cost	173,598	329,798
Current Service cost	804,742	774,535
Settlement Cost	(1,212,829)	(255,355)
Benefits paid	(24,133)	(28,125)
Actuarial (gain)/loss on obligations	(759,927)	(2,262,661)
Liability at the end of the period	2,167,221	2,595,451

29.2 Reconciliation of fair value of plan assets and obligations:

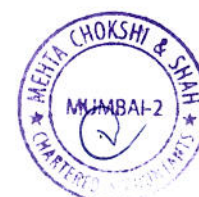
(Amount in Rs)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Liability at the end of the period	2,167,221	2,595,451
Fair value of Plan Assets at the end of the period	-	-
Difference	(2,167,221)	(2,595,451)
Amount Recognised in the Balance Sheet	(2,167,221)	(2,595,451)

29.3 Expense recognized during the period:

(Amount in Rs)

Particulars	For the Year ended 31 st March, 2016	For the Year ended 31 st March, 2015
Current service cost	804,742	774,535
Past service cost	-	-
Interest cost	173,598	329,798
Acquisition (gains)/losses	42,907	(20,596)
Settlement cost / (credit)	(69,450)	943
Actuarial (Gain) or Loss	(759,927)	(2,262,661)
Expenses Recognised in Profit & Loss	191,870	(1,177,981)



29.4 Actuarial Assumptions:

Mortality Table	March 2016	March 2015
	LIC (1994-96)	LIC (1994-96)
Discount rate (per annum)	7.80%	7.80%
Rate of escalation in salary (per annum)	10.00%	15.00%
Expected average remaining working lives of employees (in years)	7.66	5.64

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

29.5 Experience Adjustment:

<u>Experience History</u>	<u>31 03 2012</u>	<u>31 03 2013</u>	<u>31 03 2014</u>	<u>31 03 2015</u>	<u>31 03 2016</u>
Present value of obligation	1,147,208	5,507,806	3,871,608	2,595,451	2,167,221
Plan assets	0	0	0	0	0
Surplus / (Deficit)	(1,147,208)	(5,507,806)	(3,871,608)	(2,595,451)	(2,167,221)
Experience (gain) or loss on plan liabilities	(323,232)	1,833,631	(3,689,759)	(2,944,891)	(298,249)
Experience (gain) or loss on plan assets	----	----	----	----	----

30. Segment Reporting:

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

31. The company, is engaged in the business of providing infrastructural facilities in accordance to the provisions of Section 186 (11) (a) of the Companies Act, 2013 read with para (5) (a) of Schedule V of the said Act. Hence, it is not mandatory for it to charge interest on loan granted. Accordingly, the company has not charged interest on loans given.

Q

31. Related Parties 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.

<u>Name of the related party</u>	<u>Relationship</u>
D B Realty Limited	Holding Company
MIG (Bandra) Realtors & Builders Private Limited (Formerly known as DB MIG Realtors & Builders Private Limited)	Fellow Subsidiaries
Neelkamal Realtors Tower Private Limited	
Goregaon Hotel & Realty Private Limited	
D B Man Realty Limited	
Neelkamal Shantinagar Properties Private Limited	
Saifee Bucket Factory Private Limited	
Nine Paradise Erectors Private Limited	
DB Contractors and Builders Private Limited	
DB View Infracon Private Limited	
N.A. Estate Private Limited	
Neelkamal Realtors Suburban Private Limited	
Priya Constructions Private Limited	
Vanita Infrastructure Private Limited	
Spacecon Realty Private Limited	
Mira Real Estate Developers	
Dynamix Realty	
Turf Estate JV	
DB Hi Sky Construction Private Limited	
Conwood DB JV	
ECC DB JV	
DB (BKC) Realtors Private Limited	
DBS Realty	
Shree Shantinagar Venture	
KG Enterprises	Enterprise where individuals i.e. KMP and their relatives have significant influence other than those mentioned above.
Eon Aviation Private Limited	
Pony Infrastructure & Contractors Limited	



Majestic Infracon Private Limited	
Y J Mall Maintenance Services Private Limited	
Marine Drive Hospitality & Realty Private Limited	
Pune Buildtech Private Limited	
BD &P Hotels India Private Limited	
Mr. Rajiv Agarwal	Key Management Personnel (KMPs) (Directors)
Mr. Salim Balwa	
Mr. Jayvardhan Goenka	
Mr. Nabil Patel	

Note: The above related parties are identified by the management and relied upon by the auditors. However there were no transactions with the key Management Personnel during the year.

The details of transactions with the related parties are as under:

(Amount in Rs)

Description	With Holding Company	With Fellow Subsidiary	Associates of Holding Company	Entities Jointly Controlled by Holding Company	Enterprise/LLP's where individuals i.e. KMP and their relatives have significant influence other than those mentioned above
Loans/Advances Accepted					
Opening balance as on 1st April, 2015	-	10,98,53,150	-	-	-
	(-)	(-)	(-)	(-)	(-)
	-	13,28,53,150	-	-	-
Taken during the year	(9,82,45,371)	(10,98,53,150)	(-)	(-)	(-)
	-	2,30,00,000	-	-	-
Repaid during the year	(9,82,45,371)	(-)	(-)	(-)	(-)
	-	-	-	-	-
Closing Balance as on 31 st March, 2016	(-)	(10,98,53,150)	(-)	(-)	(-)
Loan/Advance Given					
Opening balance as on 1st April, 2015	-	-	-	2,90,06,00,000	7,151
	(-)	(-)	(-)	(3,28,67,50,000)	
	64,35,00,000	-	-	48,98,47,750	35,50,00,000
Given during the year	(-)	(-)	(-)	(22,07,52,600)	(4,00,000)
Returned during the year	-	-	-	1,19,78,67,150	-



	(-)	(-)	(-)	(60,69,02,600)	(3,92,849)
Closing Balance as on 31 st March, 2016	64,35,00,000	-	-	2,19,25,80,600	35,50,07,151
	(-)	(-)	(-)	(2,90,06,00,000)	(7,151)
<u>Investment in 0.01% ROCCPS</u>					
Opening Balance		65,00,00,000			
		(65,00,00,000)			
Amount Invested during the year	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
Redemption during the year	-	65,00,00,000	-	-	-
	(-)	(-)	(-)	(-)	(-)
Closing Balance as on 31 st March, 2016	-	-	-	-	-
	(-)	(65,00,00,000)	(-)	(-)	(-)
<u>Trade Payables</u>					
Opening balance as on 1st April, 2015	-	-	-	-	63,45,800
	(-)	(-)	(-)	(-)	(1,05,87,825)
Expenses incurred during the period	-	-	-	-	1,67,72,498
	(-)	(-)	(-)	(-)	(3,33,66,372)
Expenses repaid during the period	-	-	-	-	2,24,67,298
	(-)	(-)	(-)	(-)	(3,76,08,397)
Closing Balance as on 31 st March, 2016	-	-	-	-	6,51,000
	(-)	(-)	(-)	(-)	(63,45,800)
<u>Reimbursement of Expenses</u>					
Opening balance as on 1st April, 2015	-	-	-	-	-
	(31,494)	(-358,813)	(1,26,56,970)	(-27)	(-)
Expenses incurred during the year	79,83,774	2,83,55,885	-	33,04,809	3,06,088
	(35,93,172)	(63,34,734)	(22,46,597)	(27,85,878)	(3,62,686)
Expenses repaid during the year	74,00,953	2,65,86,278		33,04,809	3,06,088
	(36,24,666)	(59,75,921)	(1,49,03,567)	(27,85,851)	(3,62,686)
Closing Balance as on 31 st March, 2016	5,82,821	17,69,607	-	-	-
	(-)	(-)	(-)	(-)	(-)
Rent, Electricity and Water Expenses	-	-	-	-	10,509,977
	(-)	(-)	(-)	(-)	(2,58,22,127)
Interest expenses	-	-	-	-	-
	(-)	(1,09,47,945)	(-)	(-)	(-)



Guarantee given and securities provided by the company to lenders on behalf of related parties (Refer Note no.)	-	-	-	-	Amount Unascertainable
	(-)	(-)	(-)	(-)	(Amount Unascertainable)

Guarantees and securities received by the company for loan taken from lenders

(Amount in Rs.)

Name	Borrowing From	Relation	Opening Balance	Received during the year	Released during the year	Closing Balance
D B Realty Limited	HDFC Limited	Holding Company	2,897,206,298	934,285,720	48,465,313	3,783,026,708
Vinod Goenka		KMP of Holding Company				
Neelkamal Tower Construction LLP Security of Shares in D B Realty Ltd held by it		Enterprises/LLPs where individuals i.e. KMP and their relatives have significant influence				
			(2,189,706,298)	(7,075,000)	(-)	(2,897,206,298)
D B Realty Limited (Successor to Gokuldham Real Estate Development Company Private Limited)	Daimler Financial Services India Private Limited of Vehicle Loan	Fellow Subsidiary	10,487,379	-	23,15,244	10,487,379
			(12,555,824)	(-)	(2,068,445)	(10,487,379)
Salim Balwa	Oriental Bank of Commerce Vehicle Loan	KMP	8,496,575	-	1,554,704	8,496,575
Rajiv Agarwal						
Jayvardhan Goenka						
			(-)	(9,065,269)	(568,694)	(8,496,575)



32. Operating Lease:

As per Accounting Standard 19 (AS-19) 'Leases', the disclosure of transactions with the respect to lease of premises is disclosed as follows:

(Amount in Rs)

Particulars	For the Year ended 31 st March, 2016	For the Period ended 31 st March, 2015
Lease payments recognized in the statement of profit and loss*	1,09,34,977	2,33,17,524
Future Lease Payments		
- Not later than one year	1,20,80,028	2,44,83,394
- Later than one year but not later than five years.	17,48,456	2,82,60,127
- Later than five years	--	--
Total of Future Lease Payments*	2,47,46,374	7,60,61,045

*It includes the rent paid for an employee, as a part of CTC, of Rs. 4,25,000/- (which is included in Staff Cost-Project Related Expenses) and future rent payable for the same is Rs. 17,17,000/-.

33. Earnings per Share:

As per Accounting Standard-20 (AS -20) 'Earning per Share', the Company's EPS is as follows.

(Amount in Rs)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Net Profit/(Loss) after tax as per Profit & Loss Account	(123,014,226)	(87,909,957)
Weighted average number of equity shares outstanding	10,000	10,000
Basic and Diluted Earnings per share	(12,301.42)	(8,791.00)
Face Value per Equity Share	10	10

34. Deferred Tax Assets/Liabilities:

Considering the current Project Progress and Status of booking of the flats, the management is of the opinion that there is a virtual certainty that the company will be able to recoup the losses and will be able to generate substantial taxable profit in the future. Hence, it has been considered appropriate to account for deferred tax assets (DTA).

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

(Amount in Rs)

Particulars	As at 31st March 2016	As at 31st March 2015
Deferred Tax Assets		
Amount Disallowed u/s 43B of Income Tax Act, 1961	176,670	99,281
Carried forward business loss	204,502,181	183,160,660
Related to Gratuity	59,534	79,902
Total A	204,738,385	183,309,843
Deferred Tax Liability		
Related to Fixed Assets	18,522,646	24,754,173
Total B	18,522,646	24,754,173
Net Deferred Tax Assets (A-B)	186,215,739	158,555,670
Less: Net DTA Opening	158,555,670	116,776,744
DTA generated during the year	27,660,069	41,778,926



35. As per the terms of the Development Agreement and Supplementary Agreement entered into by the company with Bhishma Realty Limited (Bhishma), a proportionate expenditure incurred towards the project by the company has to be recovered from Bhishma. Accordingly, during the year, the company has raised a total debit notes of Rs.372,023,553/- (previous year: Rs.31,745,082/-) towards Bhishma's share of project costs, mobilisation advance, etc. Bhishma has raised certain objections with respect to the said debit note to the tune of Rs. 3 crore. The management is in the process of reconciling the said differences and is hopeful that the disputes would be resolved and there would be no material impact in the financial position of the company.

36. **Breakup of Auditor's Remuneration:**

Particulars	(Amount in Rs)	
	For the Year Ended 31 st March, 2016	For the Year Ended 31 st March, 2015
- Audit Fees	500,000	500,000
- Taxation Matter	274,000	28,000
- Certification Fees	312,500	276,000
- Reimbursement of Expenses	10,590	1,002
Total	1,097,090	805,002

Auditors remuneration disclosed above is excluding service tax.

37. **Expenditure in Foreign Currency:**

Description	(Amount in Rs)	
	For the Year Ended 31 st March, 2016	For the Year Ended 31 st March, 2015
Consultancy Fees	17,974,424	971,381
Foreign Travelling Expenses	1,138,871	-
Purchase of Materials/ Capital Goods	4,340,581	27,486,298
Exhibition Expenses	133,609	-

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

Particulars	(Amount in Rs)	
	For the Year ended 31 st March, 2016	For the Year ended 31 st March, 2015
• Principal Amount outstanding to suppliers under MSMED Act,2006 beyond the appointed date	-	-
• Interest accrued on the amount due to suppliers under MSMED Act on the above amount	-	-
• Payment made to suppliers (other than Interest) beyond the appointed date during the year.	-	-
• 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 Act.	-	-



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

39. During the year, the company has temporarily deployed its funds with its related party. The said funds will be recalled as and when the company requires the same for its project.
40. Trade Payables, Contractors' Retention Money and Mobilisation Advance in the Financial Statements are subject to confirmation. As per the contention of the management the same are good for payment/recovery.
41. Previous year figures have been regrouped and reclassified wherever necessary to make them comparable with current year figures.
42. The amount in the Balance Sheet and Profit and Loss Account are rounded off to nearest rupee.

Signatures to Notes 1 to 42

As per our attached report of even date

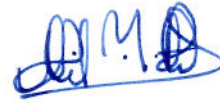
**For Mehta Chokshi & Shah
Chartered Accountants
Firm Registration No. 106201W**



**Vijay R Gajaria
Partner
Membership No. : 137561**



**(Rajiv Agarwal)
Director**



**(Nabil Patel)
Director**

**Place :Mumbai
Date :27th May, 2016**

**Place :Mumbai
Date : 27th May, 2016**