



NOTICE

NOTICE is hereby given that 9th Annual General Meeting of the members of Spacecon Realty Private Limited will be held on Wednesday, the 28th September, 2016 at 2.45 p.m. at the Registered Office of the Company at DB House, Gen. A. K. Vaidya Marg, Goregaon (East), Mumbai – 400 063 to transact the following business:

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. Nabil Patel, 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. Chaturvedi & Shah, Chartered Accountants, Mumbai (Reg No. 101720W), as the Statutory Auditors of the Company, who were appointed as auditors of the Company at the 8th Annual General Meeting of the Company to hold office till the conclusion of the 12th 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.”

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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 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.”

**By order of the Board of Directors,
For Spacecon Realty 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 Explanatory Statements pursuant to section 102 (1) of the Companies Act, 2013 relating to the aforesaid Special Business are annexed.

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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. Killawala 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).

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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.

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.

**By order of the Board of Directors,
For Spacecon Realty Private Limited**

SD/-

Director

Place: Mumbai
Date: 27.05.2016

Registered Office:
DB House, Gen. A.K. Vaidya Marg,
Goregaon (East), Mumbai – 400063

SPACECON REALTY PRIVATE LIMITED



DIRECTORS' REPORT

Dear Member

Your Directors have pleasure in presenting the 9th Annual Report together with the Audited Statement of Accounts of the Company for the year ended on 31st March, 2016:

FINANCIAL RESULTS AND BUSINESS INITIATIVES:

Particulars	Year Ended 31-03-2016	Year Ended 31-03-2015
Total Income	-	1,00,000
Total Expenses	1,16,024	2,57,848
Profit/(Loss) after Tax	(1,16,024)	(1,57,848)

The Company was formed as a special purpose vehicle for the holding company's bid for development of the Government Colony Plot "Part - 1" in Bandra (East), Mumbai and the said bid was accepted by the Govt. of Maharashtra, P. W. Department. However, for execution of work order for said project, the P.W. department has asked the Company to pay minimum upfront amount (including maintenance corpus) of Rs. 802.95 crores against the said demand, the Company has offered to pay an amount of Rs. 362.95 crores simultaneous with execution of concession agreement with P. W. Department for issuance of work order, as per the Company's understanding of the provisions contained in the tender. The P. W. Department cancelled the tender on 26.02.2015. The holding Company has filed writ petition No. 2120/2015 in the Bombay High Court in respect of arbitrary cancellation of the tender for development of Government Colony "Part - 1". There is no any business activity in the Company during financial year 2015-2016.

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.

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 detail of ongoing litigation are detailed in Note No. 17 in the notes to the financial statements.

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**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. However, without qualifying but as a matter of emphasis, the auditors have drawn attention of the members with regard to Note no. 17 of the financial statements regarding the company is taking legal opinion for its proposal to approach the Bombay High Court in respect of arbitrary cancellation of the tender for development of Government Colony "Part - 1", pending which no provision has been considered necessary towards the carrying amount of inventory, which is a factual one and self explanatory. The Management expects positive outcome of the matter.

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.

NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW:

During the financial year 2015-16, the Board of Directors met 5 times, viz. 09.05.2015, 30.07.2015, 03.11.2015, 07.11.2015 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;

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

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

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

DEPOSITS:

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

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.

DIRECTORS:

During the year under review, Mr. Rajiv Agarwal and Mr. Nabil Patel are continuing as Directors of the Company.

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

Mr. Nabil Patel, 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. Chaturvedi & Shah, Chartered Accountants, Mumbai (Reg. No. 101720W) 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.

AUDIT COMMITTEE :

The Audit Committee consists of the following members.

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CIN: U45203MH2007PTC176104



- a) Mr. Rajiv Agarwal
- 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 Nasir M. Rafique who form the majority.

NOMINATION AND REMUNERATION COMMITTEE :

The Nomination and Remuneration Committee consists of the following members.

- a) Mr. Rajiv Agarwal
- b) Mr. Jagat A. Killwala
- c) Mr. Nasir M. Rafique

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 Spacecon Realty Private Limited**

Place : Mumbai
Date : 27.05.2016

SD/-

Director

SD/-

Director

SPACECON REALTY PRIVATE LIMITED



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	U45203MH2007PTC176104
2.	Registration Date	23-11-2007
3.	Name of the Company	Spacecon Realty 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.	NA

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	74	2(46)

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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	74	-	10000	10000	74	-
e) Banks / FI									
f) Any other	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	-	10000	10000	74	-	10000	10000	74	-
B. Public Shareholding									
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	3514	3514	26	-	3514	3514	26	-

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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):-	-	3514	3514	26	-	3514	3514	26	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	3514	3514	26	-	3514	3514	26	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	13514	13514	100	-	13514	13514	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	74	--	10000	74	--	--

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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	74	10000	74
	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	74	10000	74

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

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
1.	Eversmile Construction Company Private Limited	3514	26	3514	26
	At the end of the year	3514	26	3514	26

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	-	-	-	-

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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	-	577043288	-	577043288
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	577043288	-	577043288
Change in Indebtedness during the financial year				
* Addition	-	95000	-	95000
* Reduction	-	-	-	-
Net Change	-	95000	-	95000
Indebtedness at the end of the financial year				
i) Principal Amount	-	577138288	-	577138288
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	577138288	-	577138288

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	-	-	-	-	-

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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	-	-	-	-	-

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

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

SPACECON REALTY 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: U45203MH2007PTC176104



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 Spacecon Realty Private Limited**

SD/-

SD/-

Director

Director

Place : Mumbai
Date : 27.05.2016

SPACECON REALTY PRIVATE LIMITED

INDEPENDENT AUDITOR'S REPORT

To the Members of
M/s Spacecon Realty Private Limited,
(Formerly known as DB Spacecon Pvt. Ltd.)

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or



error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its loss and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note 17 of the accompanying financial statements, regarding arbitrary cancellation of the tender by the PW Department, Maharashtra and against which the holding company has approached Bombay High Court through filing of writ petition. Based on the legal advice the management expects positive outcome of the matter, hence considering the same no diminution in the value of inventory is been considered necessary in the accompanying financial statements.

Our opinion is not qualified with respect to this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account.



- d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) The matters described under the Emphasis of Matter paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
- f) On the basis of 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.
- g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rules 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:
- The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 17 to the financial statements.
 - The Company did not have any material foreseeable losses on long-term contracts including derivative contracts that require provision under any law or accounting standards for which there were any material foreseeable losses.
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **CHATURVEDI & SHAH**
Chartered Accountants
Firm Reg. No. : 101720W



Jignesh Mehta
Partner
Membership No.: 102749



Mumbai
Date: 27/05/2016

“Annexure A” to Independent Auditors’ Report referred to in Paragraph 1 under the heading of “Report on other legal and regulatory requirements” of our report of even date.

1) As the Company had no Fixed Assets during the year, clause (i) of paragraph of 3 of the Order is not applicable to the Company.

2) In respect of Inventories:

The Company is engaged in the business of real estate development and as at year end its project is in initial stage of development. As at year end, company’s inventory comprises of the work in progress which represents the direct cost of construction cost. The company does not have any construction related inventories and therefore, clause (ii) of paragraph 3 of the order is not applicable to the Company.

3) The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Consequently, the requirement of clause (iii) (a) to clause (iii) (c) of paragraph 3 of the Order is not applicable to the Company.

4) In respect of loans, investments, guarantees and security, the Company has not granted any loans, investments, guarantees and securities covered under section 185 and 186 of the Act.

5) According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Therefore, the clause (v) of paragraph 3 of the Order is not applicable to the Company.

6) To the best of our knowledge and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub section (1) of Section 148 of the Act in respect of the activities undertaken by the Company.

7) In respect of Statutory dues :

a) According to the records of the Company, undisputed statutory dues including provident fund, employees’ state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues as applicable have been regularly deposited with appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues, were outstanding as at March 31, 2016 for a period of more than six months from the date they became payable.



- b) According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax , cess on account of any dispute, which have not been deposited.
- 8) The Company has not raised loans from financial institutions or banks or by issue of debentures and hence clause (ix) of paragraph 3 of the Order is not applicable to the Company.
- 9) The money raised by Company by way of term loans has been applied for the purpose for which they are raised.
- 10) Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- 11) Company has not paid any managerial remuneration during the year and hence clause (xi) of paragraph 3 of the Order is not applicable to the Company.
- 12) In our opinion company is not a nidhi company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the company.
- 13) In respect of transactions with related parties :
- a) In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with sections 177 of the Act.
- b) In our opinion and according to the information and explanations given to us, there are no transactions entered by the Company with the related parties as mentioned in section 188 of the Act. The disclosure as required by the applicable accounting standards have been disclosed in the financial statements.
- 14) In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement or fully or partly convertible debentures during the year and hence clause (xiv) of paragraph 3 of the Order is not applicable to the company.
- 15) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transaction with the directors or persons connected with him and covered under section 192 of the Act. Hence, clause (xv) of the paragraph 3 of the Order is not applicable to the Company.



- 16) To the best of our knowledge and as explained, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **CHATURVEDI & SHAH**

Chartered Accountants

Firm Reg. No. : 101720W



Jignesh Mehta

Partner

Membership No.: 102749



Mumbai

Date: 27/05/2016

“Annexure B” to Independent Auditors’ Report referred to in paragraph 2(f) under the heading “Report on other legal and regulatory requirements” 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 Control over financial reporting of Spacecon Realty Private Limited (“the company”) as of 31st March, 2016 in conjunction with our audit of the financial statements of the Company for the year then ended.

Management Responsibility for the Internal Financial Controls

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

Auditor’s Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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



Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and 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 31st March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For CHATURVEDI & SHAH

Chartered Accountants

Firm Reg. No. : 101720W



Jignesh Mehta

Partner

Membership No.: 102749



Mumbai

Date: 27/05/2016

Spacecon Realty Private Limited
(Formerly known as DB Spacecon Private Limited)

BALANCE SHEET AS AT 31st MARCH, 2016

(Amount in Rupees)

Particulars	Note No.	As at 31st March, 2016	As at 31st March, 2015
I. EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share Capital	2	135,140	135,140
(b) Reserves and Surplus	3	(101,822,968)	(101,706,944)
2 Non Current Liabilities			
(a) Long-Term Borrowings	4	577,138,288	577,043,288
3 Current Liabilities			
(a) Trade Payables	5	71,300	52,430
(b) Other Current Liabilities	6	7,500	5,000
Total of Equity & Liabilities		475,529,260	475,528,914
II. ASSETS			
1 Current Assets			
(a) Inventories	7	471,515,530	471,515,530
(b) Trade Receivables	8	3,933,774	3,933,774
(c) Cash and Cash Equivalents	9	30,114	29,768
(d) Other Current Assets	10	49,842	49,842
Total of Assets		475,529,260	475,528,914
See accompanying significant accounting policies and notes to the financial statements -1 to 24			

AS PER OUR ATTACHED REPORT OF EVEN DATE
FOR CHATURVEDI & SHAH
Chartered Accountants
Firm Registration no - 101720W



Jignesh Mehta
Partner
Membership no - 102749



FOR AND ON BEHALF OF THE BOARD OF
DIRECTORS


Rajiv Agarwal
Director
DIN : 00030453



Nabil Patel
Director
DIN : 00298093

Place : Mumbai
Date : 27.05.2016

Place : Mumbai
Date : 27.05.2016

Spacecon Realty Private Limited
(Formerly known as DB Spacecon Private Limited)

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

(Amount in Rupees)

Sr. No.	Particulars	Note No.	For the Year ended 31st March, 2016	For the Year ended 31st March, 2015
I.	<u>Income from Operations</u>			-
II.	<u>Other Income</u>	11	-	100,000
	Total Income	(A)	-	100,000
III.	<u>Expenses</u>			
	Changes in Inventories of Work-in-progress	12	-	-
	Other expenses	13	112,924	236,544
	Legal and Professional Fees	14	3,100	21,304
	Total Expenses	(B)	116,024	257,848
	Profit / (Loss) After Tax	(A-B)	(116,024)	(157,848)
	<u>Earnings Per Share</u>			
	Basic and Diluted (before exceptional items) per share		(8.59)	(11.68)
	Weighted no. of Equity shares used in Computing EPS (of Rs 10/- each)		13,514	13,514

See accompanying significant accounting policies and notes to the financial statements - 1 to 24

AS PER OUR ATTACHED REPORT OF EVEN DATE
FOR CHATURVEDI & SHAH
Chartered Accountants
Firm Registration no - 101720W



Jignesh Mehta
Partner
Membership no - 102749



FOR AND ON BEHALF OF THE BOARD OF
DIRECTORS



Rajiv Agarwal
Director
DIN : 00030453

Nabil Patel
Director
DIN : 00298093

Place : Mumbai
Date : 27.05.2016

Place : Mumbai
Date : 27.05.2016

Spacecon Realty Private Limited
(Formerly known as DB Spacecon Private Limited)

Cash Flow Statement for the year ended 31st March, 2016

Sr. No.	Particulars	Year Ended 2015-16	Year Ended 2014-15
A.	Cash Flow from operating activities		
	Net Profit/(Loss) before tax & extraordinary items	(116,024)	(157,848)
	Operating Profit before Working Capital changes	(116,024)	(157,848)
	Adjustments For :		
	(Increase) / Decrease in trade receivables	-	74,558,378
	Increase / (Decrease) in trade payables	18,870	(1,608,667)
	Increase / (Decrease) in other current liabilities	2,500	(1,110)
	Cash generated from operations	(94,654)	72,790,753
	Net Cash from operating activities (A)	(94,654)	72,790,753
B.	Cash Flow from Investing activities :		
	Net Cash generated/ (used in) from investing activities (B)	-	-
C.	Cash Flow from Financing activities :		
	Long term borrowings taken	95,000	
	Long term borrowings repaid	-	(72,780,000)
	Net cash/ (used in) from financing activities (C)	95,000	(72,780,000)
	Net increase in cash and cash equivalents (A+B+C)	346	10,753
	Cash and Cash equivalents as at the beginning	29,768	19,015
	Cash and Cash equivalents as at the end	30,114	29,768
	Cash and cash Equivalents includes:		
	Cash on hand	16,440	24,066
	Bank Balances	13,674	5,702
		30,114	29,768

Notes:

- Cash flow statement has been prepared under the Indirect Method as set out in the Accounting Standard Standard (AS) 3: "Cash Flow Statement" under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014
- Cash and cash equivalents represent bank balance & cash in hand.
- Figures of the previous year have been regrouped and reclassified wherever necessary to make them comparable with current year figures.

AS PER OUR ATTACHED REPORT OF EVEN DATE
FOR CHATURVEDI & SHAH
Chartered Accountants
Firm Registration no - 101720W

FOR AND ON BEHALF OF THE BOARD OF
DIRECTORS



Jignesh Mehta
Partner
Membership no - 102749




Rajiv Agarwal
Director
DIN : 00030453



Nabil Patel
Director
DIN : 00298093

Place : Mumbai
Date : 27.05.2016

Place : Mumbai
Date : 27.05.2016

Spacecon Realty Private Limited
(Formerly known as DB Spacecon Private Limited)

Notes Forming Part of Financial Statements for the year ended 31st March, 2016

Note No. 1 - Significant Accounting Policies

i) Basis of Preparation of Financial Statements

The Financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India ("GAAP") under the historical cost convention on an accrual basis to comply in all material aspects the mandatory Accounting Standards, as notified by the Companies Act. (Accounting Standard Rules), 2006 referred to in Section 133 of the Companies Act, 2013 and the relevant provisions as applicable.

ii) Use of Estimates

The preparation of Financial Statement requires management to make estimates and assumptions that affect the reported amount of Assets and Liabilities, the disclosure of Contingent Liabilities on the date of financial statements and the reported amount of expenses during the year reported. Actual results could differ from those estimates. Any revision to estimates is recognized in accordance with the requirements of respective Accounting Standard.

iii) Foreign Currency Transactions

(a) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction .

(b) Monetary items denominated in foreign currencies at the year end are restated at year end rates.

(c) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Statement of Profit and Loss.

iv) Inventories

Project work in progress represents cost incurred in relation to development and construction of project. Direct Expenses are taken as the cost of projects. It is valued at lower of cost or net realisable value.

v) Revenue Recognition

Revenue from sale of properties under construction is recognized on the basis of percentage of completion method subject to transfer of significant risk and rewards to the buyer and outcome of the real estate project can be estimated reliably. Percentage of completion is determined with reference to the entire project cost incurred versus total estimated project cost, determined based upon the judgment of management and certified by Company's technical personnel. The revenue is recognized, only if, all critical approvals necessary for commencement of the project have been obtained, at least 25% of construction cost (excluding cost incurred in acquisition of land and its development rights) 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 agreement are realized at the reporting date in respect of each of the contracts and there is no uncertainty towards realisation of the balance amount. Accordingly, the cost of construction/development is charged to the profit and loss account in proportion to the revenue recognised during the period and balance cost are carried as a part of "Project work in progress" under Inventories. Amounts receivable/payable are reflected as Trade receivables/Advances from customers, respectively, after considering income recognised in aforesaid manner. 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.



Spacecon Realty Private Limited

Notes Forming Part of Financial Statements for the year ended 31st March, 2016

vi) Taxes on income

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

At each balance sheet date the company reassesses recognised deferred tax assets and liabilities and recognises unrecognised deferred tax assets, to the extent they become reasonably certain or virtually certain of realisation, as the case may be.

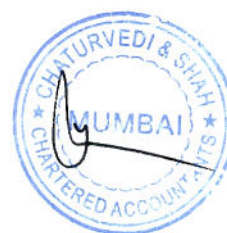
vii) Provisions

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 reasonable 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 and adjusted to reflect the current best estimates.

viii) Contingent Liabilities

Contingent Liabilities are not provided for in the account , and if any, the same is disclosed in notes to accounts.

ix) Accounting Policies not specifically referred to above are consistent with the Generally Accepted Accounting Principles followed by the Company.



Spacecon Realty Private Limited
(Formerly known as DB Spacecon Private Limited)

Notes Forming Part of Financial Statements for the year ended 31st March, 2016

Note : 2 Share Capital

Particulars	As at 31st March, 2016	As at 31st March, 2015
Authorised Capital		
10,00,000 Equity Shares of Rs. 10/- each (Previous Year 10,00,000)	10,000,000	10,000,000
20,00,000 Compulsorily convertible cumulative Preference Shares of Rs.10/- each (Previous Year 20,00,000)	20,000,000	20,000,000
Total	30,000,000	30,000,000
Issued, subscribed & paid up		
13514 (13514) Equity Shares of Rs. 10/- each	135,140	135,140
Total	135,140	135,140

All of the above Shares contain equal voting rights and there are no restrictions/preferences attached to any of the above shares.

Note :2.1 Reconciliation of shares outstanding at beginning and at the end of reporting period

Particulars	As at 31st March, 2016	As at 31st March, 2015
Shares outstanding at the beginning of the year	13,514	13,514
<u>Add:</u> Shares Issued during the year / Bonus issue	NIL	NIL
<u>Less:</u> Shares bought back during the year/ ESOP	NIL	NIL
Shares outstanding at the end of the year	13,514	13,514

Note :2.2 Shares held by Holding Company / Subsidiary Company / Associates

Particulars	As at 31st March, 2016	As at 31st March, 2015
Holding Company:		
D B Realty Limited		
Equity Shares of Rs 10/- each	10,000	10,000
	10,000	10,000

Note :2.3 Details of Shareholders holding more than 5% in companies

Particulars	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 Ltd	10,000	74%	10,000	74%
Eversmile Construction Company Private Limited	3,514	26%	3,514	26%

Note 3 Reserves & Surplus

Particulars	As at 31st March, 2016	As at 31st March, 2015
A. Surplus/(deficit) in statement of P/L as per last FY statement		
(+) Net Profit/(Net Loss) For the current year	(101,706,944)	(101,549,096)
Closing Balance	(116,024)	(157,848)
	(101,822,968)	(101,706,944)
Total	(101,822,968)	(101,706,944)



Spacecon Realty Private Limited
(Formerly known as DB Spacecon Private Limited)

Notes Forming Part of Financial Statements for the year ended 31st March, 2016

Note 4 Long Term Borrowings

Particulars	As at 31st March, 2016	As at 31st March, 2015
<u>Unsecured</u>		
Loan from Holding Company DB Realty Ltd (Repayable over a period of 4 to 5 years)	577,138,288	577,043,288
Total	577,138,288	577,043,288

Note 5 Trade Payables

Particulars	As at 31st March, 2016	As at 31st March, 2015
Due to Micro Small Medium Enterprises (Note 18)	-	-
Others	71,300	52,430
Total	71,300	52,430

Note 6 Other Current Liabilities

Particulars	As at 31st March, 2016	As at 31st March, 2015
Statutory Dues	7,500	5,000
Total	7,500	5,000



Spacecon Realty Private Limited
(Formerly known as DB Spacecon Private Limited)

Notes Forming Part of Financial Statements for the year ended 31st March, 2016

Note 7 Inventories (Valued at lower of cost or NRV)

Particulars	As at 31st March, 2016	As at 31st March, 2015
Project Work in Progress		
Work-in-progress (Valued at Cost)	471,515,530	471,515,530
Total	471,515,530	471,515,530

Note 8 Trade Receivables

Particulars	As at 31st March, 2016	As at 31st March, 2015
Unsecured and considered Good		
Outstanding for a period exceeding six months from the date they are due for payment	3,933,774	3,933,774
Others	-	-
Total	3,933,774	3,933,774

Note 9 Cash and Cash Equivalents

Particulars	As at 31st March, 2016	As at 31st March, 2015
Balances with Banks	13,674	5,702
Cash on hand	16,440	24,066
Total	30,114	29,768

Note 10 Other Current Assets

Particulars	As at 31st March, 2016	As at 31st March, 2015
Excess TDS Paid Recoverable	49,842	49,842
Total	49,842	49,842



Spacecon Realty Private Limited
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Notes Forming Part of Financial Statements for the year ended 31st March, 2016

Note 11 Other Operating Income

Particulars	As at 31st March, 2016	As at 31st March, 2015
Sundry Balances Written Back	-	100,000
Total	-	100,000

Note 12 Changes in Inventories of Work-in-progress and Stock-in-Trade

Particulars	As at 31st March, 2016	As at 31st March, 2015
Opening Inventories	471,515,530	471,515,530
Closing Inventories	471,515,530	471,515,530
Total	-	-

Note 13 Other Expenses

Particulars	As at 31st March, 2016	As at 31st March, 2015
Payment to Auditors	83,989	58,483
Printing, Postage & Telephone Expenses	-	6,703
Miscellaneous Expenses	4,526	3,453
Interest on delayed payment of TDS	21,160	162,831
Sundry Balances Written Off	-	2,508
Bank Charges	748	67
Profession Tax	2,500	2,500
Total	112,924	236,544

Note 14 Legal and Professional Fees

Particulars	As at 31st March, 2016	As at 31st March, 2015
Legal and Professional Fees	3,100	21,304
Total	3,100	21,304

Note 15 Payment to Auditors (Including Service Tax)

Particulars	As at 31st March, 2016	As at 31st March, 2015
Audit Fees	81,489	56,180
Out of Pocket Expenses	2,500	2,303
Total	83,989	58,484



Spacecon Realty Private Limited
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Notes Forming Part of Financial Statements for the year ended 31st March, 2016

Note : 16 As per the Accounting Standard 18, the disclosure of transactions with the related parties as defined in the accounting standards, are given below.

A Names of related parties with whom transactions have taken place during the year (identified by management and relied upon by the auditor)

I Holding Company -
1 D B Realty Limited

II Enterprise owned or significantly influenced by Key Managerial Personnel
1 Mira Real Estate Developer

B Transaction during the year with related parties :

I. Transactions with Holding Company

Sr. No.	Particulars	Opening Balance	Repaid / Adjusted During the Year	Taken/ Adjusted During the Year	Closing Balance
1	Loan Given / (Taken) from Holding Company				
a	D B Realty Limited	(577,043,288)	-	(95,000)	(577,138,288)
		(649,823,288)	74,500,000	(1,720,000)	(577,043,288)

II. Transactions with Enterprises owned or significantly influenced by KMP

Sr. No.	Particulars	Opening Balance	Taken/ Adjusted During the Year	Repaid / Adjusted During the Year	Closing Balance
1	Reimbursement of expense				
a	Mira Real Estate Developer	-	-	-	-
		-	25,000	25,000	-

Note :- Figures in Italics relate to previous year



Spacecon Realty Private Limited
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Notes Forming Part of Financial Statements for the year ended 31st March, 2016

- Note 17 The company was formed as a special purpose vehicle for the holding company's bid for development of the Government Colony Plot " Part -I " in Bandra (East), Mumbai which had been accepted by Govt. of Maharashtra's P.W.Department in year 2010. For execution of work order for the said project, the P.W.Department has asked the company to pay minimum upfront amount (including maintenance corpus) of Rs. 802.95 crores. Against the said demand, the company has offered to pay an amount of Rs. 362.95 Crore simultaneously with the execution of concession agreement with P.W.Department for issuance of work order as per the company's understanding of the provisions contained in the Tender. The P.W.Department cancelled the tender on 26th February, 2015. The holding company has filed writ petition No. 2120/2015 in the Bombay High Court in respect of arbitrary cancellation of the tender for development of Government Colony "Part-I". The Management expects positive outcome of the matter, hence considering the same no diminution in the value of inventory is considered necessary.
- Note 18 As per the information provided by the company there are no Micro , Small, and Medium Enterprises as defined in the Micro Small and Medium enterprises Development Act, 2006 to whom the company owes dues on account of principal amount together with interest and accordingly no additional disclosure have been made.
The above information regarding Micro Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the Auditor.
- Note 19 Company's activities (primarily Real Estate Development Project) has an operating cycle that exceeds one year. For classification of current assets and liabilities related to such activities, the Company elected to use such duration (estimated time to complete the project) as its operating cycle.
- Note 20 Previous period figures have been regrouped and reclassified wherever necessary to make them comparable with current year figure.
- Note 21 In the absence of virtual certainty about future profitability deferred tax assets on unabsorbed business losses has not been recognised in the books
- Note 22 The Company Operates only in one segment viz. Real Estate Development as per AS - 17 Segment Reporting.
- Note 23 Contingent Liability - Rs. Nil (Previous Year - Rs. Nil)
- Note 24 Unsecured Loan and Trade Receivables are subject to confirmation.


AS PER OUT ATTACHED REPORT OF EVEN DATE
FOR CHATURVEDI & SHAH
Chartered Accountants
Firm Registration No - 101720W



Jignesh Mehta
Partner
Membership No : 102749



For and on Behalf of the Board of Directors



Rajiv Agarwal
Director
DIN : 00030453



Nabil Patel
Director
DIN : 00298093

Place : Mumbai
Date : 27.05.2016

Place : Mumbai
Date : 27.05.2016