M/S. REAL GEM BUILDTECH PRIVATE LIMITED

ANNUAL AUDITED ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH, 2017

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 vijaygajaria@camcs.in

DB | THE NEXT LEVEL

NOTICE

NOTICE is hereby given that the 8th Annual General Meeting of the members of the Company will be held on Thursday, the 28th September, 2017 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, 2017 and the Reports of the Board of Directors and Auditors thereon;

2. To appoint Director in place of Mr. Rajiv Agarwal, 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."

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

Director

Place: Mumbai
Date: 30.05.2017

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.

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DIRECTORS' REPORT

Dear Member

Your Directors have pleasure in presenting the 8th Annual Report together with the Audited Statement of Accounts of the Company for the year ended on 31st March, 2017:

FINANCIAL RESULTS & BUSINESS:

The financial statements for the year ended 31st March, 2017 have been prepared under Ind AS (Indian Accounting Standards). The financial statements for the year ended 31st March, 2016 have been restated in accordance with Ind AS for comparative information. Thus, the summary of financial results under the new Ind AS is as under:

(Amount in Rs)

Particulars	**For the Year Ended 31.03.2017**	**For the Year Ended 31.03.2016**
Total Income	10,31,20,495	6,33,49,099
Total Expenditure	19,38,25,407	16,39,52,932
Profit/(Loss) before Tax	(9,07,04,912)	(10,06,03,833)
Current tax	-	-
Deferred tax	1,45,69,794	89,72,021
Profit/(Loss) for the period from continuing operations	(7,61,35,118)	(9,16,31,812)
Profit/(Loss) from discontinued operations	-	-
Tax expenses of discontinued operations	-	-
Profit/(Loss) from discounting operations (after tax)	(7,61,35,118)	(9,16,31,812)
Profit/(Loss) for the period	(7,61,35,118)	(9,16,31,812)
Other Comprehensive income		
A. (i) items that will not be reclassified to Profit or Loss		
(a) Remeasurement of the defined benefit plan	(44,551)	1,74,783
(b) Equity instrument through Other Comprehensive income	41,81,210	38,33,536
(ii) Income tax relating to items that will not be reclassified to Profit or Loss	8,61,329	7,89,708
B. (i) items that will not be reclassified to Profit or Loss	-	-
(ii) Income tax relating to items that will be reclassified to Profit or Loss	-	-
Total Other Comprehensive income [A (i)-(ii) + B (i)-(ii)]	49,97,988	47,98,027
Total Comprehensive income for the period	(7,11,37,129)	(8,68,33,785)

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 ampleness of space and an endless view of the sea. The construction work of the said project is progressing 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

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: 91-22-2641 5550 / 2842 1667
E-mail: info@dbg.co.in • Website: www.dbrealty.co.in
CIN: U45202MH2009PTC193816

achieved so far, the Company has not recognised revenue from operations for the year ended 31.03.2017.

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 EDUCTION 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)(l) 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.

DISCLSOURE 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.

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 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. 29 regarding Company's loan aggregating to Rs. 51,53,12,812/- to a related party for which no provisions for bad and doubtful loan have been made though such related party has incurred losses and has negative net worth as per latest audited financial statements for the year ended as at March 31, 2016. the company considers above loan as good for recovery based on current values of a property held by the said related party which is in excess of its carrying value and which can generate adequate cash flow to enable the said related party to repay the loan. Accordingly, the said loan is considered good and recoverable by the management, which is a factual one and self explanatory.

Further, although the observations in the Annexure to Auditors' Report are self explanatory, as a matter of better disclosure, your Directors offer the following clarifications and further explanations on the same:

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, 2017 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.

The provisions relating to submission of Secretarial Audit Report is not applicable to the Company.

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 6 times, viz. 12.04.2016, 27.05.2016, 29.06.2016, 14.09.2016, 09.12.2016 and 16.01.2017. 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 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 .

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

DIRECTORS:

Mr. Nabil Patel is acting as Whole time Director of the Company. Further, Mr. Rajiv Agarwal, is continuing as Directors of the Company.

During the year under review, Mr. Salim Balwa resigned from the directorship of the Company w.e.f. 23.11.2016 and Mr. Jayvardhan Goenka resigned from the directorship of the Company w.e.f. 10.02.2017.

During the year under review, Mr. Nagamallesh Gattu resigned from the Chief Financial Officer (CFO) of the Company w.e.f. 31.08.2016 and in place Mr. Anantharam Anil Kumar appointed as Chief Financial Officer (CFO) of the Company w.e.f. 09.12.2016..

Mr. Rajiv Agarwal, 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 CONSTITUTION OF AUDIT COMMITTEE AND VIGIL MECHANISM:

During the year under review, the Audit Committee was reconstituted to include Mr. Rajiv Agarwal in place of Mr. Jayvardhan Goenka and the reconstituted Audit Committee as on 26.04.2017 was as under ;

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 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. Rajiv Agarwal
b) Mr. Jagat A. Killwala
a) 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 **Real Gem Buildtech Private Limited**

Director | Director

Place : Mumbai
Date : 30.05.2017

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

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-2016]				No. of Shares held at the end of the year[As on 31-March-2017]				% 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	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
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)	-	-	-	-	-	-	-	-	-
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	-	-	-	-

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	3,80,15,21,729	1,52,85,372	-	3,81,68,07,101
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	3,80,15,21,729	1,52,85,372	-	3,81,68,07,101
Change in Indebtedness during the financial year				
* Addition	58,60,64,706	16,10,267	-	58,76,74,973
* Reduction			-	-
Net Change	58,60,64,706	16,10,267	-	58,76,74,973
Indebtedness at the end of the financial year				
i) Principal Amount	4,27,85,66,589	1,52,85,372	-	4,29,38,51,961
ii) Interest due but not paid	10,90,19,846	16,10,267	-	11,06,30,113
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	4,38,75,86,435	1,68,95,639	-	4,40,44,82,074

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	**Nasir M Rafique**	**Jagat A Killawala**	-	-	-
	Fee for attending board committee meetings	30000	30000	-	-	60000
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	**30000**	**30000**	-	-	**60000**
2	Other Non-Executive Directors	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	**30000**	**30000**	-	-	**60000**
	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	-	27,44,214	-	27,44,214
	(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	-	27,44,214	-	27,44,214

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VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
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**

Director **Director**

Place : Mumbai
Date : 30.05.2017

INDEPENDENT AUDITORS' REPORT

To the Members of,
REAL GEM BUILDTECH PRIVATE LIMITED

1 Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **REAL GEM BUILDTECH PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and 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 Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act.
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 Ind AS 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 Ind AS financial statements based on our audit. In conducting 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 of the Ind AS financials 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 Ind AS financial statements are free from material misstatement.

MEHTA CHOKSHI & SHAH MUMBAI-2 CHARTERED ACCOUNTANTS

MAKER BHAVAN 3, 214, 2ND FLOOR, NEW MARINE LINES, MUMBAI - 400 020.
TEL. : 2205 7309 • 2208 8743 • 6633 4067 • Fax : 2205 5432 • Email : chetanshah@camcs.in

A-101, "AADESHWAR" S.V.P. ROAD, (MANDPESHWAR ROAD), BORIVALI (W), MUMBAI - 400 092.
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 Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS 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 Ind AS 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 Ind AS 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 March 31, 2017, its loss, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

5 Emphasis of Matter

Attention is drawn to note 11 of the Ind AS Financial Statements regarding the Company's loan aggregating to Rs. 51,53,12,812/- to a related party for which no provisions for bad and doubtful loan have been made though such related party has incurred losses and has negative net worth as per latest audited financial statements for the year ended as at March 31, 2016. As explained in said note, the company considers above loan as good for recovery based on current values of a property held by the said related party which is in excess of its carrying value and which can generate adequate cash flow to enable the said related party to repay the loan. Accordingly, the said loan is considered good and recoverable by the management.

Our opinion is not qualified in respect of the above matter.

6 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.

MEHTA CHOKSHI & SHAH
MUMBAI-2
CHARTERED ACCOUNTANTS

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid Ind AS 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 March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operative effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting; 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, as amended, 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.28 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.

   iv. The Company has provided requisite disclosures in the financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated November 8, 2016 of the Ministry of Finance, during the period from November 8, 2016 to December 30, 2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management.

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

MEHTA CHOKSHI & SHAH MUMBAI-2 CHARTERED ACCOUNTANTS

Vijay Gajaria
Partner
M. No.: 137561

Place: Mumbai
Date:30th May, 2017

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

(i) (a) As per information and explanations given to us and on the basis of examination of records of the company, 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./-2,47,98,268/-

(ii) The Company is in the business of real estate development and up to the year-end the company has incurred certain expenditure towards the project under development. As explained to us, site visit was carried out during the year by the management at reasonable intervals and on the basis of information and explanation provided to us, no material discrepancies were noticed on physical verification of inventory/project site by the management and the same have been properly dealt with in the books of account.

(iii) The Company has granted unsecured loans to two parties covered in the register maintained under section 189 of the Act.

(a) As per information and explanation given to us, the loan granted are unsecured, interest free and repayable on demand. Since the said loan are interest free, in our opinion, the terms and conditions of the said loans are to that extent prejudicial to the interest of the company.

(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.

MEHTA CHOKSHI & SHAH
MUMBAI-2
CHARTERED ACCOUNTANTS

(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 March 31, 2017 which was outstanding for more than six months from the date it became payable is Rs.3,16,86,065/-. The above property tax is outstanding for the period from October, 2010. 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. 2,44,70,204/-**
Period to which amount relates: **Assessment Year 2014-15 (Financial Year: 2013-14)**
Forum where dispute is pending: **CIT (Appeals)-Mumbai.**

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 defaulted in repayment of loan taken from Oriental Bank of Commerce. Hence, paragraph 3 (viii) of the order is applicable. Details of Default are as follows:

Period of Default - 30 June 2016 to 31 March 2017
Amount of Default (Principal Amount) - Rs.71,659/-

(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.

MEHTA CHOKSHI & SHAH * CHARTERED ACCOUNTANTS * MUMBAI-2

(xi) According to the information and explanations give 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

MEHTA CHOKSHI & SHAH MUMBAI-2 CHARTERED ACCOUNTANTS

Vijay Gajaria
Partner
M. No.: 137561

Place: Mumbai
Date: 30th MAY 2017

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 Over Financials Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") of Real Gem Buildtech Private Limited

We have audited the internal financial controls over financial reporting of **REAL GEM BUILDTECH PRIVATE LIMITED** ("the Company") as of March 31, 2017 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended and as at 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 ('the Guidance Note'). 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 and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. The Guidance Note and those Standards 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 Ind AS 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.

MEHTA CHOKSHI & SHAH
MUMBAI-2
CHARTERED ACCOUNTANTS

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 March 31, 2017, 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.

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

MEHTA CHOKSHI & SHAH MUMBAI-2 CHARTERED ACCOUNTANTS

Vijay Gajaria
Partner
M. No.: 137561

Place: Mumbai
Date: 30th May 2017

Real Gem Buildtech Private Limited

Balance Sheet as at March 31, 2017

(Amount in Rs.)

Particulars	Note No.	As at March 31, 2017	As at March 31, 2016	As at April 1,2015
ASSETS				
1 Non Current Assets				
a Property, Plant and Equipment	3	**10,09,89,964**	13,86,87,878	10,07,75,778
b Intangible Assets	3	**1,76,351**	1,28,174	1,53,907
c Financial Assets				
(i) Investment	4	**2,84,46,792**	2,42,65,582	67,04,32,046
(ii) Other Financial Assets	6	**52,28,38,793**	45,07,64,477	38,83,31,446
d Deferred Tax Assets (Net)	7	**25,72,81,383**	24,18,50,260	23,20,88,530
e Other Non Current Assets	8	**75,89,164**	27,06,452	5,24,48,297
Total Non Current Assets (A)		**91,73,22,447**	85,84,02,822	1,44,42,30,004
2 Current Assets				
a Inventories	9	**5,76,21,62,255**	4,59,22,41,877	3,47,43,28,550
b Financial Assets				
(i) Investment	4	**7,22,261**	11,96,790	50,69,161
(ii) Trade Receivable	5	**21,78,40,513**	-	-
(iii) Cash and cash equivalent	10	**13,29,579**	4,47,27,497	63,29,149
(iv) Loans	11	**3,32,86,77,005**	3,13,15,28,193	2,90,10,83,593
(v) Other Financial Assets	6	**6,00,00,000**	6,00,00,000	
c Other Current Assets	8	**72,52,20,582**	74,24,20,920	66,65,96,237
Total Current Assets (B)		**10,09,59,52,196**	8,57,21,15,277	7,05,34,06,690
Total Assets (A)+(B)		**11,01,32,74,643**	9,43,05,18,099	8,49,76,36,694
EQUITY AND LIABILITIES				
1 Equity				
a Equity Share Capital	12	1,00,000	1,00,000	1,00,000
b Other Equity	13	**(68,46,11,409)**	(61,34,74,280)	(52,66,40,495)
Total Equity (A)		**(68,45,11,409)**	(61,33,74,280)	(52,65,40,495)
2 Non Current Liabilities				
a Financial liabilities				
(i) Borrowings	14	**4,30,97,39,881**	3,84,24,91,716	2,95,10,48,669
b Provisions	15	**48,64,575**	37,28,598	39,81,411
Total Non Current Liabilities (B)		**4,31,46,04,456**	3,84,62,20,314	2,95,50,30,080
3 Current Liabilities				
a Financial liabilities				
(i) Borrowings	16	**1,98,95,639**	1,52,85,372	16,50,00,000
(ii) Trade payables	17	**5,33,54,205**	16,58,09,989	22,31,92,756
(iii) Other Financial liabilities	18	**77,31,10,000**	70,84,68,563	85,84,64,064
b Other current liabilities	19	**6,53,57,48,085**	5,30,76,51,291	4,82,19,38,021
c Provision	15	**10,73,667**	4,56,850	5,52,267
Total Current Liabilities (C)		**7,38,31,81,596**	6,19,76,72,065	6,06,91,47,108
Total Equity and Liabilities (A)+(B)+(C)		**11,01,32,74,643**	9,43,05,18,099	8,49,76,36,694

Significant accounting policies and notes on Financial statements **1 to 38**

As per our attached report of even date

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

Name : Vijay Gajaria
Partner
Membership No. : 137561

MEHTA CHOKSHI & SHAH MUMBAI-2 CHARTERED ACCOUNTANTS

Place: Mumbai
Date: 30-05-2017

For and on Behalf of the Board

Rajiv Agarwal
Director

Nabil Patel
Whole time Director

Anil Kumar
CFO
Place: Mumbai
Date: 30-5-2017

Jignesh Shah
Company Secretary

Real Gem Buildtech Private Limited

Statement of Profit and Loss for the year ended March 31, 2017

(Amount in Rs.)

	Particulars	Note No.	For the year ended March 31, 2017	For the year ended March 31, 2016
I	Revenue from operations		-	-
II	Other income	20	10,31,20,495	6,33,49,099
III	**Total Income (I)+(II)**		10,31,20,495	6,33,49,099
IV	**Expenses**			
	Project Related Expenses	21	1,16,99,20,378	1,11,79,13,327
	Changes in inventories of finished goods, work in progress and stock-in-trade	22	(1,16,99,20,378)	(1,11,79,13,327)
	Employee benefits expense	23	1,17,14,718	1,25,48,245
	Finance costs	24	1,74,81,777	1,52,09,237
	Depreciation and amortisation expense	3	2,92,30,575	2,85,02,179
	Other expense	25	13,53,98,337	10,76,93,271
	Total expenses (IV)		19,38,25,407	16,39,52,932
	Profit/ (loss) before exceptional items and tax		(9,07,04,912)	(10,06,03,833)
	Exceptional items		-	-
V	**(Loss) before tax (III)-(IV)**		(9,07,04,912)	(10,06,03,833)
VI	**Tax expense**			
	a) Current Tax		-	-
	b) Deferred tax	7	1,45,69,794	89,72,021
	Profit/ (loss) for the period from continuing operations		(7,61,35,118)	(9,16,31,812)
	Profit/ (loss) from discontinued operations		-	-
	Tax expense of discontinued operations		-	-
	Profit/ (loss) from discounting operations (after tax)		(7,61,35,118)	(9,16,31,812)
VII	**(Loss) for the period (V)-(VI)**		(7,61,35,118)	(9,16,31,812)
VIII	**Other Comprehensive Income**			
	A (i) Items that will not be reclassified to Profit or Loss			
	(a) Remeasurement of the defined benefit plan		(44,551)	1,74,783
	(b) Equity Instrument through Other Comprehensive Income		41,81,210	38,33,536
	(ii) Income tax relating to items that will not be reclassified to Profit or Loss		8,61,329	7,89,708
	B (i) Items that will be reclassified to profit or Loss		-	-
	(ii) Income tax relating to items that will be reclassified to Profit or Loss		-	-
	Total Other Comprehensive Income [A (i)-(ii) + B (i)-(ii)] (VIII)		49,97,988	47,98,027
IX	**Total Comprehensive Income for the period (VII)+(VIII)**		(7,11,37,129)	(8,68,33,785)
X	**Earnings per equity share**			
	Basic and Diluted	26	(7,613.51)	(9,163.18)

Significant accounting policies and notes on Financial statements **1 to 38**

As per our attached report of even date

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

Name : Vijay Gajaria
Partner
Membership No. : 137561

MEHTA CHOKSHI & SHAH CHARTERED ACCOUNTANTS MUMBAI-2

Place: Mumbai
Date: 30-05-2017

For and on Behalf of the Board

Rajiv Agarwal
Director

Nabil Patel
Whole time Director

Anil Kumar
CFO

Jignesh Shah
Company Secretary

Place: Mumbai
Date: 30-5-2017

Real Gem Buildtech Private Limited

Cash Flow Statement for the Year Ended March 31, 2017

(Amount in Rs.)

Particulars		For the Year ended March 31, 2017		For the Year ended March 31, 2016	
Cash Flow From Operating Activities:					
Net Profit/(Loss) before taxation and extraordinary items		(7,61,35,118)		(9,16,31,812)	
Adjustments for:					
Interest received on investment		(10,28,80,064)		(6,25,18,817)	
Dividend Received		(38,984)		(5,60,298)	
Profit on sale of Investment		(2,01,447)		(2,69,984)	
Provision for Gratuity		67,50,782		44,49,797	
Depreciation		2,92,30,575		2,85,02,179	
Finance cost		1,74,81,777		1,52,09,237	
Operating Income before working Capital changes		(12,57,92,478)		(10,68,19,698)	
Adjustment for :					
(Increase)/Decrease in Inventories		(1,15,60,21,278)		(1,10,85,92,918)	
(Increase)/Decrease Other Financilas Assets		3,06,60,023		(2,91,890)	
(Increase)/Decrease Other Current Assets		1,72,00,338		(7,58,24,683)	
(Increase)/Decrease in Deposit under Lien		-		21,63,710	
Increase/(Decrease) Trade Receviable		(21,78,40,513)		-	
Increase/(Decrease) Current Liabilities		1,22,80,96,794		48,57,13,270	
(Increase)/Decrease Other Financilas Liabilities		6,46,41,437		(14,99,95,501)	
Increase/(Decrease) Trade Payables		(11,24,55,784)		(5,73,82,767)	
Increase/(Decrease) Loans		(19,71,48,812)		(29,04,44,600)	
Increase/(Decrease) Deferred Tax		(1,54,31,123)		(97,61,729)	
Increase/(Decrease) Other Non Current Assets		(48,82,712)		4,97,41,845	
Cash used in operations		(48,89,74,110)		(1,26,14,94,962)	
Direct Taxes Paid					
Net Cash Flow From/(Used in) Operating Activities	A		(48,89,74,110)		(1,26,14,94,962)
Cash Flow From Investing Activities:					
Fixed Asset Purchased (Including Capital Work in Progress)		(54,31,762)		(7,57,34,688)	
Intangible asset purchase		(48,177)		25,733	
Interest received on investment		1,45,725		3,77,676	
Dividend Received		38,984		5,60,298	
Investment in Shares		(41,81,210)		38,72,371	
Sale of Investment		6,75,976		64,64,36,448	
Net Cash Flow From/(used in) Investing Activities	B		(88,00,464)		57,55,37,838
Cash Flow From Financing Activities:					
Finance Cost		(1,74,81,777)		(1,52,09,237)	
Proceed from Secured Loan		46,72,48,165		(14,97,14,628)	
Proceeds from Short Term Borrowing		46,10,267		89,14,43,045	
Loans and Advances (Given)					
Net Cash Generated from Financing Activities	C		45,43,76,656		72,65,19,181
Net Increase in Cash and Cash Equivalents			(4,33,97,918)		4,05,62,058
Add: Cash and cash Equivalents (Opening)			4,47,27,497		41,65,439
Cash and Cash Equivalents (Closing)			13,29,579		4,47,27,497
Reconciliation of cash and cash equivalent:					
Cash and bank balance (As per Note no.11)			13,29,579		4,47,27,497
Less: Fixed deposits under lien			-		-
Cash and Cash equivalents (Closing)			13,29,579		4,47,27,497

As per our attached report of even date

1 to 38

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

Name: Vijay Gajaria
Partner
Membership No. : 137561

MEHTA CHOKSHI & SHAH MUMBAI-2 CHARTERED ACCOUNTANTS

Place: Mumbai
Date: 30-05-2017

For and on Behalf of the Board

Rajiv Agarwal
Director

Nabil Patel
Whole time Director

Anil Kumar
CFO

Jighesh Shah
Company Secretary

Place: Mumbai
Date: 30-5-2017

Real Gem Buildtech Private Limited
(REGD. OFFICE : DB HOUSE, GEN A.K.VAIDYA MARG, GOREGAON (EAST), MUMBAI – 400063)

Notes Forming Part of Ind-AS Financial Statements

1 Company Background

Real Gem Buildtech Private Limited (the "Company") is incorporated and domiciled in India. The Company is a wholly owned subsidiary of DB Realty Limited, which is listed with National Stock Exchange and Bombay Stock Exchange. The Company has its the Registered Office and principal place of business at DB House, Gen A.K.Vaidya Marg, Goregaon(East), Mumbai-400063.

The Company is a Real Estate Development Company and at present, it has undertaken development and construction of Residential Project on the land situated 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. 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.

The Company's financial statements were authorised for issue in accordance with a resolution of the Board of Directors on 9th June, 2017 in accordance with the provisions of the Companies Act, 2013 and are subject to the approval of the shareholders at the Annual General Meeting.

The Company's financial statements are reported in Indian Rupees, which is also the Company's functional currency.

2. Significant Accounting Policies Accounting Judgements , Estimates and Assumptions:

(A) Significant Accounting Policies:

2.1 Basis of preparation of Ind-AS Financial Statements:

The Ind-AS financial statements of the company have been prepared in accordance with the relevant provisions of the Companies Act, 2013, the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 read with the Companies (Indian Accounting Standards) Amendment Rules, 2016 and the Guidance Notes and other authoritative pronouncements issued by the Institute of Chartered Accountants of India (ICAI).

MEHTA CHOKSHI & SHAH MUMBAI-2 CHARTERED ACCOUNTANTS

For all periods up to and including the year ended 31 March 2016, the company prepared its financial statements in accordance with Indian GAAP, including accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended). These financial statements for the year ended 31 March 2017 are the first the Company has prepared in accordance with Ind-AS. Refer to note 27.6 for information on how the Company adopted Ind AS, including the details of the first time adoption exemptions availed by the company.

The Ind-AS financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value (refer accounting policy no. 2.9 regarding financial instruments). Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- **Level 1** — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- **Level 2** — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- **Level 3** — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

2.2 Current and Non-Current Classification of Assets and Liabilities and Operating Cycle:

An asset is considered as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is considered as current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The Operating Cycle is the time between the acquisition of assets for business purposes and their realisation into cash and cash equivalents.

2.3 Property, plant and equipment:

Property, Plant and Equipment are recorded at their cost of acquisition, net of modvat/cenvat, less accumulated depreciation and impairment losses, if any. The cost thereof comprises of its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost for bringing the asset to its working condition for its intended use.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit or Loss when the asset is derecognised.

For transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognised as on 1st April, 2015 measured as per previous GAAP as its deemed cost on the date of transition.

2.4 Capital Work in Progress and Capital Advances:

Expenses incurred for acquisition of capital assets outstanding at each balance sheet date are disclosed under capital work-in-progress. Advances given towards the acquisition of fixed assets are shown separately as capital advances under the head Other Non-Current Assets.

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2.5 Depreciation:

Depreciation on Property, Plant and Equipment is provided on Straight Line Method in accordance with the provisions of Schedule II to the Companies Act, 2013.The Management believes that the estimated useful lives as per the provisions of Schedule II to the Companies Act, 2013, are realistic and reflect fair approximation of the period over which the assets are likely to be used, except as indicated below..

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.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

2.6 Intangible Assets and amortisation thereof:

The cost relating to Intangible assets, with finite useful lives, which are capitalised and amortised on a straight line basis upto the period of three years, is based on their estimated useful life.

An item of Intangible Asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit or Loss when the asset is derecognised.

For transition to Ind AS, the Company has elected to continue with the carrying value of all its Intangible Assets recognised as on 1st April, 2015 measured as per previous GAAP as its deemed cost on the date of transition.

The residual values, useful lives and methods of amortisation of Intangible Assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

2.7 Inventories:

Inventories comprise of Project Work-In-Progress representing properties under construction/development.

In accordance with the guidance note on Accounting for Real Estate Transaction for entities to whom Ind AS is applicable) issued by ICAI, Inventories are valued at lower of cost and net realizable value. Project work in progress cost includes cost of land/ development rights, materials, services, depreciation on assets used for project purposes and other expenses (including borrowing costs) attributable to the projects. It also includes any adjustment arising due to foreseeable losses.

The Cost in relation to properties under construction/development is charged to the Statement of Profit and Loss in proportion to the revenue recognised during the period and the balance cost is carried over under Inventory as part of Project Work in Progress.

2.8 Revenue Recognition:

(i) **Sale of Properties:**

Revenue from sale of properties under construction is recognized on the basis of percentage of completion method, reliable estimate of the outcome of the real estate project and stage of completion of the project reaches a reasonable level of development i.e. at least 25% of total project cost (excluding land and development cost and borrowing costs capitalised under Ind AS-23) should be incurred at the 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 recognized 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, the total estimated cost of the project is based upon the judgment of management and certified by technical personnel.

The following specific recognition criteria is also considered before revenue is recognised:

- All critical approvals necessary for commencement of the project have been obtained;

- Atleast 25 % of the construction and development costs (excluding land and development cost and borrowing costs capitalised under Ind AS-23) have been incurred;

- Atleast 25% of the saleable project area is secured by contracts or agreements with buyers; and

- Atleast 10 % of the total revenue as per the agreements of sale or any other legally enforceable documents are realised 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.

(ii) **Interest Income:**

For all financial instruments measured at amortised cost, interest income is measured using the Effective Interest Rate (EIR), which is the rate that exactly discounts the estimated future cash flows through the contracted or expected life of the financial instrument, as appropriate, to the net carrying amount of the financial asset.

(iii) **Dividend Income:**

Dividend income is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

MEHTA CHOKSHI & SHAH MUMBAI-2 CHARTERED ACCOUNTANTS

2.9 Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) **Financial Assets:**

Initial Recognition and Measurement:
All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent Measurement:
For purposes of subsequent measurement, financial assets are classified in two categories:

- Financial assets at amortised cost
- Equity instruments measured at fair value through other comprehensive income FVTOCI

Financial Assets at Amortised Cost:
A financial asset is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and any fees or costs that are an integral part of the EIR.

Equity Instruments at FVTOCI:

For equity instruments not held for trading, an irrevocable choice is made on initial recognition to measure it at FVTOCI. All fair value changes on such investments, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale or disposal of the investment. However, on sale or disposal the company may transfer the cumulative gain or loss within equity.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's statement of financial position) when:

i) The rights to receive cash flows from the asset have expired, or
ii) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement and either;
a. the Company has transferred substantially all the risks and rewards of the asset, or
b. the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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Impairment of financial assets

The company applies the expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposures:

- Financial assets at amortised cost.
- Financial guarantee contracts.

The company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Under this approach the company does not track changes in credit risk but recognises impairment loss allowance based on lifetime ECLs at each reporting date. For this purpose the company uses a provision matrix to determine the impairment loss allowance on the portfolio of trade receivables. The said matrix is based on historically observed default rates over the expected life of the trade receivables duly adjusted for forward looking estimates.

For recognition of impairment loss on other financial assets and risk exposures, the company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the company reverts to recognising impairment loss allowance based on 12-month ECL.

For assessing increase in credit risk and impairment loss, the company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events on a financial instrument that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. The ECL impairment loss allowance (or reversal) recognized during the period in the statement of profit and loss and the cumulative loss is reduced from the carrying amount of the asset until it meets the write off criteria, which is generally when no cash flows are expected to be realised from the asset.

ii) Financial Liabilities:

Initial Recognition and Measurement:

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts.

Subsequent Measurement:

This is dependent upon the classification thereof as under:

Loans and Borrowings:

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After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition:
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(iii) **Offsetting of Financial Instruments:**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise an asset and settle the liabilities simultaneously.

(iv) **Equity Instruments:**

An equity instrument is any contract that evidences a residual interest in the assets of an entity in accordance with the substance of the contractual arrangements. These are recognised at the amount of the proceeds received, net of direct issue costs.

(v) **Compound Financial Instruments:**
These are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements.

On the date of the issue, the fair value of the liability component is estimated using the prevailing market rate for similar non-convertible instruments and recognised as a liability on an amortised cost basis using the EIR until extinguished upon conversion or on maturity. The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole and recognised as equity, net of the tax effect and remains in equity until the conversion option is exercised, in which case the balance recognised in equity will be transferred to another component of equity. If the conversion option remains unexercised on the maturity date, the balance recognised in equity will be transferred to retained earnings and no gain or loss is recognised in profit or loss upon conversion or expiry of the conversion option.

Transaction costs are allocated to the liability and equity component in proportion to the allocation of the gross proceeds and accounted for as discussed above.

2.10 Employee Benefits:

Short term employee benefits are those which are payable wholly within twelve months of rendering service are recognised as an expense at the undiscounted amount in Statement of Profit and Loss of the year in which the related service is rendered.

Contribution paid/ payable for the year/ period to Defined Contribution Retirement Benefit Plans is charged to Statement of Profit and Loss or Project Work in Progress, if it is directly related to a project.

Liabilities towards Defined Benefit Schemes viz. Gratuity benefits and other long term benefit viz. compensated absences 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 immediately in the Balance Sheet with a corresponding effect in the SOCI. Past service cost is recognised immediately in the Statement of Profit or Loss.

2.11 Leases:

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

As a Lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term, unless the payments are structured to increase in line with the expected general inflation to compensate the lessor.

2.12 Foreign Currency Transactions:

Transactions in foreign currencies are initially recorded at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

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Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Differences arising on settlement or translation of monetary items are recognised as income or expenses in the period in which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

2.13 Borrowing Costs:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are considered as a part of cost of such assets less interest earned on the temporary investment. A qualifying asset is one that necessarily takes substantial period of time to get ready for the intended use. All other borrowing costs are charged to Statement of Profit & Loss in the year in which they are incurred.

2.14 Taxes on Income:

Current Income Taxes:

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised directly in equity is recognised in other comprehensive income / equity and not in the statement of profit and loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Taxes:

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, when the deferred tax liability arises from an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits

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and unused tax losses can be utilised, except, when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

MAT:

Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which give rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax after the specified years. Accordingly, MAT is recognised as an asset in the Balance Sheet when the asset can be measured reliably and it is probable that the future economic benefits associated with it will flow to the Company.

2.15 Provisions and Contingent Liabilities:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

When the Company expects some or all of a provision to be reimbursed, the same is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A Contingent Liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of enterprise or a present obligation that arises from past events that may, but probably will not, require an outflow of resources.

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Both provisions and contingent liabilities are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent Liabilities are not recognized but are disclosed in the notes.

2.16 Earnings Per Share:

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year 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 year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.17 Cash and Cash Equivalent:

Cash and cash equivalent for the purpose of Cash Flow Statement comprise cash at bank and in hand and short term highly liquid investments which are subject to insignificant risk of changes in value.

2.18 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.19 Commitments

Commitments are future liabilities for contractual expenditure. The commitments are classified and disclosed as follows:

(a) The estimated amount of contracts remaining to be executed on capital accounts and not provided for; and

(b) Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of the Management.

2.20 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker regularly monitors and reviews the operating result of the whole Company as one segment of "Real Estate Development".

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(B) Significant Accounting Judgements, Estimates and Assumptions:

The preparation of Financial Statements is in conformity with the recognition and measurement principles of Ind AS which requires the management to make judgements for estimates and assumptions that affect the amounts of assets, liabilities and the disclosure of contingent liabilities on the reporting date and the amounts of revenues and expenses during the reporting period and the disclosure of contingent liabilities. Differences between actual results and estimates are recognized in the period in which the results are known/ materialize.

2.21 Judgements:

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

a) Assessment of the status of various legal claims and other disputes where the company does not expect any material outflow of resources and hence these are reflected as contingent liabilities

b) In several cases, assessment of the management regarding executability of the projects undertaken.

c) Assessment of the recoverability of various financial assets

2.22 Estimates and Assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) Project estimates

The Company, being a real estate development company, prepares budgets in respect of each project to compute project profitability. The major components of project estimate are 'budgeted costs to complete the project' and 'budgeted revenue from the project. While estimating these components various assumptions are considered by the management such as (i) Work will be executed in the manner expected so that the project is completed timely (ii) consumption norms will remain same (iii) Estimates for contingencies and (iv) price escalations etc. Due to such complexities involved in the budgeting process, contract estimates are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

CHOKSHI & SHAH MUMBAI-2 CHARTERED ACCOUNTANTS

(b) Valuation of investment in loans to subsidiaries

The Company has performed valuation for its investments in equity of certain subsidiaries for assessing whether there is any impairment in the fair value. When the fair value of investments in subsidiaries cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model.

(c) Deferred Tax Assets

In assessing the realisability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible.

Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will realize the benefits of those deductible differences.

The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

(d) Defined benefit plans

The cost and present value of the gratuity obligation and compensated absences are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, attrition rate and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(C) Recent Accounting Pronouncements:

Standards issued but not yet effective:

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment.' These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows' and IFRS 2, 'Share-based payment,' respectively. The amendments are applicable to the Company from 1 April 2017. The effect of these Standards on the Financial Statements is being evaluated by the Company.

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MUMBAI-2
CHARTERED ACCOUNTANTS

Real Gem Buildtech Private Limited

Statement of Changes in Equity for the year ended March 31, 2017

A. Equity Share Capital

Particulars	Amount (Rs.)
Balance as at April 1, 2015	1,00,000
Changes in equity share capital during FY 2015-16	-
Balance as at March 31, 2016	1,00,000
Changes in equity share capital during FY 2016-17	-
Balance as at March 31, 2017	1,00,000

B. Other Equity

(Amount in Rs.)

Particulars	Equity Component of Compound Financial Instruments	Resaves and surplus	Items of Other Comprehensive Income		Total
		Retained Earnings	Equity Instrument through Other Comprehensive Income	Other item of other Comprehensive income (Remeasurement of the defined benefit plan)	
Balance as at April 1, 2015	4,15,86,485	(60,98,13,464)	-	-	(56,82,26,980)
(Loss) for the year FY 2015-16	-	(9,16,31,812)	-	-	(9,16,31,812)
Other Comprehensive Income for the year, net of income tax	-	-	46,23,244	1,74,783	47,98,027
Total Comprehensive Income for the year	-	(9,16,31,812)	-	-	(8,68,33,785)
Balance as at March 31, 2016	4,15,86,485	(70,14,45,277)	46,23,244	1,74,783	(65,50,60,765)
(Loss) for the year	-	(7,61,35,118)	-	-	(7,61,35,118)
Other Comprehensive Income for the year, net of income tax	-	-	50,42,539	(44,551)	49,97,988
Total Comprehensive Income for the year	-	(7,61,35,118)	-	-	(7,11,37,129)
Balance as at March 31, 2017	4,15,86,485	(77,75,80,394)	96,65,783	1,30,232	(72,61,97,894)

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3 Property Plant and Equipment

Carrying amounts of :

	As at 31/03/2017	As at 31/03/2016	As at 31/03/2015
Sample flat	2,47,98,269	4,95,96,538	7,43,94,806
Office equipment	3,36,028	2,61,192	2,47,628
Furniture	2,54,541	-	-
Computers and Related Equipments	11,06,968	14,32,848	4,85,220
Plant & Machinery	4,76,65,362	6,07,11,197	-
Vehicles*	2,68,28,796	2,66,86,103	2,56,48,124
Tangible Assets	1,76,351	1,28,174	1,53,907

(Amount in Rs.)

Particulars	Sample flat	Office equipment	Furniture	Computers and Related Equipments	Plant & Machinery	Vehicles*	Total	Intangible Assets	Total
								Computer Software	
Cost or deemed cost									
Balance at April 1, 2015	19,85,45,427	11,63,953	-	19,04,832	-	2,91,19,838	23,07,34,050	1,53,977	1,53,977
Additions	-	2,04,625	-	12,43,901	6,95,44,272	47,41,890	7,57,34,688	-	-
Disposals	-	-	-	-	-	-	-	-	-
Balance at March 31, 2016	19,85,45,427	13,68,578	-	31,48,733	6,95,44,272	3,38,61,728	30,64,68,738	1,53,977	1,53,977
Additions	-	1,57,740	2,70,001	2,16,209	2,12,812	45,75,000	54,31,762	75,166	75,166
Disposals	-	-	-	-	-		-	-	-
Balance at March 31, 2017	19,85,45,427	15,26,318	2,70,001	33,64,942	6,97,57,084		31,19,00,500	2,29,143	2,29,143
Accumulated Depreciation and Impairment									
Balance at April 1, 2015	12,41,50,622	9,16,325	-	14,19,612	-	34,71,714	12,99,58,272	70	70
Depreciation Expense	2,47,98,268	1,91,061	-	2,96,273	88,33,075	37,03,911	3,78,22,588	25,733	25,733
Transferred to Investment Properties	-	-	-	-	-			-	-
Balance at March, 2016	14,89,48,890	11,07,386	-	17,15,885	88,33,075	71,75,625	16,77,80,860	25,803	25,803
Depreciation Expense	2,47,98,268	82,904	15,460	5,42,089	1,32,58,647	44,32,307	4,31,29,675	26,989	26,989
Balance at March, 2017	17,37,47,159	11,90,290	15,460	22,57,974	2,20,91,722	1,16,07,932	21,09,10,536	52,792	52,792
Carrying amounts of :									
Balance at April 1, 2015	19,85,45,427	11,63,953	-	19,04,832	-	2,91,19,838	10,07,75,778	1,53,977	1,53,977
Additions	-	2,04,625	-	12,43,901	6,95,44,272	47,41,890	7,57,34,688	-	-
Disposals	-	-	-	-	-		-	-	-
Accumulated Depreciation	(14,89,48,890)	(11,07,386)	-	(17,15,885)	(88,33,075)	(71,75,625)	(16,77,80,860)	(25,803)	(25,803)
Balance at March, 2016	4,95,96,537	2,61,192	-	14,32,848	6,07,11,197	2,66,86,103	13,86,87,878	1,28,174	1,28,174
Additions	-	1,57,740	2,70,001	2,16,209	2,12,812	45,75,000	54,31,762	75,166	75,166
Disposals	-	-	-	-	-		-	-	
Depreciation Expense	(2,47,98,268)	(82,904)	(15,460)	(5,42,089)	(1,32,58,647)	(44,32,307)	(4,31,29,675)	(26,989)	(26,989)
Balance at March, 2017	2,47,98,268	3,36,028	2,54,541	11,06,968	4,76,65,362	2,68,28,796	10,09,89,964	1,76,351	1,76,351

*Vehicles are hypothecated against Vehicle Loans.

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4 Investments

(Amount in Rupees)

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
Non-Current						
(Non-Trade) (Unquoted)						
Investment in Equity Instruments at FVTOCI						
Saraf Chemicals Private Ltd. (Face Value Rs.10/- each)	3,10,000	2,84,46,792	3,10,000	2,42,65,582	3,10,000	2,04,32,046
(Trade) (Unquoted)						
Investment in Preference Shares						
Investment in Fellow Subsidiary (At cost)						
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.	-	-	-	-	6,50,000	65,00,00,000
Sub-Total (a)	3,10,000	2,84,46,792	3,10,000	2,42,65,582	9,60,000	67,04,32,046
Current						
(Non Trade) (Unquoted)						
Investment at FVTPL						
Investment under Portfolio Management Scheme of Reliance Capital Assets Management Limited (Refer Note 4.1)	-	7,22,261	-	11,96,790	-	50,69,161
Sub-Total (b)	-	7,22,261	-	11,96,790	-	50,69,161
Total (a)+(b)	3,10,000	2,91,69,053	3,10,000	2,54,62,372	9,60,000	67,55,01,207

4.1 **Details of Investments in Portfolio Management Scheme of Reliance Capital Assets Management Limited.**

Particulars	As at March 2017		As at March 2016	As at March 2015	
	Quantity	Amount	*Details of investment in Portfolio Management Scheme as at March 31, 2016 is not available.	Number	Amount in Rs.
18% Shah Group Builders NCDs	21,000	6,77,029		79,000	50,68,970
Reliance Liquidity Fund	8,146	45,232		191	191
Total	29,146	7,22,261		79,191	50,69,161

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5 Trade Receivables

(Amount in Rupees)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(Unsecured, Considered good)			
Trade Receivables	28,52,07,102	-	-
Less: Expected Credit Loss allowance	(6,73,66,589)	-	-
Total	**21,78,40,513**	-	-

In Determining the expected credit loss allowance, the company has used a simplified approach by computing the same based on historical credit loss experience and is adjusted for forward looking information.

The company provides standard credit period to its customers. On non receipt of amount within the credit period the company reserves the right to charge interest ranging from 18%-21% on default amount.

6 Other Financial Assets

(Amount in Rupees)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Non-current			
(Unsecured, considered good)			
Security Deposits			
-to Project Partner	52,02,14,031	44,84,60,371	38,66,03,769
-to Others	26,24,762	23,04,105	17,27,677
			-
Sub - Total (a)	52,28,38,793	45,07,64,477	38,83,31,446
Current			
(Unsecured, considered good)			
Loan to a related party	6,00,00,000	6,00,00,000	-
Sub - Total (b)	6,00,00,000	6,00,00,000	-
Total (a) + (b)	58,28,38,793	51,07,64,477	38,83,31,446

7 Deferred Tax Balances

(Amount in Rs.)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Deferred Tax Assets	29,59,86,344	28,80,30,365	28,65,90,639
Less: Deferred Tax Liabilities	(3,87,04,961)	(4,61,80,106)	(5,45,02,108)
Total	25,72,81,383	24,18,50,260	23,20,88,530

(Amount in Rs.)

Deferred Tax Assets/(Liabilities) in relation to:	FY 2016-17			FY 2015-16		
	Opening Balance	**Recognised in Profit or Loss**	**Closing Balance**	Opening Balance	Recognised in Profit or Loss	Closing Balance
Fair Value adjustments	5,56,34,520	(2,57,38,995)	2,98,95,525	7,35,32,861	(1,78,98,340)	5,56,34,520
ECL Provisions	-	2,08,16,276	2,08,16,276	-	-	-
Property, Plant and Equipment	(1,85,22,646)	1,00,81,847	(84,40,799)	(2,47,54,173)	62,31,528	(1,85,22,646)
Disallowances under IT Act	2,36,204	2,28,005	4,64,209	1,79,183	57,021	2,36,204
Unabsorbed losses (including depreciation)	20,45,02,181	1,00,43,990	21,45,46,171	18,31,30,660	2,13,71,521	20,45,02,181
Total	**24,18,50,260**	**1,54,31,123**	**25,72,81,383**	**23,20,88,530**	**97,61,729**	**24,18,50,260**

7.1 Deferred Tax Assets on Unabsorbed losses

Under current tax laws, the company is allowed to carry forward its unabsorbed losses within a period of 8 years. Considering the current Project Progress and Status of booking of the flats, the management is reasonably certain that the company will be able to recoup the losses and will be able to generate sufficient taxable profit within the said period.

Tax Expenses

The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
(Loss) before Tax	(9,07,04,912)	(10,06,03,833)
Income Tax Expense calculated @ 30.90%	(2,80,27,818)	(3,10,86,584)
Effect of Depreciation as per Income Tax		-
Effect of expenses that are not deductible in determining taxable profits	4,25,32,130	3,92,63,215
Effect of Income that do not form part of taxable income	(3,17,89,940)	(1,93,74,745)
Others	27,15,833	22,26,093
Tax Expenses	(1,45,69,794)	(89,72,021)
Tax Expenses recognised in the statement of Profit and Loss	(1,45,69,794)	(89,72,021)

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8 Other Assets

(Amount in Rs.)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Non-Current			
(Unsecured, Considered Good)			
Capital Advance	-	-	5,19,86,298
Tax Deducted at source	75,89,164	27,06,452	4,61,999
Sub- Total (a)	75,89,164	27,06,452	5,24,48,297
Current			
Interest Accrued but not due on Fixed Deposit	-	-	23,057
Mobilization and Material Advance	24,38,55,889	24,35,13,035	26,22,24,336
Trade Advance	16,07,88,667	12,44,80,840	11,12,11,699
Security Deposit given for aggregation of land	23,35,50,000	28,59,00,000	25,14,00,000
Advance Recoverable in cash or in kind or for values to be received	11,92,179	11,92,179	-
Prepaid Expenses	2,86,225	7,05,872	96,446
Service Tax and Interest Receivable	8,55,47,622	8,66,28,994	4,16,40,699
Sub- Total (b)	72,52,20,582	74,24,20,920	66,65,96,237
Total (a)+ (b)	73,28,09,746	74,51,27,372	71,90,44,534

9 Inventories

(Amount in Rupees)

Particulars	As at March 31, 2016	As at March 31, 2016	As at April 1, 2015
(As valued and certified by Management)			
Opening Inventories	4,59,22,41,877	3,47,43,28,550	2,35,66,97,259
Add:-Project related expenses during the year	1,16,99,20,378	1,11,79,13,327	1,11,76,31,292
Total	5,76,21,62,255	4,59,22,41,877	3,47,43,28,550

All of the above inventories are expected to be realised after 12 months.
(For details of Hypothecation on proposed flats in inventory refer Note No. 28)

10 Cash and cash equivalent

(Amount in Rupees)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
A. Cash and Cash Equivalents			
Cash in Hand	898	1,17,813	10,960
Cash at Site	1,00,000	2,00,000	5,00,000
Balance with Banks in current account	12,28,681	4,44,09,684	36,54,479
Total Cash and Cash Equivalents	13,29,579	4,47,27,497	41,65,439
B. Other Bank Balances			
Balance with Bank held as Margin Money/Security/Guarantee	-	-	21,63,710
Total	13,29,579	4,47,27,497	63,29,149

10.1 Disclosure of Specified Bank Notes (SBNs)

During the year, the Company had specified bank notes or other denomination notes as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination wie SBNs and other notes as per the notification is given below:

Particulars	SBNs *	Other denomination notes/coins	Total
Closing cash in hand as on November 8, 2016	18,50,000	45,451	18,95,451
Closing cash at site as on November 8, 2016	-	4,000	4,000
(+) Permitted receipts	-	50,000	50,000
(-) Permitted payments	-	63,278	63,278
(-) Amount deposited in Banks	18,50,000	-	18,50,000
Closing cash in hand as on December 30, 2016	-	36,173	36,173

* for the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E) dated the 8th November, 2016.

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11 Loans

(Amount In Rupees)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Current			
(Unsecured, considered good)			
Related parties			
Loan Given (Repayable on demand)*	3,32,12,88,563	3,13,10,87,751	2,90,06,07,151
Advance Recoverable in cash or in kind or for values to be received	70,00,000	-	-
Others			
Staff Loan	3,88,442	4,40,442	4,76,442
Total	3,32,86,77,005	3,13,15,28,193	2,90,10,83,593

*The Company has granted loan amounting to 51,53,12,812/- (Previous year 35,00,00,000/-) to a related party, M/s Y J Realty and Aviation Private Limited ("YJRAPL"). As per latest Audited Financial Statements of YJRAPL for the year ended March 31, 2016, it has incurred losses for the year ended March 31, 2016 and has negative net worth as at March 31, 2016. The company considers above loan as good for recovery based on current values of a property held by YJRAPL which is in excess of its carrying value which can generate adequate cash flow to enable YJRAPL to repay the loan. Accordingly, no provision is considered necessary towards bad and doubtful loan.

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12 Share Capital

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

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Authorized Capital			
Equity Shares of Rs.10/- each	**50,00,000**	50,00,000	50,00,000
0.1% Redeemable Cumulative Preference Shares (RCPS) of Rs.10/- each	**13,50,00,000**	13,50,00,000	13,50,00,000
Total	**14,00,00,000**	14,00,00,000	14,00,00,000
Issued, Subscribed and Paid up Equity Share Capital			
Equity Shares of Rs.10/- each fully paid	**1,00,000**	1,00,000	1,00,000
Total	**1,00,000**	**1,00,000**	1,00,000

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

12.2 **Reconciliation of the outstanding number of equity shares**

Particulars	Equity Shares		Equity Shares		Equity Shares	
	As at March 2017		As at March 2016		As at April 1, 2015	
	Number	Amount in Rs.	Number	Amount in Rs.	Number	Amount in Rs.
Shares outstanding at the beginning of the year	**10,000**	**1,00,000**	10,000	1,00,000	10,000	1,00,000
Addition: Shares Issued during the year	-	-	-	-	-	-
Less: Shares bought back during the year	-	-	-	-	-	-
Shares outstanding at the end of the year	**10,000**	**1,00,000**	10,000	1,00,000	10,000	1,00,000

12.3 **Details of number of equity 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.

12.4 **The details of share holders holding more than 5% equity Shares**

Name of Shareholder	As at March 2017		As at March 2016		As at April, 2015	
	No. of Shares held	% of Holding	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%	10,000 Equity Shares	**100%**

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13 Other Equity
Other equity consist of following:

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
a.Equity Component of Compound Financial Instruments			
Opening balance	4,15,86,485	4,15,86,485	4,15,86,485
Add: Additions during the year	-	-	-
Sub-Total (a)	4,15,86,485	4,15,86,485	4,15,86,485
b. (Deficit) in Statement of Profit and Loss			
Opening balance	(65,50,60,765)	(56,82,26,980)	(26,45,70,325)
Add: (Loss) for the year	(7,11,37,129)	(8,68,33,785)	(30,36,56,655)
Sub-Total (b)	(72,61,97,894)	(65,50,60,765)	(56,82,26,980)
Total (a)+(b)	(68,46,11,409)	(61,34,74,280)	(52,66,40,495)

14 Long-Term Borrowing

(Amount in Rupees)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Secured Loan			
Term Loan			
-From Financial Institution-HDFC Limited			
Tranche 1	2,73,90,27,532	2,82,01,61,128	2,86,11,17,709
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 favor 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% p.a.)			

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Tranche 2 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. 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 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) At the end of 53rd Month from the First month of Disbursement : Nil (or earlier at HDFC's option) Rate of Interest : The above loan carries HDFC Corporate Prime Lending Rate Minus 150 bps (Current floating Interest rate is 16% p.a.)	1,45,89,94,470	92,16,54,493	-
Sub-Total (a)	**4,19,80,22,002**	3,74,18,15,621	2,86,11,17,709
Vehicle Loans			
1) Daimler Financial Services India Private Limited			
Total outstanding	**55,01,273**	81,72,135	1,04,87,379
Less: Current Maturity of Term Loan	**(29,00,697)**	(25,91,491)	(23,15,244)
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) Repayment Schedule Repayable in 60 equal monthly instalments of Rs.282,100/- Rate of Interest : 11.32% p.a.			
Sub-Total (b)	**26,00,576**	55,80,644	81,72,135
2) Oriental Bank of Commerce			
Total Outstanding	**55,07,355**	69,10,107	84,96,575
Less: Current Maturity of Term Loan	**(14,08,247)**	(13,10,772)	(15,54,704)
1. Secured against Hypothecation respective vehicle and personal guarantee of: - Mr. Salim Balwa; Mr. Rajiv Agarwal and Mr. Jayvardhan Goenka (Directors of the company) Repayment Schedule Repayable in 84 equal monthly Rate of Interest : The above loan carries floating interest rate linked to Base rate Plus 50 bps			
Sub-Total (c)	**40,99,108**	55,99,335	69,41,871
3) Kotak Mahindra Prime Limited			
Total Outstanding	**27,55,429**	34,04,672	-
Less: Current Maturity of Term Loan	**(6,84,439)**	(6,21,406)	
1. Secured against Hypothecation respective vehicle Repayment Schedule Repayable in 59 equal monthly instalments of Rs.77,110/- each Rate of Interest : 9.50% p.a.			
Sub-Total (d)	**20,70,990**	27,83,266	-

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4) Oriental Bank of Commerce			
Total Outstanding	**33,38,064**	-	-
Less: Current Maturity of Term Loan	**(8,91,052)**	-	-
1. Secured against Hypothecation respective vehicle			
<u>Repayment Schedule</u>			
Repayable in 60 equal monthly instalments of Rs.80,929/- each			
<u>Rate of Interest</u> : 10.10% p.a.			
Details of continuing Default as at March 31, 2017			
Period of Default: 30 June 2016 to 31 March 2017			
Amount of Default			
Interest: -			
Principal Amount: 71,659			
Sub-Total (e)	**24,47,012**	-	-
Loan From Holding Company (Liability Component of Redeemable Preference Shares)			
Total Outstanding	10,05,00,193	8,67,12,850	7,48,16,954
1,35,00,000 0.1% Redeemable Cumulative Preference Shares (RCPS) of Rs.10/- each fully paid held by holding company			
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.			
Total Amount of dividend in arrears is as follows:			

Year Ended on	Amount (Rs.)
As at 31-03-2017	7,53,197
As at 31-03-2016	6,18,197
As at 31-03-2015	4,83,197

Sub-Total (f)	**10,05,00,193**	8,67,12,850	7,48,16,954
Total (a)+(b)+(c)+(d)+(e)+(f)	**4,30,97,39,881**	3,84,24,91,716	2,95,10,48,669

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15 Provisions

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Long Term			
Provision for employee benefits (unfunded) (Refer Note 31)			
Gratuity	30,03,042	19,95,198	23,49,183
Leave Encashment	18,61,533	17,33,400	16,32,228
Sub-Total (a)	48,64,575	37,28,598	39,81,411
Short Term			
Provision for employee benefits (unfunded) (Refer Note 31)			
Gratuity	4,08,642	1,72,023	2,46,268
Leave Encashment	6,65,025	2,84,827	3,05,999
Sub-Total (b)	10,73,667	4,56,850	5,52,267
Total (a) + (b)	59,38,242	41,85,448	45,33,678

16 Short-term Borrowings

(Amount in Rupees)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Unsecured Loan			
From Oriental Bank of Commerce	1,68,95,639	1,52,85,372	-
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	-	-	10,00,00,000
From Others	-	-	6,50,00,000
From a Related Party	30,00,000	-	-
Total	1,98,95,639	1,52,85,372	16,50,00,000

17 Trade Payables

(Amount in Rupees)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Micro and Small Enterprises (Refer Note below)	-	-	-
Others	5,33,54,205	16,58,09,989	22,31,92,756
Total	5,33,54,205	16,58,09,989	22,31,92,756

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

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 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.	-	-	-
Total	-	-	-

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

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18 Other Financial liabilities

(Amount in Rupees)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Current			
Amount refundable against cancellation of Flat Bookings	**2,22,31,750**	3,43,38,494	1,97,31,750
Contractor Retention Money	**2,76,12,137**	2,77,49,891	27,04,159
Current Maturities of Long Term Debts	**58,84,435**	45,23,669	38,69,949
Interest accrued and due on Borrowing	**10,90,83,185**	-	98,53,150
Interest accrued and But not due on Borrowing	**-**	4,95,34,854	75,880
Book Overdraft	**72,27,955**	1,06,64,075	4,12,03,223
Payable to Project Partner	**59,57,38,320**	57,20,43,374	77,17,54,165
Salary Payable	**53,32,218**	96,14,206	92,71,789
Total	**77,31,10,000**	70,84,68,563	85,84,64,064

19 Other Liabilities

(Amount in Rupees)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Current			
Advances from Customers (includes unpaid claim classified as trade receivables)	**6,06,09,88,461**	5,16,01,78,640	4,75,70,75,370
Statutory Liabilities	**1,67,45,684**	2,61,81,638	1,94,54,255
Outstanding Expenses	**45,80,13,940**	12,12,91,013	4,54,08,396
Total	**6,53,57,48,085**	5,30,76,51,291	4,82,19,38,021

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CHARTERED ACCOUNTANTS

20 Other Income

(Amount in Rs.)

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Dividend		
- On Equity Instrument designated as FVTOCI	-	5,58,000
- On Equity Instrument designated as FVTPL	38,984	2,298
Interest Income (effective interest rate method)		
- On Financial Assets at amortised cost	7,22,20,041	3,77,676
- Unwinding of discount on financial liabilities	3,06,60,023	6,21,41,141
Profit on sale of Investment designated as FVTPL	2,01,447	2,69,984
Total	10,31,20,495	6,33,49,099

21 Project related expenses

(Amount in Rs.)

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Payment to and Provision for employees:		
a) Salaries, Wages and Bonus	4,59,70,321	3,77,80,109
b) Contribution to Provident Fund and Other	8,74,782	9,43,295
c) Staff Welfare and Other Amenities	40,27,534	23,73,857
Rates and Taxes	5,64,72,364	1,86,59,908
Site Expenses	56,64,29,637	82,83,67,415
Legal and Professional Fees	5,99,39,682	7,28,46,751
Telephone Expenses	5,43,710	5,08,146
Interest/Finance Charges Paid (Net)	64,80,90,485	50,81,59,321
Travelling and Conveyance Expenses	26,89,101	35,82,648
Security Charges	5,43,421	7,96,689
Printing and Stationery	5,14,621	8,44,176
General Expenses	11,48,619	57,28,424
Depreciation	1,39,26,089	93,46,142
	1,40,11,70,366	1,48,99,36,880
Less: Project Expenses Recovered (Refer Note 28.3)	(23,12,49,988)	(37,20,23,553)
Total	1,16,99,20,378	1,11,79,13,327

22 (Increase)/Decrease in Inventories

(Amount in Rs.)

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Opening Inventories	4,59,22,41,877	3,47,43,28,550
Less: Closing Inventory- Project Work in Progress	(5,76,21,62,255)	(4,59,22,41,877)
Total	(1,16,99,20,378)	(1,11,79,13,327)

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23 Employee benefit expenses

(Amount in Rs.)

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Salaries, Wages and Bonus	1,10,33,611	1,19,64,751
Contribution to Provident Fund and Other Funds	2,05,196	2,81,763
Staff Welfare and other amenities	1,93,548	1,98,531
Gratuity and Leave encashment	2,82,363	1,03,200
Total	1,17,14,718	1,25,48,245

24 Finance Charges

(Amount in Rs.)

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Interest Expenses as per Effective Interest Rate method on financial liabilities at amortised cost	1,74,81,777	1,52,09,237
Total	1,74,81,777	1,52,09,237

25 Other expense

(Amount in Rs.)

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Payment to Auditors (Refer Note Below)	13,06,955	10,97,090
Bank Charge	86,279	49,611
Company Profession Tax	2,500	2,500
Travelling and Conveyance Expenses	5,64,860	6,10,410
Miscellaneous Office Expenses	47,14,955	47,15,960
Interest on delayed payments of Statutory obligation	64,961	6,11,645
Telephone Expenses	1,81,237	1,69,382
Printing and Stationery	1,71,540	2,81,392
Legal and Professional Fees	49,82,460	85,78,636
Rent	1,10,66,918	1,05,09,977
Sales Promotions and Publicity	3,58,57,070	8,10,09,661
Sundry Debit Balances Written off	91,00,233	-
Expected Credit Loss allowance	6,73,66,589	
Exchange Loss	(68,220)	57,007
Total	13,53,98,337	10,76,93,271

25.1 Breakup of Payment to Auditors

Amount in Rs.

Particulars	For the Year Ended 31st March,2017	For the Year Ended 31st March,2016
Audit Fees	9,00,000	5,00,000
Taxation Fees	4,06,500	2,74,000
Certification Fees	-	3,12,500
Reimbursement of Expenses	455	10,590
Total	13,06,955	10,97,090

26 Earnings per Share

As per Ind AS 33 "Earning Per Share", the company's EPS is as under:

(Amount in Rs.)

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Net Profit/(Loss) after tax	(7,61,35,118)	(9,16,31,812)
Weighted average number of equity shares outstanding	10,000	10,000
Basic and Diluted Earnings per share	(7,613.51)	(9,163.18)
Face Value per Equity Share	10	10

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Notes Forming Part of Ind - AS Financial Statements

27 First-time Ind AS adoption reconciliations

27.1 Effect of Ind AS Adoption on Balance Sheet as at March 31, 2016 and April 1, 2015

Particulars	Note No. 27.7	As at 31-03-2016 (End of last period presented under Previous GAAP)			As at 01-04-2015 (Date of Transition)		
		Previous GAAP	Effect of transition to Ind AS	As per Ind AS Balance Sheet	Previous GAAP	Effect of transition to Ind AS	As per Ind AS Balance Sheet
ASSETS							
1 Non Current Assets							
a Property, Plant and Equipment		13,86,87,879		13,86,87,879	10,07,75,779	-	10,07,75,779
b Other Intangible Assets		1,28,174		1,28,174	1,53,907	-	1,53,907
c Financial Assets							
(i) Investment	2	4,96,00,000	(2,53,34,418)	2,42,65,582	69,96,00,000	(2,91,67,954)	67,04,32,046
(ii) Loans	2	70,34,28,200	(25,26,63,723)	45,07,64,477	70,31,28,200	(31,47,96,754)	38,83,31,446
d Deferred Tax Assets (Net)	5	18,62,15,739	5,56,34,520	24,18,50,260	15,85,55,670	7,35,32,861	23,20,88,530
e Other Non Current Assets		27,06,452		27,06,452	5,24,48,297	-	5,24,48,297
Total Non Current Assets (A)		1,08,07,66,444	(22,23,63,621)	85,84,02,823	1,71,46,61,853	(27,04,31,848)	1,44,42,30,005
2 Current Assets							
a Inventories	1	4,59,73,64,372	(51,22,495)	4,59,22,41,877	3,47,43,28,550	-	3,47,43,28,550
b Financial Assets							
(i) Investment		11,96,790	-	11,96,790	50,69,161	-	50,69,161
(ii) Cash and cash equivalent		4,47,27,497	-	4,47,27,497	63,29,149	-	63,29,149
(iii) Loans		3,13,15,28,193	-	3,13,15,28,193	2,90,10,83,593	-	2,90,10,83,593
(iv) Other Financial Assets		6,00,00,000	-	6,00,00,000			
c Other Current Assets		74,24,20,920	-	74,24,20,920	66,65,96,237	-	66,65,96,237
Total Current Assets (B)		8,57,72,37,772	(51,22,495)	8,57,21,15,277	7,05,34,06,690	-	7,05,34,06,690
Total Assets		9,65,80,04,216	(22,74,86,116)	9,43,05,18,100	8,76,80,68,543	(27,04,31,848)	8,49,76,36,695
EQUITY AND LIABILITIES							
1 Equity							
a Equity Share Capital	4	13,51,00,000	(13,50,00,000)	1,00,000	13,51,00,000	(13,50,00,000)	1,00,000
b Other Equity		(47,54,94,508)	(13,79,79,773)	(61,34,74,280)	(35,24,80,282)	(17,41,60,213)	(52,66,40,495)
Total Equity (A)		(34,03,94,508)	(27,29,79,773)	(61,33,74,280)	(21,73,80,282)	(30,91,60,213)	(52,65,40,495)
2 Non Current Liabilities							
a Financial liabilities							
(i) Borrowings	1	3,79,69,98,060	4,54,93,656	3,84,24,91,716	2,91,23,20,303	3,87,28,365	2,95,10,48,669
b Provisions		37,28,598	-	37,28,598	39,81,411	-	39,81,411
Total Non Current Liabilities (B)		3,80,07,26,658	4,54,93,656	3,84,62,20,314	2,91,63,01,714	3,87,28,365	2,95,50,30,080
3 Current Liabilities							
a Financial liabilities							
(i) Borrowings		1,52,85,372	-	1,52,85,372	16,50,00,000	-	16,50,00,000
(ii) Trade payables		16,58,09,990	-	16,58,09,990	22,31,92,758	-	22,31,92,758
(iii) Other Financial liabilities		70,84,68,563	-	70,84,68,563	85,84,64,064	-	85,84,64,064
b Other current liabilities		5,30,76,51,291	-	5,30,76,51,291	4,82,19,38,021	-	4,82,19,38,021
c Provision		4,56,850	-	4,56,850	5,52,267	-	5,52,267
Total Current Liabilities (C)		6,19,76,72,066	-	6,19,76,72,066	6,06,91,47,110	-	6,06,91,47,110
Total Equity and Liabilities (A)+(B)+(C)		9,65,80,04,216	(22,74,86,116)	9,43,05,18,100	8,76,80,68,543	(27,04,31,848)	8,49,76,36,695

27.2 Reconciliation of total equity as at March 31, 2016 and April 1, 2015

(Amount in Rs.)

Particulars	Note No. 27.7	As at 31-03-2016	As at 1-04-2015
Total Equity (shareholdrs's funds) under Previous GAAP		(34,03,94,508)	(21,73,80,282)
Adjustments-			
Asset whose recognition is not permitted by Ind AS	4	(13,50,00,000)	(13,50,00,000)
Fair Value Adjustment of Financial Liabilities recognised at amortised cost	1, 2	9,62,71,635	9,62,71,635
Fair Value Adjustment of Financial Assets recognised at amortised cost	2	(34,01,31,173)	(34,39,64,709)
Finance Income on Financial Assets/Liabilities recognised at Amortised Cost	1, 2	6,21,41,141	-
Finance Expenses on Financial Assets/Liabilities recognised at Amortised Cost	1, 2	(1,18,95,896)	-
Deferred Tax on Above Ind AS Adjustments.	5	5,56,34,520	7,35,32,861
Total adjustments to equity		(27,29,79,773)	(30,91,60,213)
Total equity under Ind AS		(61,33,74,280)	(52,65,40,495)

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27.3 Effect of Ind AS adoption on the Statement of Profit and Loss for the year ended March 31, 2016

(Amount in Rs.)

	Particulars	Note No. 27.7	Year ended 31-03-2016		
			Previous GAAP	Effect of transition to Ind AS	As per Ind AS
I	Revenue from operations		-		-
II	Other income	1,2	12,07,958	6,21,41,141	6,33,49,099
III	**Total Income (I)+(II)**		12,07,958	6,21,41,141	6,33,49,099
IV	**Expenses**				
	Project Related Expenses	1	1,12,30,35,822	(51,22,495)	1,11,79,13,327
	Changes in inventories of finished goods, work in	1	(1,12,30,35,822)	51,22,495	(1,11,79,13,327)
	Employee benefits expense	3	1,23,73,462	1,74,783	1,25,48,245
	Finance costs	1,2	33,13,341	1,18,95,896	1,52,09,237
	Depreciation and amortization expense		2,85,02,179	-	2,85,02,179
	Other expense		10,76,93,271	-	10,76,93,271
	Total expenses (IV)		15,18,82,253	1,20,70,679	16,39,52,932
V	**(loss) before exceptional items and tax (III)-(IV)**				
	(Loss) before tax (III)-(IV)		(15,06,74,295)	5,00,70,462	(10,06,03,833)
	Exceptional items				
VI	**Tax expense**				
	a) Current tax				-
	b) Deferred tax	5	2,76,60,069	(1,86,88,048)	89,72,021
VII	**(Loss) for the period (V)-(VI)**		(12,30,14,226)	3,13,82,414	(9,16,31,812)
VIII	**Other Comprehensive Income**				
	A (i) Items that will not be reclassified to Profit or Loss				
	(a) Remeasurement of the defined benefit plan	3	-	1,74,783	1,74,783
	(b) Equity Instrument through Other Comprehensive Income	2	-	38,33,536	38,33,536
	(ii) Income tax relating to items that will not be reclassified to Profit or Loss	5	-	7,89,708	7,89,708
	B (i) Items that will be reclassified to profit or Loss		-	-	-
	(ii) Income tax relating to items that will be reclassified to Profit or Loss		-	-	-
	Total Other Comprehensive Income [A (i)-(ii) + B (i)-		-	47,98,027	47,98,027
IX	**Total Comprehensive Income for the period**		(12,30,14,226)	3,61,80,441	(8,68,33,785)

27.4 Reconciliation of total comprehensive income for the year ended March 31, 2016

(Amount in Rs.)

Particulars	Note No.	Year ended 31-03-2016 (Latest period presented under previous GAAP)
Profit as per previous GAAP		(12,30,14,226)
Adjustments-		
Finance Income on Financial Assets/Liabilities recognised at Amortised Cost	1,2	6,21,41,141
Finance cost on Financial Assets/Liabilities recognised at Amortised Cost	1,2	(1,18,95,896)
Remeasurement of Defined Benefit Obligation recognised in OCI under Ind AS	3	(1,74,783)
Deferred Tax	5	(1,86,88,048)
Total effect of transition to Ind AS		3,13,82,414
Profit as per Ind AS		(9,16,31,812)
Other Comprehensive Income		
Other Comprehensive Income for the year	2,3	47,98,027
Total Comprehensive Income as per Ind AS		(8,68,33,785)

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Note: Under previous GAAP, total comprehensive income was not reported. Therefore, the above reconciliation starts with

27.5 Effect of Ind AS adoption on the statement of cash flows for the year ended March 31, 2016

There are no material adjustments to the statement of cash flow as reported under previous GAAP.

27.6 Disclosures as required by Indian Accounting Standard (Ind-AS) 101 First Time Accounting Standard:

The Company has adopted Ind AS with effect from 1 April 2016 with comparatives being restated. Accordingly the impact of transition has been provided in the Opening Retained Earnings as at 1 April 2015 and all the periods presented have been restated accordingly.

i. Exemptions availed on first time adoption of Ind AS 101:

On first time adoption of Ind AS, Ind AS 101 allows certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has availed the following exemptions:

a) Under Ind AS 109, at initial recognition of a financial asset, an entity may make an irrevocable election to present subsequent changes in the fair value of an investment in an equity instrument in other comprehensive income. Ind AS 101 allows such designation of previously recognized financial assets, as 'fair value through other comprehensive income' or 'fair value through profit and loss' on the basis of the facts and circumstances that existed at the date of transition to Ind AS.

Accordingly, the Company has designated its investments in certain equity instruments at fair value through other comprehensive income and fair value through profit and loss on the basis of the facts and circumstances that existed at the date of transition to Ind AS.

b) the Company has opted to continue with the carrying values measured under the previous GAAP and use that carrying value as the deemed cost for property, plant and equipment, and intangible assets on the date of transition.

ii. Exceptions

The following mandatory exceptions have been applied in accordance with Ind AS 101 in preparing the financial statements:

a) Estimates:

The estimates as at 1 April 2015 and 31 March2016 are consistent with those made for the same dates in accordance with previous GAAP (after adjustment to reflect and differences if any, in accounting policies) apart from the following items where the application of previous GAAP did not require estimation:

(i) Impairment of financial assets based on the expected credit loss model; and

(ii) Investments in equity instruments carried as FVPL or FVOCI.

The estimates used by the Company to present the amounts in accordance with the Ind AS reflect conditions that existed at the date on transition to Ind AS.

b) Derecognition of financial assets:

The Company has elected to apply the Derecognition requirements for financial assets and financial liabilities in Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS.

c) Classification and movement of financial assets and liabilities:

The Company has classified the financial assets and liabilities in accordance with Ind AS 109 on the basis of facts and circumstances that existed at the date on transition to Ind AS.

27.7 Reconciliation Explanations:

1 EIR

Ind AS 109 requires borrowings and financial liabilities to be carried at amortised cost. Accordingly, any transaction cost incurred towards origination of borrowings is to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the profit and loss over the tenure of the borrowing as part of the interest expense by applying the EIR method. Under Ind AS, loans are valued at present value as against cost in the previous GAAP. The difference between the present value and cost is recognised in the opening retained earnings.

2 Fair Value of Financial Assets and Liabilities

Under previous GAAP, financial assets and financial liabilities were carried at book value. Under Ind-AS 109, all financial assets and financial liabilities are required to be initially carried at fair value. The fair value changes are taken to the profit and loss account in respect of financial assets and financial liabilities carried at amortised cost or which are designated as FVTPL. The fair value changes in respect of financial assets designated as FVOCI is taken to other comprehensive income.

3 Actuarial Gain and Losses on employee benefits

Under Ind AS, actuarial gains and losses are recognised in the OCI as compared to being recognised in the Statement of Profit and Loss under the previous GAAP.

4 Reclassification of Financial Instruments

Under previous GAAP, Redeemable Cumulative Preference Shares were classified as Share Capital (part of shareholders' fund). Under Ind-AS 32, redeemable portion of preference shares are reclassified as Financial Liabilities.

5 Deferred Tax

Under Previous GAAP, deferred tax was recognized based on the profit and loss method. Under Ind-AS 12, deferred tax is recognized based on the balance sheet method for all differences between the accounting and tax base. Consequentially, deferred tax have been recognised for the adjustments made on transition to Ind AS, wherever applicable.

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28. Contingent Liability:

(Amount in Rs.)

Particulars	As At 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
A. Securities provided to banks against credit facilities extended to (refer note 28.1 and 28.2 below): -Y J Realty & Aviation Private Limited (Facilities Outstanding: Lease Rent Discounting Rs. 85,00,00,000/-) - D B Realty Limited (Facilities Outstanding: Term Loan of Rs.30,00,00,000/-)	**Amount Unascertainable**	**Amount Unascertainable**	**Amount Unascertainable**
B. Claim against the company not acknowledged as debt (Refer Note 28.4 below):	**28,58,527**	**23,11,027**	-
C. Income Tax Demand for AY 2013-14 pending at first appellate level	**79,39,470**	**79,39,470**	-
D. Objections raised by Project Partner with respect to Share in Project Expenses (Refer Note No.28.3)	**13,10,27,155**	**3,00,00,000**	-

28.1 The company has provided security by way of registered mortgage (first charge) in avour 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.

28.2 Further, the company has also provided security by way of registered mortgage (second 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 D B Realty 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.

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28.3 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, the company has raised various claims 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. 13,10,27,155. 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.

28.4 The company is party to various legal proceedings 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.

29. The Company during the year ended March 31, 2017 has incurred net loss (before tax), further, the company has accumulated losses and negative net worth as at 31.03.2017. 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.

30. The Company is engaged in the business of providing infrastructural facilities and therefore, by virtue of section 186 (11) (a) of the Act, read with sub-section (7) of the said section, it is not mandatory to charge interest. Accordingly, it has not charged interest on the loan given to some of the parties.

31. As per Ind AS-19, "Employee Benefits", the disclosure of employee benefits is given below:

Defined Contribution Plans:

"Contribution to Provident and other funds" is recognised as an expense in 26 "Employee Benefit Expenses" of the Statement of Profit and Loss.

Defined Benefit Plan

The company provides gratuity benefits to its employees as per the statute. 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.

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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, 2017:

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

(Amount in Rs)

Particulars	**For the year ended 31st March,2017**	For the year ended 31st March,2016
Liability at the beginning of the period	**2,167,221**	2,595,451
Acquisition Adjustment	**333,978**	590,319
Interest cost	**160,385**	173,598
Current Service cost	**696,563**	804,742
Settlement Cost	**(67,462)**	(1,212,829)
Benefits paid	**(389,008)**	(24,133)
Actuarial (gain)/loss on obligations	**234,479**	(759,927)
Liability at the end of the period	**3,136,156**	2,167,221
Gratuity transferred from other entity	**275,528**	-
Liability at the end of the period as per balance sheet	**34,11,684**	2,167,221

31.2 Reconciliation of fair value of plan assets and obligations:

(Amount in Rs)

Particulars	**For the year ended 31st March, 2017**	For the year ended 31st March, 2016
Liability at the end of the period	**3,411,684**	2,167,221
Fair value of Plan Assets at the end of the period	-	-
Difference	**(3,411,684)**	(2,167,221)
Amount Recognised in the Balance Sheet	**(3,411,684)**	(2,167,221)

31.3 Expense recognized during the period:

(Amount in Rs)

Particulars	**For the Year ended 31st March, 2017**	For the Year ended 31st March, 2016
Current service cost	**696,563**	804,742
Past service cost	-	-
Interest cost	**160,385**	173,598
Acquisition (gains)/losses	**37,051**	42,907
Settlement cost / (credit)	**(67,462)**	(69,450)
Expenses Recognised in Profit & Loss	**826,537**	191,870

31.4 Amount Recognized in statement of Other Comprehensive Income (OCI):

(Amount in Rs)

Particulars	**For the Year ended 31st March, 2017**	For the Year ended 31st March, 2016
Opening amount recognised in OCI outside profit and loss account	-	-
Re-measurement for the year- Obligation (gain)/Loss-	**2,34,479**	7,59,927
Re-measurement for the year-plan asset	-	-

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(gain)/Loss-		
Total re-measurement cost /(credit) for the year recognised in OCI	**2,34,479**	7,59,927
Closing amount recognised in OCI outside profit and loss account	**2,34,479***	7,59,927*

* Out of the above amount of Rs. 2,34,479/- (P.Y. : Rs.7,59,927) , Rs. 1,89,928/- (P.Y.:5,85,144) is recognised in Project work in Progress and Rs. 44,551/- (P.Y.: 1,74,783) is recognised in OCI.

31.5 Actuarial Assumptions:

(Amount in Rs)

Mortality Table	**March 2017**	March 2016	April 2015
	IALM (2006-08) ult	IALM (2006-08) ult	LIC (1994 -96)
Discount rate (per annum)	**6.80%**	7.80%	7.80%
Rate of escalation in salary (per annum)	**10.00%**	10.00%	15.00%
Expected average remaining working lives of employees (in years)	**3.77**	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.

Risk exposure and asset liability matching

Provision of a defined benefit scheme poses certain risk, some of which are detailed hereunder, as companies taken on uncertain long term obligations to make futures benefits payments.

Liability Risks:-

a **Asset-liability Mismatch Risk**

Risk which arise if there is a mismatch in the duration of the assets relative to the liabilities by mismatching duration with the defined benefit liabilities, the company is successfully able to neutralize valuation swings caused by interest rate movements.

Hence Companies are encouraged to adopt assets- Liability management.

b **Discount Rate Risk**

Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practise can have a significant impact on the defined benefit liabilities.

c **Future salary Escalation and inflation risk**

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Since the price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments regulating in a higher present value of liabilities especially unexpected salary increases provide at management's discretion may lead to uncertainties in estimating this increasing risk.

d Unfunded Risk

This represents unmanaged risk and growing liability. There is an inherent risk here that the company may default on paying the benefits in adverse circumstances. Funding the plan removes volatility in company's financials and also benefit risk through return on the funds made available for the plan

There is no contribution under defined contribution plans and defined benefit plans in respect of Key Management Personnel.

31.6 Experience Adjustment:

Experience History	31 03 2013	31 03 2014	31 03 2015	**31 03 2016**	**31 03 2017**
Present value of obligation	5,507,806	3,871,608	2,595,451	**2,167,221**	**3,136,156**
Plan assets	0	0	0	**0**	**0**
Surplus / (Deficit)	(5,507,806)	(3,871,608)	(2,595,451)	**(2,167,221)**	**(3,136,156)**
Experience (gain) or loss on plan liabilities	1,833,631	(3,689,759)	(2,944,891)	**(298,249)**	**234,479**
Experience (gain) or loss on plan assets	----	----	----	**----**	----

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31.7 Expected future benefit payments:

The following benefits payments, for each of the next five years and the aggregate five years thereafter, after expected to be paid:

(Amount in Rs.)

Year Ending March 31	**Expected Benefit Payment rounded to nearest thousands**
2018	409,000
2019	682,000
2020	282,000
2021	385,000
2022	587,000
2023-2027	21,90,000

Sensitivity Analysis:

Sensitivity analysis indicates the influence of a reasonable change in certain significance assumptions on the outcome of the Defined Benefit Obligations (DBO) and aids in understanding the uncertainty of reported amounts. Sensitivity analysis is done by varying one parameter at a time and studying its impact.

The current service cost recognised as an expenses included in the note 26 'Employee benefits expense' as gratuity. The remeasurement of the net defined benefit liability is included in other comprehensive income.

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the Actuary.
Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Other long-term benefits

The obligation for leave benefits (non-funded) is also recognised using the projected unit credit method and accordingly the long-term paid absences have been valued. The leave encashment expense is included in Note 26 'Employee benefits expense'.

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	31-03-2017					
Assumptions	**Discount rate**		**Future salary increase**		**Withdrawal rate**	
Sensitivity Level	**1% increase**	**1% decrease**	**1% increase**	**1% decrease**	**1% increase**	**1% decrease**
Impact on defined benefit obligation	(30,32,932)	32,46,704	31,97,398	(30,75,481)	(31,31,209)	31,41,188

	31-03-2016					
Assumptions	**Discount rate**		**Future salary increase**		**Withdrawal rate**	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(20,25,862)	23,28,532	23,02,633	(20,45,924)	(21,48,047)	21,88,905

The sensitivity analysis presented above may not be representative of the actual change in the defined obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some assumption may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the project unit credit method at the end of the reporting period, which is same as that applied in calculation the defined benefit obligation liability recognised in the balance sheet.

32. Segment Reporting:

The company is in the business of real estate development which is the only reportable operating segment. Hence, separate disclosure requirements of Ind AS-108 Operating Segments are not applicable.

33. Related Parties Disclosure:

As per Ind AS-24 'Related Party Disclosure', the disclosure of transactions with the related parties as defined in Ind AS-24 is given below.

Name of the related party	Relationship
D B Realty Limited	Holding Company
Vinod K Goenka	KMP of 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	

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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	Entities Jointly Controlled by the Holding Company
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	

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Note: The above related parties are identified by the management and relied upon by the auditors.

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

(Amount in Rs)

Particulars	March -17	March -16
Loans Accepted (including liability component of Redeemable Preference Shares)		
With Fellow Subsidiary	-	**13,28,53,150**
Finance Expenses on Financial Liabilities recognised at amortised cost		
With Holding Company	**1,37,87,343**	1,18,95,896
Loan Repaid (including liability component of Redeemable Preference Shares)		
With Holding Company	**5,48,64,000**	-
With Fellow Subsidiary	-	**2,30,00,000**
Loan Given		
With Holding Company	**7,68,22,000**	**64,35,00,000**
Entities Jointly Controlled by Holding Company	**1,10,50,000**	**48,98,47,750**
Enterprise/LLP's where individuals i.e. KMP and their relatives have significant influence other than those mentioned above	**16,83,42,812**	**35,50,00,000**
Recovery of Loan		
With Holding Company	**5,48,64,000**	-
Entities Jointly Controlled by Holding Company	**41,50,000**	**1,19,78,67,150**
Redemption of Investment in 0.01% ROCCPS during the year		
With Fellow Subsidiary	-	65,00,00,000
Reimbursement of Expenses		
With Holding Company	**1,07,20,141**	5,82,821
With Fellow Subsidiary	**16,49,138**	17,69,607
Entities Jointly Controlled by Holding Company	**59,882**	-

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Salary payable		
Enterprise/LLP's where individuals i.e. KMP and their relatives have significant influence other than those mentioned above	**23,43,000**	23,43,000

Rent, Electricity and Water Expenses		
Enterprise/LLP's where individuals i.e. KMP and their relatives have significant influence other than those mentioned above	**1,10,66,918**	1,05,09,977

Interest expenses (including finance expenses on financial liability recognized at amortized cost)		
With Holding Company	**1,37,87,343**	1,18,95,896

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

(Amount in Rs)

Particulars	March-17	March-16	April-15
Loans accepted (including liability component of Redeemable Preference Shares)			
With Holding Company	**10,05,00,193**	8,67,12,850	7,48,16,954
With Fellow Subsidiary	-	-	10,98,53,150
Loans/Advances Given			
With Holding Company	**66,54,58,000**	64,35,00,000	-
Entities Jointly Controlled by Holding Company	**2,20,25,10,600**	2,19,25,80,600	2,90,06,00,000
Enterprise/LLP's where individuals i.e. KMP and their relatives have significant influence other than those mentioned above	**52,03,19,963**	35,50,07,151	7,151
Investment in 0.01% ROCCPS			
With Fellow Subsidiary	-	-	65,00,00,000

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Trade Payables			
With Holding Company	**90,02,751**	23,52,628	-
Enterprise/LLP's where individuals i.e. KMP and their relatives have significant influence other than those mentioned above	**1,01,54,740**	6,51,000	63,45,800

Guarantee given and securities provided by the company to lenders on behalf of related parties (Refer Note no. 28)			
Enterprise/LLP's where individuals i.e. KMP and their relatives have significant influence other than those mentioned above	**Amount unascertainable**	Amount unascertainable	Amount unascertainable

Equity Component of Compound Financial Instruments			
With Holding Company	**4,15,86,485**	4,15,86,485	4,15,86,485

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

(Amount in Rs.)

Name	Borrowing From	Relation	Closing Balance of loan
D B Realty Limited	HDFC Limited	Holding Company	**450,00,00,000**
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	
D B Realty Limited (Successor to Gokuldham Real Estate Development Company Private Limited)	Daimler Financial Services India Private Limited of Vehicle Loan	Fellow Subsidiary	**1,54,00,000**
Salim Balwa	Oriental Bank of Commerce Vehicle Loan	KMP	**55,07,355**
Rajiv Agarwal			
Jayvardhan Goenka			

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Guarantees and securities given by the company to the lenders on behalf of related parties

(Amount in Rs.)

Name of the Entity	Closing Balance of loan
Y J Realty & Aviation Private Limited	**85,00,00,000** (85,00,00,000)
D B Realty Limited	**30,00,00,000** (30,00,00,000)

34. Expenditure in Foreign Currency:

(Amount in Rs)

Description	For the Year Ended 31st March, 2017	For the Year Ended 31st March, 2016
Consultancy Fees	**13,066,578**	17,974,424
Foreign Travelling Expenses	**4,63,221**	1,138,871
Purchase of Materials/ Capital Goods	**5,18,044**	4,340,581
Exhibition Expenses	**4,29,358**	133,609

35. Financial Instrument:

The significant accounting policies, including the criteria of recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability, and equity instrument are disclosed in note 2.9 of the Ind AS financial statements.

(a) Financial assets and liabilities

The carrying value of financial instruments by categories as at March 31, 2017 is as follows:

(Amount in Rs.)

Particulars	See Note	Fair Value through Profit or Loss	Fair Value Through OCI	Amortized Cost	Total carrying value
Financial Assets					
Investment	7	7,22,261	2,84,46,792	-	2,91,69,053
Other Financial Assets	9	-	-	58,28,38,793	58,28,38,793
Trade Receivable	8	-	-	21,78,40,513	21,78,40,513
Cash and cash equivalent	13	-	-	13,29,579	13,29,579
Loans	14	-	-	3,32,86,77,005	3,32,86,77,005
Total		**7,22,261**	**2,84,46,792**	**4,13,06,85,891**	**4,15,98,54,943**

Financial Liabilities					
Borrowings	17	-	-	4,32,96,35,520	4,32,96,35,520
Trade payables	20	-	-	5,33,54,205	5,33,54,205
Other Financial liabilities	21	-	-	77,31,10,000	77,31,10,000
Total		**-**	**-**	**5,15,60,99,725**	**5,15,60,99,725**

The carrying value of financial instruments by categories as at March 31, 2016 is as follows:

(Amount in Rs.)

Particulars	See Note	Fair Value through Profit or Loss	Fair Value Through OCI	Ammortised Cost	Total carrying value
Financial Assets					
Investment	7	11,96,790	2,42,65,582	-	2,54,62,372
Other Financial Assets	9	-	-	51,07,64,477	51,07,64,477
Trade Receivable	8	-	-	-	-
Cash and cash equivalent	13	-	-	4,47,27,497	4,47,27,497
Loans	14	-	-	3,13,15,28,193	3,13,15,28,193
Total		**11,96,790**	**2,42,65,582**	**3,68,70,20,167**	**3,71,24,82,538**
Financial Liabilities					
Borrowings	17	-	-	3,85,77,77,088	3,85,77,77,088
Trade payables	20	-	-	16,58,09,989	16,58,09,989
Other Financial liabilities	21	-	-	70,84,68,563	70,84,68,563
Total		**-**	**-**	**4,73,20,55,640**	**4,73,20,55,640**

The carrying value of financial instruments by categories as at April 1, 2015 is as follows:

(Amount in Rs.)

Particulars	See Note	Fair Value through Profit or Loss	Fair Value Through OCI	Ammortised Cost	Total carrying value
Financial Assets					
Investment	7	50,69,161	2,04,32,046	65,00,00,000	67,55,01,207
Other Financial Assets	9	-	-	38,83,31,446	38,83,31,446
Trade Receivable	8	-	-	-	-
Cash and cash equivalent	13	-	-	63,29,149	63,29,149
Loans	14	-	-	2,90,10,83,593	2,90,10,83,593
Total		**50,69,161**	**2,04,32,046**	**3,94,57,44,188**	**3,97,12,45,394**
Financial Liabilities					
Borrowings	17	-	-	3,11,60,48,669	3,11,60,48,669
Trade payables	20	-	-	22,31,92,756	22,31,92,756
Other Financial liabilities	21	-	-	85,84,64,064	85,84,64,064
Total		**-**	**-**	**4,19,77,05,489**	**4,19,77,05,489**

Carrying amounts of cash and cash equivalents, trade receivables, loans and trade payable as at March 31, 2017, March 31,2016 and April 1, 2015 approximate the fair value because of their short term nature. Difference between the carrying amount and fair values of other financial liabilities subsequently measured at amortized cost is not significant in each year presented.

Fair Value Hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are wither observable or unobservable and consists of the following three levels:

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets and liabilities

Level 2: Inputs are other than quoted prices included within level 1that are observable for the asset or liability either directly (i.e. prices) or indirectly (i.e. derived from prices)

Level 3: Inputs are not based on observable market data unobservable inputs. Fair value are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data

The investment included in Level 3 of fair value hierarchy has been valued using the cost approach to arrive at their fair value. The cost of unquoted investment approximate the fair value because there is a wide range of possible fair value measurements and the cost represents estimate of fair value within that range

The following table summarizes financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured on fair value on recurring basis (but fair value disclosure are required)

As at March 31,2017	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial Assets :				
Investments in Reliance Capital Assets Management Limited 18% Shah Group Builders NCDs Reliance Liquidity Fund (under portfolio management system)	-	45,232	6,77,029	7,22,261
Investments in Saraf Chemicals Private Ltd. (The Company's investment in equity shares of Saraf Chemicals Private Ltd is valued at book value method)	-	-	2,84,46,792	2,84,46,792
Total	-	**45,232**	**2,91,23,821**	**2,91,69,053**

As at March 31,2016	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial Assets :				
Investments in Reliance Capital Assets Management Limited (under portfolio management system)	-	11,96,790	-	11,96,790
Investments in Saraf Chemicals Private Ltd. (The Company's investment in equity shares of Saraf Chemicals Private Ltd is valued at book value method)	-	-	2,42,65,582	2,42,65,582
Total	-	**11,96,790**	**2,42,65,582**	**2,54,62,372**

As at March 31,2015	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial Assets :				

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Investments in Reliance Capital Assets Management Limited 18% Shah Group Builders NCDs Reliance Liquidity Fund (under portfolio management system)	-	191	50,68,970	50,69,161
Investments in Saraf Chemicals Private Ltd. (The Company's investment in equity shares of Saraf Chemicals Private Ltd is valued at book value method)	-	-	2,04,32,046	2,04,32,046
Total	-	**191**	**2,55,01,016**	**2,55,01,207**

(b) Financial Risk Management:

The Board of Directors reviews the risk management policy from time to time and the said policy aims at enhancing shareholders' value and providing an optimum risk-reward trade off. The risk management approach is based on clear understanding of variety of risk that the organisation faces, disciplined risk monitoring and measurement and continuous risk assessment and mitigation measures.
A brief description of the various risks which the company is likely to face are as under:

(i) Market Risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market conditions. Market risk comprises three types of risk: interest rate risk, credit and default risk and liquidity risk Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI and FVTPL investments.
The company does not have material Foreign Currency Exchange rate risk.

Interest Risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company's exposure to the risk of changes in market interest rates relates primarily to the company's long-term debt obligations with floating interest rates.

Interest Rate Sensitivity:

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax and carrying amount of project work in progress (which will have subsequent impact on the profit or loss of future period depending upon the revenue which would recognised based on the percentage of completion as indicated in Accounting Policy for revenue recognition mentioned in Note 2) is affected through the impact on floating rate borrowings, as follows:

Particulars	Increase/(Decrease) in basis points	Effects on Loss before tax

MEHTA CHOKSHI & SHAH
MUMBAI-2
CHARTERED ACCOUNTANTS

For the year ended March 2017	0.50%	**96,938**
	(0.50)%	(96,938)
For the year ended March 2016	0.50%	92,768
	(0.50)%	(92,768)

Credit risk and default risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables, business advances/deposit given) and from its investing activities (primarily loans granted to various parties including related parties).

Trade receivables

Considering the inherent nature of business of the company, Customer credit risk is minimal. The company generally does not part away with its assets unless trade receivable are fully realised.

Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans and preference shares. The Company has access to a sufficient variety of sources of funding which includes funding from holding company which is expected to be rolled over in case of any liquidity gap.

Equity price risk

The company does not have material investment in equity instruments and hence equity price risk does not affect the company materially.

Capital Management

For the purposes of the company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the company's capital management is to maximise shareholders value. The company manages its capital structure and market adjustments in the light of changes in economic environment and the requirements of the financial convenants.

MEHTA CHOKSHI & SHAH MUMBAI-2 CHARTERED ACCOUNTANTS

36. Disclosure as per Guidance Note on "Accounting for Real Estate Transactions (for entities to whom Ind AS is applicable):

(Amount in Rs.)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Amount of Project Revenue recognised as Revenue during the year	-	-	-
Total Amount of Advances Received*	**5,77,57,81,359**	5,16,01,78,640	4,75,70,75,370
Total Amount of Work-in-progress	**5,76,21,62,255**	4,59,22,41,877	3,47,43,28,550
Unbilled Revenue	-	-	-

* excluding unpaid claims receivable from customers and excluding amount refundable against cancellation of flats.

37. 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.

38. Certain trade Payables, Contractors' Retention Money, Trade Receivables and Mobilisation Advance in the Financial Statements are subject to confirmation.

Signatures to Notes 1 to 38

As per our attached report of even date

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

MEHTA CHOKSHI & SHAH MUMBAI-2 CHARTERED ACCOUNTANTS

Vijay R Gajaria
Partner
Membership No. : 137561

Place :Mumbai
Date : 30 MAY 2017

For and on Behalf of the Board

(Rajiv Agarwal)
Director

(Nabil Patel)
Whole time Director

Anil Kumar
CFO

Jignesh Shah
Company Secretary

Place :Mumbai
Date : 30 MAY 2017