

M/S. NEELKAMAL SHANTINAGAR PROPERTIES
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

NOTICE

NOTICE is hereby given that the Twelfth Annual General Meeting of the Members of Neelkamal Shantinagar Properties Private Limited will be held on Thursday, 28th September, 2017 at 12.30 p.m. at the Registered Office of the Company at DB House, Gen. A. K. Vaidya Marg, Goregaon (East), Mumbai - 400 063 to transact the following business:

A G E N D A

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended March 31, 2017, and the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Ebrahim Balwa (DIN: 05350198) who retires by rotation and being eligible has offers himself for re-appointment.
3. To re-appoint Auditors and to fix their remuneration.

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby ratifies the appointment of M/s Mehta Chokshi & Shah, Chartered Accountants (Firm Registration No. 106201W)), as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the thirteen AGM of the Company to be held in the year 2018 and the Board of Directors is authorized to fix their remuneration.”

**By Order of the Board
For Neelkamal Shantinagar Properties Private Limited**



Director

**Place: Mumbai
Date : June 5, 2017**

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

NOTES:

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

DIRECTORS' REPORT

To
The Members
Neelkamal Shantinagar Properties Private Limited

Your Directors have pleasure in presenting the 12th Annual Report together with the Audited Financial Statements of the Company for the year ended 31st March, 2017

Your Company has entered into a Joint Venture agreement with Shankala Realtors Private Limited for development and construction of a residential complex at Lower Parel, Mumbai in the name and style M/s. Shree Shantinagar Venture (AOP).

FINANCIAL RESULTS

(Amount in Rupees)

	For the financial year ending 31 st March, 2017	For the financial year ending 31 st March, 2016
Income	-	-
Less: Expenditure	45,690,622	3,093,121
Profit/ (Loss) Before tax	(45,690,622)	(3,093,121)
Less :Tax provision/Deferred tax	-	-
Profit/ (Loss) after tax/ Total Comprehensive Income for the period	(45,690,622)	(3,093,121)
Balance brought forward from the previous year	(20,479,032)	(17,385,911)
Balance carried to Balance Sheet as Other Equity	(66,169,654)	(20,479,032)

The financial statements for the year ended 31st March, 2017 are the first, the Company has 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.

The losses in the financial statements represent the share of loss in the Joint Venture which will be recouped on the recognition of revenue in the Joint Venture on achieving the prescribed threshold limits of the total work

STATUS OF THE COMPANY

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

DIVIDEND

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

NEELKAMAL SHANTINAGAR PROPERTIES PVT. LTD.

TRANSFER TO RESERVES

The Company has not transferred any amount to Reserves during financial year 2016-17.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary or Associate Company except a Joint Venture Shree Shantinagar Venture (AOP), the share of loss of which is accounted in the financial statements.

AUDITORS' REPORT

The observations of the auditors in the CARO Report are self-explanatory and the Company is taking necessary actions to comply with the requirements.

FIXED DEPOSITS

The Company has not accepted any deposits from the public within the meaning of Section 73 and 74 of the Companies Act, 2013 read with rules 8(5)(v) of the Companies (Accounts) Rules, 2014, during the year under review.

DIRECTORS

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

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

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

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

CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions that were entered during the financial year were in the ordinary course of the business of the Company and were on arm's length basis. There were no materially significant related party transactions entered by the Company during the year under review with related party (ies.) Hence no particulars in form AOC-2 have been furnished

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

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

RISK MANAGEMENT POLICY OF THE COMPANY

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

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has in place adequate internal financial controls with reference to financial statements. During the year no reportable material weakness in the design or operation was observed and the Auditors in their report on the Internal Financial Controls under Clause (i) of

NEELKAMAL SHANTINAGAR PROPERTIES PVT. LTD.

Sub-section 3 of Section 143 of the Companies Act, 2013 which is annexed as Annexure - B to the Auditors' Report which states about the adequacy of the financial controls and effective functioning thereof.

CORPORATE SOCIAL RESPONSIBILITY

The Company has not made any profit in the preceding three financial years and hence the Directors spending of 2% of the average net profit of the preceding three financial years on CSR activities does not apply.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of provisions of Section 134(5) of the Companies Act, 2013, your Directors confirm that:

- a) In the preparation of the annual accounts for the year ended 31st March, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d) They have prepared the annual accounts on a going concern basis.
- e) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

EXTRACTS OF ANNUAL RETURN

Pursuant to sub-section 3(a) of Section 134 and sub-section (3) of Section 92 of the Companies Act 2013, read with Rule 12 of the Companies (Management and Administration) Rules, 2014 the extract of the Annual Return in Form no. MGT-9 (Annexure) as at March 31, 2017 forms part of this report

CONSTITUTION OF NOMINATION AND REMUNERATION COMMITTEE

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

DECLARATION OF INDEPENDENT DIRECTORS

The provisions of Section 149 pertaining to the appointment of Independent Directors do not apply to our Company and no Independent Directors is required to be appointed.

DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM

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

NUMBER OF BOARD MEETING DURING 2016-17

The Board met five times during the financial year 2016-17. The date on which the meetings were held are as follows:

16.05.2016, 12.09.2016, 22.12.2016, 27.12.2016 & 22.03.2017

STATUTORY AUDITORS

M/s Mehta Chokshi & Shah, Chartered Accountants were appointed as Statutory Auditors for a period of 5 years in the Annual General Meeting held on 20th September, 2014 and 24th September, 2015. Their continuance of appointment for the financial year 2017-18 is to be ratified by the shareholders in the ensuing Annual General Meeting.

The Company has received a certificate from the said Auditors that they are eligible to hold office as the Auditors of the Company and are not disqualified for being so appointed.

SHARES**1. BUY BACK OF SECURITIES**

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

2. SWEAT EQUITY

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

3. BONUS SHARES

No bonus shares were issued during the year under review.

4. EMPLOYEE STOCK OPTION PLAN

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

STATUTORY DISCLOSURES**1. Conservation of Energy, Technological Absorption, Foreign Exchange Earnings and Outgo**

Your Company is not covered by the schedule of industries which are required to furnish the information pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule (8) of the Companies (Accounts) Rules, 2014

The Company has not imported any technology or carried out any business of export or import and therefore the disclosure requirement against technology absorption are not applicable. Further during the year under review, the Company has neither earned nor used any foreign Exchange.

2. Particulars of employees:

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

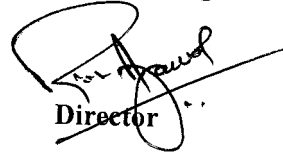
OTHER DISCLOSURES

1. There was no revision in the financial statements.
2. There were no material changes or commitments affecting the financial position of the Company between the financial year end and date of this report.
3. There was no shares held by trustee for the benefit of employees and hence no disclosure under Rule 16(4) of the Companies (Share Capital and Debentures) Rules, 2014 has been furnished.
4. No significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.
5. No cases were filed under Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

ACKNOWLEDGEMENT:

Your Directors would like to express their appreciation for the support extended by the Bankers, the Government Authorities, its employees, suppliers and creditors.

On Behalf of the Board of Directors
For Neelkamal Shantinagar Properties Private Limited



Director



Director

Place: Mumbai
Date: June 5, 2017

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2017

Neelkamal Shantinagr Properties Pvt. Ltd.

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

I. REGISTRATION & OTHER DETAILS:		
1	CIN	U45200MH2005PTC155150
2	Registration Date	05.08.2005
3	Name of the Company	NEELKAMAL SHANTINAGAR PROPERTIES PRIVATE LIMITED
4	Category/Sub-category of the Company	Company Limited by shares
5	Address of the Registered office & contact details	DB HOUSE, GEN. A.K.VAIDYA MARG, GOREGAON (EAST), MUMBAI - 400063
6	Whether listed company	No
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	N.A

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY			
(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)			
S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	N.A		

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES					
SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	D B Realty Limited Add:DB House, Gen. K. Vaidya Marg, Goregaon (East), Mumbai-400063	L70200MH2007PLC166818	Holding Company	100%	2(46)

IV. SHARE HOLDING PATTERN									
(Equity share capital breakup as percentage of total equity)									
(i) Category-wise Share Holding									

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-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	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Bodies Corp.	-	16,000	16,000	100.00%	-	16,000	16,000	100.00%	0.00%
e) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (1)	-	16,000	16,000	100.00%	-	16,000	16,000	100.00%	0.00%
(2) Foreign									
a) NRI Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Other Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (2)	-	-	-	0.00%	-	-	-	0.00%	0.00%
TOTAL (A)	-	16,000	16,000	100.00%	-	16,000	16,000	100.00%	0.00%

NEELKAMAL SHANTINAGAR PROPERTIES PVT. LTD.

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

CIN: U45200MH2005PTC155150

B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Insurance Companies	-	-	-	0.00%	-	-	-	0.00%	0.00%
g) FIs	-	-	-	0.00%	-	-	-	0.00%	0.00%
h) Foreign Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
i) Others (specify)	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub-total (B)(1):-	-	-	-	0.00%	-	-	-	0.00%	0.00%
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	-	-	-	0.00%	-	-	-	0.00%	0.00%
ii) Overseas	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	0.00%	-	-	-	0.00%	0.00%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Others (specify)									
Non Resident Indians	-	-	-	0.00%	-	-	-	0.00%	0.00%
Overseas Corporate Bodies	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Nationals	-	-	-	0.00%	-	-	-	0.00%	0.00%
Clearing Members	-	-	-	0.00%	-	-	-	0.00%	0.00%
Trusts	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Bodies - D R	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub-total (B)(2):-	-	-	-	0.00%	-	-	-	0.00%	0.00%
Total Public (B)	-	-	-	0.00%	-	-	-	0.00%	0.00%
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	-	16,000	16,000	100.00%	-	16,000	16,000	100.00%	0.00%

(ii) Shareholding of Promoter

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	D B Realty Limited	16,000	100.00%	0	16,000	100.00%	0	0.00%

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

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

(iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1.	Name						
	At the beginning of the year			Not Applicable			
	Changes during the year						
	At the end of the year						

(v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	Name						
	At the beginning of the year						
	Changes during the year			None			
	At the end of the year						

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Amt. Rs./Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	10,600,000.00	104,330,956.00	-	114,930,956.00
ii) Interest due but not paid	201,662.00	-	-	201,662.00
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	10,801,662.00	104,330,956.00	-	115,132,618.00
Change in Indebtedness during the financial year				
* Addition	1,030,656.00	35,479,052.00	-	36,509,708.00
* Reduction	5,000,000.00	451,640.00	-	5,451,640.00
Net Change	(3,969,344.00)	35,027,412.00	-	31,058,068.00
Indebtedness at the end of the financial year				
i) Principal Amount	5,600,000.00	139,358,368.00	-	144,958,368.00
ii) Interest due but not paid	1,232,318.00	-	-	1,232,318.00
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	6,832,318.00	139,358,368.00	-	146,190,686.00

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VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

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

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

SN.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount (Rs/Lac)
		Name			
	Designation	CEO	CFO	CS	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961				
2	Stock Option				Not Applicable
3	Sweat Equity				
4	Commission				
	- as % of profit - others, specify				
5	Others, please specify				
	Total				

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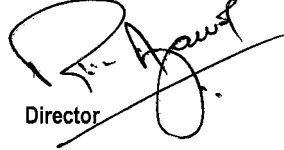
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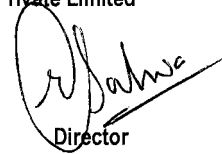
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VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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		None			
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty				s	
Punishment					
Compounding					

On Behalf of the Board of Directors
For Neelkamal Shantinagar Properties Private Limited


Director


Director

Place: Mumbai
Date: June 5, 2017

Mehta Chokshi & Shah
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

**To the Members of,
NEELKAMAL SHANTINAGAR PROPERTIES PRIVATE LIMITED**

1 Report on the Ind AS financial statements

We have audited the accompanying Ind AS financial statements of **NEELKAMAL SHANTINAGAR PROPERTIES 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 and presentation 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) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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.

MAKER BHAVAN 3, 214, 2ND FLOOR, NEW MARINE LINES, MUMBAI - 400 020.
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A-101, "AADESHWAR" S.V.P. ROAD, (MANDPESHWAR ROAD), BORIVALI (W), MUMBAI - 400 092.
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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 Ind AS 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 including Ind AS, of the state of affairs of the Company as at March 31, 2017, and its loss, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

5 Report on Other Legal and Regulatory Requirements


- I. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
- II. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flow 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; and
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operative effectiveness of such controls, refer to our separate report in "Annexure B". 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.19 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; and
- 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 Ind AS 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**




**Vijay Gajaria
Partner
M. No.: 137561**

**Place: Mumbai
Date: 5th June, 2017**

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

- (i) The Company does not have any Fixed Assets and therefore paragraph 3 (i) of the order is not applicable.
- (ii) The Company does not have any Inventory and therefore paragraph 3 (ii) of the order is not applicable.
- (iii) According to information and explanation given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ("the Act") and therefore paragraph 3 (iii) of the order is not applicable.
- (iv) According to the information and explanations given to us, during the year, the Company has not granted any loans, made any investments in any body corporate, provided any guarantees and security. Hence paragraph 3 (iv) of the order is not applicable.
- (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 of TDS, Service Tax and Profession Tax to the appropriate authority. There are no arrears of outstanding Statutory liability for more than six months from the date they become payable.
Further as explained to us, the provisions for Employees State Insurance, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess are not applicable to the Company during the year.
- (b) According to the information and explanations given to us, there are no disputed dues of Income – tax and other applicable statutory dues and hence paragraph 3 (vii) (b) of the Order is not applicable.



CHARTERED ACCOUNTANTS

- (b) According to the information and explanations given to us, there are no disputed dues of Income – tax and other applicable statutory dues and hence paragraph 3 (vii) (b) of the Order is not applicable.
- (viii) Based on our audit procedures and as per the information and explanation given by the management, the company has delayed in payment of interest due to the extent as follows:
Name of the Bank: Oriental Bank of Commerce (Bank Overdraft)
Amount of Default: Rs.91,448/-
Period of Default: February 2017 and March 2017
- (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) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations 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 Ind AS financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records, during the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Accordingly, paragraph 3 (xiv) of the order is not applicable.
- (xv) According to the information and explanations given to us and based on our examination of the records, during the year the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) According to the information and explanations given to us and based on our examination of the records, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

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




Vijay Gajaria
Partner
M. No.: 137561

Place: Mumbai

Date: 5th June, 2017

CHARTERED ACCOUNTANTS

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

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

We have audited the internal financial controls over financial reporting of **NEELKAMAL SHANTINAGAR PROPERTIES 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 on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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



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 Ind AS 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 Ind AS 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 Ind AS financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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




Vijay Gajaria
Partner
M. No.: 137561

Place: Mumbai

Date: 5th June, 2017

Neelkamal Shantinagar Properties 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 Financial Assets				
(i) Investment	3	80,652,076	95,376,993	43,470,130
b Non Financial Assets				
(i) Other Non-Financial Assets	4	-	-	651,973
Total Non Current Assets (A)		80,652,076	95,376,993	44,122,103
2 Current Assets				
a Financial Assets				
(i) Cash and cash equivalent	5	231,736	155,264	185,858
(ii) Other Financial Assets	6	1,000	1,000	1,000
Total Current Assets (B)		232,736	156,264	186,858
Total Assets (A)+(B)		80,884,812	95,533,257	44,308,961
EQUITY AND LIABILITIES				
1 Equity				
a Equity Share Capital	7	160,000	160,000	160,000
b Other Equity	8	(66,169,654)	(20,479,032)	(17,385,911)
Total Equity (A)		(66,009,654)	(20,319,032)	(17,225,911)
2 Current Liabilities				
a Financial liabilities				
(i) Borrowings	9	146,190,686	115,132,618	60,544,316
(ii) Trade payables	10	115,937	80,642	510,142
b Non Financial Liabilities				
(i) Other Current liabilities	11	587,843	639,029	480,414
Total Current Liabilities (B)		146,894,466	115,852,289	61,534,872
Total Equity and Liabilities (A)+(B)		80,884,812	95,533,257	44,308,961

Significant accounting policies and notes on Financial statements 1 to 29

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



Place : Mumbai
Date : 05.06.2017

For and on Behalf of the Board


(Ebrahim Balwa)
Director

Place : Mumbai
Date : 05.06.2017


(Rajiv Agarwal)
Director

Neelkamal Shantinagar Properties 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		-	-
III	Total Income (I)+(II)		-	-
IV	Expenses			
	Finance costs	12	1,030,656	453,302
	Other expense	13	58,595	745,798
	Share of Loss From Joint Venture	14	44,601,371	1,894,021
	Total expenses (IV)		45,690,622	3,093,121
	Profit/ (loss) before exceptional items and tax		(45,690,622)	(3,093,121)
V	(Loss) before tax (III)-(IV)		(45,690,622)	(3,093,121)
VI	Tax expense			
	a) Current tax	15	-	-
	b) Deferred tax		-	-
VII	(Loss) for the period (V)-(VI)		(45,690,622)	(3,093,121)
VIII	Other Comprehensive Income			
A	(i) Items that will not be reclassified to Profit or Loss		-	-
	(ii) Income tax relating to items that will not be reclassified to Profit or Loss		-	-
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)		-	-
IX	Total Comprehensive Income for the period (VII)+(VIII)		(45,690,622)	(3,093,121)
X	Earnings per equity share			
	Basic and Diluted	16	(2,855.66)	(193.32)

Significant accounting policies and notes on Financial statements

1 to 29

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
Place : Mumbai
Date : 05.06.2017



For and on Behalf of the Board


(Ibrahim Balwa)
Director


(Rajiv Agarwal)
Director

Place : Mumbai
Date : 05.06.2017

Neelkamal Shantinagar Properties Private Limited
Cash Flow Statement for the year ended 31st March, 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 loss before taxation and extraordinary items		(45,690,622)		(3,093,121)
Adjustment for:				
Share of loss from Joint Venture		44,601,371		1,894,021
Operating Income before working Capital changes		(1,089,251)		(1,199,100)
Adjustment for Working Capital Changes:				
Increase/(Decrease) in Trade Payables		35,295		(429,500)
Increase/(Decrease) in Other Financial Liabilities		(51,186)		158,615
(Increase)/ Other Financial Assets				651,973
Cash used in operations		(1,105,142)		(818,012)
Income Tax paid		-		-
Net Cash Flow From/(Used in) Operating Activities	A	(1,105,142)		(818,012)
Cash Flow From Investing Activities:				
Investment in Joint Venture (net)		14,724,917		(51,906,863)
Share of loss from Joint Venture		(44,601,371)		(1,894,021)
Net Cash Flow From/(used in) Investing Activities	B	(29,876,454)		(53,800,884)
Cash Flow From Financing Activities:				
Borrowings (Net)		31,058,068		54,588,302
Net cash generated from Financing Activities	C	31,058,068		54,588,302
Net Decrease in Cash and Cash Equivalents (A+B+C)		76,472		(30,594)
Add: Cash and cash Equivalents (Opening)		155,264		185,858
Cash and cash equivalents (Closing)		231,736		155,264
Cash and cash Equivalents includes:				
Cash on hand (As per note no. 5)		154,499		12,000
Bank Balances		77,237		143,264
		231,736		155,264

As per our attached report of even date

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

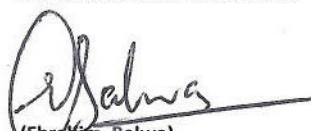

Name : Vijay Gajaria
Partner

Membership No. : 137561



Place : Mumbai
Date : 05.06.2017

For and on Behalf of the Board


(Ebrahim Balwa)
Director


(Rajiv Agarwal)
Director

Place : Mumbai
Date : 05.06.2017

Neelkamal Shantinagar Properties Private Limited
Statement of Changes in Equity for the year ended March 31, 2016

A. Equity Share Capital

Particulars	(Amount in Rs.)
Balance as at March 31, 2015	160,000
Changes in equity share capital during FY 2015-16	-
Balance as at March 31, 2016	160,000
Changes in equity share capital during FY 2016-17	-
Balance as at March 31, 2017	160000

B. Other Equity

Particulars	(Amount in Rs.)	
	Reserves and Surplus Retained Earnings	Total
Balance as at March 31, 2015	(17,385,911)	(17,385,911)
(Loss) for the year FY 2015-16	(3,093,121)	(3,093,121)
Other Comprehensive Income for the year, net of income tax	-	-
Total Comprehensive Income for the year	(3,093,121)	(3,093,121)
Balance as at March 31, 2016	(20,479,032)	(20,479,032)
(Loss) for the year	(45,690,622)	(45,690,622)
Other Comprehensive Income for the year, net of income tax	-	-
Total Comprehensive Income for the year	(45,690,622)	(45,690,622)
Balance as at March 31, 2017	(66,169,654)	(66,169,654)



Neelkamal Shantinagar Properties Private Limited

Notes Forming Part of Financial Statements

1 Company Background

Neelkamal Shantinagar Properties 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 established with an object of Real Estate Development. The Company has entered into a Joint Venture agreement with Shankala Realtors Private Limited for development and construction of a residential complex at Lower Parel, Mumbai in the name and style M/s. Shree Shantinagar Venture (AOP).

The Company is a subsidiary of D B Realty Limited, which has become a "Public company" w.e.f. 23rd September 2009.

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).

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.

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. 2.3 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, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized 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

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 realization into cash and cash equivalents.

2.3 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 recognized 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 amortized cost
- Equity instruments measured at fair value through other comprehensive income FVTOCI

Financial Assets at Amortized Cost:

A financial asset is measured at the amortized 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 amortized cost using the effective interest rate (EIR) method. Amortized 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 derecognized (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.

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 amortized 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 recognizes 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 recognizing 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 recognized 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:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized 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 amortization is included as finance costs in the statement of profit and loss.

Derecognition:

A financial liability is derecognized 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 recognized 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 recognized 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 recognized 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 recognized as a liability on an amortized 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 recognized as equity, net of the tax effect and remains in equity until the conversion option is exercised, in which case the balance recognized in equity will be transferred to another component of equity. If the conversion option remains unexercised on the maturity date, the balance recognized in equity will be transferred to retained earnings and no gain or loss is recognized 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.

2.4 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.

2.5 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 recognized directly in equity is recognized in 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 recognized 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 recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized 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 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 utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized 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 recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized 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.

2.6 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 recognized 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 recognized 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.

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.

2.7 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.

2.8 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.

2.9 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.

2.10 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.

2.11 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".

(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.

2.10 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 recognized 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 (Refer Note 18)
- b) In several cases, assessment of the management regarding executability of the projects undertaken. (Refer Note 23)
- c) Assessment of the recoverability of various financial assets

2.11 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.

(b) 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.

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) 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.



Neelkamal Shantinagar Properties Private Limited
Notes Forming Part of Financial Statements

3 Non Current Investment

(Amount in Rs.)			
Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(Trade, unquoted, at cost)			
In Joint Venture			
Shree Shantinagar Joint Venture [See Note No.22] (Towards 100% share in Profit/Loss) (Previous Year 100%)	80,652,076	95,376,993	43,470,130
Total	80,652,076	95,376,993	43,470,130

4 Other Non Financial Assets

(Amount in Rs.)			
Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Advance Tax and TDS receivable (Net of Provision)	-	-	651,973
Total	-	-	651,973

5 Cash and Cash Equivalents

(Amount in Rs.)			
Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Cash on hand	154,499	12,000	371
Balances with banks	77,237	143,264	185,487
Total	231,736	155,264	185,858

Disclosures 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 wise SBNs and other notes as per the notification is given below:

Particulars	SBNs *	Other denomination	Total
Closing cash in hand as on November 8, 2016	-	2,365	2,365
(+) Permitted receipts	-	97,635	97,635
(-) Permitted payments	-	17,150	17,150
(-) Amount deposited in Banks	-	-	-
Closing cash in hand as on December 30, 2016	-	80,485	80,485

* 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.

6 Other Financial Assets

(Amount in Rs.)			
Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(Unsecured, considered good)			
Security Deposits	1,000	1,000	1,000
Total	1,000	1,000	1,000

8 Other Equity

(Amount in Rs.)			
Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Surplus/(Deficit) in Statement of Profit and Loss			
Opening balance	(20,479,032)	(17,385,911)	(15,778,234)
Add: (Loss) for the year	(45,690,622)	(3,093,121)	(1,607,677)
Total	(66,169,654)	(20,479,032)	(17,385,911)



Neelkamal Shantinagar Properties Private Limited
Notes Forming Part of Financial Statements

7 Equity Share Capital

7.1 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	
	Number	Amount in Rs.	Number	Amount in Rs.	Number	Amount in Rs.
Authorized Capital						
Equity Shares of Rs. 10/- each	50,000	500,000	50,000	500,000	50,000	500,000
	50,000	500,000	50,000	500,000	50,000	500,000
Issued Capital						
Equity Share Capital						
Equity Shares of Rs. 10/- each	16,000	160,000	16,000	160,000	16,000	160,000
	16,000	160,000	16,000	160,000	16,000	160,000
Subscribed and Paid up						
Equity Share Capital						
Equity Shares of Rs.10/- each fully paid	16,000	160,000	16,000	160,000	16,000	160,000
	16,000	160,000	16,000	160,000	16,000	160,000
Total	16,000	160,000	16,000	160,000	16,000	160,000

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

7.2 Reconciliation of the outstanding number of shares

Particulars	Equity Shares		Equity Shares		Equity Shares	
	As at March 31, 2017		As at March 31, 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	16,000	160,000	16,000	160,000	16,000	160,000
ADD: Shares Issued during the year	-	-	-	-	-	-
LESS: Shares bought back during the year	-	-	-	-	-	-
Shares outstanding at the end of the year	16,000	160,000	16,000	160,000	16,000	160,000

7.3 Details of number of shares held by Holding Company.

16,000 Equity Shares (Previous year 16,000) are held by D B Realty Limited and its nominees, the holding company.

7.4 The details of shareholders holding more than 5% shares.

Name of Shareholder	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Share						
D B Realty Limited and its nominees	16,000	100%	16,000	100%	16,000	100%



Neelkamal Shantinagar Properties Private Limited
Notes Forming Part of Financial Statements

9 Borrowings

(Amount in Rs.)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
a) Bank Over Draft From Oriental Bank Of Commerce	6,832,318	10,801,662	-
<u>Terms of Loan:</u> The above overdraft facility has been secured by lien on fixed deposit receipt of Rs.75,00,000/- placed by its holding company D B Realty Limited (successor to Gokuldham Real Estate Developers Co. Pvt Ltd) in favour of Oriental Bank of Commerce. Rate of Interest: 9.75% pa Repayment Terms: The above overdraft facility is repayable upon expiry of 12 months from the date of sanction i.e. 20/01/2017. Interest is payable monthly. Details of Default: Default of Interest Amount: Rs. 91,448/- Period of Default: February 2017 and March 2017			
b) Loan from Holding company (Interest Free, Repayable on Demand)	139,358,368	104,330,956	60,544,316
Total	146,190,686	115,132,618	60,544,316

10 Trade Payables

(Amount in Rs.)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Micro and Small Enterprise	-	-	-
Others	115,937	80,642	510,142
Total	115,937	80,642	510,142

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

Particulars	For the year ended March 31, 2017 Amount in Rs.	For the year ended March 31, 2016 Amount in Rs.	For the Year Ended March 31, 2015 Amount in Rs.
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.

11 Other Current Liabilities

(Amount in Rs.)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Statutory Liabilities	2,500	2,900	4,640
Bank Balance due to reconciliation	585,343	636,129	475,774
Total	587,843	639,029	480,414



Neelkamal Shantinagar Properties Private Limited
Notes Forming Part of Financial Statements

12 Finance cost

(Amount in Rs.)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Interest Expenditure	1,030,656	453,302
Total	1,030,656	453,302

13 Other Expenses

(Amount in Rs.)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Payment to Auditors (Refer Note below)	32,500	42,180
Legal and Professional Fees	5,512	3,700
Printing, Postage and Telephone Expenses	2,016	1,575
Miscellaneous Expenses	18,567	46,370
Sundry Debit Balances Written Off	-	651,973
Total	58,595	745,798

13.1 Breakup of Payment to Auditors

(Amount in Rupees)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Audit Fees	25,000	25,000
Certification Fees and Taxation Matters	-	12,000
Service Tax	7,500	5,180
Total	32,500	42,180

14 Share of Loss From Joint Venture

(Amount in Rs.)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Share of loss from Joint Venture	(44,601,371)	(1,894,021)
Total	(44,601,371)	(1,894,021)

15 Tax Expenses

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

(Amount in Rs.)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
(Loss) before Tax	(45,690,622)	(3,093,121)
Income Tax Expense calculated @ 30.90%	(14,118,402)	(955,774)
Effect of expenses that are not deductible in determining taxable profits	14,100,296	938,270
Effect of Loss not recognised as no reasonable certainty of future taxable profits	18,106	17,505
Tax Expenses	(0)	0
Tax Expenses recognised in the statement of Profit and Loss	-	-

16 Earnings per Share:

As per Ind AS 33, "Earning Per Share", the Disclosure of Company's EPS is as

(Amount in Rupees)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Net (Loss) after tax	(45,690,622)	(3,093,121)
Weighted average number of equity shares	16,000	16,000
Basic and Diluted Earnings per share	(2855.66)	(193.32)
Face Value per Equity Share	10	10



Neelkamal Shantinagar Properties Private Limited
Balance Sheet as at March 31, 2017

17 First-time Ind AS adoption reconciliations

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

(Amount in Rs.)

Particulars	Note No. 17.7	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 Financial Assets							
(i) Investment	a	94,594,291	782,702	95,376,993	43,152,206	317,924	43,470,130
b Other Non Current Assets		-	-	-	651,973	-	651,973
Total Non Current Assets (A)		94,594,291	782,702	95,376,993	43,804,179	317,924	44,122,103
1 Current Assets							
(i) Cash and cash equivalent		155,264	-	155,264	185,858	-	185,858
(ii) Loans		1,000	-	1,000	1,000	-	1,000
Total Current Assets (B)		156,264	-	156,264	186,858	-	186,858
Total Assets (A)+(B)		94,750,555	782,702	95,533,257	43,991,036	317,924	44,308,961
EQUITY AND LIABILITIES							
1 Equity							
a Equity Share Capital		160,000	-	160,000	160,000	-	160,000
b Other Equity		(21,261,734)	782,702	(20,479,032)	(17,703,835)	317,924	(17,385,911)
Total Equity (A)		(21,101,734)	782,702	(20,319,032)	(17,543,835)	317,924	(17,225,911)
2 Current Liabilities							
a Financial liabilities							
(i) Borrowings		115,132,618	-	115,132,618	60,544,316	-	60,544,316
(ii) Trade payables		80,642	-	80,642	510,142	-	510,142
b Non Financial Liabilities							
(i) Other current liabilities		639,029	-	639,029	480,414	-	480,414
Total Current Liabilities (B)		115,852,289	-	115,852,289	61,534,872	-	61,534,872
Total Equity and Liabilities (A)+(B)		94,750,555	782,702	95,533,257	43,991,036	317,924	44,308,961

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

(Amount in Rs.)

Particulars	Note No. 17.7	As at 31-03-2016	As at 1-04-2015
Total Equity (Shareholders' Funds) under previous GAAP		(21,101,734)	(17,543,835)
Adjustment to equity:		-	-
Change in Share of Profit/(Loss) of a JV	a	782,702	317,924
Total equity under Ind AS		(20,319,032)	(17,225,911)



17.3 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. 17.7	Year ended 31-03-2016		
		(Latest period presented under previous GAAP)		
		Previous GAAP	Effect of transition to Ind AS	As per Ind AS
I Revenue from operations		-	-	-
II Other income		-	-	-
III Total Income (I)+(II)		-	-	-
IV Expenses				
Finance costs		453,302	-	453,302
Other expense		745,798	-	745,798
Share of Loss From Joint Venture	a	2,358,799	(464,778)	1,894,021
Total expenses (IV)		3,557,899	(464,778)	3,093,121
V (Loss) before tax (III)-(IV)		(3,557,899)	464,778	(3,093,121)
VI Tax expense				
a) Current tax		-	-	-
b) Deferred tax		-	-	-
VII (Loss) for the period (V)-(VI)		(3,557,899)	464,778	(3,093,121)
VIII Other Comprehensive Income				
A (i) Items that will not be reclassified to Profit or Loss		-	-	-
(ii) Income tax relating to items that will not be reclassified to Profit or Loss		-	-	-
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)		-	-	-
IX Total Comprehensive Income for the period (VII)+(VIII)		(3,557,899)	464,778	(3,093,121)

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

(Amount in Rs.)

Particulars	Note No. 17.7	Year ended 31-03-2016 (Latest period presented under previous GAAP)
Profit as per previous GAAP		(3,557,899)
Change in Share of Profit/(Loss) of a JV	a	464,778
Total effect of transition to Ind AS		464,778
Profit as per Ind AS		(3,093,121)
Other Comprehensive Income for the year (net of tax)		-
Total Comprehensive Income as per Ind AS		(3,093,121)

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

17.5 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.



17.6 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.

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 March 2016 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.

17.7 Reconciliation Explanations:

a Ind AS Applicability to Joint Venture:

Ind AS standards are applicable to company's joint venture, M/s Shree Shantinagar Venture (SSV) also. Accordingly, SSV has applied Ind-AS w.e.f. 1-4-2015 and consequential changes are made in investment/share of loss from JV in this financial statements.



Neelkamal Shantinagar Properties Private Limited
Notes Forming Part of Financial Statements

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

19 **Contingent Liabilities**

Particulars	As at March 31, 2017	As at March 31, 2016
Claims against the company not acknowledged as Debt	7,968,778	6,985,978

20 As at year end, the entire net worth of the company has been eroded. The losses represents, share of loss from joint venture and other administrative expenses. The management is of the view that the company will be able to recoup the losses once the revenue starts getting recognized in the joint venture on achieving the prescribed threshold limit of the total work involved.

21 In the absence of any timing difference, no provision for deferred tax needs to be made. In view of loss, no provision for current tax has been provided for.

22 The Company has entered into a Joint Venture agreement with Shankala Realtors Private Limited for development and construction of a residential complex at Lower Parel, Mumbai in the name and style M/s. Shree Shantinagar Venture (AOP).
The details of amount invested in AOP are as follows.

Particulars	(Amount in Rupees)	
	For the year ended March 31, 2017	For the year ended March 31, 2016
Opening Balance	95,376,992	43,470,130
Add: Net amount invested / (withdrawn) during the year	29,876,454	53,800,882
Less: Share of Loss	44,601,371	1,894,021
Closing balance	80,652,075	95,376,992



Particular of Investments**Disclosure of financial interest in Venture.**

Name of Venture	Co venture's Capital	
	As at 31st March, 2017	As at 31st March, 2016
Shree Shantinagar Venture		
<u>Name of Partners</u>		
Shankala Realtors Private Limited	36,829,235	156,829,235
Neelkamal Shantinagar Properties Private Limited	80,652,075	95,376,992
Total	117,481,310	252,206,227

- 23.2 Company's share of interest in the assets, liabilities, incomes and expenses with respect to Joint Venture on the basis of audited financial statements of Joint Venture as at and for the year ended March 31, 2017 are as under :

Name of Venture	Company's Share of			
	Assets	Liabilities	Income	Expenditure
Shree Shantinagar Venture	861,082,832	743,601,522	-	45,690,622
	(1,091,543,983)	(839,337,756)	(688,252)	(3,093,121)

Figures in the brackets denote figures belonging to the previous year

- 24 a) Neelkamal Shantinagar Properties Pvt. Ltd. ("Neelkamal") and Shankala Properties Pvt. Ltd. ("Shankala") entered in an Agreement dated 28.06.2006 to form this Joint Venture ("JV"). Neelkamal and Shankala has now entered into a Supplemental Deed of Joint Venture dated 16.10.2012 whereby the members have agreed to carry out substantive modification to the terms and conditions of the functionality of the JV. One of modification is that Shankala will now share the free sale premises to be constructed by the JV and the entire day to day control of the JV will now vest with Neelkamal. Further, it has been agreed that the JV will pay a sum of Rs. 35 crores in six equal monthly installments to Shankala from 16.10.2012 onwards. The share of Shankala in the Free Sale premises and the amount of Rs.35 Crores has been arrived at after adjusting / considering the capital amount of Rs.15,68,29,235. It has also been provided that in the event the JV fails to make the payment and/or give the agreed premises to Shankala the modifications as stipulated in the Supplemental Deed shall stand cancelled and both the members shall continue to be governed by the original deed of agreement dated 28.06.2006. Till date the JV has paid a sum of Rs. 11 crores only to Shankala and Rs. 24 crore is still payable to Shankala.

b) Present Status of Joint Venture :

On the completion of the plinth, the Developer applied for CC beyond plinth. However, MCGM insisted on further Home Department NOC for grant of further CC beyond plinth. The same was challenged by the Developer in the High Court under Writ Petition (L) No. 790 of 2013. The High Court by its order dated 1st April, 2013 was pleased to direct the MCGM to re-consider the application of the Developer.

On 9th July 2013, the MCGM rejected the application for the Developer for further CC beyond plinth.

In view of the letters dated 17 January 2013, 25 February 2013 and the rejection dated 9 July 2013, the MCGM effectively stayed the construction of the project.

The aforesaid letters dated 17 January 2013, 25 February 2013 and the rejection dated 9 July 2013, were challenged in the High Court by way of a Writ Petition No. 1734 of 2013 and the High Court was pleased to permit the construction of the Rehab Premises, however, the construction of the Sale Premises was not permitted and effectively the stay granted by the MCGM still stands.

Since the construction of the sale premises has been effectually stayed, there is no generation of cash flow from the Sale Premises.

The above event is a force majeure event and hence, the provisions of Clause 6 and 22 of the aforesaid Supplemental JV Agreement stand suspended and the obligations to make further payment and handover the Shankala Premises stands deferred till such time the stay on the construction of the Sale Premises is not lifted.

25 **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 Segment Reporting are not applicable.

26 **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.

<u>Name of the related party</u>	<u>Relationship</u>
DB Realty Limited	Holding Company
Shree Shantinagar Venture	Enterprise Significantly influenced by the Company
Mr. Ebrahim Balwa	Key Management Personnel (Director)
Mr. Rajiv Agarwal	Key Management Personnel (Director)

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.)

I	Particulars	Mar-17	Mar-16
	Transactions with related party during the year		
A)	Loan Received		
	Holding Company	35,929,052	114,186,640
B)	Loan Repaid		
	Holding Company	901,640	70,400,000
C)	Investment		
	Joint Venture	29,876,454	53,800,882

(Amount in Rs.)

II	Balances with related parties as at 31 March	Mar-17	Mar-16	Mar-15
A)	Borrowings			
	Holding Company	139,358,368	104,330,956	60,544,316
B)	Investment			
	Joint Venture	80,652,076	95,376,993	43,470,130

27

Financial Instruments

The significant accounting policies, including the criteria of recognition, the basis of measurement and the basis on which income and expenses are recognized, in respect of each class of financial asset, financial liability, and equity instrument are disclosed in note 2.3 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	Note no.	Amortized Cost	Total carrying value
Financial Assets:			
Other Financial Assets	4	1,000	1,000
Investments	3	80,652,076	80,652,076
Cash and cash equivalent	5	231,736	231,736
Total		80,884,812	80,884,812
Financial Liabilities:			
Borrowings	9	146,190,686	146,190,686
Trade payables	10	115,937	115,937
Total		146,306,623	146,306,623

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

(Amount in Rs.)

Particulars	Note no.	Amortized Cost	Total carrying value
Financial Assets:			
Other Financial Assets	4	1,000	1,000
Investment	3	95,376,993	95,376,993
Cash and cash equivalent	5	155,264	155,264
Total		95,533,257	95,533,257
Financial Liabilities:			
Borrowings	9	115,132,618	115,132,618
Trade payables	10	80,642	80,642
Total		115,213,260	115,213,260

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

(Amount in Rs.)

Particulars	Note no.	Amortized Cost	Total carrying value
Financial Assets:			
Other Financial Assets	4	1,000	1,000
Investment	3	43,470,130	43,470,130
Cash and cash equivalent	5	185,858	185,858
Total		43,656,988	43,656,988
Financial Liabilities:			
Borrowings	9	60,544,316	60,544,316
Trade payables	10	510,142	510,142
Total		61,054,458	61,054,458

Carrying amounts of cash and cash equivalents, 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.

(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 organization faces, disciplined risk monitoring and measurement and continuous risk assessment and mitigation measures.

(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.

(ii) 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.

(iii) 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).

(iv) 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. 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. Further, the company is adequately supported by the holding company to provide financial stability.

(v) Equity price risk

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

28 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 covenants.

29

Certain trade Payables, Contractors' Retention Money and Mobilization Advance in the Financial Statements are subject to confirmation

Signatures to Notes to Financial Statements 1 to 29

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


Name : Vijay Gajaria
Partner
Membership No. : 137561



Place : Mumbai
Date : 05.06.2017

For and on Behalf of the Board



(Ebrahim Balwa) (Rajiv Agarwal)
Director Director

Place : Mumbai
Date : 05.06.2017