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NOTICE

NOTICE is hereby given that the 8th Annual General Meeting of the members of Vanita Infrastructures Private Limited will be held on Thursday, the 28th September, 2017 at 3.30 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:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Financial Statements of the Company for the year ended 31st March, 2017 and the Reports of the Board of Directors and Auditors thereon;

2. To appoint Director in place of Mr. Suresh Atkur, who retires by rotation and being eligible, offers himself for re-appointment.

3. To appoint Auditors and to fix their remuneration and in this regard to consider, and if thought fit, to pass with or without modification(s), the following resolution, which will be proposed as an Ordinary Resolution:

   "**RESOLVED THAT** pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, the consent of the shareholders hereby accorded for appointment of M/s. M. A. Parikh & Co., Chartered Accountants, Mumbai (Firm Reg. No. 107556W) Mumbai as Statutory Auditors of the Company and they shall hold the office of the Statutory Auditors of the Company from the conclusion of this 8th Annual General meeting until the conclusion of the 11th Annual General Meeting (subject to ratification of reappointment by the members at every AGM held after this AGM) and the Board of Directors be and is hereby authorized to do all such acts, deeds, matters as may be necessary to give effect to this resolution including fixation of their remuneration and reimbursement of out of pocket expenses incurred in connection hereto."

By order of the Board of Directors,
For Vanita Infrastructure Private Limited

Director

Place: Mumbai
Date: 15.05.2017

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

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN HIS/HER STEAD AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

2. Proxies, in order to be effective, must be duly stamped, completed, signed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.

DIRECTOR'S REPORT

Dear Member

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

FINANCIAL RESULTS & BUSINESS

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

(Amount in Rs)

Particulars	Year Ended 31-03-2017	Year Ended 31-03-2016
Total Revenue	38,001,992	9,225
Total Expenses	38,071,143	25,228
Profit/(Loss) before Tax	(69,151)	(16,003)
Tax expenses:	-	-
Profit/(Loss) for the year	(69,151)	(16,003)
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 not be reclassified to Profit or Loss	-	-
(ii) Income tax relating to items that will be reclassified to Profit or Loss	-	-
Total Other Comprehensive Income [A (i)-(ii) + B (i)-(ii)]	-	-
Total Comprehensive Income for the year	(69,151)	(16,003)

The Company is a wholly owned subsidiary of D B Realty Ltd, which is engaged in the business of construction and development of residential and commercial property and the Company has initiated a project of cluster development in Kamathipura area, Nagpada, Mumbai. There is no any business activity in the Company during financial year 2016-2017.

TRANSFER TO RESERVES:

The Company has not transferred any amount to reserves

DIVIDEND

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

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCTION AND PROTECTION FUND

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

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

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

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

During the year under review there has been no such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

RISK MANAGEMENT:

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

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

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

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

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

CONTRACTS / ARRANGEMENTS / TRANSACTIONS WITH RELATED PARTIES:

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

AUDIT REPORT AND OUR COMMENTS:

The Audit Report does not contain any qualification. However, without qualifying but as a matter of emphasis, the auditors have drawn attention of the members with regard to Note No. 20 and Note No. 21, which are factual one and self explanatory.

1. As mentioned in Note No. 20, the Company has paid Rs. 30,675,000/- to various tenants for Purchase of Land/Tenancy Rights. Out of the above amount, the Company has entered into Memorandum of Understanding (MOU) for purchase of land for Rs. 13,175,000/- and the same amount has been transferred to inventory as "Land Acquisition Expenses", however, the Company is yet to enter and register conveyance deed for the same. The remaining amount for which the Company has not entered into MOU has been shown under "Other Current Assets", which are subject to confirmation. Further, the management is confident that it would be able to develop its project and therefore, there is no adjustment required to the carrying value of Project Work-in-Progress as also to the unadjusted advances for acquiring land/property/tenancy rights.

2. As mentioned in Note No. 21, the Company has entered into a Memorandum of Understanding whereby for acquiring land which would be made available by the

aggregator's, an interest free refundable security deposit of Rs. 8,41,10,000/- is paid to the aggregators. As upto the year end, the aggregator's are yet to complete their obligation. The management is confident that the transactions shall materialise and if not, is of the opinion that the deposits so granted shall be repaid back.

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

ANNUAL RETURN:

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

NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW:

During the financial year 2016-17, the Board of Directors met 5 times, viz. 19-05-2016, 19-08-2016, 14-12-2016, 26-12-2016 and 13-02-2017. The gap between any two meetings has been less than one hundred and twenty days.

DIRECTORS RESPONSIBILITY STATEMENT:

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

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

PARTICULARS OF EMPLOYEES:

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

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

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

INTERNAL FINANCIAL CONTROL

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness

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CIN: U45202MH2010PTC199461

in the design or operation was observed by the Auditors their report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 is annexed as Annexure - B to the Auditors' Report.

DEPOSITS:

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

DIRECTORS:

During the year under review, Mr. Zahid Bangi and Mr. Suresh Atkur are continuing as Directors of the Company.

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

DECLARATION OF INDEPENDENT DIRECTORS:

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

AUDITORS:

The Board recommends re-appointment of M/s. M. A. Parikh & Co., Chartered Accountants, Mumbai (Firm Reg. No. 107556W) Mumbai as Statutory Auditors of the Company from the conclusion of ensuring 8th Annual General meeting until the conclusion of the 11th Annual General Meeting (subject to ratification of reappointment by the members at every AGM held after this AGM).

AUDIT COMMITTEE AND 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 is not applicable to the Company.

DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

No case was filed under Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

SHARES

a. **BUY BACK OF SECURITIES:**

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

b. **SWEAT EQUITY**

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

c. **BONUS SHARES**

No Bonus Shares were issued during the year under review.

d. **EMPLOYEES STOCK OPTION PLAN**

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

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

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

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

ACKNOWLEDGEMENT:

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

By order of the Board of Directors,
For **Vanita Infrastructure Private Limited**

Director **Director**

Place : Mumbai
Date : 15.05.2017

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ANNEXURE- TO THE DIRECTORS' REPORT

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2017

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	U45202MH2010PTC199461
2.	Registration Date	29-01-2010
3.	Name of the Company	Vanita Infrastructure Private Limited
4.	Category/Sub-category of the Company	Private Company / Limited by Share / Company having share capital
5.	Address of the Registered office & contact details	DB House, Gen. A. K. Vaidya Marg, Goregaon (East), Mumbai – 400 063
6.	Whether listed company	No
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	NA

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

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

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

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

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

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2016]				No. of Shares held at the end of the year[As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) **Indian**									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.		10000	10000	100	-	10000	10000	100	-
e) Banks / FI									
f) Any other	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	**-**	**10000**	**10000**	**100**	**-**	**10000**	**10000**	**100**	**-**
B. Public Shareholding									
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

2. Non-Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies – D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**-**	**10000**	**10000**	**100**	**-**	**10000**	**10000**	**100**	**-**

B) **Shareholding of Promoter-**

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

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

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

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

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

E) **Shareholding of Directors and Key Managerial Personnel:**

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

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-13,28,99,000	-	-13,28,99,000
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	**-13,28,99,000**	-	**-13,28,99,000**
Change in Indebtedness during the financial year				
* Addition	-	-389,993,665	-	-389,993,665
* Reduction	-	41,282,026	-	41,282,026
Net Change	-	**-348,711,639**	-	**-348,711,639**
Indebtedness at the end of the financial year				
i) Principal Amount	-	-481,610,639	-	-481,610,639
ii) Interest due but not paid	-	-79,23,013	-	-79,23,013
iii) Interest accrued but not due	-	-6,425,611	-	-6,425,611
Total (i+ii+iii)	-	**-495959263**	-	**-495959263**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PRSONNEL-

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

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

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CIN: U45202MH2010PTC199461

B. Remuneration to other directors

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

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

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

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VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

By order of the Board of Directors,
For Vanita Infrastructure Private Limited

Director **Director**

Place : Mumbai
Date : 15.05.2017

Independent Auditor's Report
To the Members of Vanita Infrastructure Private Limited

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **Vanita Infrastructure Private Limited** ("the Company") which comprise the Balance Sheet as at 31st March 2017, the Statement of Profit and Loss (including other comprehensive income) and the Statement of Cash Flowsand the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information. (herein after referred to as "Ind AS financial statements").

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparationof these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with relevant rule issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

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 judgement, 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

M. A. PARIKH & CO. MUMBAI CHARTERED ACCOUNTANTS

YUSUF BUILDING, 2ND FLOOR, 43, MAHATMA GANDHI ROAD, FORT, MUMBAI - 400 001.
TELEPHONE : 2204 1018 - 2204 3850 - 2202 9187 - FAX : 91-22-2287 4524 - E-MAIL : maparikh@eth.net

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 theInd 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.

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 the Ind AS, of the state of the affairs of the Company asat 31st March 2017, and its loss, total comprehensive income, the changes of equity and its cash flows for the year ended on that date.

Emphasis of Matters

Attention is drawn to Note No. 20 and 21 of the Ind AS Financial Statements as regards the status of land acquired as well as the advances granted towards acquisition of land. Our opinion is not qualified for these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure "A"** a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143(3) of the Act, we report that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   (c) the Balance Sheet, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaidInd AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant Rules issued thereunder.

   (e) On the basis of the written representations received from the directors as on 31stMarch, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31stMarch, 2017 from being appointed as a director in terms of Section 164(2) of the Act;

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in

M. A. PARIKH & CO. MUMBAI CHARTERED ACCOUNTANTS

Annexure "B"; and

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(a) There are no pending litigations and accordingly, the Company is not required to disclose the impact for the same.

(b) There are no amounts which were required to be transferred to the Investor Education and Protection Fund.

(c) The Company has provided requisite disclosures in the Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8thNovember, 2016 to 30thDecember, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced before us by the Management. Refer Note No. 25 of the Ind AS financial statements.

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

M. A. PARIKH & CO. MUMBAI CHARTERED ACCOUNTANTS

Selwadia

Partner
Name: Dhaval B. Selwadia
Membership No. 100023

Mumbai, Date:15th May 2017

Annexure – A to the Auditor's Report

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

(i) The Company does not own any fixed assets. Thus, paragraph 3(i) of the Order is not applicable.

(ii) The Company's inventory comprises land acquisition expenses and other costs. As regards land acquisition expenses, the Company is yet to enter and register conveyance deed for the same. However, the Company has physical possession of the land, which has been verified and no discrepancies was noticed on such verification.

(iii) The Company has granted unsecured loan to a company covered in the register maintained under section 189 of the Act.

(a) According to the information and explanations given to us, the terms and conditions of the said loan is prima facie not prejudicial to the interest of the Company.

(b) There is no stipulation of schedule of repayment of principal. Hence, whether the repayments are regular does not arise.

(c) Consequent to our comments in (b) here-in-above, the question of any overdue amount does not arise.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the Loans granted. The Company has neither made investment nor given any guarantees or security and hence, the question of compliance of the provisions of section 185 and 186 of the Act in this regard does not arise.

(v) The Company has not accepted any deposits from the public. Thus, paragraph 3(v) of the Order is not applicable.

(vi) The Company is not required to maintain cost records as specified by the Central Government under sub section (1) of section 148 of the Act. Thus, paragraph 3(vi) of the Order is not applicable.

(vii) (a) According to the records of the Company, the Company was regular in depositing the undisputed statutory dues of income-tax with the appropriate authority.As explained to us, the Company did not have any dues on account of provident fund, employees' state insurance, sales tax, service tax, duty of custom, duty of excise and valued added tax.

Further, as of year-end there were no outstanding dues of income tax and therefore, the question of any arrears as at 31st March, 2017 for a period of more than six months from the date they became payable does not arise.

(b) According to the information and explanations given to us and the records examined by us, the Company does not have disputed dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax or cess. Thus, paragraph 3(vii)(b) of the Order is not applicable.

M. A. PARIKH & CO. MUMBAI CHARTERED ACCOUNTANTS

(viii) Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to the financial institution.

(ix) According to the information and explanations given to us and based on our examinations of the records of the company, the moneys raised by way of short term loan was applied for the purpose for which the same was raised. Further, the Company did not raise any money by way of initial public offer or further public offer (including debt instrument).

(x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) The Company has not paid managerial remuneration during the year. Thus, paragraph 3(xi) of the Order is not applicable.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Thus, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with section 188 of the Act and the details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.Provisions of Section 177 of the Act as regards Audit Committee are not applicable.

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Thus, paragraph 3(xiv) of the Order is not applicable.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Thus, paragraph 3(xv) of the Order is not applicable

(xvi) The Company, in view of obtaining loan from IL&FS Financial Services Limited and utilizing the same in granting loan to its holding company, it has become a Non Banking Financial Company. Reference is drawn to Note No.19 of Ind AS Financial Statements as regards the basis on which the management has framed the Opinion that the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

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

M.A. PARIKH & CO. MUMBAI CHARTERED ACCOUNTANTS

Partner
Name: Dhaval B. Selwadia
Membership No. 100023
Mumbai, Date: 15th May 2017

Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of **Vanita Infrastructure PrivateLimited**("the Company") as of 31 March 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit.

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

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

M. A. PARIKH & CO. MUMBAI CHARTERED ACCOUNTANTS

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 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 ICAI.

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

M.A. PARIKH & CO. MUMBAI CHARTERED ACCOUNTANTS

Partner
Name: Dhaval B. Selwadia
Membership No. 100023

Mumbai, Date:15th May 2017

VANITA INFRASTRUCTURE 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				
Current Assets				
a Inventories	3	25,868,584	25,868,584	25,868,584
b Financial Assets				
(i) Cash and Cash Equivalents	4	1,260,860	125,761	95,812
(ii) Loans	5	346,471,743	-	-
(iii) Other Financial Assets	6	26,327,199	-	-
c Other Current Assets	7	110,310,000	119,320,000	119,300,000
Total Current Assets		**510,238,386**	**145,314,345**	**145,264,396**
Total Assets		**510,238,386**	**145,314,345**	**145,264,396**
EQUITY AND LIABILITIES				
1 Equity				
a Equity Share Capital	8	100,000	100,000	100,000
b Other Equity	9	3,150,902	3,220,053	3,236,056
Total Equity		**3,250,902**	**3,320,053**	**3,336,056**
2 Current Liabilities				
a Financial Liabilities				
(i) Borrowings	10	481,610,639	132,899,000	132,379,000
(ii) Trade Payables	11	8,319,271	444,342	897,104
(iii) Other Financial Liabilities	12	6,425,611	-	-
b Other Current Liabilities	13	10,631,963	8,650,950	8,652,236
Total Current Liabilities		**506,987,484**	**141,994,292**	**141,928,340**
Total Equity & Liabilities		**510,238,386**	**145,314,345**	**145,264,396**

Significant accounting policies and notes on Financial statements

As per our attached report of even date

For M. A. Parikh & Co.
Chartered Accountants
Firm Registration No.: 107556W

Partner
Name: Dhaval B. Selwadia
Membership No.100023

M. A. PARIKH & CO. MUMBAI CHARTERED ACCOUNTANTS

For and on behalf of the Board

(Suresh Atkur)
Director

(Zahid Bangi)
Director

Place : Mumbai
Date: 15.05.2017

VANITA INFRASTRUCTURE 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	14	38,001,992	9,225
III	**Total Income (I)+(II)**		**38,001,992**	9,225
IV	**Expenses**			
	Changes in Project Work in Progress	15	-	-
	Finance Costs	16	38,014,098	-
	Other Expenses	17	57,045	25,228
	Total Expenses (IV)		**38,071,143**	25,228
V	**(Loss) before tax (III)-(IV)**		**(69,151)**	**(16,003)**
VI	**Tax expense**			
	(a) Current tax		-	-
	(b) Deferred tax		-	-
VII	**(Loss) for the year (V)-(VI)**		**(69,151)**	**(16,003)**
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		-	-
			-	-
IX	**Total Comprehensive Income for the year (VII)+(VIII)**		**(69,151)**	**(16,003)**
X	**Earnings per equity share - Basic and diluted (Rs.)**	28	**(6.92)**	**(1.60)**
	Weighted average number of equity shares		**10,000**	**10,000**
	(Face value of Rs. 10 each)			

Significant accounting policies and notes on Financial statements

As per our attached report of even date

For M. A. Parikh & Co.
Chartered Accountants
Firm Registration No.: 107556W

M. A. PARIKH & CO. MUMBAI CHARTERED ACCOUNTANTS

Partner
Name: Dhaval B. Selwadia
Membership No.100023

Place : Mumbai
Date: 15.05.2017

For and on behalf of the Board

(Suresh Atkur)
Director

(Zahid Bangi)
Director

VANITA INFRASTRUCTURE PRIVATE LIMITED

Statement of Cash Flows For the Year Ended March 31, 2017

(Amount in Rs.)

	Particulars		For the year ended March 31, 2017	For the year ended March 31, 2016
(A)	**Cash Flow From Operating Activities:**			
	Profit / (Loss) Before Tax		(69,151)	(16,003)
	Adjustment for			
	Interest Expense on Financial Assets at amortised cost		32,959,098	-
	Interest Income on Financial Assets at amortised cost		(32,946,992)	-
	Working Capital Adjustments			
	Increase /(Decrease) in Trade Payables		7,874,929	74,163
	Increase /(Decrease) in Other Current Liabilities		1,981,013	(528,211)
	(Increase)/Decrease Other Financial and Current Assets		5,943,047	-
	Cash From Operating Activities		**15,741,944**	**(470,051)**
	Less: Taxes paid		-	-
	Net Cash generated/(used) from Operating Activities	**A**	**15,741,944**	**(470,051)**
(B)	**Cash Flow From Investing Activities:**			
	Loan granted		(346,471,743)	(20,000)
	Interest Income on Financial Assets at amortised cost		9,686,746	-
	Net Cash generated/(used) from Investing Activities	**B**	**(336,784,997)**	**(20,000)**
(C)	**Cash Flow From Financing Activities:**			
	Loan taken		348,711,639	520,000
	Interest Expense on Financial Assets at amortised cost		(26,533,487)	-
	Net Cash generated/(used) from Financing Activities	**C**	**322,178,152**	**520,000**
	Net Increase/ (Decrease) in Cash & Cash Equivalents (A + B + C)		**1,135,099**	**29,949**
	Cash and Cash Equivalents (Opening)		125,761	95,812
	Cash and Cash Equivalents (Closing)		**1,260,860**	**125,761**
(D)	**Cash and cash Equivalents includes:**			
	Cash on hand		10,464	19,559
	Bank Balances		1,250,396	106,202
			1,260,860	**125,761**

As per our attached report of even date

For M. A. Parikh & Co.
Chartered Accountants
Firm Registration No.: 107556W

Partner
Name: Dhaval B. Selwadia
Membership No.100023

Place : Mumbai
Date: 15.05.2017

M. A. PARIKH & CO. MUMBAI CHARTERED ACCOUNTANTS

For and on behalf of the Board

(Suresh Atkur)
Director

(Zahid Bangi)
Director

VANITA INFRASTRUCTURE PRIVATE LIMITED

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

(Amount in Rs.)

A. Equity Share Capital

Particulars	Amount
Balance as at April 1, 2015	**100,000**
Changes in equity share capital during the year ended March 31, 2016	-
Balance as at March 31, 2016	**100,000**
Changes in equity share capital during the year ended March 31, 2017	-
Balance as at March 31, 2017	**100,000**

B. Other Equity

Particulars	Amount
Balance as at April 1, 2015	**3,236,056**
(Loss) for the year ended March 31, 2016	(16,003)
Other Comprehensive Income for the year, net of income tax	-
Balance as at March 31, 2016	**3,220,053**
(Loss) for the year ended March 31, 2017	(69,151)
Other Comprehensive Income for the year, net of income tax	-
Balance as at March 31, 2017	**3,150,902**

As per our attached report of even date

For M. A. Parikh & Co.
Chartered Accountants
Firm Registration No.: 107556W

Partner
Name: Dhaval B. Selwadia
Membership No.100023

M. A. PARIKH & CO. MUMBAI CHARTERED ACCOUNTANTS

For and on behalf of the Board

(Suresh Atkur) **Director**

(Zahid Bangi) **Director**

Place : Mumbai
Date: 15.05.2017

1 Company Background:

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

The Company is mainly engaged in business of construction and development of residential and commercial property. In furtherance thereof, the Company has initiated a project of cluster development at Kamathipura, Nagpada, Mumbai. The Company is currently under process of acquiring the consent from tenants.

The Company is a "public company" under the Companies Act, 2013, but continues to use the word "private" as permitted under law.

The Company's financial statements were authorised for issue in accordance with a resolution of the Board of Directors on 15thMay, 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, 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 31st March 2016, the Company prepared its financial statements in accordance with Indian GAAP, including accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended). These financial statements for the year ended 31 March 2017 are the first the Company has prepared in accordance with Ind AS. Refer Note No.31.1 for information on how the Company adopted Ind AS, including the details of the first time adoption exemptions availed by the Company.

The Ind AS financial statements have been prepared on a historical cost basis, except for financial assets and liabilities measured at fair value (refer accounting policy no. 2.5 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

M. A. PARIKH & CO. MUMBAI CHARTERED ACCOUNTANTS

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

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

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

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

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

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

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

An asset is considered as current when it is:

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

All other assets are classified as non-current.

A liability is considered as current when:

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

All other liabilities are classified as non-current.

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

M. A. PARIKH & CO. MUMBAI CHARTERED ACCOUNTANTS

The Operating Cycle is the time between the acquisition of assets for business purposes and their realisation into cash and cash equivalents. In the absence of any specific factors the Company is of the opinion that 12 months is its operating cycle.

2.3 Inventories:

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

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

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

2.4 Revenue Recognition:

(i) Sale of Properties:

Revenue from sale of properties under construction is recognized on the basis ofpercentage of completion method. When the outcome of a real estate project can be estimated reliably and the conditions stipulated below are satisfied, project revenue and project costs associated with the real estate project are recognized as revenue and expenses by reference to the stage of completion of the project activity at each reporting date. Stage of completion is arrived with reference to the entire project cost incurred versus total estimated project cost. Further, the total estimated cost of the project is based upon the judgment of management and certified by technical personnel.

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

- All critical approvals necessary for commencement of the project have been obtained;
- Atleast 25 % of the construction and development costs (excluding land and development cost and borrowing costs capitalised under Ind AS-23) have been incurred;
- Atleast 25% of the saleable project area is secured by contracts or agreements with buyers; and
- Atleast 10 % of the total revenue as per the agreements of sale or any other legally enforceable documents are realised at the reporting date in respect of each of the contracts and it is reasonable to expect that the parties to such contracts will comply with the payment terms as defined in the contracts.

(ii) Interest Income:

For all financial instruments measured at amortised cost, interest income is measured using the Effective Interest Rate (EIR), which is the rate that exactly discounts the estimated

M. A. PARIKH & CO. MUMBAI CHARTERED ACCOUNTANTS

future cash flows through the contracted or expected life of the financial instrument, as appropriate, to the net carrying amount of the financial asset.

2.5 Financial Instruments:

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

(i) **Financial Assets:**

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

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

- Financial assets at Amortised Cost.
- Financial assets at Fair Value through Other Comprehensive Income. (FVTOCI)
- Financial assets at Fair Value through Statement of Profit and Loss. (FVTPL)

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

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

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

Financial Assets at FVTOCI:

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option.

- Business model test: The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial Assets at FVTPL:

Even if an instrument meets the two requirements to be measured at amortised cost or fair value through other comprehensive income, a financial asset is measured at fair

M. A. PARIKH & CO. MUMBAI CHARTERED ACCOUNTANTS

value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an "accounting mismatch") that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

All other financial assets are measured at fair value through profit or loss.

Derecognition:

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

(i) The rights to receive cash flows from the asset have expired, or

(ii) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either;

  (a) the Company has transferred substantially all the risks and rewards of the asset, or

  (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of Financial Assets:

The Company applies the expected credit loss (ECL) model for measurement and recognition of impairment loss of Financial assets at amortised cost.

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

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

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

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

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

(ii) **Financial Liabilities:**

Initial Recognition and Measurement:
All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include loans and borrowings including bank overdrafts, trade and other payables, 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 amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. EIR amortisation is included as finance costs in the statement of profit and loss.

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

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

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

2.6 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.

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2.7 Taxes on Income:

Current Income Taxes:

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

Current income tax relating to items recognised directly in equity is recognised in Other Comprehensive Income / Equity and not in the Statement of Profit and Loss. Management periodically evaluates position taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Taxes:

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

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

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits 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 asset is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

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

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

Minimum Alternate Tax (MAT):

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

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2.8 Provisions and Contingent Liabilities:

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

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

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

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.

2.9 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.

2.10 Cash and Cash Equivalents:

Cash and cash equivalentsfor 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.

2.11 Statement of Cash Flows:

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.

2.12 Segment Reporting:

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

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(B) Significant Accounting Judgements, Estimates and Assumptions:

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

2.13 Judgements:

In the process of applying the Company's accounting policies, management has made the judgement by way of an assessment of executability of the project undertaken (Refer Note No. 20), which has the most significant effect on the amounts recognised in the financial statements

2.14 Estimates and Assumptions:

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.

(C) Recent Accounting Pronouncements:

Standard 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'. These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows'. The amendments are applicable to the Company from 1 April 2017. The effect of this Standard on the Financial Statements is being evaluated by the Company.

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VANITA INFRASTRUCTURE PRIVATE LIMITED
Notes forming part of Financial Statements

(Amount in Rs.)

3 Inventories

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(Valued at Cost)			
Project Work-in-Progress	25,868,584	25,868,584	25,868,584
Total	**25,868,584**	**25,868,584**	**25,868,584**

4 Cash and Cash Equivalents

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Bank balance in current accounts	1,250,396	106,202	71,717
Cash on hand (Refer Note No. 25)	10,464	19,559	24,095
Total	**1,260,860**	**125,761**	**95,812**

5 Current Financial Assets - Loans

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(Unsecured, considered good)			
Loan to Holding Company (Refer Note No. 18 and Note below)	346,471,743	-	-
Total	**346,471,743**	-	-

Note : Repayable on demand

6 Other Financial Assets

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(Unsecured, considered good)			
Due from Holding Company :			
(a) Interest Accrued on Loan	23,260,246	-	-
(b) Other Recoverable	3,066,953	-	-
Total	**26,327,199**	-	-

7 Other Current Assets

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(Unsecured, considered good)			
Trade Advances:			
Purchase of Land/Property/Tenancy Rights (Refer Note No. 20)	17,850,000	17,850,000	17,850,000
Acquisition of Land through Aggregators (Refer Note No. 21)	84,110,000	93,100,000	93,100,000
Purchase of Tenancy Rights - Tata Colony (Refer Note No. 22)	8,350,000	8,350,000	8,350,000
Other advance	-	20,000	-
Total	**110,310,000**	**119,320,000**	**119,300,000**

M. A. PARIKH & CO. MUMBAI CHARTERED ACCOUNTANTS

(Amount in Rs.)

8 Equity Share Capital

8.1 Details of Authorised, 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.
Authorised						
Equity Shares of Rs.10/- each	10,000	100,000	10,000	100,000	10,000	100,000
	10,000	**100,000**	**10,000**	**100,000**	**10,000**	**100,000**
Issued						
Equity Shares of Rs.10/- each	10,000	100,000	10,000	100,000	10,000	100,000
	10,000	**100,000**	**10,000**	**100,000**	**10,000**	**100,000**
Subscribed & fully Paid up						
Equity Shares of Rs.10/- each fully paid up	10,000	100,000	10,000	100,000	10,000	100,000
	10,000	**100,000**	**10,000**	**100,000**	**10,000**	**100,000**

8.2 There is no movement in number of equity shares during the year March 31, 2017 as well as during the year ended March 31, 2016.

8.3 Rights, preferences and restrictions attached to Equity Shares

The Company has only one class of equity share having a par value of Rs.10 per share. Each holder of equity share is entitled for one vote per share. Accordingly, all equity shares rank equally with regards to dividends and share in the Company's residual assets. The equity share-holders are entitled to receive dividend as and when declared. In the event of liquidation , the equity shareholders are eligible to receive the residual assets of the Company after distribution of all preferential amounts in proportion to the number of equity shares held.

8.4 Detail of Number of Shares held by the Holding Company

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

8.5 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 Shares						
D B Realty Ltd.	10,000	100.00%	10,000	100.00%	10,000	100.00%
	10,000	**100.00%**	**10,000**	**100.00%**	**10,000**	**100.00%**

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VANITA INFRASTRUCTURE PRIVATE LIMITED
Notes forming part of Financial Statements

(Amount in Rs.)

9 Other Equity

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Retained Earnings			
Balance as at the beginning of the year	3,220,053	3,236,056	3,290,929
Add: (Loss) for the year	(69,151)	(16,003)	(54,873)
Balance as at the end of the year	**3,150,902**	**3,220,053**	**3,236,056**
Total	**3,150,902**	**3,220,053**	**3,236,056**

10 Current Financial Liabilities - Borrowings

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Secured Loan			
Term Loan from			
IL & FS Financial Services Limited (IFIN) (Refer Note No. 10.1)	346,471,743	-	-
Unsecured Loan (Refer Note No. 10.2)			
From Holding Company	41,338,896	39,799,000	39,279,000
From a Fellow subsidiary	93,800,000	93,100,000	93,100,000
Total	**481,610,639**	**132,899,000**	**132,379,000**

10.1 Secured Loan

Tenure of Loan
12 Months from the date of first disbursement of the facility i.e Repayment on 4th October, 2017

Coupon / Interest Rate
19.00% p.a

Security

a First ranking hypothecation and escrow of balance receivables from all the units in DB Woods Project of DB Realty Ltd valued at Rs. 227 Million. IFIN shall release 50% of all monies received on pro rata basis in the account of D B Realty Ltd provided there are no overdues in the account.

b First and exclusive Mortgage of Immovable Properties of saleable area 12,272 sq.ft. in "X-BKC Project" by MIG (Bandra) Realtors & Builders Private Limited valued at Rs. 240 Million

c Pledge of 22 million fully paid up, de-materialised, unencumbered, freely transferable equity shares of D B Realty Limited, duly pledged in favour of IFIN, with an irrevocable Power of Attorney in favour of IFIN to sell / dispose the shares in the Event of Default.

d Corporate Guarantees of :
i D B Realty Limited
ii MIG (Bandra) Realtors & Builders Private Limited

e Personal Guarantees of :
i Mr. Shahid Balwa
ii Mr. Vinod Goenka

f Demand Promissory Note

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(Amount in Rs.)

10.2 Unsecured Loan

The loans are interest free and repayable on demand

11 Current Financial Liabilities - Trade payables

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Trade Payables			
- Total outstanding dues of Micro enterprises and Small enterprises (Refer Note No.24)	-	-	-
- Total outstanding dues of creditors other than Micro enterprises and Small enterprises	8,319,271	444,342	897,104
Total	**8,319,271**	**444,342**	**897,104**

12 Other Current Financial Liabilities

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Interest accrued and due on borrowings	6,425,611	-	-
Total	**6,425,611**	-	-

13 Other Current Liabilities

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(a) Advance received against Tenancy Rights - Tata Colony (Refer Note No.22)	8,650,000	8,650,000	8,650,000
(b) Statutory Dues	1,981,963	950	2,236
Total	**10,631,963**	**8,650,950**	**8,652,236**

14 Other Income

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Interest Income on Financial Assets at amortised cost (Refer Note No.18)	32,946,992	-
Recovery of Other Borrowing Cost (Refer Note No.18)	5,055,000	-
Excess provision for expenses written back	-	9,225
Total	**38,001,992**	**9,225**

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(Amount in Rs.)

15 Changes in Inventories of Project Work-in-progress

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Balance as of commencement of the year :		
- Project work in progress	25,868,584	25,868,584
Less: Balance as of end of the year :		
- Project work in progress	25,868,584	25,868,584
Total	-	-

16 Finance Cost

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Interest Expenses on Financial Liabilities at amortised Costs	32,946,992	-
Other Borrowing Costs	5,055,000	-
Interest on delayed payment of taxes	12,106	-
Total	**38,014,098**	-

17 Other Expenses

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Legal & Professional fees	9,545	3,100
Remuneration to Auditors		
- Statutory Audit Fees	10,000	7,500
- Other Services	-	6,000
- Service tax	-	1,890
Profession Tax	2,500	2,500
Conveyance, Travelling & Vehicle Expenses	26,997	-
Miscellaneous Expenses	8,003	4,238
Total	**57,045**	**25,228**

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(Amount in Rs.)

18 The Company has obtained a short term loan from IL&FS Financial Services Limited (IFIN). Outstanding balance as of year-end is Rs. 34,64,71,743/-.As per the terms and conditions, the said loan can be used in grating loan to group concern(s). Accordingly, it has been used in granting loan to its Holding Company namely D.B. Realty Limited. It has recovered the interest cost and other charges paid to IFIN from its Holding Company.

19 Based on the Ind AS Financial Statement, the financial assets and financial income exceeds 50% of the total income and total assets and hence, technically the Company has becomes a Non Banking Financial Company (NBFC) requiring registration in accordance with section 45-IA of the Reserve Bank of India Act, 1934. In the opinion of the management of the Company, keeping in view that the Company is engaged in real estate development and the granting of loan to its holding company (which is also engaged in real estate development) is only one off transaction, provision of NBFC will not be applicable.

20 The Company has paid Rs. 30,675,000/- to various tenants for Purchase of Land/Tenancy Rights. Out of the above amount, the Company has entered into Memorandum of Understanding (MOU) for purchase of land for Rs. 13,175,000/- and the same amount has been transferred to inventory as "Land Acquisition Expenses", however, the Company is yet to enter and register conveyance deed for the same. The remaining amount for which the Company has not entered into MOU has been shown under "Other Current Assets", which are subject to confirmation. Further, the management is confident that it would be able to develop its project and therefore, there is no adjustment required to the carrying value of Project Work-in-Progress as also to the unadjusted advances for acquiring land/property/tenancy rights.

21 The Company has entered into a Memorandum of Understanding whereby for acquiring land which would be made available by the aggregator's, an interest free refundable security deposit of Rs. 8,41,10,000/- is paid to the aggregators. As upto the year end, the aggregator's are yet to complete their obligation. The management is confident that the transactions shall materialise and if not, is of the opinion that the deposits so granted shall be repaid back.

22 The Company on behalf of DB (BKC) Realtors Pvt. Ltd. has advanced Rs. 86,50,000/- towards acquisition of occupancy rights of the occupants situated at Tata Colony, Bandra Kurla Complex, Mumbai. As per the Memorandum of Understanding entered into by the Company with DB (BKC) Realtors Pvt. Ltd., the Company has been appointed under a fiduciary capacity to acquire the said rights and to retransfer the same to DB (BKC) Realtors Pvt. Ltd. as and when so directed. In these accounts the amounts received from DB (BKC) Realtors Pvt. Ltd. have been shown as current liability and the amount so advanced has been classified as Advances. The necessary adjustment entries shall be passed in the year in which the occupancy rights are retransferred to DB (BKC) Realtors Pvt. Ltd. Further, as per the MOU, liability for stamp duty on acquiring occupancy rights which is yet to be ascertained as also any other costs including capital gains tax liability, if any, is to be borne by DB (BKC) Realtors Pvt. Ltd.

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VANITA INFRASTRUCTURE PRIVATE LIMITED

Notes forming part of Financial Statements

(Amount in Rs.)

23 **Contingent Liability :**

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Claims not acknowledged as debt	531,573	-

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

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Principal Amount outstanding to suppliers under MSMED Act,2006	-	-
Interest accrued on the amount due to suppliers under MSMED Act on the above amount	-	-
Payment made to suppliers (other than Interest) beyond the appointed date during the year.	-	-
Interest paid to suppliers under MSMED Act (other than section 16)	-	-
Interest paid to suppliers under MSMED Act (section 16)	-	-
Interest due and payable to suppliers under MSMED Act for payments already made.	-	-
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act.	-	-

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

25 **Disclosure of Specified Bank Notes (SBNs)**

MCA vide its notification G.S.R. 308(E) dated March 31, 2017 requires details to be given of SBN held and transacted during the period from November 8, 2016 to December 30, 2016. The details of cash-in-hand as on November 8, 2016 in the form of SBN and other denomination notes and the movement thereof as upto December 30, 2016 is given as under:

Particulars	SBNs *	Other denomination notes/coins	Total
Closing cash in hand as on November 8, 2016	10,000	817	10,817
Add: Permitted receipts	-	10,000	10,000
Less: Permitted payments	-	-	-
Less: Amount deposited in Banks	10,000	-	10,000
Closing cash in hand as on December 30, 2016	-	**10,817**	**10,817**

* 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.

26 **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.

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(Amount in Rs.)

27 **Related Party Disclosure:**

As per Indian Accounting Standard - 24 (Ind AS-24) 'Related Party Disclosures', the disclosures of transactions with the related parties as defined in Ind AS-24 are given below:

27.1 **List of Related Parties with whom transactions have taken place and relationships**

Name of Related Party	Relationship
1. DB Realty Limited	Holding Company
2. DB (BKC) Realtors Private Limited	Associate of Holding Company
3. MIG (Bandra) Realtors & Builders Pvt Ltd	Fellow Subsidiary
4. DB View Infracon Private Limited	Fellow Subsidiary
5. Real Gem Buildtech Private Limited	Fellow Subsidiary
6. Mr. Vinod Goenka	Key Management Personnel of Holding Company
7. Mr. Shahid Balwa	Key Management Personnel of Holding Company

Note : The above related parties were identified by the management and relied upon by the Statutory Auditors.

27.2 **Details of transactions with Related Parties and outstanding balances as of year end:-**

Nature of Transaction	For the year ended March 31, 2017	For the year ended March 31, 2016
Loan taken during the year		
D B Realty Limited	3,039,896	520,000
MIG Realtors & Builder Private Limited	700,000	-
Loan Repaid during the year		
D B Realty Limited	1,500,000	-
Reimbursement of Expenses by the Company		
Real Gem Buildtech Private Limited	2,500	2,500
Loan given		
D B Realty Limited	350,000,000	-
Interest received		
D B Realty Limited	32,946,992	-
Other Borrowing cost (Reimbursement Received)		
D B Realty Limited	5,055,000	-

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VANITA INFRASTRUCTURE PRIVATE LIMITED
Notes forming part of Financial Statements

(Amount in Rs.)

Amount due to / from related parties

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Payables			
Borrowings			
D B Realty Limited	41,338,896	39,799,000	39,279,000
DB View Infracon Private Limited	93,100,000	93,100,000	93,100,000
MIG Realtors & Builder Private Limited	700,000	-	-
Advances Received towards Tenancy Rights			
D B (BKC) Realtors Private Limited	8,650,000	8,650,000	8,650,000
Receivable			
Loan Granted			
D.B.Realty Limited	346,471,743	-	-
Interest Accrued and Due on Loan			
D.B.Realty Limited	23,260,246	-	-
Other Recoverable			
D.B.Realty Limited	3,066,953	-	-

27.3 DB Realty Ltd., MIG (Bandra) Realtors & Builders Pvt Ltd., Mr. Vinod Goenka, and Mr. Shahid Balwa have granted guarantees for short term loan taken from IL&FS Financial Services Limited (IFIN). Refer Note No.10 and 18.

28 Earnings Per Share (Ind AS 33)

Particulars		For the year ended March 31, 2017	For the year ended March 31, 2016
(Loss) for the year as per the Statement of Profit & Loss	Rupees	(69,151)	(16,003)
Weighted average number of equity shares outstanding during the year	No's	10,000	10,000
Basic and Diluted Earnings Per Share	Rupees	(6.92)	(1.60)
Face Value Per Equity Share	Rupees	10	10

29 As of year end, the Company has net deferred tax asset. In view of uncertainty to its realisation, as a matter of prudence, the management of the Company has decided not to recognise such deferred tax asset in accordance with Ind AS -12 dealing with Accounting for Income Tax on Income.

30 Financial Instruments

The significant accounting policies, including the criteria of recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset and financial liability are disclosed in note 2.5 of the Ind AS financial statements.

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(Amount in Rs.)

30.1 Financial assets and liabilities:

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

Particulars	Amortised Cost	Carrying amount As at March 31, 2017
Financial assets:		
Cash and Cash Equivalents (Refer Note No. 4)	1,260,860	1,260,860
Loans (Refer Note No. 5)	346,471,743	346,471,743
Other Financial Asset (Refer Note No. 6)	26,327,199	26,327,199
Total	**374,059,802**	**374,059,802**
Financial liabilities:		
Borrowings (Refer Note No. 10)	481,610,639	481,610,639
Trade Payables (Refer Note No. 11)	8,319,271	8,319,271
Other Financial Liabilities (Refer Note No. 12)	6,425,611	6,425,611
Total	**496,355,521**	**496,355,521**

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

Particulars	Amortised Cost	Carrying amount As at March 31, 2016
Financial assets:		
Cash and Cash Equivalents (Refer Note No. 4)	125,761	125,761
Total	**125,761**	**125,761**
Financial liabilities:		
Borrowings (Refer Note No. 10)	132,899,000	132,899,000
Trade Payables (Refer Note No. 11)	444,342	444,342
Total	**133,343,342**	**133,343,342**

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

Particulars	Amortised Cost	Carrying amount As at April 1, 2015
Financial assets:		
Cash and Cash Equivalents (Refer Note No. 4)	95,812	95,812
Total	**95,812**	**95,812**
Financial liabilities:		
Borrowings (Refer Note No. 10)	132,379,000	132,379,000
Trade Payables (Refer Note No. 11)	897,104	897,104
Total	**133,276,104**	**133,276,104**

30.2 Financial Risk Management:

The Board of Directors reviews the risk management policy from time to time and the said policy aims at enhancing their value and providing an optimum risk-reward trade off. The risk management approach is based on clear understanding of variety of risk that the organisation faces, disciplined risk monitoring and measurement and continuous risk assessment and mitigation measures.

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 and deposits.

(A) 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. However, for the years under reference, the Company does not have any borrowings with floating rate of interest and thus sensitivity analysis is not disclosed.

(B) 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 has granted loan to its holding company so credit risk and default risk are minimal.

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(Amount in Rs.)

(C) Liquidity Risk:

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans and other 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.

30.3 Capital Management:

For the purpose 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 shareholder value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

31 First-time Ind AS adoption reconciliations

The Company is not required to make any adjustment to its Previous GAAP financial statements on account of transition to Ind AS. Accordingly, no disclosures are required for adjustments made in restating Previous GAAP financial statements as well as reconciliation of the equity, other comprehensive income and cash flows as on April 1, 2015 and for the year ended March 31, 2016 as required in terms of Ind AS - 101.

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

The Company has adopted Ind AS with effect from 1st April, 2015 with comparatives being restated.

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 1st April, 2015 and 31st March, 2016 are consistent with those made for the same dates in accordance with previous GAAP. 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.

32 Balances of Trade Payables are subject to confirmation and reconciliation, if any.

Signature to Notes 1 to 32

As per our attached report of even date

For M. A. Parikh & Co.
Chartered Accountants
Firm Registration No.: 107556W

Partner
Name: Dhaval B. Selwadia
Membership No.100023

M. A. PARIKH & CO. MUMBAI CHARTERED ACCOUNTANTS

For and on behalf of the Board

(Suresh Atkur) **Director**

(Zahid Bangi) **Director**

Place : Mumbai
Date: 15.05.2017