

M/S. NINE PARADISE ERECTORS PRIVATE LIMITED

ANNUAL AUDITED ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH, 2017

MEHTA CHOKSHI & SHAH

Chartered Accountants

Maker Bhavan 3, 214, 2nd floor,

New Marine Lines, Mumbai 400 020

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

Fax : 2205 5432 * Email vijaygajaria@camcs.in

NOTICE

NOTICE is hereby given that the 9th Annual General Meeting of the members of the Company will be held on Thursday, the 28th September, 2017 at 1.30 p.m. at the Registered Office of the Company at DB House, Gen. A K Vaidya Marg, Goregaon East, Mumbai-400063 to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Financial Statements of the Company for the year ended 31st March, 2017 and the Reports of the Board of Directors and Auditors thereon;
2. To appoint Director in place of Mr. Zahid F Bangi, who retires by rotation and being eligible offers himself for re-appointment.
3. To ratify appointment of Auditors and to fix their remuneration and in this regard to consider, and if thought fit, to pass with or without modification(s), the following resolution, which will be proposed as an ordinary resolution:

“RESOLVED THAT pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, the appointment of M/s. Mehta Chokshi & Shah, Chartered Accountants, Mumbai (Reg No. 106201W), as the Statutory Auditors of the Company, who were appointed as auditors of the Company at the 7th Annual General Meeting of the Company to hold office till the conclusion of the 11th Annual General Meeting of the Company to be held in the year 2019, be and is hereby ratified and the Board of Directors be and is hereby authorized to do all such acts, deeds, matters as may be necessary to give effect to this resolution including fixation of their remuneration and reimbursement of out of pocket expenses incurred in connection hereto.”

By order of the Board of Directors,
For ~~Nine Paradise Erectors 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. A blank proxy form is annexed to the notice.

NINE PARADISE ERECTORS PVT. LTD.

DIRECTOR'S REPORT

Dear Member

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

Particulars	(Amount in Rs)	
	Year Ended 31-03-2017	Year Ended 31-03-2016
Total Income (Share of Profit from LLP)	-	1,756
Total Expenses	95,870	38,988
Profit/(Loss) before tax	(95,870)	(37,232)
Current Tax	-	-
Deferred tax	-	-
Profit/(Loss) for the year	(95,870)	(37,232)
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	(95,870)	(37,232)

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. The Company has in the past entered into a Agreement of Assignment towards acquiring 55% share in a property situated at Rippon Road, Cross Land, Madanpura, Mumbai Central, Mumbai admeasuring 7015.94 sq. meters with a intention to develop and construct Residential buildings. In this regard, security charges and legal & professional fees incurred for the project have been included in Project Work in Progress. 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.

NINE PARADISE ERECTORS PVT. LTD.



TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

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

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

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

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

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

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 contains one qualification with regard to investments made and loan granted to M/s Horizontal Realty and Aviation Private Limited ("the subsidiary company") and it has incurred loss and has substantial negative net worth. Also as at year end, the entire net worth of the company has been eroded. Your Director have to state that the company has considered its loan to the subsidiary company as good for recovery and as and when the project revenue is recognized in future the company will be able to recover the accumulated losses and hence the accounts of the company has been prepared on going concern basis.

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

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CIN: U70102MH2008PTC187276

With regard to observation of Auditors as stated in para no. (vii)(a) about non deposit of Property Tax, you Directors have to state that the Company shall initiate the process of payment and your Directors are hopeful of clearing the said liability in due course of time.

The provisions relating to Secretarial Audit by a practicing company secretary 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-2 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, 11-07-2016, 19-09-2016, 26-12-2016 and 10-02-2017. 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:

During the year, Horizontal Realty and Aviation Private Limited has been become subsidiary company (62.85%) of the Company w.e.f. 2nd January, 2017. The Company does not have any Joint venture or Associate Company.

INTERNAL FINANCIAL CONTROL

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

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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. Zahid Bangi, 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 their ratification of appointment of M/s. Mehta Chokshi & Shah, Chartered Accountants, Mumbai (Reg. No. 106201W) as Statutory Auditors of the Company at the ensuing Annual General Meeting of the Company.

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.

NINE PARADISE ERECTORS PVT. LTD.

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.

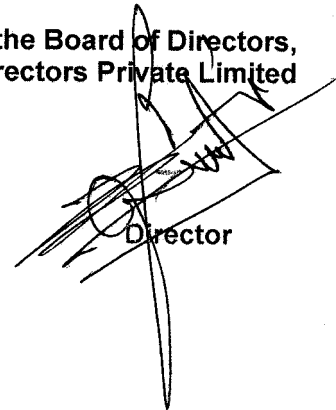
ACKNOWLEDGEMENT:

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 Nine Paradise Erectors Private Limited**



Director



Director

Place : Mumbai
Date : 15.05.2017

NINE PARADISE ERECTORS PVT. LTD.



ANNEXURE- 2 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	U70102MH2008PTC187276
2.	Registration Date	06-10-2008
3.	Name of the Company	Nine Paradise Erectors 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)
1	Horizontal Realty And Aviation Private Limited DB House, Gen. A. K. Vaidya Marg, Goregaon (East), Mumbai - 400063	U45100MH2007PTC173394	Subsidiary Company	62.85	2(87)

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

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-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) FII's	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									

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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 Ltd	10000	100	--	10000	100	--	--

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

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	10000	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	-	-	-	-

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-221115688	-	-221115688
ii) Interest due but not paid	-		-	
iii) Interest accrued but not due	-		-	
Total (i+ii+iii)	-	-221115688	-	-221115688
Change in Indebtedness during the financial year				
* Addition	-	-559856310	-	-559856310
* Reduction	-	4310	-	4310
Net Change	-	-559852000	-	-559852000
Indebtedness at the end of the financial year	-	-780967688	-	-780967688
i) Principal Amount	-		-	
ii) Interest due but not paid	-		-	
iii) Interest accrued but not due	-		-	
Total (i+ii+iii)	-	-780967688	-	-780967688

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

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

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B. Remuneration to other directors

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

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

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

NINE PARADISE ERECTORS PVT. LTD.

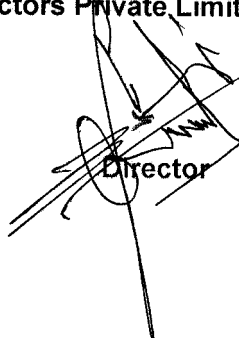
VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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 Nine Paradise Erectors Private Limited**



Director



Director

Place : Mumbai
Date : 15.05.2017

NINE PARADISE ERECTORS PVT. LTD.

Mehta Chokshi & Shah
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

**To the Members of,
NINE PARADISE ERECTORS PRIVATE LIMITED**

1 Report on the Ind AS financial statements

We have audited the accompanying Ind AS financial statements of **NINE PARADISE ERECTORS PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2 Management's Responsibility for the Ind AS financial statements

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

3 Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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



CHARTERED ACCOUNTANTS

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

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

4 Basis of Qualified Opinion:

Attention is drawn to note no. 27 regarding investments made and loan granted to M/s Horizontal Realty and Aviation Private Limited ("the subsidiary company"). The carrying value of the investments is Rs. 88,03,922/- and that of loan is Rs.54,67,00,000/-. Based on the latest Audited Financial Statement of the subsidiary company for FY 2015-16, it has incurred loss and has substantial negative net worth. However, the company has considered its loan to the subsidiary company as good for recovery and further no provision is made for diminution in the value of investment in subsidiary for the reasons mentioned in the said note. We are unable to give opinion whether the said loan is good for recovery and whether any provision is required for diminution in the value of the investment and consequential impact on the Ind AS financial statements of the company for the year ended March 31, 2017.

5 Qualified Opinion:

Except for the effects of the matter described in the "Basis for Qualified Opinion" para 4 above, in our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS, of the state of affairs of the Company as at March 31, 2017, its loss, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

6 Report on Other Legal and Regulatory Requirements

- I. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the 'Annexure A' a statement on the matters specified in the paragraph 3 and 4 of the Order.
- II. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.




- CHARTERED ACCOUNTANTS

- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) Except for the effects of matter described in Para 4, Basis of Qualified Opinion as above, in our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
- e) The matter described in Para 4, Basis of Qualified Opinion as above, in our opinion may have an adverse effect on the functioning of the company.
- f) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
- g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operative effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting; and
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The pending litigation would not materially impact its financial position and therefore no disclosures are made for pending litigation in its financial statements
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- iii There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv The Company has provided requisite disclosures in the Ind AS financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated November 8, 2016 of the Ministry of Finance, during the period from November 8, 2016 to December 30, 2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management.

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




Vijay Gajaria
Partner
M. No.: 137561

Place: Mumbai

Date:

Annexure - A to the Independent Auditors' Report
[Referred to in paragraph 6 (I) of our report of even date]

- (i) The Company does not have any Fixed Assets and therefore paragraph 3 (i) of the order is not applicable.
- (ii) (a) The Company is in the business of real estate development and up to the year-end the company has incurred certain expenditure towards the project under development. As explained to us, site visit was carried out during the year by the management at reasonable intervals. In our opinion frequency of verification is reasonable.
- (b) In our opinion and according to information and explanation given to us, keeping in view the nature of inventory, the procedures of physical verification by way of site visits by the management are reasonable and adequate in relation to size of the company and nature of its business.
- (c) On the basis of information and explanation provided to us and based on our audit procedure, the inventory records have been kept properly. As explained to us, no material discrepancies were noticed on physical verification of inventory/project site by the management.
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Act and therefore paragraph 3 (iii) of the order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) The Company has not accepted any deposits and consequently paragraph 3 (v) of the order is not applicable.
- (vi) The company does not qualify the prescribed criteria as specified in Companies (Cost Records and Audit) Rules, 2014, and therefore is not required to maintain the cost records as prescribed under Section 148 (1) of the Act. Hence paragraph 3 (vi) of the order is not applicable.



- CHARTERED ACCOUNTANTS

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, it is observed that the company is not regular in depositing undisputed dues of TDS, Service Tax and property tax to the appropriate authority. Further, the arrears of outstanding property tax as at March 31, 2017 which was outstanding for more than six months from the date it became payable is Rs. 15,30,789/-. The above property tax is outstanding for the period from April 2010.

Further as explained to us, the provisions for Provident Fund, Employees State Insurance, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess are not applicable to the Company during the year.

(b) According to the information and explanations given to us, there are no disputed dues of Income – tax and other applicable statutory dues and hence paragraph 3 (vii) (b) of the Order is not applicable.

(viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.

(ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

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

(xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not paid/provided for managerial remuneration. Accordingly, paragraph 3 (xi) of the Order is not applicable.

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

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.



- CHARTERED ACCOUNTANTS

- (xiv) According to the information and explanations give 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.
- (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. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

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




Vijay Gajaria
Partner
M. No.: 137561

Place: Mumbai

Date:

Annexure - B to the Independent 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 **NINE PARADISE ERECTORS PRIVATE LIMITED** ("the Company") as of March 31, 2017 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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



CHARTERED ACCOUNTANTS

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31,, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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



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

**Place: Mumbai
Date:**

Nine Paradise Erectors Private Limited
Balance Sheet as at March 31, 2017

(Amount in Rs.)

Particulars	Note No.	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
ASSETS				
1 Non Current Assets				
a Financial Assets				
(i) Investment	3	8,804,622	700	700
Total Non Current Assets (A)		8,804,622	700	700
2 Current Assets				
a Inventories	4	227,772,349	226,829,835	225,863,555
b Financial Assets				
(i) Cash and cash equivalent	5	30,693	51,043	12,104
(ii) Loans	6	546,700,000	-	37,430,000
(iii) Other Financial Assets	7	4,201,681	-	-
c Other Current Assets	8	8,978,708	8,853,573	8,737,212
Total Current Assets (B)		787,683,431	235,734,451	272,042,871
Total Assets (A)+(B)		796,488,053	235,735,151	272,043,571
EQUITY AND LIABILITIES				
1 Equity				
a Equity Share Capital	9	100,000	100,000	100,000
b Other Equity	10	(796,843)	(700,973)	(663,741)
Total Equity (A)		(696,843)	(600,973)	(563,741)
2 Current Liabilities				
a Financial liabilities				
(i) Borrowings	11	780,967,688	221,115,688	258,350,688
(ii) Trade payables	12	7,388,656	6,438,880	942,269
(iii) Other financial liabilities	13	78,800	77,246	79,002
b Other current liabilities	14	8,749,752	8,704,310	13,235,353
Total Current Liabilities (B)		797,184,896	236,336,124	272,607,312
Total Equity and Liabilities (A)+(B)		796,488,053	235,735,151	272,043,571

Significant accounting policies and notes on
Financial statements

1 to 31

As per our attached report of even date

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



Name : Vijay Gajaria
Partner
Membership No. : 137561



Place :Mumbai
Date : 15-5-2017

For and on Behalf of the Board



(Suresh Atkur)
Director



(Zahid Bangi)
Director

Place :Mumbai
Date : 15-5-2017

Nine Paradise Erectors 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	15	-	1,756
III	Total Income (I)+(II)		-	1,756
IV	Expenses			
	Project Related Expenses	16	942,514	966,280
	Changes in inventories of finished goods, work in progress and stock-in-trade	17	(942,514)	(966,280)
	Other expense	18	95,870	38,988
	Total expenses (IV)		95,870	38,988
V	(Loss) before tax (III)-(IV)		(95,870)	(37,232)
VI	Tax expense			
	a) Current tax	19	-	-
	b) Deferred tax		-	-
VII	(Loss) for the period (V)-(VI)		(95,870)	(37,232)
VIII	Other Comprehensive Income			
A	(i) Items that will not be reclassified to Profit or Loss		-	-
	(ii) Income tax relating to items that will not be reclassified to Profit or Loss		-	-
B	(i) Items that will be reclassified to profit or Loss		-	-
	(ii) Income tax relating to items that will be reclassified to Profit or Loss		-	-
	Total Other Comprehensive Income [A (i)-(ii) + B (i)-(ii)] (VIII)		-	-
IX	Total Comprehensive Income for the period (VII)+(VIII)		(95,870)	(37,232)
X	Earnings per equity share			
	Basic and Diluted	20	(9.59)	(3.72)

Significant accounting policies and notes on Financial statements 1 to 31

As per our attached report of even date

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

Vijay

Name : Vijay Gajaria
Partner
Membership No. : 137561



Place : Mumbai
Date : 15-5-2017

For and on Behalf of the Board

Suresh Atkur

(Suresh Atkur)
Director

Zahid Bangi

(Zahid Bangi)
Director

Place : Mumbai
Date : 15-5-2017

Nine Paradise Erectors Private Limited
Cash Flow Statement for the year ended March 31, 2017

(Amount in Rs.)

Particulars		For the year ended March 31, 2017	For the year ended March 31, 2016
Cash Flow From Operating Activities:			
Profit / (Loss) Before Tax		(95,870)	(37,232)
Adjustment			
Bad debts written off			-
Working Capital Adjustments			
(Increase)/Decrease in current Assets		(4,326,816)	(116,361)
(Increase)/Decrease in current liabilities		996,772	963,812
(Increase)/Decrease in Inventories		(942,514)	(966,280)
Cash from Operating Activities		(4,368,428)	(156,061)
Less: Taxes paid			
Net Cash generated/(used) from Operating Activities	A	(4,368,428)	(156,061)
Cash Flow From Investing Activities:			
Loan Granted		(546,700,000)	37,430,000
Share Purchase		(8,803,922)	-
Net Cash generated/(used) from Investing Activities	B	(555,503,922)	37,430,000
Cash Flow From Financing Activities:			
Loan Accepted /Repaid		559,852,000	(37,235,000)
Net Cash generated/(used) from Financing Activities	C	559,852,000	(37,235,000)
Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)		(20,350)	38,939
Add: Cash & Cash Equivalents (Opening)		51,043	12,104
Cash and Cash Equivalents (Closing)		30,693	51,043
Cash and cash Equivalents includes:			
Cash on hand		15,353	17,656
Bank Balances		15,340	33,387
		30,693	51,043

As per our attached report of even date

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

Name : Vijay Gajaria
Partner
Membership No. : 137561



Place :Mumbai
Date : 15-5-2017

For and on Behalf of the Board

(Suresh Atkur)
Director

(Zahid Bangi)
Director

Place :Mumbai
Date : 15-5-2017

Nine Paradise Erectors Private Limited
Notes Forming part of Ind -AS Financial Statements

1 Company Background

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

The Company has entered into a Agreement of Assignment dated 09.04.2010 towards acquiring 55% share in a property situated at Rippon Road, Cross Land, Madanpura, Mumbai Central, Mumbai admeasuring approximately 7015.94 sq. meters with a intention to develop and construct Residential buildings. In this regard, security charges and legal and professional fees incurred for the project have been included in Project Work in Progress.The Company has its the Registered Office and principal place of business at DB House, Gen A.K.Vaidya Marg, Goregaon(East), Mumbai-400063.

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

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

2 Significant Accounting Policies Accounting Judgements , Estimates and Assumptions:

(A) Significant Accounting Policies:

2.1 Basis of preparation of Ind-AS Financial Statements:

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

For all periods up to and including the year ended 31 March 2016, the company prepared its financial statements in accordance with Indian GAAP, including accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended). These financial statements for the year ended 31 March 2017 are the first the Company has prepared in accordance with Ind-AS. Refer to note 21.6 for information on how the Entity adopted Ind AS, including the details of the first time adoption exemptions availed by the entity.

The Ind-AS financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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

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

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

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

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

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

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

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

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

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



Nine Paradise Erectors Private Limited

Notes Forming part of Ind -AS Financial Statements

All other assets are classified as non-current.

A liability is considered as current when:

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

All other liabilities are classified as non-current.

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

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

2.3 Inventories :

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

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 of percentage of completion method, reliable estimate of the outcome of the real estate project and stage of completion of the project reaches a reasonable level of development i.e. at least 25% of total project cost (excluding land and development cost and borrowing costs capitalised under Ind AS-23) should be incurred at the reporting date.

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

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

- All critical approvals necessary for commencement of the project have been obtained;
- At least 25 % of the construction and development costs (excluding land and development cost and borrowing costs capitalised under Ind AS-23) have been incurred;
- At least 25% of the saleable project area is secured by contracts or agreements with buyers; and
- At least 10 % of the total revenue as per the agreements of sale or any other legally enforceable documents are 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.

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 two categories:

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

Where assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

Financial Assets at Amortised Cost:

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

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

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



Nine Paradise Erectors Private Limited

Notes Forming part of Ind -AS Financial Statements

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.

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 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.

Equity Instruments at FVTOCI:

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

Derecognition

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

- The rights to receive cash flows from the asset have expired, or
- 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;
 - the Company has transferred substantially all the risks and rewards of the asset, or
 - the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

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

- Financial assets at 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 company reverts to recognising impairment loss allowance based on 12-month ECL.

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

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

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

(ii) Financial Liabilities:

Initial Recognition and Measurement:

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

Subsequent Measurement:

This is dependent upon the classification thereof as under:

Loans and Borrowings:

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



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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 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 equity and not in the statement of profit and loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Taxes:

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

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

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except, when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

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

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

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

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

MAT:

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

2.7 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.

2.8 Earnings Per Share:



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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.

2.9 Cash and Cash Equivalent

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

2.10 Cash Flow Statement

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

2.11 Commitments

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

- (a) The estimated amount of contracts remaining to be executed on capital accounts and not provided for; and
- (b) Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of the Management

2.12 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".

(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 following judgements, which have the most significant effect on the amounts recognised in the financial statements:

- a) Assessment of the recoverability of various financial assets

2.14 Estimates and Assumptions:

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

(a) Project estimates

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

(b) Deferred Tax Assets

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

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

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



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(C) Recent Accounting Pronouncements:

Standards issued but not yet effective:

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

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

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

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

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

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

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

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

To also indicate cost exemption for subsidiaries, associates and JVs

ii. Exceptions

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

a) Estimates:

The estimates as at 1 April 2015 and 31 March 2016 are consistent with those made for the same dates in accordance with previous GAAP (after adjustment to reflect and differences if any, in accounting policies) apart from the following items where the application of previous GAAP did not require estimation:

- (i) Impairment of financial assets based on the expected credit loss model; and
- (ii) Investments in equity instruments carried as FVPL or FVOCI.

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

b) Derecognition of financial assets:

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

c) Classification and movement of financial assets and liabilities:

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



Nine Paradise Erectors Private Limited**Statement of Changes in Equity for the year ended March 31, 2017****A. Equity Share Capital**

Particulars	Amount (Rs.)
Balance as at April 1, 2015	100,000
Changes in equity share capital during FY 2015-16	-
Balance as at March 31, 2016	100,000
Changes in equity share capital during FY 2016-17	-
Balance as at March 31, 2017	100,000

B. Other Equity

Particulars	(Amount in Rs.) Retained Earnings
Balance as at April 1, 2015	(663,741)
(Loss) for the year FY 2015-16	(37,232)
Other Comprehensive Income for the year, net of income tax	-
Total Comprehensive Income for the year	(37,232)
Balance as at March 31, 2016	(700,973)
(Loss) for the year 2016-17	(95,870)
Other Comprehensive Income for the year, net of income tax	-
Total Comprehensive Income for the year	(95,870)
Balance as at March 31, 2017	(796,843)



3 "Non-current investment

(Amount in Rs.)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(Unquoted, at Cost)			
(a) In Limited Liability Partnership			
DB Realty and Shreepati Infrastructure LLP (Towards 0.06% share in Profit/Loss)(Previous Year 0.06%)	600	600	600.00
(b) In Partnership Firm	100		
M/s. Sneh Developers (Towards 1% share in Profit/Loss)(Previous Year 1%)		100	100.00
(c) In Subsidiary Company			
Eon Aviation Pvt. Ltd (88,03,922 No. of Equity Shares of Face Value of Rs. 10/- each, fully paid)	8,803,922	-	-
Total	8,804,622	700	700

4 Inventories

(Amount in Rs.)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(As valued and certified by Management)			
Opening Inventories	226,829,835	225,863,555	220,435,844.00
Add: Project expenses incurred during the year	942,514	966,280	5,427,711.00
Total	227,772,349	226,829,835	225,863,555

5 Cash And Cash Equivalents

(Amount in Rs.)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Cash on hand	15,353	17,656	840.00
Balances with banks	15,340	33,387	11,264.00
Total	30,693	51,043	12,104

Disclosure of Specified Bank Notes (SBNs)

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

Particulars	SBNs *	Other denomination notes/coins	Total
Closing cash in hand as on November 8, 2016	15,000	1,615	16,615
(+) Permitted receipts	-	15,000	15,000
(-) Permitted payments	-	309	309
(-) Amount deposited in Banks	15,000	-	15,000
Closing cash in hand as on December 30, 2016	-	16,306	16,306

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



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Notes Forming part of Ind -AS Financial Statements

6 Loans

(Amount in Rs.)			
Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Current			
(Unsecured and considered good)			
Loan to a Subsidiary Company	546,700,000	-	-
Loan to a Related Party	-	-	37,430,000
Total	546,700,000	-	37,430,000

7 Other Financial Assets

(Amount in Rs.)			
Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Advance for Share Purchase (Refer note below)	4,201,681	-	-
Total	4,201,681	-	-

Note:

The Company will receive 42,01,681 no. of Equity Shares of Face Value of Rs. 10/- each against the above advances

8 Other Current Assets

(Amount in Rs.)			
Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
TDS Receivable	9,615	9,615	37,212.00
Advances recoverable in cash or in kind or for value to be received (Refer note no. 30)	8,700,000	8,700,000	8,700,000
Input Service Tax Receivable	269,093	143,958.00	-
Total	8,978,708	8,853,573	8,737,212

10 Reserves and Surplus

(Amount in Rs.)			
Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Surplus / (Deficit) in the Statement of Profit and Loss			
Opening balance	(700,973)	(663,741)	(586,339)
Add : (Loss) for the year	(95,870)	(37,232)	(77,402)
Total	(796,843)	(700,973)	(663,741)

11 Loans

(Amount in Rs.)			
Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Unsecured Loan (Interest free, Repayable on demand)			
From Holding Company	780,967,688	221,115,688	171,220,000
		-	87,130,688
Total	780,967,688	221,115,688	258,350,688

12 Trade Payables

(Amount in Rs.)			
Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Micro and Small Enterprises (Refer note Below)		-	-
Others	7,388,656	6,438,880	942,269
Total	7,388,656	6,438,880	942,269



Nine Paradise Erectors Private Limited
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12.1 Details of dues to Micro and Small Enterprises as per MSMED Act, 2006

(Amount in Rs.)

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Principal Amount outstanding to suppliers under MSMED Act, 2006 beyond the appointed date	-	-	-
Interest accrued on the amount due to suppliers under MSMED Act on the above amount	-	-	-
Payment made to suppliers (Other than interest) beyond the appointed date during the year	-	-	-
Interest paid to suppliers under MSMED Act (other than Section 16)	-	-	-
Interest paid to suppliers under MSMED Act (Section 16)	-	-	-
Interest due and payable to suppliers under MSMED Act for payments already made.	-	-	-
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED.	-	-	-
Total	-	-	-

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

13 Other Financial Liabilities

(Amount in Rs.)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Current Account with Limited Liability Partnership	78,800	77,246	79,002
Total	78,800	77,246	79,002

14 Other Liabilities

(Amount in Rs.)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Advance received against purchases of occupants rights (Tata Colony) (Refer note no.29)	8,700,000	8,700,000	8,700,000
Provision for Expenses	18,000	-	4,522,362
Statutory Liability	31,752	4,310	12,991
Total	8,749,752	8,704,310	13,235,353



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9 Share Capital

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

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Number	Amount in Rs.	Number	Amount in Rs.	Number	Amount in Rs.
Authorized Equity Share						
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 Share						
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 and Paid up Equity Share						
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

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

9.2 Reconciliation of the outstanding number of shares

Particulars	Equity Shares		Equity Shares		Equity Shares	
	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Number	Amount in Rs.	Number	Amount in Rs.	Number	Amount in Rs.
Shares outstanding at the beginning of the year	10,000	100,000	10,000	100,000	10,000	100,000
Add: Shares Issued during the year	-	-	-	-	-	-
Less: Shares bought back during the year	-	-	-	-	-	-
Shares outstanding at the end of the year	10,000	100,000	10,000	100,000	10,000	100,000

9.3 Detail of number of share held by holding company

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

9.4 The details of shareholders holding more than 5% shares

Name of Shareholder	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Share						
D B Realty Limited and its nominees	10,000	100%	10,000	100%	10,000	100%
Total	10,000	100%	10,000	100%	10,000	100%



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15 Other Income

(Amount in Rs.)

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Share of Profit from Limited Liability Partnership	-	1,756
Total	-	1,756

16 Project Related Expenses

(Amount in Rs.)

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Legal and Professional fees	-	-
Security Charges	790,988	815,154
Property Tax	151,526	151,126
Total	942,514	966,280

17 (Increase)/Decrease In Inventories

(Amount in Rs.)

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Opening Inventories	226,829,835	225,863,555
Less: Closing Inventories	227,772,349	226,829,835
Total	(942,514)	(966,280)

18 Other Expenses

(Amount in Rs.)

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Payment to Auditors (Refer Note Below)	80,150	26,010
Professional Fees	3,200	3,100
Miscellaneous Expenses	10,598	9,878
Interest on Delayed Payment	368	-
Share of Profit from Limited Liability Partnership	1,554	-
Total	95,870	38,988



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18.1 Payment to Auditors

(Amount in Rs.)

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Audit Fees	30,150	20,000
Certification matters / Taxation (inclusive of service tax)	-	6,010
Review report	50,000	
Total	80,150	26,010

19 Tax Expenses

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

(Amount in Rs.)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
(Loss) before Tax	(95,870)	(37,232)
Income Tax Expense calculated @ 30.90%	(29,624)	(11,505)
Effect of Income that does not form part of taxable income	-	(543)
Effect of expenses that are not deductible in determining taxable profits	594	380
Effect of Loss not recognised as no reasonable certainty of future taxable profits	29,030	11,668
Tax Expenses	-	-
Tax Expenses recognised in the statement of Profit and Loss	-	-

20 Earnings Per Share

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

(Amount in Rs.)

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Net Loss after tax	(95,870)	(37,232)
Weighted average number of shares	10,000	10,000
Basis and Diluted Earning Per Share	(9.59)	(3.72)
Face Value Per Equity Share	10	10



Nine Paradise Erectors Private Limited
Notes Forming part of Ind -AS Financial Statements

21 First-time Ind AS adoption reconciliations

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

(Amount in Rs.)

Particulars	Note No.	As at 31-03-2016 (End of last period presented under Previous GAAP)			As at 01-04-2015 (Date of Transition)		
		Previous GAAP	Effect of transition to Ind AS	As per Ind AS Balance Sheet	Previous GAAP	Effect of transition to Ind AS	As per Ind AS Balance Sheet
ASSETS							
1 Non Current Assets							
a Financial Assets							
(i) Investment		700	-	700	700	-	700
Total Non Current Assets (A)		700	-	700	700	-	700
2 Current Assets							
a Inventories		226,829,835	-	226,829,835	225,863,555	-	225,863,555
b Financial Assets							
(i) Cash and cash equivalent		51,043	-	51,043	12,104	-	12,104
(ii) Loans		-	-	-	37,430,000	-	37,430,000
c Other Current Assets		8,853,573	-	8,853,573	8,737,212	-	8,737,212
Total Current Assets (B)		235,734,451	-	235,734,451	272,042,871	-	272,042,871
Total Assets (A) + (B)		235,735,151	-	235,735,151	272,043,571	-	272,043,571
EQUITY AND LIABILITIES							
1 Equity							
a Equity Share Capital		100,000	-	100,000	100,000	-	100,000
b Other Equity		(700,973)	-	(700,973)	(663,741)	-	(663,741)
Total Equity (A)		(600,973)	-	(600,973)	(563,741)	-	(563,741)
2 Current Liabilities							
a Financial liabilities							
(i) Borrowings		221,115,688	-	221,115,688	258,350,688	-	258,350,688
(ii) Trade payables		6,438,880	-	6,438,880	942,269	-	942,269
(iii) Other financial liabilities		77,246	-	77,246	79,002	-	79,002
b Other current liabilities		8,704,310	-	8,704,310	13,235,353	-	13,235,353
Total Current Liabilities (B)		236,336,124	-	236,336,124	272,607,312	-	272,607,312
Total Equity and Liabilities (A)+(B)		235,735,151	-	235,735,151	272,043,571	-	272,043,571

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

(Amount in Rs.)

Particulars	Note No.	As at 31-03-2016	As at 1-04-2015
Total Equity (Shareholders' Funds) under previous GAAP		(600,973)	(563,741)
Total adjustment to equity		-	-
Total equity under Ind AS		(600,973)	(563,741)



Nine Paradise Erectors Private Limited
Notes Forming part of Ind -AS Financial Statements

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

(Amount in Rs.)

Particulars	Note No.	Year ended 31-03-2016 (Latest period presented under previous GAAP)		
		Previous GAAP	Effect of transition to Ind AS	As per Ind AS
I Revenue from operations		-	-	-
II Other income		1,756	-	1,756
III Total Income (I)+(II)		1,756	-	1,756
IV Expenses				
Project Related Expenses		966,280	-	966,280
Changes in inventories of finished goods, work in		(966,280)	-	(966,280)
Other expense		38,988	-	38,988
Total expenses (IV)		38,988	-	38,988
V (Loss) before tax (III)-(IV)		(37,232)	-	(37,232)
VI Tax expense				
a) Current tax		-	-	-
b) Deferred tax		-	-	-
VII (Loss) for the period (V)-(VI)		(37,232)	-	(37,232)
VIII Other Comprehensive Income				
A (i) Items that will not be reclassified to Profit or Loss		-	-	-
(ii) Income tax relating to items that will not be reclassified to Profit or Loss		-	-	-
B (i) Items that will be reclassified to profit or Loss		-	-	-
(ii) Income tax relating to items that will be reclassified to Profit or Loss		-	-	-
Total Other Comprehensive Income [A (i)-(ii) + B (i)-(ii)] (VIII)		-	-	-
IX Total Comprehensive Income for the period (VII)+(VIII)		(37,232)	-	(37,232)

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

(Amount in Rs.)

Particulars	Note No.	Year ended 31-03-2017 (Latest period presented under previous GAAP)
Profit as per previous GAAP		(37,232)
Adjustments- (No Adjustments)		-
Total effect of transition to Ind AS		-
Profit as per Ind AS		(37,232)
Other Comprehensive Income for the year (net of tax)		-
Total Comprehensive Income as per Ind AS		(37,232)

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

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



Nine Paradise Erectors Private Limited

Notes Forming part of Ind -AS Financial Statements

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

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

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

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

- a) Under Ind AS 109, at initial recognition of a financial asset, an entity may make an irrevocable election to present subsequent changes in the fair value of an investment in an equity instrument in other comprehensive income. Ind AS 101 allows such designation of previously recognized financial assets, as 'fair value through other comprehensive income' or 'fair value through profit and loss' on the basis of the facts and circumstances that existed at the date of transition to Ind AS. Accordingly, the Company has designated its investments in certain equity instruments at fair value through other comprehensive income and fair value through profit and loss on the basis of the facts and circumstances that existed at the date of transition to Ind AS.
- b) the Company has opted to continue with the carrying values measured under the previous GAAP and use that carrying value as the deemed cost for property, plant and equipment, and intangible assets on the date of transition .

ii. Exceptions

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

a) Estimates:

The estimates as at 1 April 2015 and 31 March 2016 are consistent with those made for the same dates in accordance with previous GAAP (after adjustment to reflect and differences if any, in accounting policies) apart from the following items where the application of previous GAAP did not require estimation:

- (i) Impairment of financial assets based on the expected credit loss model; and
- (ii) Investments in equity instruments carried as FVPL or FVOCI.

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

b) Derecognition of financial assets:

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

c) Classification and movement of financial assets and liabilities:

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



Nine Paradise Erectors Private Limited
Notes Forming part of Ind -AS Financial Statements

- 22 The Company is a subsidiary of D B Realty Limited, which has become a "Public company" w.e.f. 23rd September 2009. Therefore, the Company has become a private company which is a subsidiary of a public company and accordingly, by virtue of provision of section 2(71) of the Companies Act,2013, the Company is a deemed public company. The Company continues to use the word "Private Limited" as permitted by law.
- 23 In absence of any timing difference, no provision for deferred tax needs to be made . In view of loss no provision for current tax has been provided.
- 24 The Company has entered into a Agreement of Assignment dated 09.04.2010 towards acquiring 55% share in a property situated at Rippon Road, Cross Land, Madanpura, Mumbai Central, Mumbai admeasuring approximately 7015.94 sq. meters with a intention to develop and construct Residential buildings. However the final rights of the property will get transferred only after the disposal of the suit pending before Bombay High Court. Considering the precedents in similar cases ,the company is hopeful of favourable ruling in its favour.
- 25 Keeping in view the parameters as per Guidance Note on "Recognition of Revenue by the Real Estate Developers" and AS2 "Valuation of Inventories" for valuing Project - Work-In -Progress (WIP) of Real Estate Developers, the expenses incurred in the nature of administrative overheads which did not contribute in bringing Project WIP to its present location and condition have been charged of to the profit and loss account for the year as period cost.
- 26 **Related Party Disclosures:**
As per Indian Accounting Standard 24 (Ind AS-24) 'Related Party Disclosure', the disclosure of transactions with the related parties as defined in Ind AS -24 is given below:

A. List of Related Parties

Name and Relationship of the Related Party	
DB Realty Limited	Holding Company
Horizontal Realty and Aviation Pvt Ltd	Subsidiary Company
Dynamix Realty	Fellow Subsidiary
Sneh Developers	
D B Realty and Shreepati Infrastructure LLP	
DB (BKC) Realtors Private Limited	Enterprises where individuals i.e. KMP and their relative have Significant Influence.
BD&P Hotels (I) Pvt Ltd	
Mystical Constructions Private Limited	
Mr. Suresh Atkur	Key Management Personnel
Mr.Zahid Bangi	

- B. The above related parties are identified by the management and relied upon by the auditors. However there were no transactions with the Key Management Personnel.

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

I	Particulars	(Amount in Rs.)	
		Mar-17	Mar-16
	Transactions with related party during the year		
A)	Loan Received		
	Holding Company	559,856,310	1,201,000
B)	Loan Repaid		
	Holding Company	4,310	38,436,000
C)	Advance Received towards purchase of Tenancy Rights		
	Enterprises owned or significantly influenced by Holding Company or Key Management Personnel or their relatives	2,500	-
E)	Advance Received towards purchase of Tenancy Rights		
	Enterprises owned or significantly influenced by Holding Company or Key Management Personnel or their relatives	2,500	-
F)	Loans granted		
	Subsidiary Company	560,900,000	-
E)	Loans Repaid		
	Subsidiary Company	14,200,000	-
G)	Investment made		
	Subsidiary Company	8,803,922	-
H)	Advance given for Purchase of Shares		
	Enterprises owned or significantly influenced by Holding Company or Key Management Personnel or their relatives	13,005,603	-
I)	Advance repaid for Purchase of Shares		
	Enterprises owned or significantly influenced by Holding Company or Key Management Personnel or their relatives	8,803,922	-



Nine Paradise Erectors Private Limited

Notes Forming part of Ind -AS Financial Statements

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

(Amount in Rs.)

II	Balances with related parties as at 31 March	Mar-17	Mar-16	Mar-15
A)	Borrowings			
	Holding Company	780,967,688	221,115,688	258,350,688
B)	Advance Received towards purchase of Tenancy Rights			
	Enterprises owned or significantly influenced by Holding Company or Key Management Personnel or their relatives	8,700,000	8,700,000	8,700,000
C)	Loans Granted			
	Subsidiary Company	546,700,000	-	-
D)	Investment			
	Subsidiary Company	8,803,922	-	-
E)	Advance given for Purchase of Shares			
	Enterprises owned or significantly influenced by Holding Company or Key Management Personnel or their relatives	4,201,681	-	-
F)	Current Account			
	Fellow Subsidiary Companies	78,800	77,246	-
	Share of Profit/(loss) in LLP/Partnership Firms			
	Fellow Subsidiary Companies	(1,554)	1,756	4,586

27 As at year end, the entire net worth of the company has been eroded. However, the management is of the opinion that as and when the project revenue is recognized in future the company will be able to recover the accumulated losses and hence the accounts of the company has been prepared on going concern basis.

28 Segment Reporting

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

29 Financial Instrument:

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

(a) Financial assets and liabilities

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

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

Fair Value Hierarchy

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

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

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

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

(b) Financial Risk Management:

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

A brief description of the various risks which the company is likely to face are as under:

(i) Market Risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market conditions. Market risk comprises three types of risk: interest rate risk, credit and default risk and liquidity risk Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI and FVTPL investments.

The company does not have material Foreign Currency Exchange rate risk.

Interest Risk:

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

Interest Rate Sensitivity

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

Credit risk and default risk

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



Nine Paradise Erectors Private Limited

Notes Forming part of Ind -AS Financial Statements

Trade receivables

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

Liquidity risk

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

Equity price risk

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

Capital Management

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


30 The Company on behalf of DB (BKC) Realtors Pvt. Ltd. has advanced Rs.87,00,000/- 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. has 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.

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

Signatures to notes to financial statements 1 to 31

As per our attached report of even date

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


Name : Vijay Gajaria
Partner
Membership No. : 137561

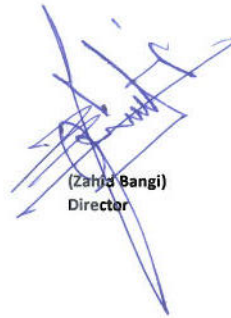


Place :Mumbai
Date : 15-5-2017

For and on Behalf of the Board


(Suresh Atkur)
Director

Place :Mumbai
Date : 15-5-2017


(Zahid Bangi)
Director