

**ROYAL NETRA CONSTRUCTIONS PRIVATE LIMITED**

**BOARD OF DIRECTORS**

Mr. Vijay Arora  
Mr. Satish Agarwal

**AUDITORS**

Shaparia & Mehta,  
Chartered Accountants, Mumbai.

**BANKERS**

Bank of Baroda  
New India Co-op Bank Ltd

**REGISTERED OFFICE**

808, Krushal Commercial Complex,  
Above Shoppers Stop, G. M. Road,  
Chembur (W), Mumbai – 400 089  
CIN: U45202MH2009PTC194430  
T: 22 2526 0582. F: 22 2526 1589

## DIRECTORS' REPORT

The Members,  
**ROYAL NETRA CONSTRUCTIONS PRIVATE LIMITED**  
Mumbai

Your Directors have pleasure in presenting the Eighth Annual Report of the Company together with the Audited Statement of Accounts for the year ended 31<sup>st</sup> March, 2017.

### 1. FINANCIAL STATEMENTS & RESULTS:

#### a. Financial Results:

The Company's performance during the year ended 31<sup>st</sup> March, 2017 as compared to the previous financial year, is summarized below:

	2016-17 (Rs.)	2015-16 (Rs.)
Other Income	6,65,547	7,48,068
Expenses	7,54,069	9,95,730
Profit/(loss) before exceptional items and tax	<b>(88,522)</b>	<b>(2,47,662)</b>
<b>Exceptional items</b>		
Amalgamation Expenses	-	-
<b>Profit/(loss) before extraordinary items and tax</b>	<b>(88,522)</b>	<b>(2,47,662)</b>
Tax expenses for current year		
MAT credit (where applicable)		
Current Tax Expense relating to prior years	-	-
<b>Net Current tax expenses</b>	-	-
<b>Profit/(loss) after Tax</b>	<b>(88,522)</b>	<b>(2,47,662)</b>

#### b. OPERATIONS:

There was no change in nature of the business of the Company, during the year under review. Further, the writ filed against the Company and government authorities by Jijamata Nagar Sankalp Co-Operative Housing Society on 24.08.2015 against designating the land under the Draft Development Plan 2034 (Draft DP 2034) dated 25<sup>th</sup> February, 2015, is now being shown as designated for reservation of Public Open Space and Dispensary/Health Post as opposed to existing status of the plot which is partly in residential zone and partly in road and partly reserved for playground, vide letter of Intent (LOI) issued by Slum Rehabilitation Authority dated 15<sup>th</sup> April, 2009. Draft Development Plan 2034 (Draft DP 2034) dated 25<sup>th</sup> Feb 2015 has not been finalized and many changes are done by the Government Authorities in the said draft plan in recent times. The management is constantly observing the changes and progress to the Draft DP 2034 and is confident that the Final Plan would remove all the anomalies.

#### c. REPORT ON PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:

During the year under review, your Company did not have any subsidiary, associate and joint venture company.



**d. DIVIDEND:**

In view of loss incurred by the Company, your Directors do not recommend any Dividend for the period ended on 31<sup>st</sup> March 2017

**e. TRANSFER TO RESERVES:**

In view of loss incurred during the year under review, the Board of Directors has not recommended transfer of any amount to reserves.

**f. REVISION OF FINANCIAL STATEMENT:**

There was no revision of the financial statements for the year under review.

**g. DEPOSITS:**

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014 during the year under review. Hence, the requirement for furnishing of details of deposits which are not in compliance with the Chapter V of the Act is not applicable.

**h. DISCLOSURES UNDER SECTION 134(3)(I) OF THE COMPANIES ACT, 2013:**

No material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this report.

**i. DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL:**

No orders have been passed by any Regulator or Court or Tribunal which can have impact on the going concern status and the Company's operations in future.

**j. PARTICULAR OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES:**

The details of transactions/contracts/arrangements entered by the Company with related party(ies) as defined under the provisions of Section 2(76) of the Companies Act, 2013, during the financial year under review, are furnished in **Annexure I** and forms part of this Report.

**k. PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS AND SECURITIES:**

The Company has not given any Loans or issued any guarantees or made any Investments as per provisions of Companies Act, 2013 and rules made thereunder during the F.Y. 2016-17.

**l. DISCLOSURE UNDER SECTION 43(a)(ii) OF THE COMPANIES ACT, 2013:**

The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

**m. DISCLOSURE UNDER SECTION 54(1)(d) OF THE COMPANIES ACT, 2013:**



The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Section 54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

**n. DISCLOSURE UNDER SECTION 62(1)(b) OF THE COMPANIES ACT, 2013:**

The Company has not issued any equity shares under Employees Stock Option Scheme during the year under review and hence no information as per provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

**2. MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

The Board of Directors of the Company is duly constituted. During the year under review, Mr. Preniel Vikram Nair resigned from the office of Director w.e.f. 12<sup>th</sup> August, 2016 due to additional work commitments.

At the forthcoming Annual General Meeting of the Company, Mr. Vijay Arora shall retire by rotation and being eligible, he has offered himself for re-appointment.

**3. DISCLOSURES RELATED TO BOARD (COMMITTEES AND POLICIES)-(if applicable)**

**a. BOARD MEETINGS:**

Four meetings of Board of Directors were held during the financial year under review i.e. on 11<sup>th</sup> May, 2016, 1<sup>st</sup> September, 2016, 30<sup>th</sup> December, 2016 and 7<sup>th</sup> February, 2017.

**b. DIRECTOR'S RESPONSIBILITY STATEMENT:**

In terms of Section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended 31<sup>st</sup> March, 2017, the Board of Directors hereby confirms that:

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. such accounting policies have been selected and applied consistently and the Directors 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 as at 31<sup>st</sup> March, 2017 and of the loss of the Company for that year;
- c. proper and sufficient care was taken 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 annual accounts of the Company have been prepared on a going concern basis;
- e. proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;

**c. RISK MANAGEMENT POLICY:**



The Board of Directors of the Company has designed Risk Management Policy and Guidelines to avoid events, situations or circumstances which may lead to negative consequences on the Company's businesses, and define a structured approach to manage uncertainty and to make use of these in their decision making pertaining to all business divisions and corporate functions. Key business risks and their mitigation are considered in the annual/strategic business plans and in periodic management reviews.

**d. INTERNAL CONTROL SYSTEMS:**

Adequate internal control systems commensurate with the nature of the Company's business and size and complexity of its operations are in place has been operating satisfactorily. Internal control systems comprising of policies and procedures are designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations and that all assets and resources are acquired economically, used efficiently and adequately protected.

**e. PAYMENT OF REMUNERATION / COMMISSION TO DIRECTORS FROM HOLDING OR SUBSIDIARY COMPANIES:**

None of the managerial personnel i.e. Managing Director and Whole time Directors of the Company are in receipt of remuneration/commission from the Holding or Subsidiary Company of the Company.

**4. AUDITORS AND REPORTS:**

The matters related to Auditors and their Reports are as under:

**a. OBSERVATIONS OF STATUTORY AUDITORS ON ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2017:**

The observations made by the Statutory Auditors in their report for the financial year ended 31<sup>st</sup> March 2017 read with the explanatory notes therein are self-explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

**b. Fraud Reporting:**

During the year under review, there were no material or serious instances of fraud falling within the purview of Section 143 (12) of the Companies Act, 2013 and rules made thereunder, by officers or employees reported by the Statutory Auditors of the Company during the course of the audit conducted.

**c. RATIFICATION OF APPOINTMENT OF AUDITORS:**

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. Shaparia & Mehta, Chartered Accountants, Firm Registration Number 112350W the Statutory Auditors of the Company have been appointed for a term of five years. However, their appointment as Statutory Auditors of the Company shall be required to be ratified by the Members at the ensuing Annual General Meeting. The Company has received a confirmation from the said Auditors that they are not disqualified to act as the Auditors and are eligible to hold the office as Auditors of the Company.



**5. OTHER DISCLOSURES:**

Other disclosures as per provisions of Section 134 of the Act read with Companies (Accounts) Rules, 2014 are furnished as under:

**a. EXTRACT OF ANNUAL RETURN:**

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, Extract of the Annual Return for the financial year ended 31<sup>st</sup> March 2017 made under the provisions of Section 92(3) of the Act is attached as Annexure II which forms part of this Report.

**b. 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.

During the year under review, the Company has neither earned nor used any foreign exchange.

**6. ACKNOWLEDGEMENTS AND APPRECIATION:**

The Directors wish to express their gratitude to the Bankers and all the business associates for their continuous support to the Company and to the Shareholders for the confidence reposed in the Company's management.

**For and on behalf of the Board of Directors**



**Director**  
**Satish Agarwal**  
**DIN: 02099862**

**Director**  
**Vijay Harbans Arora**  
**DIN: 02679981**

**Place: Mumbai**  
**Date: 08.06.2017**

**Registered Office:**  
808, Krushal Commercial Complex,  
Above Shoppers Stop, G. M. Road,  
Chembur (W), Mumbai – 400 089  
CIN: U45202MH2009PTC194430  
T: 22 2526 0582. F: 22 2526 1589  
Email: [office@maninfra.com](mailto:office@maninfra.com)



ANNEXURE I

Form No. AOC-2

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Details of material contracts or arrangement or transactions at arm's length basis

Name(s) of the related party	D B Realty Ltd	Vijay Arora
Nature of relationship	Holding Company	Director
Nature of contracts/ arrangements/ transactions	Unsecured loan taken by Company	Unsecured loan taken by Company
Duration of the contracts / arrangements/transactions	On Demand	On Demand
Salient terms of the contracts or arrangements or transactions including the value, if any	Interest Free	Interest Free
Date(s) of approval by the Board, if any	-	-
Amount paid as advances, if any	-	-
Closing loan amount as on 31.03.17	Rs.35,92,52,000/-	Rs.100,00,000/-



For and on behalf of the Board of Directors

*Satish Agarwal*

Director  
Satish Agarwal  
DIN: 02099862

*Vijay Harbans Arora*

Director  
Vijay Harbans Arora  
DIN: 02679981

Place: Mumbai  
Date: 08.06.2017

Registered Office:  
808, Krushal Commercial Complex,  
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Email: [office@maninfra.com](mailto:office@maninfra.com)

**ANNEXURE II**

**EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31<sup>st</sup> March 2017

*[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]*

**i. REGISTRATION AND OTHER DETAILS:**

CIN	:	U45202MH2009PTC194430
Registration Date	:	29/07/2009
Name of the Company	:	ROYAL NETRA CONSTRUCTIONS PRIVATE LIMITED
Category / Sub-Category of the Company	:	Company limited by shares
Address of the Registered office and contact details	:	808, Krushal Commercial Complex, G. M. Road, Chembur (West), Mumbai-400089, Maharashtra, India Tel : 022-4246 3999 Fax : 022-2526 1589 Email : <a href="mailto:office@maninfra.com">office@maninfra.com</a> , Website : <a href="http://www.maninfra.com">www.maninfra.com</a>
Whether listed company	:	No
Name, Address and Contact details of Registrar and Transfer Agent, if any:	:	-

**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:-

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Real Estate	9972	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

Sr. No.	Name and address of the Company	CIN / GLN/LLPIN	Holding / subsidiary / associate	% of shares held	Applicable section
1	<b>DB Realty Limited</b> DB House, Gen. A. K. Vaidya Marg, Goregaon (East), Mumbai-400063	L70200MH2007PLC166818	Holding Company	50.40%	2(87)(ii)

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):**

**i. Category-wise Share Holding as on 31<sup>st</sup> March, 2017:**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	75,600	75,600	50.40	-	75,600	75,600	50.40	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total(A)(1):	-	75,600	75,600	50.40	-	75,600	75,600	50.40	-
<b>(2) Foreign</b>									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-





e) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2):	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	-	<b>75,600</b>	<b>75,600</b>	<b>50.40</b>	-	<b>75,600</b>	<b>75,600</b>	<b>50.40</b>	-
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):</b>	-	-	-	-	-	-	-	-	-
<b>(2) Non-Institutions</b>									
<b>a) Bodies Corp.</b>									
i) Indian	-	15,870	15,870	10.58	-	15,870	15,870	10.58	-
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	-	58,530	58,530	39.02	-	58,530	58,530	39.02	-
Foreign Portfolio Investor (Corporate)	-	-	-	-	-	-	-	-	-
c) Others	-	-	-	-	-	-	-	-	-
<b>Sub-total(B)(2):</b>	-	<b>74,400</b>	<b>74,400</b>	<b>49.60</b>	-	<b>74,400</b>	<b>74,400</b>	<b>49.60</b>	-
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	-	<b>74,400</b>	<b>74,400</b>	<b>49.60</b>	-	<b>74,400</b>	<b>74,400</b>	<b>49.60</b>	-
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	-	<b>15,00,000</b>	<b>15,00,000</b>	<b>100</b>	-	<b>15,00,000</b>	<b>15,00,000</b>	<b>100</b>	-



ii. Shareholding of Promoters:

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding 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.	DB Realty Limited	75,600	50.40	-	75,600	50.40	-	-
	<b>Total</b>							

iii. Change In Promoters' Shareholding:

Sr. No.		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
1.	DB Realty Limited	75,600	50.40	75,600	50.40
		There is no change in the absolute shareholding during the year.			
	<b>At the End of the year</b>	<b>N.A.</b>	<b>N.A.</b>	<b>75,600</b>	<b>50.40</b>

iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and holders of GDRs and ADRs):

Sr. No.	For Each of the Top 10 Shareholders Name, Date & Reason of change	Shareholding at the beginning of the year (01-04-2016)		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	<b>Murugan Properties and Management Private Limited</b>	15,000	10.00	15,000	10.00
	At the End of the year (or on the date of separation, if separated during the year) (31-03-2017)	N.A.	N.A.	15,000	10.00
2.	<b>Bharat M. Modi</b>	6,000	4.00	6,000	4.00
	At the End of the year (or on the date of separation, if separated during the year) (31-03-2017)	N.A.	N.A.	6,000	4.00
3.	<b>Raja Mirani</b>	12,000	8.00	12,000	8.00
	At the End of the year (or on the date of separation, if separated during the year) (31-03-2017)	N.A.	N.A.	12,000	8.00
4.	<b>Mansi P. Shah j/w Parag K. Shah</b>	7,500	5.00	7,500	5.00
	At the End of the year (or on the date of separation, if separated during the year) (31-03-2017)	N.A.	N.A.	7,500	5.00
5.	<b>Manan P. Shah j/w Mansi P. Shah</b>	6,000	4.00	6,000	4.00
	At the End of the year (or on the date of separation, if separated during the year) (31-03-2017)	N.A.	N.A.	6,000	4.00
6.	<b>Vandana Desai j/w Berjis Desai</b>	7,500	5.00	7,500	5.00



	separation, if separated during the year) (31-03-2017)				
7.	<b>Ajwani Infrastructure Private Limited</b>	870	0.58	870	0.58
	At the End of the year (or on the date of separation, if separated during the year) (31-03-2017)	N.A.	N.A.	870	0.58
8.	<b>Navin Ajwani j/w Garima Ajwani</b>	4,530	3.02	4,530	3.02
	At the End of the year (or on the date of separation, if separated during the year) (31-03-2017)	N.A.	N.A.	4,530	3.02
9.	<b>Parag K. Shah j/w Mansi P. Shah</b>	3,000	2.00	3,000	2.00
	At the End of the year (or on the date of separation, if separated during the year) (31-03-2017)	N.A.	N.A.	3,000	2.00
10.	<b>Pre Niel Nair*</b>	6,000	4.00	6,000	4.00
	At the End of the year (or on the date of separation, if separated during the year) (31-03-2017)	N.A.	N.A.	6,000	4.00

\* Mr. Pre Niel Nair resigned as Director w.e.f 12<sup>th</sup> August, 2016.

v. Shareholding of Directors and Key Managerial Personnel:

Sl. No.		Shareholding at the beginning of the year (01.04.2016)		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	<b>For each of the Directors and KMP</b>				
1.	<b>Vijay Arora</b>	6,000	4.00	6,000	4.00
	At the End of the year (or on the date of separation, if separated during the year) (31.03.2017)	N.A.	N.A.	6,000	4.00
2.	<b>Satish Agarwal</b>	N.A.	N.A.	N.A.	N.A.
	At the End of the year (or on the date of separation, if separated during the year) (31.03.2017)	N.A.	N.A.	N.A.	N.A.
3.	<b>Pre Niel Nair*</b>	6,000	4.00	6,000	4.00
	At the End of the year (or on the date of separation, if separated during the year) (31.03.2017)	N.A.	N.A.	6,000	4.00

\* Mr. Pre Niel Nair resigned as Director w.e.f 12<sup>th</sup> August, 2016.



**V. INDEBTEDNESS:**

	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	50,30,80,036	-	50,30,80,036
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	6,64,43,668	-	6,64,43,668
Total (i+ii+iii)	-	56,95,23,704	-	56,95,23,704
Change in Indebtedness during the financial year				
Addition	-	4,36,81,810		4,36,81,810
Reduction	-	(1,37,34,000)		(1,37,34,000)
Net Change	-	2,99,47,810		2,99,47,810
Indebtedness at the end of the financial year				
i) Principal Amount	-	53,20,80,036	-	53,20,80,036
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	6,73,91,478	-	6,73,91,478
Total (i+ii+iii)	-	59,94,71,514	-	59,94,71,514

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

The Directors of the Company are not paid any kind of remuneration and as per Companies Act, 2013 the Company is not required to appoint any Key Managerial Personnel; hence the disclosure is not applicable to the Company.

**A. REMUNERATION TO OTHER DIRECTORS:**

Sl. No.	Particulars of Remuneration	Name of Directors	Total Amount (in Rs.)
	1. Independent Directors		NIL
	• Fee for attending board / committee meetings	-	
	• Commission	-	
	• Others, please specify	-	
	<b>Total (1)</b>		
	2. Other Non-Executive Directors		
	• Fee for attending board / committee meetings	Mr. Satish Agarwal	
		Mr. Vijay Arora	
	• Commission	Mr. Preniel Nair*	
	• Others, please specify		
	<b>Total (2)</b>		
	<b>Total (B)=(1+2)</b>		
	<b>Total Managerial Remuneration</b>		
	Overall Ceiling as per the Act	N.A.	

\* Mr. Preniel Nair resigned as Director w.e.f 12<sup>th</sup> August, 2016.

**B. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD:**

The Company has not appointed any Key Managerial Personnel during the F.Y. 2016-17; hence the disclosure is not applicable to the Company.



**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)
<b>A. COMPANY</b>					
Penalty			NIL		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			NIL		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			NIL		
Punishment					
Compounding					

Place: Mumbai  
Date: 08.06.2017



For and on behalf of the Board of Directors

Director  
Satish Agarwal  
DIN: 02099862

Director  
Vijay Harbans Arora  
DIN: 02679981

**Registered Office:**  
808, Krushal Commercial Complex,  
Above Shoppers Stop, G. M. Road,  
Chembur (W), Mumbai – 400 089  
CIN: U45202MH2009PTC194430  
T: 22 2526 0582. F: 22 2526 1589  
Email: [office@maninfra.com](mailto:office@maninfra.com)

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF ROYAL NETRA CONSTRUCTIONS PRIVATE LIMITED.**

#### **Report on the Indian Accounting Standards (Ind AS) Financial Statements**

We have audited the accompanying Ind AS financial statements of Royal Netra Constructions Private Limited ("the Company), which comprise the Balance Sheet as at 31st March, 2017, Statement of Profit and Loss (including other comprehensive income), the statement of cash flow and the statement of changes in equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "Ind AS financial statements").

#### **Management's Responsibility for the Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance (including other comprehensive income), cash flows and statement of changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified in the Companies (Indian Accounting Standards) Rules 2015 (as amended) under Section 133 of the Act.

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

#### **Auditor's Responsibility**

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's 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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, and its loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### Emphasis of Matter

We draw attention to note 5.1.3 to the financials which describes the writ filed against the Company and government authorities by Jijamata Nagar Sankalp Co-Operative Housing Society against designating the land under the Draft Development Plan 2034 (Draft DP 2034) dated 25th February, 2015, is now being shown as designated for reservation of Public Open Space and Dispensary/Health Post as opposed to existing status of the plot which is partly in residential zone and partly in road and partly reserved for playground, vide letter of Intent (LOI) issued by Slum Rehabilitation Authority dated 15th April, 2009.

Draft Development Plan 2034 (Draft DP 2034) dated 25th Feb' 2015 has not been finalized and many changes are done by the Government Authorities in the said draft plan in recent times. The management is constantly observing the changes and progress to the Draft DP 2034 and is confident that the Final Plan would remove all the anomalies.

Our opinion is not qualified in respect of this matter.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The balance sheet, statement of profit and loss (including other comprehensive income), the statement of cash flow and the statement of changes in equity dealt with by this report are in agreement with the books of account.



- d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- e) On the basis of the written representations received, from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses, as required under applicable law or accounting standard.
  - 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 its Ind AS financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407 (E) dated 8<sup>th</sup> November, 2016 of the Ministry of Finance, during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosure are in accordance with the books of accounts maintained by the company and as produced to us by the management.

For Shaparia Mehta & Associates LLP  
Chartered Accountants  
(Firm's Registration No.- 112350W / W-100051)

**Sandeep Kumar Chhajjer**  
Partner  
Membership No.- 160212  
Place of Signature: Mumbai  
Date: 08<sup>th</sup> June, 2017.





**Annexure A to the Independent Auditor's Report**

The Annexure referred to in our Independent Auditor's Report to the members of Royal Netra Constructions Private Limited on the financial statements for the year ended 31 March 2017, we report that:

- i. The Company does not own any asset in the current year, thus the provisions of clauses i (b) and i (c) of the order are not applicable to the company.
- ii. The year end inventory comprises of construction work in progress. Considering the nature of construction work and manner in which same is carried out, we are of the opinion that records maintained at sites are adequate and proper.
- iii. According to the information and explanations given to us and on the basis of our examination of the books of accounts, the Company has not granted loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses iii (b) and iii (c) of the order are not applicable to the Company.
- iv. According to the information and explanations given to us and on the basis of our examination of the books of accounts, the Company has not given loans, guarantees, and security, or invested in other companies. Consequently, provision of this clause of the order is not applicable to the Company.
- v. In our opinion and according to the information and explanations given to us the Company has not accepted any deposits from the public so as to require any compliance of the directives of Reserve Bank of India or the provisions of section 73 or 76 of the Companies Act, 2013. As explained to us, the Company has not received any order passed by the Company Law Board or the National Company Law Tribunal or any court or other forum.
- vi. According to the information and explanation given to us, maintenance of cost records is not applicable to the Company.
- vii. In respect of Statutory dues:
  - a. in our opinion and according to the information and explanations given to us, the Company is normally regular in depositing undisputed statutory dues including Income-tax TDS, Service tax, and any other applicable statutory dues to the appropriate authorities. There is no outstanding statutory dues as on the last day of the financial year for a period of more than six months from the date they became payable.
  - b. According to the information and explanations given to us, there are no disputed dues of Income tax, service tax which have not been deposited on account of any dispute.
- viii. In our opinion and according to the information and explanations given to us the Company, the Company did not have any outstanding loans or borrowing to financial institutions, banks, government or dues to debenture holders during the year. Thus reporting requirements under this sub-clause are not applicable.



- ix. The Company has neither raised any money by way of initial public offer or further public offer (including debt instruments) nor any term loans during period under audit. Accordingly, provision of this clause of the order is not applicable to the Company.
- x. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.
- xi. In our opinion and according to the information and explanations given to us, the company has not paid or provided any managerial remuneration. Hence, reporting requirements under this clause are not applicable.
- xii. The Company is not a Nidhi Company as defined under section 406 of the Companies Act, 2013. Accordingly, reporting under this clause of the order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us, all transactions with the related parties during the current audit period are in compliance with section 177 and 188 of Companies Act, 2013. The Company has complied with the requirement disclosing the details in the Financial Statements etc., as required by the applicable accounting standards.
- xiv. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit. Hence, reporting requirements under this clause (xiv) are not applicable.
- xv. On the basis of information and explanation given to us, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, clause (xv) of the order is not applicable.
- xvi. In our opinion and according to the information and explanations given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For Shaparia Mehta & Associates LLP**  
**Chartered Accountants**  
**(Firm's Registration No.- 112350W / W-100051)**

**Sandeep Kumar Chhajjer**  
**Partner**  
**Membership No.- 160212**  
**Place of Signature: Mumbai**  
**Date: 08<sup>th</sup> June, 2017.**



**Annexure - B to the Auditor's Report**

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

1. We have audited the internal financial controls over financial reporting of Royal Netra Constructions Private Limited ("the Company") as of 31<sup>st</sup> March, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

2. 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.

**Auditor's Responsibility**

3. 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.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.  
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



**ROYAL NETRA CONSTRUCTIONS PVT LTD**

**Balance Sheet as at 31st March, 2017**

(Amount in Rupees)

Particulars	Note No	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
<b>APPLICATION OF FUNDS</b>				
<b>I Non Current Assets</b>				
a Intangible Assets	3	-	-	63,873,510
b Other Non Current Assets	4	475,504	408,949	557,934
<b>Total Non Current Assets (I)</b>		<b>475,504</b>	<b>408,949</b>	<b>64,431,444</b>
<b>II Current Assets</b>				
a Inventories	5	740,152,355	704,460,779	628,049,571
b Financial Assets				
(i) Cash and Cash Equivalent	6	330,326	6,057,560	1,919,244
(ii) Bank Balance other than (i) above	7	8,800,000	8,800,000	8,800,000
(ii) Loans	8	250,000	250,000	-
c Other Current Assets	9	-	-	49,960
<b>Total Current Assets (II)</b>		<b>749,532,681</b>	<b>719,568,339</b>	<b>638,818,775</b>
<b>Total Assets (I)+(II)</b>		<b>750,008,185</b>	<b>719,977,288</b>	<b>703,250,219</b>
<b>EQUITY AND LIABILITIES</b>				
<b>III Equity</b>				
Equity Share Capital	10	15,000,000	15,000,000	15,000,000
Other Equity	11	(7,758,296)	(7,669,774)	(7,422,112)
<b>Total Capital(III)</b>		<b>7,241,705</b>	<b>7,330,226</b>	<b>7,577,888</b>
<b>IV Current Liabilities</b>				
a Financial liabilities				
(i) Borrowings	12	532,080,036	503,080,036	486,220,036
(ii) Trade payables	13	143,102,500	143,038,500	143,540,500
(iii) Other financial liabilities	14	67,512,978	66,506,313	65,865,959
b Other current liabilities	15	70,966	22,213	45,836
<b>Total Current Liabilities (IV)</b>		<b>742,766,480</b>	<b>712,647,062</b>	<b>695,672,331</b>
<b>Total Equity &amp; Liabilities (III)+(IV)</b>		<b>750,008,185</b>	<b>719,977,288</b>	<b>703,250,219</b>

In terms of our Report of even date attached.

For Shaparia Mehta & Associates L L P  
Chartered Accountants  
Firm Registration No.: 112350W / W-100051

*Chhajer*  
Partner  
Name: Sandeep Kumar Chhajer  
Membership No: 160212



For Royal Netra Costructions Pvt Ltd

*[Signature]*  
Director

*Vijay Anand*  
Director



Place : Mumbai  
Date : 08.06.2017

**ROYAL NETRA CONSTRUCTIONS PVT LTD**

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

(Amount in Rupees)

Particulars		Note No.	For the year ended 31st March, 2017	For the year ended 31st March, 2016
I	Revenue from operations		-	-
II	Other income	16	665,547	748,068
III	<b>Total Income (I)+(II)</b>		<b>665,547</b>	<b>748,068</b>
IV	<b>Expenses</b>			
	Changes in inventories of finished goods, work in progress and stock-in-trade	5	(35,691,576)	(76,411,208)
	Finance costs	17	2,313,123	716,061
	Depreciation and amortisation expense	3	-	63,873,510
	Other expense	18	34,132,522	12,817,367
	<b>Total expenses (IV)</b>		<b>754,069</b>	<b>995,730</b>
	<b>(Loss) before exceptional items and tax</b>		<b>(88,522)</b>	<b>(247,662)</b>
	Exceptional items		-	-
V	<b>(Loss) before tax (III)-(IV)</b>		<b>(88,522)</b>	<b>(247,662)</b>
VI	<b>Tax expense</b>			
	a) Current tax		-	-
	b) Deferred tax		-	-
	<b>(Loss) for the period from continuing operations</b>		<b>(88,522)</b>	<b>(247,662)</b>
	<b>(Loss) from discontinued operations</b>		-	-
	Tax expense of discontinued operations		-	-
	<b>(Loss) from discounting operations (after tax)</b>		<b>(88,522)</b>	<b>(247,662)</b>
VII	<b>(Loss) for the year (V)-(VI)</b>		<b>(88,522)</b>	<b>(247,662)</b>
VIII	<b>Other Comprehensive Income</b>			
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		-	-
	<b>Total Other Comprehensive Income [A (i)-(ii) + B (i)-(ii)] (VIII)</b>		<b>-</b>	<b>-</b>
IX	<b>Total Comprehensive Income for the year (VII)+(VIII)</b>		<b>(88,522)</b>	<b>(247,662)</b>
X	<b>Earnings per equity share - Basic and Diluted (Rs.)</b>	22	<b>(0.59)</b>	<b>(1.65)</b>
	Weighted average number of equity shares		150,000	150,000
	(Face value of Rs. 100/- each)			

In terms of our Report of even date attached.

For Shaparia Mehta & Associates L L P  
Chartered Accountants  
Firm Registration No.: 112350W/W-100051

  
  
Partner  
Name: Sandeep Kumar Chhajjar  
Membership No: 160212



For Royal Netra Costructions Pvt Ltd

  
Director

  
Director

Place : Mumbai  
Date : 08.06.2017

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2017

(Amount in Rupees)

PARTICULARS	2016-2017		2015-2016	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
(Loss) before tax		(88,522)		(247,662)
<b>Adjustment for</b>				
Depreciation	-		63,873,510	
Finance Cost	2,313,123		716,061	
Interest Income	(665,547)		(745,493)	
		1,647,576		63,844,078
		1,559,055		63,596,416
<b>Adjustment for changes in Working Capital</b>				
Changes in Inventories	(35,691,576)		(76,411,208)	
Other Non Current Assets	-		223,535	
Other Current Assets	-		49,960	
Loans	-		(250,000)	
Current Financial Liabilities-Trade Payables	64,000		(502,000)	
Other Current Financial Liabilities	58,855		(1,517)	
Other Current Liabilities	48,753		(23,623)	
		(35,519,968)		(76,914,853)
Cash generated from operations		(33,960,914)		(13,318,437)
Taxes (paid)/ Refund				
Net cash from operating activities - (A)		(33,960,914)		(13,318,437)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Interest Income	665,547		745,493	
Less : TDS on interest	(66,555)		(74,550)	
		598,992		670,943
Net cash used in investing activities- (B)		598,992		670,943
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Interest Paid	(1,365,313)		(74,190)	
Loan Refunded	(12,600,000)		(9,100,000)	
Loan Taken	41,600,000		25,960,000	
Net cash from financing activities - (C)		27,634,687		16,785,810
<b>D. NET (DECREASE) IN CASH AND CASH EQUIVALENT (A+B+C)</b>		(5,727,235)		4,138,316
Opening cash and cash equivalent		6,057,560		1,919,244
Closing cash and cash equivalent		330,326		6,057,560
(Decrease) in Cash Balance		(5,727,235)		4,138,316

Notes :

1 Cash and Cash equivalent represents Cash and bank balances.

2 Cash & Cash Equivalents as under:

Cash on Hand  
Balance In Current accounts with scheduled Banks

	As at 31.03.2017	As at 31.03.2016
	5,000	5,000
	325,326	6,052,560
	330,326	6,057,560

In terms of our report of even date attached.

For Shaparia Mehta & Associates L L P  
Chartered Accountants  
Firm Registration No: 12350WSW-100051

Partner  
Name: Sandeep Kumar Chhajer  
Membership No: 160212



For ROYAL NETRA CONSTRUCTIONS PVT LTD



Director

Director

Place : Mumbai  
Date : 08.06.2017

**1 Company Background:**

Royal Netra Construction Private Limited (the "Company") is incorporated and domiciled in India. The Company is a subsidiary of DB Realty Limited, which is listed with National Stock Exchange and Bombay Stock Exchange. The Company has its principal place of business in Mumbai and its Registered Office is at 808, Krushal Commercial Complex, Above Shoppers Stop, G. M. Road, Chembur (West), Mumbai - 400089.

The Company is engaged in the business of Real Estate Development and Construction with specific concentration on redevelopment under the SRA Projects in the city of Mumbai.

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

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

**(A) Significant Accounting Policies:**

**2.1 Basis of preparation of Ind AS Financial Statements:**

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

For all periods up to and including the year ended 31st March 2016, the Company prepared its financial statements in accordance with Indian GAAP, including accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended). These financial statements for the year ended 31 March 2017 are the first financial statements the Company has prepared in accordance with Ind AS. Refer Note No.26.6 for information on how the Company adopted Ind AS, including the details of the first time adoption exemptions availed by the Company.

The Ind AS financial statements have been prepared on a historical cost basis, except for financial assets and liabilities measured at fair value (refer accounting policy no. 2.6 regarding financial instruments). Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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

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

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

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



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

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

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

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

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

An asset is considered as current when it is:

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

All other assets are classified as non-current.

A liability is considered as current when:

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

All other liabilities are classified as non-current.

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

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

## **2.3 Intangible Assets and amortisation thereof:**

Goodwill on amalgamation is amortised over period of 5 years.





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

#### **2.4 Inventories:**

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

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

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

#### **2.5 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 are also considered before revenue is recognised:

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



each of the contracts and it is reasonable to expect that the parties to such contracts will comply with the payment terms as defined in the contracts.

(ii) **Interest Income:**

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

**2.6 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.
- Financial assets at fair Value
  - Financial assets at Fair Value through Other Comprehensive Income. (FVTOCI)
  - Financial assets at Fair Value through Statement of Profit and Loss. (FVTPL)

*Financial Assets at Amortised Cost:*

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

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the 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.

*Financial Assets at FVTOCI:*

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



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

*Financial Assets at FVTPL:*

Even if an instrument meets the two requirements to be measured at amortised cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an "accounting mismatch") that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

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

*Derecognition:*

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

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

*Impairment of Financial Assets:*

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

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

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



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

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

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.

*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.

**2.7 Borrowing Costs:**



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

## 2.8 Taxes on Income:

### *Current Income Taxes:*

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

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

### *Deferred Taxes:*

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

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

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

### *Minimum Alternate Tax (MAT):*



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

## **2.9 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.

## **2.10 Earnings Per Share:**

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year are adjusted for events including a bonus issue, bonus element in right issue to existing shareholders, share split, and reverse share split (consolidation of shares).

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

## **2.11 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.

## **2.12 Statement of Cash Flows:**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or



accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

**2.13 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.

**2.14 Judgements:**

In the process of applying the Company's accounting policies, management has made the judgement in respect of outcome of legal case and executability of the project which has the most significant effects on the amounts recognised in the financial statements.).

**2.15 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. 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. The main estimate is related to Project are as under:

The Company, being a real estate development company, prepares budgets in respect of its project to compute project profitability. The major components of project estimates 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.



**(C) Recent Accounting Pronouncements:**

Standard issued but not yet effective:

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





## ROYAL NETRA CONSTRUCTIONS PVT LTD

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

#### A. Equity Share Capital

Particulars	Amount (Rs.)
Balance as at 1st April, 2015	15,000,000
Changes in equity share capital during the year ended 31st March, 2016	-
Balance as at 31st March, 2016	15,000,000
Changes in equity share capital during the year ended 31st March, 2017	-
Balance as at March 31, 2017	15,000,000

#### B. Other Equity

(Amount in Rs.)

Particulars	Retained Earnings
Balance as at 1st April, 2015	(7,422,112)
(Loss) for the year ended 31st March, 2016	(247,662)
Other Comprehensive Income for the year, net of income tax	-
Total Comprehensive Income for the year	(247,662)
Balance as at March 31, 2016	(7,669,774)
(Loss) for the year ended 31st March, 2017	(88,522)
Other Comprehensive Income for the year, net of income tax	-
Total Comprehensive Income for the year	(88,522)
Balance as at 31st March, 2017	(7,758,296)



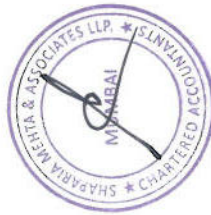
ROYAL NETRA CONSTRUCTIONS PVT LTD  
Notes forming part of the financial statements

3 Intangible Assets

Particulars	Gross Block				Amortisation				Net Block	
	As at 1st April, 2016	Additions	Deduction / Scrap	As at 31st March, 2017	Up to 1st April, 2016	For the year	Deduction / Scrap	Up to 31st March, 2017	As at 31st March, 2017	As at 31st March, 2016
In-Tangible Asset Goodwill on Amalgamation (Refer Note below)	319,367,573	-	-	319,367,573	319,367,573	-	-	319,367,573	-	-
<b>Total</b>	<b>319,367,573</b>	<b>-</b>	<b>-</b>	<b>319,367,573</b>	<b>319,367,573</b>	<b>-</b>	<b>-</b>	<b>319,367,573</b>	<b>-</b>	<b>-</b>
as at 31st March, 2016	319,367,573	-	-	319,367,573	255,494,063	-	-	319,367,573	-	63,873,510
as at 1st April, 2015	319,367,573	-	-	319,367,573	191,620,547	-	-	255,494,063	63,873,510	127,747,026

**Note:**

The Debit Balance arising on the amalgamation has been debited to the Goodwill, as per the Order the Honorable high Court of Mumbai dated 22nd March, 2012. The same shall be amortized over a period of 5 years beginning with the financial year 2011-2012. The amortized value of the Goodwill has been added to the cost of Work - In - Progress and carried forward as Closing Inventory.



4 Other Non Current Assets

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(Unsecured, considered good)			
MAT Credit Entitlement	72,425	72,425	72,425
Income Tax Refund	52,296	102,256	75,791
Tax recoverable	350,783	234,268	159,718
Other Receivables	-	-	250,000
<b>Total</b>	<b>475,504</b>	<b>408,949</b>	<b>557,934</b>

5 Inventories

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(Valued at lower of cost or net realisable value)			
Work-in-progress (Refer Note 5.1 below)	740,152,355	704,460,779	628,049,571
<b>Total</b>	<b>740,152,355</b>	<b>704,460,779</b>	<b>628,049,571</b>

5.1 Details of inventory of work-in-progress

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Land Cost	41,786,055	41,786,055	41,786,055
Development Rights	118,000,000	118,000,000	118,000,000
Land Premium	5,664,995	5,664,995	5,664,995
Purchase of Materials	396,307	396,307	396,307
Labour Job	130,107	130,107	130,107
Hardship Compensation for Shifting	148,248,500	114,204,500	101,760,500
Professional Fees ( Architect )	1,906,618	1,906,618	1,906,618
Coordination Charges	2,500,000	2,500,000	2,500,000
Bank Guarantee Charges	96,966	96,966	96,966
Employee Benefit Cost	14,854,968	14,854,968	14,854,968
Gratuity, Leave & Bonus Provision Written Back	(413,162)	(413,162)	(413,162)
Conveyance Expenses	222,850	222,850	222,850
Diwali Expenses	3,096,188	3,096,188	3,096,188
Site Expenses	529,000	529,000	403,000
Other Expenses	314,722	314,722	314,722
Interest On Loan Taken	88,299,596	85,986,473	85,273,282
Less : Interest on Bank F D R	(4,848,928)	(4,183,381)	(3,437,888)
Amortization of goodwill	319,367,573	319,367,573	255,494,063
	<b>740,152,355</b>	<b>704,460,779</b>	<b>628,049,571</b>

5.1.1 Expenses incurred in relation to slum dwellers have been included under Work –In – Progress.

5.1.2 Payments made for the SRA project are being shown as Work –In – Progress.



5.1.3 As per the the Draft Development Plan 2034 (Draft DP 2034) dated 25th Feb' 2015, the plot/property (a part of the Land where the Company is to execute a SRA project) occupied by Jijamata Nagar Sankalp Co-Operative Housing Society (JijaMata Society) is now being shown as designated for reservation of Public Open Space and Dispensary/Health Post as opposed to existing status of the plot which is partly in residential zone and partly in road and partly reserved for playground, vide letter of Intent (LOI) issued by Slum Rehabilitation Authority dated 15th April,2009.

Jija Mata Society has filed writ petition in High Court against designating the said Plot as per above and inaction/ refusal on the part of authorities in revalidating the LOI despite all requisite steps have been taken.

#### 6 Cash and Cash equivalents

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(a) Bank Balances in Current Accounts	325,326	6,052,560	1,914,444
(b) Cash on hand	5,000	5,000	4,800
<b>Grand Total :</b>	<b>330,326</b>	<b>6,057,560</b>	<b>1,919,244</b>

#### Disclosures on specified bank notes (SBNs)

During the year, the Company had specified bank notes and other denomination notes as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017. The details of Specified Bank Notes (SBN) held and transacted during the period from November 08, 2016 to December 30, 2016 are as under:

	SBN	Other Denomination	Total
Closing cash in hand as on November 08, 2016*	4,000	256	4,256
(+) Permitted receipts	-	-	-
(+) Other receipts	-	4,744	4,744
(-) Permitted payments	-	-	-
(-) Amount deposited in Banks	(4,000)	-	(4,000)
<b>Closing cash in hand as on December 30, 2016</b>	<b>-</b>	<b>5,000</b>	<b>5,000</b>

\* Including amounts given as imprest and advances.

The information in relation to other denomination is given in respect of balance as on November 08, 2016.

#### 7 Bank Balance other than Cash and Cash Equivalents

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Fixed Deposit with maturity more than 3 months but less than 12 months (*)	8,800,000	8,800,000	8,800,000
<b>Grand Total :</b>	<b>8,800,000</b>	<b>8,800,000</b>	<b>8,800,000</b>

(\*) Rs.88,00,000/- (88,00,000 as at 31 March, 2016) which have original maturity of 12 months.

#### 8 Current Financial Assets - Loans

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(Unsecured, considered good) Other Receivables	250,000	250,000	-
<b>Total</b>	<b>250,000</b>	<b>250,000</b>	<b>-</b>

#### 9 Other Current Assets

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(Unsecured, considered good) Balances with Statutory Authorities	-	-	49,960
<b>Total</b>	<b>-</b>	<b>-</b>	<b>49,960</b>



10 Share Capital

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Number of shares	Amount in Rupees	Number of shares	Amount in Rupees	Number of shares	Amount in Rupees
<b>(a) Authorized</b>						
Equity shares of Rs.100 each with voting rights	185,000	18,500,000	185,000	18,500,000	185,000	18,500,000
0%Redeemable / convertible Participating Preference Shares of Rs.100 each	165,000	16,500,000	165,000	16,500,000	165,000	16,500,000
<b>(b) Issued</b>						
Equity shares of Rs.100 each fully paid-up	150,000	15,000,000	150,000	15,000,000	150,000	15,000,000
<b>(c) Subscribed &amp; paid up</b>						
Equity shares of Rs.100 each fully paid-up	150,000	15,000,000	150,000	15,000,000	150,000	15,000,000
<b>Total</b>	<b>150,000</b>	<b>15,000,000</b>	<b>150,000</b>	<b>15,000,000</b>	<b>150,000</b>	<b>15,000,000</b>

(a) Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the year:

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Number of shares	Amount in Rupees	Number of shares	Amount in Rupees	Number of shares	Amount in Rupees
Shares outstanding at the beginning of the year	150,000	15,000,000	150,000	15,000,000	150,000	15,000,000
Shares Issued during the year	-	-	-	-	-	-
Shares outstanding at the end of the year	<b>150,000</b>	<b>15,000,000</b>	<b>150,000</b>	<b>15,000,000</b>	<b>150,000</b>	<b>15,000,000</b>

The Company has Equity shares having face value of Rs. 100/- per share. Each shareholder is eligible for one vote per share held. the voting rights dividend rights and winding up rights are in proportion to number of shares held.

(b) Details of Equity Shares held by shareholders holding more than 5% of the aggregate shares in the Company.

Name of shareholder	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Number of shares held	% of holding	Number of shares held	% of holding	Number of shares held	% of holding
D B Realty Ltd	75,600	50.40%	75,600	50.40%	75,600	50.40%
Murugan Properties And Management Pvt Ltd	15,000	10.00%	15,000	10.00%	15,000	10.00%
Rajendra Mirani	12,000	8.00%	12,000	8.00%	12,000	8.00%

(c) Details of shares held by the holding company:

Particulars	Equity shares with voting rights	% of holding
As at 31st March, 2017		
D B Realty Ltd	75,600	50.40%
As at 31st March, 2016		
D B Realty Ltd	75,600	50.40%
As at 1st April, 2015		
D B Realty Ltd	75,600	50.40%



11 Other Equity

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
<b>Security Premium Account :</b>			
Balances at the beginning of the year	13,500,000	13,500,000	13,500,000
Add : Addition During the year	-	-	-
Balances at the end of the year	13,500,000	13,500,000	13,500,000
<b>Retained Earnings</b>			
Balances at the beginning of the year	(21,169,774)	(20,922,112)	(20,922,112)
Less: Depreciation written off according to Companies Act 2013.		-	
Add: (Loss) for the year	(88,522)	(247,662)	
Balances at the end of the year	(21,258,296)	(21,169,774)	(20,922,112)
<b>Total</b>	<b>(7,758,296)</b>	<b>(7,669,774)</b>	<b>(7,422,112)</b>

12 Current Financial Liabilities - Borrowings

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
<b>Unsecured Loans:</b>			
repayable on demand	162,828,036	150,328,036	30,526,600
from related parties [ Refer Note no.: 21]	369,252,000	352,752,000	455,693,436
<b>Total</b>	<b>532,080,036</b>	<b>503,080,036</b>	<b>486,220,036</b>

- 12.1 Out of Unsecured Loans repayable on Demand as at 31st March' 2016 - Loan amount of Rs.91,00,000/- bears interest @ 9% p.a. The corresponding amount as at 31st March, 2015 is Rs.75,00,000/-.

13 Current Financial Liabilities - Trade payables

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
- Total outstanding dues of micro enterprises and small enterprises (Refer Note No. 19)		-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	143,102,500	143,038,500	143,540,500
<b>Total</b>	<b>143,102,500</b>	<b>143,038,500</b>	<b>143,540,500</b>

- 13.1 The company will allot constructed area to the creditor as a part consideration. Trade payable includes estimated cost of constructions of such constructed area.

14 Other Current Financial Liabilities

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Interest accrued and not due on borrowings	5,014,276	4,066,466	3,424,595
Interest accrued and not due on borrowings from related party [ Refer Note no.: 21]	62,377,202	62,377,202	62,377,202
Others	121,500	62,645	64,162
<b>Total</b>	<b>67,512,978</b>	<b>66,506,313</b>	<b>65,865,959</b>

15 Other current liabilities

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Statutory dues	70,966	22,213	45,836
<b>Total</b>	<b>70,966</b>	<b>22,213</b>	<b>45,836</b>



16 Other income

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Interest income on financial assets at amortized cost (Refer Note 16.1 below)	665,547	748,068
<b>Total</b>	665,547	748,068

16.1

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Interest income comprises:		
Interest from banks on: deposits	665,547	745,493
Interest on income tax refund	-	2,575
<b>Total - Interest income</b>	665,547	748,068

17 Finance costs

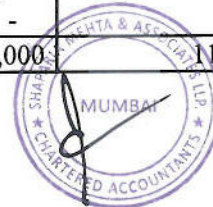
Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Interest expense on: financial liabilities at amortized cost	2,313,123	716,061
<b>Total</b>	2,313,123	716,061

18 Other expenses

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Hardship Compensation for Shifting	34,044,000	12,444,000
Conveyance expenses	-	31,630
Rates and taxes	2,500	2,500
Site expenses	-	126,000
Legal and professional	13,148	16,587
ROC fees	3,000	2,400
Payments to auditors (Refer Note 18.1 below)	55,000	118,880
Miscellaneous expenses	14,874	75,370
<b>Total</b>	34,132,522	12,817,367

18.1 Bifurcation of payment to auditors

Payments to the auditors :		
As auditors - statutory audit	40,000	47,700
For taxation matters	15,000	71,180
For other services	-	-
<b>Total</b>	55,000	118,880



**ROYAL NETRA CONSTRUCTIONS PVT LTD**

Notes forming part of the financial statements

**18.2 Bifurcation of Other Expenses**

Particulars	For the year ended 31st March, 2017		For the year ended 31st March, 2016	
	For the year ended 31 March, 2017 [ H.O. ]	For the year ended 31 March, 2017 [ W-I-P ]	For the year ended 31 March, 2016 [ H.O. ]	For the year ended 31 March, 2017 [ W-I-P ]
Hardship Compensation for Shifting	-	34,044,000	-	12,444,000
Conveyance Expenses	-	-	31,630	-
Diwali Expenses	-	-	-	-
Rates and taxes	2,500	-	2,500	-
Legal and professional	13,148	-	16,587	-
Site expenses	-	-	-	126,000
ROC Fees	3,000	-	2,400	-
Payments to auditors	55,000	-	118,880	-
Miscellaneous expenses	14,874	-	75,370	-
<b>Total</b>	<b>88,522</b>	<b>34,044,000</b>	<b>247,367</b>	<b>12,570,000</b>





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

(Amount in Rupees)

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Principal Amount outstanding to suppliers under MSMED Act, 2006 beyond the appointed date.	-	-
Interest accrued on the 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.	-	-

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

20 Segment Reporting

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

21 Related Party Disclosure

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

A. List of Related Parties with whom transactions have taken place and their relationship:

a) Holding Company

D B Realty Ltd

b) Key Management Personnel

Mr. Vijay Arora

Mr. Preniel Nair

Mr. Satish Agarwal

Mr Parag K Shah - ( Date of Resignation : 10.12.2015 )

B. Transactions with Related Parties and outstanding balances as on 31.03.2017



(Amount in Rupees)

Description	Holding Company	Key Management Personnel	Total
<b>Transaction during the year</b>			
Taken during the year	17,500,000 (9,284,000)	- (5,502,920)	17,500,000 (14,786,920)
Repaid during the year	- (0)	1,000,000 (0)	1,000,000 (0)
Interest on Loan	- (0)	- (0)	- (0)
<b>Closing Balance</b>			
Loan	359,252,000 (341,752,000)	10,000,000 (11,000,000)	369,252,000 (352,752,000)
Accrued Net Interest On Loan	62,377,202 (62,377,202)	- -	62,377,202 (62,377,202)



**Notes :**

- 1.) Related parties have been identified by the Management
- 2.) Figures in bracket relates to the previous year
- 3.) Closing Loan Balance of Mr Parag K Shah as at 31.03.2016, of Rs.11,77,28,356/- is not considered as he has resigned from Directorship w.e.f.10.12.2015

**22 Earnings Per Share:**

The Profit/ (Loss) considered in ascertaining the Company's Earnings Per Share comprises the net profit/ (loss) after tax. The number of shares used in computing Basic and Diluted Earnings Per share is the weighted average number of shares outstanding during the period

**(Amount in Rupees)**

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
Net Loss after tax as per Statement of Profit & Loss	(88,522)	(247,662)
Weighted Number of Shares outstanding during the year	150,000	150,000
Basic & Diluted Earnings per Share	(0.59)	(1.65)
Face value per Equity Share	100	100

**23 Deferred Tax**

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

**24 Contingent Liability :**

There is no contingent liability as on 31st March, 2017

**25 Financial Instruments**

The significant accounting policies, including the criteria of recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset and financial liability are disclosed in note 2.6 of the Ind AS financial statements.

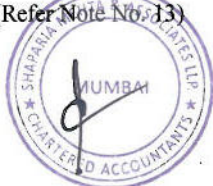
**25.1 Financial assets and liabilities:****(Amount in Rupees)**

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

Particulars	Amortised Cost	Carrying amount As at 31st March, 2017
<b>Financial assets:</b>		
(i) Cash and Cash Equivalents (Refer Note No. 6)	330,326	330,326
(ii) Other balances with Bank (Refer Note No.7)	8,800,000	8,800,000
(iii) Loans (Refer Note No. 8 )	250,000	250,000
<b>Total</b>	<b>9,380,326</b>	<b>9,380,326</b>
<b>Financial liabilities:</b>		
(i) Borrowings (Refer Note No. 12)	532,080,036	532,080,036
(ii) Trade payables (Refer Note No. 13)	143,102,500	143,102,500
(iii) Other financial liabilities (Refer Note No. 14)	67,512,978	67,512,978
<b>Total</b>	<b>742,695,514</b>	<b>742,695,514</b>

The carrying value of financial instruments by categories as of 31st March, 2016 were as follows:

Particulars	Amortised Cost	Carrying amount As at 31st March, 2016
<b>Financial assets:</b>		
(i) Cash and Cash Equivalents (Refer Note No. 6)	6,057,560	6,057,560
(ii) Other balances with Bank (Refer Note No. 7)	8,800,000	8,800,000
(iii) Loans (Refer Note No. 8 )	250,000	250,000
<b>Total</b>	<b>15,107,560</b>	<b>15,107,560</b>
<b>Financial liabilities:</b>		
(i) Borrowings (Refer Note No. 12)	503,080,036	503,080,036
(ii) Trade payables (Refer Note No. 13)	143,038,500	143,038,500



(iii) Other financial liabilities (Refer Note No. 14)	66,506,313	66,506,313
<b>Total</b>	<b>712,624,849</b>	<b>712,624,849</b>

The carrying value of financial instruments by categories as of 1st April, 2015 were as follows:

Particulars	Amortised Cost	Carrying amount As at 1st April, 2015
<b>Financial assets:</b>		
(i) Cash and Cash Equivalents (Refer Note No. 6)	1,919,244	1,919,244
(ii) Other balances with Bank (Refer Note No. 7)	8,800,000	8,800,000
<b>Total</b>	<b>10,719,244</b>	<b>10,719,244</b>
<b>Financial liabilities:</b>		
(i) Borrowings (Refer Note No. 12)	486,220,036	486,220,036
(ii) Trade payables (Refer Note No. 13)	143,540,500	143,540,500
(iii) Other financial liabilities (Refer Note No. 14)	65,865,959	65,865,959
<b>Total</b>	<b>695,626,495</b>	<b>695,626,495</b>

## 25.2 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.

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 two types of risk: interest rate risk and liquidity risk. Financial instruments affected by market risk include loans and borrowings.

### (A) Interest Risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates. However, the Company does not have any borrowings with floating rate of interest and thus sensitivity analysis is not disclosed.

### (B) Liquidity Risk:

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of loans. The Company has access to a sufficient variety of sources of funding which includes funding from holding company which is expected to be rolled over in case of any liquidity gap. Further, the Company is adequately supported by the holding company to provide financial stability.



Notes Forming Part of Financial Statements

**26 First-time Ind AS adoption reconciliations**

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

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

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

**(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 opted to continue with the carrying values measured under the previous GAAP and use that carrying value as the deemed cost for 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 1st April, 2015 and 31st March, 2016 are consistent with those made for the same dates in accordance with previous GAAP.

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

**b. Derecognition of financial assets:**

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

**c. Classification and movement of financial assets and liabilities:**

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

**Signatures to Notes 1 to 26**

In terms of our report of even date attached.

For Shaparia Mehta & Associates L L P  
Chartered Accountants  
Firm Registration No: 112350W / W-100051

  
Partner  
Name: Sandeep Kumar Chhajjer  
Membership No: 160212



Place: Mumbai  
Date : 08.06.2017



For ROYAL NETRA CONSTRUCTIONS  
PVT LTD

  
Director

  
Director