

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ABP REALTY ADVISORS PRIVATE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **ABP REALTY ADVISORS PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these 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 there under.

We conducted our audit 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 financial statements are free from material misstatement.



An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the 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 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its loss and its cash flows for the year ended on that date.

Emphasis of Matters

We draw attention to Note 15 in the Financial Statements which indicates that the Company has accumulated losses and its net worth has been completely eroded, the Company has incurred a net cash loss during the current year and, the Company's current liabilities exceeded its current assets as at the balance sheet date. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, the financial statements of the Company have been prepared on a going concern basis for the reasons stated in the said Note.

Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

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



- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) The going concern matter described under the Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
- (f) On the basis of the written representations received from the Directors as on 31st March, 2016 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2016 from being appointed as a Director in terms of Section 164 (2) of the Act.
- (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
- The Company has disclosed the impact of pending litigations, if any as at March 31, 2016 on its financial position in its financial statements.
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

FOR DALAL DOSHI & ASSOCIATES

Firm Registration No.: 121773W

Chartered Accountants



VIRAL DOSHI

Partner

Membership No.: 105330



Place : Mumbai

Date : 18th May, 2016

ANNEXURE A REFERRED TO IN OUR REPORT TO THE MEMBERS OF ABP REALTY ADVISORS PRIVATE LIMITED ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016;

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that: -

- (i) The Company did not have any Fixed Assets during the year. Therefore, the provisions of clause 3 (i) of the Companies (Auditors Report) Order, 2016 are not applicable to the Company;
- (ii) The Company did not have any Inventories during the year. Therefore, the provisions of clause 3 (ii) of the Companies (Auditors Report) Order, 2016 are not applicable to the Company;
- (iii) The Company has not granted any loans, secured or unsecured, to Companies, Firms, Limited Liability Partnerships, or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of clause 3 (iii) of the Companies (Auditors Report) Order, 2016 are not applicable to the Company;
- (iv) The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company;
- (v) The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under. Therefore, the provisions of clause 3 (v) of the Companies (Auditors Report) Order, 2016 are not applicable to the Company;
- (vi) The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company. Therefore, the provisions of clause 3 (vi) of the Companies (Auditors Report) Order, 2016 are not applicable to the Company;
- (vii)
 - a) According to the records of the Company, it has been generally regular in depositing, wherever applicable, undisputed statutory dues including Income Tax, Sales Tax, Vat, Wealth Tax, Custom Duty, Cess and other statutory dues with the appropriate authorities; However, there were no amounts outstanding as at the last day of the financial year for a period exceeding six months from the date they became payable.
 - b) On the basis of our examination of documents and records of the Company, and explanation provided to us, there were no disputed dues in respect of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty or Cess;
- (viii) On the basis of records examined by us and the information and explanations given to us, the Company has not accepted any loans from any financial institution or banks or issued debentures. Therefore, the provisions of clause 3 (viii) of the Companies (Auditors Report) Order, 2016 are not applicable to the Company;



- (ix) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company;
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management;
- (xi) The Company has not paid / provided managerial Remuneration hence, the provisions of Section 197 read with Schedule V to the Act are not applicable. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company.
- (xii) The Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- (xiii) The Company has not entered into any related party transactions as covered by the section 188 of the Act. The details of related party transaction have been disclosed in the financial statements as required under Accounting Standard 18 - Related Party Disclosers specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act, and accordingly, to this extent, the provisions of Clause 3(xiii) of the Order are not applicable to the Company.
- (xiv) The company has not made any preferential allotment / private placement of shares or fully or partly convertible debentures during the year. Therefore, the provision of clause 3 (xiv) of the Companies (Auditors Report) Order, 2016 are not applicable to the Company;
- (xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company;



- (xvi) In our opinion, the company is not required to be registered **under** section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions **of** clause 3 (xvi) of the Order are not applicable to the Company and hence not **commented** upon.

FOR DALAL DOSHI & ASSOCIATES

Firm Registration No.: 121773W

Chartered Accountants

V.

VIRAL DOSHI

Partner

Membership No.: 105330

Place : Mumbai

Date : 18th May, 2016



"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF ABP REALTY ADVISORS PRIVATE LIMITED

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

We have audited the internal financial controls over financial reporting of ABP REALTY ADVISORS PRIVATE LIMITED ("the Company") as of March 31, 2016 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

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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

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

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



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a **process** designed to provide reasonable assurance regarding the reliability of financial **reporting** and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial **control** over financial reporting includes those policies and procedures that;

- (1) pertain to the maintenance of records that, in reasonable detail, **accurately** and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as **necessary** to permit preparation of financial statements in accordance with generally **accepted** accounting principles and that receipts and expenditures of the company are **being** made only in accordance with authorizations of management and directors of the **company**; and
- (3) provide reasonable assurance regarding prevention or timely **detection** of unauthorized acquisition, use, or disposition of the company's assets that could **have** a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate **internal** financial controls system over financial reporting and such internal financial **controls** over financial reporting were operating effectively as at March 31, 2016, based on **the** internal control over financial reporting criteria established by the Company, **considering** the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR DALAL DOSHI & ASSOCIATES

Firm Registration No.:121773W

Chartered Accountants



VIRAL DOSHI

Partner

Membership No.: 105330



Place : Mumbai

Date : 18th May, 2016

ABP REALTY ADVISORS PRIVATE LIMITED

CIN: U67190MH2007PTC172390

Balance Sheet As at 31st March, 2016

Particulars	Note No.	As At 31st March, 2016 ₹	As At 31 st March, 2015 ₹
I. EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	5,00,000	5,00,000
Reserves and surplus	4	(1,81,99,766)	(1,81,80,282)
		(1,76,99,766)	(1,76,80,282)
Current liabilities :			
Short-term borrowings	5	2,24,597	2,24,597
Other current liabilities	6	1,76,59,773	1,76,54,496
		1,78,84,370	1,78,79,093
TOTAL		1,84,604	1,98,811
II. ASSETS			
Current Assets			
Cash and bank balances	7	71,687	85,600
Short-term loans and advances	8	1,12,917	1,13,211
		1,84,604	1,98,811
TOTAL		1,84,604	1,98,811

Significant Accounting Policies

1 to 2

Notes on Financial Statements

3 to 16

As per attached report of even date

FOR DALAL DOSHI & ASSOCIATES

Firm Registration No. 121773W

Chartered Accountants

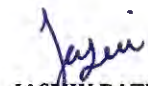
**VIRAL DOSHI**

Partner

Membership No: 105330



For and on behalf of the board

**JASMIN RATHOD**

Director

DIN: 03147669

**PRAPHUL SHINDE**

Director

DIN: 03140671

Mumbai

Date : 18-05-2016

ABP REALTY ADVISORS PRIVATE LIMITED

CIN: U67190MH2007PTC172390

Statement of Profit and Loss for the year ended 31st March, 2016

Particulars	Note No.	Year Ended 31st March, 2016 ₹	Year Ended 31 st March, 2015 ₹
INCOME			
Other income	9	1,313	-
TOTAL REVENUE		1,313	-
EXPENSES			
Other Expenses	10	19,190	81,609
TOTAL EXPENSES		19,190	81,609
Profit/(Loss) before tax		(17,877)	(81,609)
Tax expense :			
Current tax		-	-
Excess /(Short) provision for taxation in respect of earlier years		(1,607)	-
Deferred tax		-	-
Profit / (Loss) for the year		(19,484)	(81,609)
Earning per equity share	11		
Basic & Diluted		(0.39)	(1.63)

Significant Accounting Policies

1 to 2

Notes on Financial Statements

3 to 16

As per attached report of even date

FOR DALAL DOSHI & ASSOCIATES**For and on behalf of the board**

Firm Registration No. 121773W

Chartered Accountants

**VIRAL DOSHI**

Partner

Membership No: 105330

**JASMIN RATHOD**

Director

DIN: 03147669

**PRAPHUL SHINDE**

Director

DIN: 03140671

Mumbai

Date : 18-05-2016

Cash Flow Statement for the year ended 31st March, 2016

	As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
I. Cash flows arising from operating activities		
Net Profit / (Loss) before tax as per Statement of Profit and Loss	(19,484)	(81,609)
Add / (Less) :		
Interest Income	-	-
Operating Profit Before Working Capital Changes	(19,484)	(81,609)
Changes in working capital:		
(Increase) / decrease in Loans and advances	294	-
Increase in Trade Payables & Other Payables	5,277	22,473
Cash generated from Operations	5,571	22,473
Net income tax (paid) / refunds	(13,913)	(59,136)
Net cash flow from / (used in) operating activities (A)	(13,913)	(59,136)
II. Cash flows arising from Investing activities		
Inflow / (Outflow) on account of :		
Interest Income	-	-
Net cash flow from / (used in) investing activities (B)	-	-
III. Cash flows arising from Financing activities		
Inflow / (Outflow) on account of :		
Proceeds of short term borrowings	-	(2,50,000)
Net cash flow from / (used in) financing activities (C)	-	(2,50,000)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	(13,913)	(3,09,136)
Cash and cash equivalents the beginning of the year	85,600	3,94,736
Cash and cash equivalents at the end of the year	71,687	85,600
Components of Cash and bank balances (Refer Note 7)		
Cash on hand	8,270	8,270
Balances with banks	63,417	77,330
- in current account	71,687	85,600

As per attached report of even date

FOR DALAL DOSHI & ASSOCIATES

Firm Registration No. 121773W

Chartered Accountants



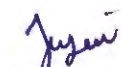
VIRAL DOSHI

Partner

Membership No: 105330



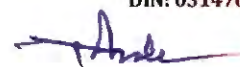
For and on behalf of the board

JASMIN RATHOD

Director

DIN: 03147669



PRAPHUL SHINDE

Director

DIN: 03140671

Mumbai

Date : 18-05-2016

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

NOTE '1'

Corporate Information

ABP Realty Advisors Private Limited is a subsidiary of Public Limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is engaged in the business of investment advisors, consultants for real estate and infrastructure funds including but not limited to advise on investment by the aforesaid funds in all kind of real estate and infrastructure projects.

NOTE '2'

Significant Accounting Policies

I. Basis Of Preparation Of Financial Statements

The financial statements have been prepared and presented complying the section 134(5) of Companies Act, 2013 in accordance with the accounting principles generally accepted in India and in accordance with the applicable Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. Guidance Notes and other relevant provisions of the Companies Act, 1956 and Companies Act, 2013.

II. Use Of Estimates

The preparation of financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known / materialized

III. Revenue Recognition

A. Revenue from Consultancy & Advisory Services:

Revenue from consultancy & advisory services are accrued and accounted for as and when the services are provided and the revenue for the same is certain. Where the income / revenue is contingent or uncertain, recognition for the same is postponed to the extent of significant uncertainty.

B. Interest Income

Interest is recognised on time proportion basis taking in to account the amount outstanding and the rate applicable

C. Others:

Other Revenues / Incomes and Costs / Expenditure are generally accounted on accrual, as they are earned or incurred.

IV. Borrowing Costs

Interests and other borrowing costs are charged to the Profit and Loss Account.

V. Segment Reporting

The company is engaged in the business of Investment Advisors, which as per Accounting Standards AS-17- 'Segment Reporting' is considered to be the only reportable business segment. The Company is also operating within the same geographical segment. Hence, disclosures under AS-17 are not applicable.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

VI. Taxations

Income tax expense comprises Current Tax and Deferred Tax charge or credit. Provision for current tax is made on the basis of the assessable income at the tax rate applicable to the relevant assessment year. The deferred tax asset and deferred tax liability is calculated by applying tax rate and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognized, only if there is a virtual certainty of its realization, supported by convincing evidence. Deferred tax assets on account of other timing differences are recognized only to the extent there is a reasonable certainty of its realization. At each Balance Sheet date, the carrying amounts of deferred tax assets are reviewed to reassure realization.

Excess / short provision for taxation are recognised on completion of necessary taxation proceedings (viz. revised returns, assessments, etc.)

In case, the Company is liable to pay income tax under Section 115JB of Income Tax, 1961 (i.e. MAT), the amount of tax paid in excess of normal income tax is recognised as an asset (MAT Credit Entitlement) only if there is convincing evidence for realisation of such asset during the specified period. MAT Credit entitlement is reviewed at each Balance Sheet date.

VII. Impairment of Assets

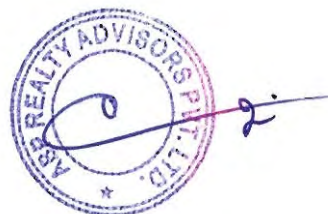
An asset is treated as impaired when the carrying cost of the assets exceeds its recoverable value. An impairment loss is charged to the Profit & Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

VIII. Earning Per Share

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

IX. Provisions, Contingent Liabilities and Contingent assets

Provisions involving a substantial degree of estimation in measurement are recognised when there is present obligation as a result of past events and its probable there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the financial statement. Contingent assets are neither recognised nor disclosed in the financial statements.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

NOTE '3'

SHARE CAPITAL

AUTHORISED

250,000 (P.Y. 250,000) Equity Shares of ₹ 10/- each

ISSUED, SUBSCRIBED AND PAID UP

50,000 (P.Y. 50,000) Equity Shares of ₹ 10/- each fully paid up

Total

As at 31 st March, 2016 ₹	As at 31 st March, 2015 ₹
25,00,000	25,00,000
25,00,000	25,00,000
5,00,000	5,00,000
5,00,000	5,00,000

31 st March, 2016 (Nos)	31 st March, 2015 (Nos)
---------------------------------------	---------------------------------------

3.1 Reconciliation of the number of Equity shares outstanding at the beginning and at the end of the year

Number of Shares at the Beginning

Add/(Less) :

Issue during the year

Buyback during the year

Conversion during the year

Number of shares at the end of the reporting year Total

50,000	50,000
-	-
-	-
-	-
50,000	50,000

31 st March, 2016 (Nos)	31 st March, 2015 (Nos)
---------------------------------------	---------------------------------------

3.2 Equity Shares held by its holding company or its ultimate holding company, subsidiaries or associates of the holding company or the ultimate holding company

Hubtown Limited with Beneficiary Owners

Total

50,000	50,000
50,000	50,000

31 st March, 2016	
Nos.	% of Holdings

31 st March, 2015	
Nos.	% of Holdings

3.3 Equity Shareholders holding more than five percent of holdings

Hubtown Limited with Beneficiary Owners

Total

50,000	100%
50,000	100%

50,000	100%
50,000	100%

3.4 Terms / Right attached to Ordinary Equity Shares :

The company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity share is entitled to one vote per share. The company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing annual general meeting.

As at 31 st March, 2016 ₹	As at 31 st March, 2015 ₹
(1,81,80,282)	(1,80,98,673)
(19,484)	(81,609)
(1,81,99,766)	(1,81,80,282)

NOTE '4'

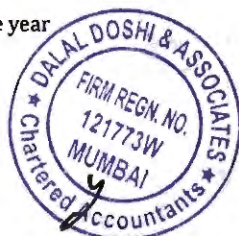
RESERVES AND SURPLUS

Deficit in Statement of Profit and Loss

Balance as per Last the Statement of Profit and Loss

Add: Profit / (Loss) for the year

Total



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

NOTE '5'

SHORT TERM BORROWINGS

Unsecured loans repayable on demand:
- from related party (Refer Note 12)

Total

As at 31 st March, 2016 ₹	As at 31 st March, 2015 ₹
2,24,597	2,24,597
<u>2,24,597</u>	<u>2,24,597</u>

NOTE '6'

OTHER CURRENT LIABILITIES

Other payables :

- Business Advances
- Others Miscellaneous

Total

As at 31 st March, 2016 ₹	As at 31 st March, 2015 ₹
1,76,00,000	1,76,00,000
59,773	54,496
<u>1,76,59,773</u>	<u>1,76,54,496</u>

NOTE '7'

CASH AND BANK BALANCES

Cash on hand
Balances with banks
- in current account

As at 31 st March, 2016 ₹	As at 31 st March, 2015 ₹
8,270	8,270
63,417	77,330
<u>71,687</u>	<u>85,600</u>

NOTE '8'

SHORT-TERM LOANS AND ADVANCES

Loans

- (Unsecured, considered good)
- to related parties (Refer Note 12)
 - to others

As at 31 st March, 2016 ₹	As at 31 st March, 2015 ₹
108,367	1,02,959
4,550	-
<u>1,12,917</u>	<u>1,02,959</u>

Other advances

Income tax deducted at source (Net of Provision ₹ Nil, P.Y. ₹ 14,250)

-	10,252
-	10,252
<u>1,12,917</u>	<u>1,13,211</u>



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

		Year Ended 31 st March, 2016 ₹	Year Ended 31 st March, 2015 ₹
NOTE '9'			
OTHER INCOME			
- Interest on IT Refund		1,313	-
Total		1,313	-
		Year Ended 31 st March, 2016 ₹	Year Ended 31 st March, 2015 ₹
NOTE '10'			
OTHER EXPENSES			
Legal and Professional Fees		1,710	31,462
Other Expenses (Refer footnote)		17,480	50,147
Total		19,190	81,609
Footnote:		31 st March, 2016 ₹	31 st March, 2015 ₹
Auditor's Remuneration (included in other expenses)			
Statutory Audit Fees		6,000	6,000
Limited Review Fees		-	9,000
Service tax on above		840	1,854
		6,840	16,854



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

	As at 31st March, 2016	As at 31 st March, 2015
NOTE '11'		
Earnings Per Share (EPS)		
Profit / (Loss) after tax (₹)	(19,484)	(81,609)
Weighted average number of equity shares (Nos)	50,000	50,000
Earnings per equity share (Nominal Value of share of ₹ 10 /- each)		
Basic & Diluted	(0.39)	(1.63)

NOTE '12'**Related Party Disclosures****A. Name of related parties and description of relations**

Holding Company	: Hubtown Limited
Fellow Subsidiary Company	: Ackruti Safeguard Systems Private Limited Citygold Education Research Limited Citygold Farming Private Limited Citywood Builders Private Limited Devkrupa Build Tech Limited Diviniti Projects Private Limited Gujarat Akruiti - TCG Biotech Limited Halitious Developer Limited Headland Farming Private Limited Hedde Knowledge Private Limited Heet Builders Private Limited India Development And Construction Venture Capital Private Limited Joynest Premises Private Limited Sheshan Housing And Area Development Engineers Limited (Up to April 1, 2015) Twenty Five South Realty Limited Upvan Lake Resorts Private Limited Urvi Build Tech Limited Vama Housing Limited Vega Developers Private Limited Vishal Techno Commerce Limited Yantti Buildcon Private Limited

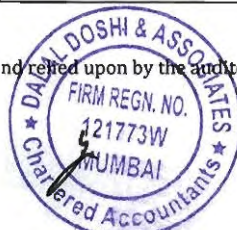
B. Transactions with related parties

Particulars	Related party relation	Amount (₹)
Loans received / recovered / adjusted		
Hubtown Limited	Holding Company	- (1,00,000)
Loans repaid / given / Adjusted		
Hubtown Limited	Holding Company	- (350,000)
India Development and Construction Venture Capital Private Limited	Fellow Subsidiary	5,408
Loan		
Hubtown Limited (Payable)	Holding Company	224,597 (224,597)
India Development and Construction Venture Capital Private Limited (Receivable)	Fellow Subsidiary	108,367 (102,959)

Footnote:

a. Previous year figures are given in brackets.

b. Related Party relationships are identified by the company and relied upon by the auditors



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

NOTE '13'

Contingent Liabilities

The company does not have any contingent liabilities as on the balance sheet date as certified by the management and relied upon by the auditors.

NOTE '14'

In the opinion of the Board of Directors of the Company, all the items of Current assets, Current liabilities and Loans and advances continues to have a realisable value of at least the amount at which they are stated in the balance sheet

NOTE '15'

The accumulated losses of the Company have resulted in complete erosion of the net worth of the Company. The Company's management is, however, of the view that the said erosion is temporary in nature as the Company is in the process of procuring new business, the proceeds of which when fructified, would result in turnaround of the Company. The Company to that extent does not consider the erosion of the net worth as an impediment to its status as a going concern.

NOTE '16'

Previous year's figures have been regrouped / recast wherever necessary.

As per attached report of even date

FOR DALAL DOSHI & ASSOCIATES

Firm Registration No. 121773W

Chartered Accountants



VIRAL DOSHI

Partner

Membership No: 105330



Mumbai

Date : 18-05-2016

For and on behalf of the Board



JASMIN RATHOD

Director

DIN: 03147669



PRAPHUL SHINDE

Director

DIN: 03140671


ABP REALTY ADVISORS PRIVATE LIMITED
CIN: U67190MH2007PTC172390

Inter company transactions during the financial year 2015-16 And the balances as on 31st March 2016

NAME OF THE GROUP COMPANIES	Relation	Holding	LIABILITIES ST - Borrowing	LIABILITIES Equities	ASSETS L & A - Current
SCHEDULE VI GROUPING	As on		Loan taken from Related Parties	ESC/ PSC/ Capital in JVs & Firms	Loan to Related Parties
	31st March, 2016	Percentage (%)			
Hubtown Limited	Subsidiary	100%	2,24,597	5,00,000	-
Subsidiaries					
India Devel. & Constr. Venture Capital Pvt. Ltd.	Fellow Subsidiary	100%	-	-	1,08,367
TOTAL			2,24,597	5,00,000	1,08,367

Encl. Ledger confirmation

For DALAL DOSHI & ASSOCIATES
FIRM REGISTRATION No.:121773W
CHARTERED ACCOUNTANTS


VIRAL DOSHI
PARTNER
Membership No. 105330



For and on behalf of the board




JASMIN RATHOD
Director
DIN: 03147669


PRAPHUL SHINDE
Director
DIN: 03140671

Mumbai
Date : 18-05-2016

INDEPENDENT AUDITOR'S REPORT

TO

The Members of Ackruti Safeguard Systems Private Limited

Report on the financial statements

We have audited the accompanying financial statements of **ACKRUTI SAFEGUARD SYSTEMS PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act and the Rules made thereunder including the Accounting standards and matters which are required to be included in the audit report.

We conducted our audit 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 financial statements are free from material misstatement.



An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the 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 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- I. As required by the provisions of 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the Order;
- II. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the Directors as on 31st March, 2016 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2016 from being appointed as a Director in terms of Section 164 (2) of the Act.

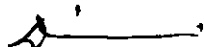


- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with 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 has disclosed the impact of pending litigations, if any as at March 31, 2016 on its financial position in its financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.

FOR DALAL DOSHI & ASSOCIATES

Firm Registration No.: 121773W

Chartered Accountants



DINESH DOSHI

Partner

Membership No.: 9464

Place: Mumbai

Date: 19th May, 2016



"ANNEXURE A" INDEPENDENT AUDITORS' REPORT REFERRED TO IN OUR REPORT TO THE MEMBERS OF ACKRUTI SAFEGUARD SYSTEM PRIVATE LIMITED ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that: -

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.

(b) The Fixed Assets have been physically verified by the Management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed asset has been physically verified by the Management during the year and no material discrepancies between the book records and the physical fixed assets have been noticed;

(c) The title deeds of the immovable properties, as disclosed in Note 10 on fixed assets to the financial statements, are held in the name of the Company.
- ii. The physical verification of inventory has been conducted at reasonable intervals by the Management during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been appropriately dealt with in the books of accounts;
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3 (iii), (iii) (a), (iii) (b) and (iii) (c) of the said Order are not applicable to the Company.
- iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified. Therefore, the provisions of Clause 3(v) of the said Order are not applicable to the Company.
- vi. In our opinion, and according to the information and explanation given to us, the Company has not crossed the threshold limit as prescribed by the Central government under sub-section (1) of section 148 of the Act for maintenance of cost records and hence the provision for maintenance of records are not applicable to the company;
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, except for dues in respect of Tax Deducted at Source, the Company is generally regular in depositing undisputed statutory dues, including Service Tax, Sales Tax, duty of customs, duty of excise and other material statutory dues, as applicable, with the appropriate authorities. The extent of arrears of statutory dues outstanding as at Balance Sheet date, for a period exceeding six months from the date they became payable are ₹ 40,207/- relating to Tax Deducted at Source.



- (b) According to the information and explanation given to us and records of the Company examined by us, there are no dues of Income Tax, Wealth Tax, Service Tax, Sales tax including value added tax, duty of customs and duty of excise which have not been deposited on account of any dispute;
- viii. As the Company does not have any loans or borrowings from any financial institution or bank or Government, nor has it issued any debentures as at the balance sheet date, Therefore, the provisions of Clause 3(viii) of the Order are not applicable to the Company.
- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans during the year. Therefore, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practice in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.
- xi. The Company has not paid / provided managerial Remuneration hence, the provisions of Section 197 read with Schedule V to the Act are not applicable. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company.
- xii. As the Company is not a Nidhi Company, the provisions of clause (3)(xii) of the Order are not applicable to the company;
- xiii. The Company has not entered into any related party transactions as covered by the section 188 of the Act. The details of related party transaction have been disclosed in the financial statements as required under Accounting Standard 18 - Related Party Disclosers specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act, and accordingly, to this extent, the provisions of Clause 3(xiii) of the Order are not applicable to the Company.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debenture during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. Based upon the audit procedures performed and the information and explanations given by the Management, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company;



xvi. The company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company.

FOR DALAL DOSHI & ASSOCIATES

Firm Registration No.: 121773W

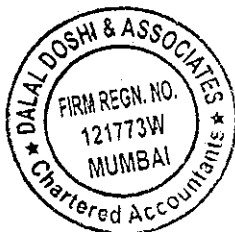
Chartered Accountants



DINESH DOSHI

Partner

Membership No.: 9464



Place: Mumbai

Date: 19th May, 2016

"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF ACKRUTI SAFEGUARD SYSTEMS PRIVATE LIMITED

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

We have audited the internal financial controls over financial reporting of Ackruti Safeguard Systems Private Limited ("the Company") as of March 31, 2016 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

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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

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

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



Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control Over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

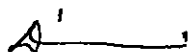
Inherent Limitations of Internal Financial Controls over Financial Reporting

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

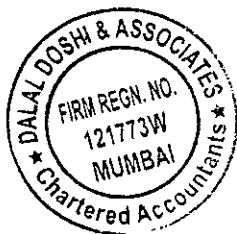
Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For DALAL DOSHI & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGISTRATION No.:121773W



DINESH DOSHI
PARTNER
Membership No.: 9464



Place: Mumbai
Date: 19th May, 2016

ACKRUTI SAFEGUARD SYSTEMS PRIVATE LIMITED
CIN: U51909MH1999PTC176073

BALANCE SHEET AS AT 31st MARCH, 2016

Particulars	Note No.	As At 31st March, 2016 ₹	As At 31 st March, 2015 ₹
I. EQUITY AND LIABILITIES			
Shareholders Funds			
Share capital	2	2,676,000	2,676,000
Reserves and surplus	3	(122,934,867)	(122,534,960)
		(120,258,867)	(119,858,960)
Non-Current Liabilities			
Deferred tax liabilities (net)	4	2,965,378	2,535,838
Other long term liabilities	5	2,800,000	2,836,308
Long Term Provision	6	-	29,434
		5,765,378	5,401,580
Current Liabilities			
Short-term borrowings	7	474,880	413,005
Trade payables	8	109,654	904,269
Other current liabilities	9	179,364,295	180,982,186
		179,948,829	182,299,460
Total		65,455,340	67,842,080
II. ASSETS			
Non-current assets			
Fixed assets :	10		
Tangible assets		33,071,931	35,222,604
Intangible assets		3,765,781	4,129,749
Non-current Investments	11	10,000	10,000
Long term loans and advances	12	1,075,500	1,075,500
		37,923,212	40,437,853
Current assets			
Current Investments	13	4,655,264	3,217,092
Inventories	14	7,189,159	8,441,853
Cash and bank balances	15	11,839,965	12,176,151
Short-term loans and advances	16	3,699,795	3,424,388
Other current assets	17	147,945	144,743
		27,532,128	27,404,227
Total		65,455,340	67,842,080

Significant Accounting Policies

1

Notes on Financial Statements

2 to 34

As per our report of even date

FOR DALAL DOSHI & ASSOCIATES

Chartered Accountants

Firm Registration No. 121773W

DINESH DOSHI

Partner

Membership No.: 9464

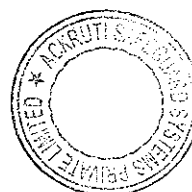


FOR AND ON BEHALF OF THE BOARD

KAMLESH SHAH

Director

DIN: 01317352



PRAPHUL SHINDE

Director

DIN : 03140671

Place: Mumbai

Date: 19th May, 2016

ACKRUTI SAFEGUARD SYSTEMS PRIVATE LIMITED

CIN: U51909MH1999PTC176073

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2016

Particulars	Note No.	Year Ended 31 st March, 2016 ₹	Year Ended 31 st March, 2015 ₹
I. INCOME			
Revenue from operations	18	16,018,070	14,317,256
Other income	19	818,235	822,041
Share of loss from partnership firm		(692)	
Total		16,835,613	15,139,297
II. EXPENSES			
Cost of materials consumed	20	3,289,651	3,926,837
Changes in inventories	21	1,065,884	(1,385,563)
Employee benefits expenses	22	584,679	754,920
Finance cost	23	74,498	737,680
Depreciation and amortisation	10	2,514,641	2,616,923
Other expenses	24	8,253,560	10,209,599
Total		15,782,913	16,860,396
Exceptional / Extraordinary Item		-	-
Profit / (Loss) before tax		1,052,700	(1,721,099)
Tax expense :			
Current tax		-	-
Deferred tax (charge) / credit		(429,540)	(423,003)
Profit / (Loss) after tax		623,160	(2,144,102)
Prior period adjustments (Net)	29	(1,023,067)	(9,504)
Loss for the year		(399,907)	(2,134,598)
Earning per equity share (Face Value of ₹ 10 /- each)			
Basic and Diluted	32	(8.00)	(42.69)

Significant Accounting Policies
Notes on Financial Statements

1
2 to 34

As per our report of even date

FOR DALAL DOSHI & ASSOCIATES

Chartered Accountants

Firm Registration No. 121773W

DINESH DOSHI

Partner

Membership No.: 9464

**FOR AND ON BEHALF OF THE BOARD****KAMLESH SHAH**

Director

DIN: 01317352

**PRAPHUL SHINDE**

Director

DIN: 03140671

Place: Mumbai

Date: 19th May, 2016

ACKRUTI SAFEGUARD SYSTEMS PRIVATE LIMITED
CIN: U51909MH1999PTC176073

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March, 2016

Particulars	2015 - 2016 ₹	2014 - 2015 ₹
Cash flows arising from operating activities		
Net Profit before tax as per Statement of Profit and Loss	1,052,700	(1,721,099)
Add / (Less) :		
Interest and Finance Charges	74,498	737,680
Depreciation and Amortisation	2,514,641	2,616,923
Prior Period Adjustments (Net)	(1,023,067)	9,504
Dividend received	(129,872)	(130,691)
Gain on redemption of Mutual Fund	(37,971)	-
Provision no longer required	(90,717)	-
Interest Income	(542,612)	(438,368)
	<u>764,900</u>	<u>2,795,048</u>
Operating Profit Before Working Capital Changes	1,817,600	1,073,949
Add / (Less) :		
(Increase) / Decrease in Inventories	1,252,694	(2,241,672)
(Increase) / Decrease in Trade and Other Receivables	(3,202)	(13,150)
(Increase) / Decrease in Loans and Advances	(349,651)	1,169,238
(Increase) / Decrease in Other Liabilities	(1,531,040)	(3,615,053)
Increase / (Decrease) in Trade Payables	(794,615)	(2,590,761)
Direct Taxes Paid	74,244	(21,872)
	<u>(1,351,570)</u>	<u>(7,313,270)</u>
Net Cash flow in the course of Operating Activities	466,030	(6,239,321)
Cash flows arising from investing activities		
Inflow / (Outflow) on account of :		
Interest Income	542,612	438,368
Dividend Income	129,872	130,691
Gain on redemption of Mutual Fund	37,971	-
Current Investments made	(1,438,172)	(3,217,092)
Fixed Assets (Outflow)	-	(1,136,150)
Proceeds from Long Term Investment	-	(10,000)
	<u>(727,717)</u>	<u>(3,794,183)</u>
Net Cash flow in the course of Investing Activities	(727,717)	(3,794,183)
Cash flows arising from Financing activities		
Inflow / (Outflow) on account of :		
Increase / (Decrease) in Unsecured Loans	61,875	29,977,138
Interest and Finance Charges Paid	(136,373)	(26,203,526)
	<u>(74,498)</u>	<u>3,773,612</u>
Net Cash flow in the course of Financing Activities	(74,498)	3,773,612
Net Increase in cash and cash Equivalents (I + II + III)	(336,186)	(6,259,892)
Add: Balance at the beginning of the year	12,176,151	18,436,043
Cash and Cash Equivalents at the end of the year	11,839,965	12,176,151
Reconciliation of Cash and Bank Balances given in Note - 15 is as follows :-		
Cash and Bank Balances	7,832,694	8,426,151
Term deposits held against bank guarantees	4,007,271	3,750,000
Cash and Cash Equivalents at the end of the year	11,839,965	12,176,151

As per attached report of even date
FOR DALAL DOSHI & ASSOCIATES
Chartered Accountants
Firm Registration No.121773W

DINESH DOSHI
Partner
Membership No.: 9464



Place: Mumbai
Date: 19th May, 2016

FOR AND ON BEHALF OF THE BOARD

KAMLESH SHAH
Director
DIN: 01317352



PRAPHUL SHINDE
Director
DIN : 03140671

Note 1

Corporate Information and Significant Accounting Policies

1 Corporate Information

Ackruti Safeguard Systems Private Limited is an unlisted private limited Company subsidiary of listed company domiciled in India, incorporated under the Companies Act, 1956. The Company's business is of manufacturers, buyers, sellers, traders, importers, exporters, merchant exporters, brokers, distributors, factors, stockiest, dealers of all kinds of high security number plates and to act as consultants and agents for any Government, semi-Government, or any other organization for all kinds of high security number plates and matters related thereto.

2 Significant Accounting Policies

I. Basis Of Preparation Of Financial Statements

The financial statements have been prepared to comply in all material aspects with the Accounting Standards notified by the Companies (Accounting Standards) Rules read with Rule 7 to the Companies (Accounts) Rules 2014 in respect of section 133 of the Companies Act, 2013. The financials statements are prepared under the historical cost conversion, on an accrual basis of accounting. The accounting policies applied are consistent with those used in the previous year.

All the Assets and Liabilities have been classified as current or non-current, wherever applicable, as per the operating cycle of the Company as per the guidance as set out in the Schedule III, to the Companies Act, 2013.

Operating Cycle for the business activities of the Company covers the duration of the specific contract/ Service and extends upto the realisation of receivables within the agreed credit period normally applicable to the respective contract.

II. Use Of Estimates

The preparation of financial statements in conformity with the generally accepted accounting principles in India requires the management to make estimates and assumptions, that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known / materialized.

III. Revenue Recognition

Revenue is recognised to the extent that is probable that the economic benefits will accrue to the Company and revenue can be reliably measured and also when it is reasonably certain that the ultimate collection will be made and that there is buyer's commitment to make the complete payment.

A Income from operation

- a) Revenues / Incomes and Costs / Expenditure are generally accounted on accrual, as they are earned or incurred
- b) Revenue is recognised as and when security plates is affixed on vehicle of the buyer including the ancillary cost.

B Interest & Dividend:

Interest is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable .

Dividend income is recognised when right to received dividend is established.

IV. Borrowing Costs

Interests and other borrowing costs are charged to the Statement of Profit and Loss.

V. Inventories

All inventories are stated at Cost or Net Realizable Value, whichever is lower.

'Cost' comprises of all costs of purchase, cost of conversion and other costs incurred in bringing the inventory to the present location and condition. The costs formulae used is 'First In First Out'.



2



VI. Tangible Assets and Depreciation / Amortisation

- a) Tangible Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation / amortisation and accumulated impairment losses, if any.
- b) Depreciation is provided on straight line basis on the balance useful life of the asset in the manner specified in Schedule II to the Companies Act, 2013.
- c) Cost of Leasehold Land is amortised on a straight line method, over the primary lease period.

VII. Intangible Assets and Depreciation / Amortisation

- a) Technical Knowhow are classified as a intangible assets and are stated at cost less accumulated amortisation. This are being amortised over the estimated useful life of twenty years, as determined by the management.

VIII. Taxations

Income tax expense comprises Current Tax and Deferred Tax charge or credit. Provision for current tax is made on the basis of the assessable income at the tax rate applicable to the relevant assessment year. The deferred tax asset and deferred tax liability is calculated by applying tax rate and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognized, only if there is a virtual certainty of its realization, supported by convincing evidence. Deferred tax assets on account of other timing differences are recognized only to the extent there is a reasonable certainty of its realization. At each Balance Sheet date, the carrying amounts of deferred tax assets are reviewed to reassure realization.

Excess / short provision for taxation are recognised on completion of necessary taxation proceedings (viz. revised returns, assessments, etc.)

In case the Company is liable to pay Income tax under Section 115JB of Income Tax Act , 1961 (i.e. MAT), the amount of tax paid in excess of normal income tax is recognised as an asset (MAT Credit Entitlement) only if there is convincing evidence for realization of such asset during the specified period . MAT credit entitlement is reviewed at each Balance Sheet date.

IX. Foreign Currency Transactions

- a) All transactions in foreign currency are recorded in the reporting currency, based on closing rates of exchange prevalent on the dates of the relevant transactions.
- b) Monetary Assets and Liabilities in foreign currency, outstanding as on the Balance Sheet date, are converted in reporting currency at the closing rates of exchange prevailing on the said date. Resultant gain or loss is recognised during the year in the statement or profit and loss.
- c) Non monetary Assets and Liabilities denominated in foreign currencies are carried at the exchange rate prevalent on the date of the transaction.

X. Segment Reporting

The Company has a single segment namely "Manufacturing of all kinds of High Security Number Plates". Therefore the company's business does not fall under different business segments as defined by AS - 17 - "Segmental Reporting" issued by ICAI. Further, the Company's operations are restricted to a single geographical segment.

XI. Provisions, Contingent Liabilities and Contingent assets

Provisions involving a substantial degree of estimation in measurement are recognised when there is present obligation as a result of past events and its probable there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the financial statement . Contingent assets are neither recognised nor disclosed in the financial statements.

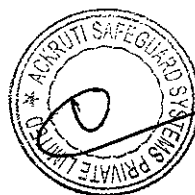


XII. Employee benefits

- A. **Short term employee benefits** are recognized as an expense at the undiscounted amount in the statement of profit and loss for the year in which the related service is rendered;
- B. **Post Employment Benefits**
Defined contribution plans: Company's contribution to State governed Provident Fund Scheme is recognized during the year in which the related service is rendered;
- C. **Termination Benefits** are recognized as an expense in the statement of profit and loss for the year in which they are incurred.

XIII. Impairment of Assets

The carrying amount of assets is reviewed at each Balance Sheet date. If there is any indication of impairment based on internal/external factors, i.e. when the carrying amount of the assets exceeds the recoverable amount, an impairment loss is charged to the statement of profit and loss in the year in which an asset is identified as impaired. An impairment loss recognised in prior accounting periods is reversed or reduced if there has been a favourable change in the estimate of the recoverable amount.



ACKRUTI SAFEGUARD SYSTEMS PRIVATE LIMITED
CIN: U51909MH1999PTC176073
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016
NOTE '2'
SHARE CAPITAL
AUTHORISED
Equity Shares
Class A

7,500,000 (P.Y. 7,500,000) Shares of ₹ 10/- each

Class B

1,500,000 (P.Y. 1,500,000) Shares of ₹10/- each

Preference Shares

100,000 (P.Y. 100,000) Preference Shares of ₹100/- each

TOTAL

As at 31 st March, 2016 ₹	As at 31 st March, 2015 ₹
--	--

75,000,000 75,000,000

15,000,000 15,000,000

10,000,000 10,000,000

100,000,000 100,000,000
ISSUED, SUBSCRIBED AND PAID UP
Equity Shares
Class A

50,000 (P.Y. 50,000) Shares of ₹10 each

Class B

17,600 (P.Y. 17,600) Shares of ₹10 each

Preference Shares

20,000 (P.Y. 20,000) 9% Cumulative Convertible Preference Shares of ₹100 each

TOTAL

500,000 500,000

176,000 176,000

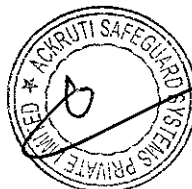
2,000,000 2,000,000

2,676,000 2,676,000

2.1 Reconciliation of the number of shares outstanding at the beginning and at the end of reporting year:	31st March, 2016			31st March, 2015		
	Equity Class (A)	Equity Class (B)	Preference	Equity Class (A)	Equity Class (B)	Preference
Number of Shares at the Beginning	50,000	17,600	20,000	50,000	17,600	20,000
Add/(Less) :						
Issue during the year	-	-	-	-	-	-
Buyback during the year	-	-	-	-	-	-
Redemption during the year	-	-	-	-	-	-
Conversion during the year	-	-	-	-	-	-
Number of Shares at the end of the reporting period	50,000	17,600	20,000	50,000	17,600	20,000

2.2 Shares held by its holding company or its ultimate holding company, subsidiaries or associates of the holding company or the ultimate holding company:	31st March, 2016			31st March, 2015		
	Equity (Class 'A')	Equity (Class 'B')	Preference	Equity (Class 'A')	Equity (Class 'B')	Preference
Holding Company						
Hubtown Limited	36,215	-	20,000	36,215	-	20,000
TOTAL	36,215	-	20,000	36,215	-	20,000

2.3 Shareholders holding more than five percent of holdings:	31st March, 2016		31st March, 2015	
	Nos	% of Holdings	Nos	% of Holdings
Equity (Class 'A')				
Hubtown Limited	36,215	72.43	36,215	72.43
Kushal H. Shah	3,090	6.18	3,090	6.18
Khilen V. Shah	3,090	6.18	3,090	6.18
Rushank V. Shah	3,090	6.18	3,090	6.18
Others	4,515	9.03	4,515	9.03
Equity (Class 'A') Total	50,000	100	50,000	100
Equity (Class 'B')				
Samar't S.A.	17,600	100	17,600	100
Equity (Class 'B') Total	17,600	100	17,600	100
Preference Shares				
Hubtown Limited	20,000	100	20,000	100
Preference Shares Total	20,000	100	20,000	100



ACKRUTI SAFEGUARD SYSTEMS PRIVATE LIMITED

CIN: U51909MH1999PTC176073

2.4 The rights, preferences and restrictions attached to each class of shares**Equity (Class 'A') :**

Class 'A' equity shares are having par value of ₹ 10/- per share. Each holder of equity share is entitled to one vote per share. The company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing annual general meeting. In the event of liquidation of company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Equity (Class 'B') :

Class 'B' shares does not have any right to vote or participate in the distribution of profits or capital.

9 % Cumulative Convertible Preference shares :

The Preference Shares of the Company shall be converted into fully paid equity shares of the Company on or after 1st April, 2012 or on such other date as may be decided by Board of Directors of the Company by exercising a call option vested in the Company for conversion of the Preference Shares on such terms and conditions as the Board of Directors may deem fit. The company has not exercised the call option till the balancesheet date. Dividend shall be payable on face value of the share and not on the issue price.

**NOTE '3'
RESERVES AND SURPLUS**

Deficit as per statement of profit and loss
Balance as per last financial statements
Loss for the year

TOTAL

As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
(122,534,960)	(120,400,362)
(399,907)	(2,134,598)
<u>(122,934,867)</u>	<u>(122,534,960)</u>

**NOTE '4'
DEFERRED TAX LIABILITY (NET)**

On account of :
Depreciation
Others
Net Deferred Liability

As at 31 st March, 2015 ₹	Charge/(Credit) during the year ₹	As at 31 st March, 2016 ₹
2,545,388	419,990	2,965,378
(9,550)	9,550	-
<u>2,535,838</u>	<u>429,540</u>	<u>2,965,378</u>

**NOTE '5'
OTHER LONG TERM LIABILITIES**

Others:
Deposit
Retention Money

TOTAL

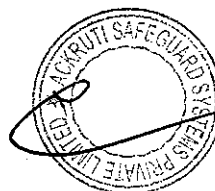
As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
2,800,000	2,800,000
-	36,308
<u>2,800,000</u>	<u>2,836,308</u>

**NOTE '6'
LONG TERM PROVISION**

Provisions for Employee benefits:
Provision for Leave Benefits

TOTAL

As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
-	29,434
<u>-</u>	<u>29,434</u>



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

NOTE '7'

SHORT TERM BORROWINGS

		As at 31 st March, 2016 ₹	As at 31 st March, 2015 ₹
Unsecured Loans		474,880	413,005
From a Company		474,880	413,005
TOTAL			

NOTE '8'

TRADE PAYABLES

		As at 31 st March, 2016 ₹	As at 31 st March, 2015 ₹
Other Payables		109,654	904,269
TOTAL		109,654	904,269

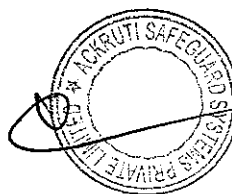
NOTE '9'

OTHER CURRENT LIABILITIES

		As at 31 st March, 2016 ₹	As at 31 st March, 2015 ₹
Interest accrued and due on borrowings		-	61,875
Advance from Customer		294,813	30,034
Business Advances from related party for project (Refer Footnote)		176,794,267	176,970,121
Other payables :			
Statutory dues		958,276	1,134,298
Other		1,316,939	2,785,858
TOTAL		179,364,295	180,982,186

Footnote:

Business Advance includes credits on account of reversal of Statutory liability of Tax deducted at source on interest accrued / paid of Rs. Nil (P.Y. 28,36,413/-), which is no longer outstanding and payable.



ACKRUTI SAFEGUARD SYSTEMS PRIVATE LIMITED

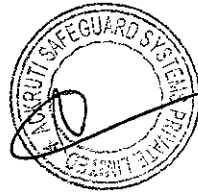
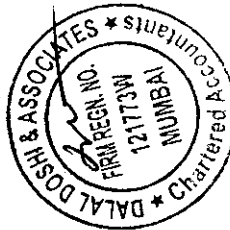
CIN: U51909MH1999PTC176073

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

NOTE '10' : FIXED ASSETS

NOTE 10: FIXED ASSETS (in ₹)

Sr.No	Fixed Assets	GROSS BLOCK			DEPRECIATION / AMORTISATION			NET BLOCK		
		Balance as at 1st April, 2015	Additions/ Adjustments during the year	Deduction / Adjustments	Balance as at 31st March, 2016	Balance as at 1st April, 2015	Provide during the year	Deduction / Adjustments	Balance as at 31st March, 2016	Balance as at 31st March, 2015
A.	Tangible Assets									
	Leasehold Land	10,304,642	-	-	10,304,642	1,987,345	303,068	-	8,014,229	8,317,297
	Building	18,635,052	-	-	18,635,052	2,160,423	595,469	-	15,879,160	16,474,629
	Plant and Machinery	14,144,024	-	-	14,144,024	4,374,829	801,614	-	8,967,581	9,769,195
	Computer	1,666,840	-	-	1,666,840	1,313,424	347,109	-	6,307	353,416
B.	Furniture and Fixtures	220,779	-	-	220,779	99,311	16,933	-	104,535	121,468
	Office equipment	347,829	-	-	347,829	161,230	86,480	-	100,119	186,599
	TOTAL A	45,319,166	-	-	45,319,166	10,096,562	2,150,673	-	33,071,931	35,222,604
	Intangible Assets									
	Technical Knowhow (note-1)	7,455,350	-	-	7,455,350	3,325,601	363,968	-	3,765,781	4,129,749
TOTAL (A + B)	TOTAL B	7,455,350	-	-	7,455,350	3,325,601	363,968	-	3,765,781	4,129,749
		52,774,516	-	-	52,774,516	13,422,163	2,514,641	-	36,837,712	39,352,353
	PREVIOUS YEAR FIGURES	51,742,645	1,136,150	104,279	52,774,516	10,909,519	2,616,923	104,279	39,352,353	-



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

NOTE '11'

NON CURRENT INVESTMENTS (Trade unless otherwise stated)
(Aggregate amount of unquoted investments)

Capital Investment in Partnership Firm (Refer footnote)
M/s Rising Glory Developers

As at 31 st March, 2016	As at 31 st March, 2015
₹	₹
10,000	10,000
10,000	10,000

Footnote:

Details of Investments made in capital of Partnership firm :

A. Partnership Firm
M/s Rising Glory Developers

Sr No	Name of Partners	31st March, 2016		31st March, 2015	
		Capital Contribution	Profit Sharing Ratio	Capital Contribution	Profit Sharing Ratio
1	Hubtown Limited	10,000	20.00%	10,000	4.78%
2	Ackruti Safeguard System Private Limited	10,000	5.33%	10,000	4.76%
3	Citygold Education Research Limited	10,000	5.33%	10,000	4.76%
4	Citygold Farming Private Limited	10,000	5.33%	10,000	4.76%
5	Diviniti Projects Private Limited	10,000	5.33%	10,000	4.76%
6	Halitious Developers Limited	10,000	5.33%	10,000	4.76%
7	Headland Farming Private Limited	10,000	5.33%	10,000	4.76%
8	Heddle Knowledge Private Limited	10,000	5.33%	10,000	4.76%
9	Heet Builders Private Limited	10,000	5.33%	10,000	4.77%
10	Twenty Five South Realty Limited	-	-	10,000	4.76%
11	Hubtown Bus Terminal (Adajan) Private Limited	-	-	10,000	4.76%
12	Hubtown Bus Terminal (Ahemdabad) Private Limited	-	-	10,000	4.76%
13	Hubtown Bus Terminal (Mehsana) Private Limited	-	-	10,000	4.76%
14	Hubtown Bus Terminal (Surat) Private Limited	-	-	10,000	4.76%
15	Hubtown Bus Terminal (Vadodara) Private Limited	-	-	10,000	4.76%
16	Subhsiddhi Builders Private Limited	10,000	5.33%	-	-
17	Joynest Premises Private Limited	-	-	10,000	4.76%
18	Sunstream City Private Limited	20,000	10.66%	10,000	4.77%
19	Upvan lake Resort Private Limited	10,000	5.33%	10,000	4.76%
20	Vega Developers Private Limited	10,000	5.33%	10,000	4.76%
21	Whitebud Developers Limited	10,000	5.33%	10,000	4.76%
22	Yantti Buildcon Private Limited	10,000	5.33%	10,000	4.76%
	TOTAL	160,000	100%	210,000	100%

NOTE '12'

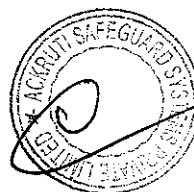
LONG TERM LOANS AND ADVANCES

Security deposits (Unsecured, considered good)*

TOTAL

As at 31 st March, 2016	As at 31 st March, 2015
₹	₹
1,075,500	1,075,500
1,075,500	1,075,500

* Security deposits comprise of Tender deposits given to various government / non government authorities for procuring work contracts.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

NOTE '13'

CURRENT INVESTMENTS

(Aggregate amount of Quoted investments)

Investments in Mutual Funds

155,120.8 units (P.Y. 16,365.4 Units) HDFC Cash Management Treasury Advantage Ret Monthly Divt (NAV - ` 159,879)

16,498.9 units (P.Y. 16,498.9 Units) ICICI Pru MIP 25 Reg Growth (NAV - ` 517,439)

91,370.4 units (P.Y. 87,576.8 Units) ICICI Short Term Reg monthly Div Rein (NAV - ` 1,117,066)

NIL units (P.Y. 89,831.6 Units) UTI Short Term Inc Funds (NAV - ` 0)

143,714.2 Units KOTAK EQUITY ARBITRAGE FUND (NAV 1,543,620.34)

TOTAL

As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
1,559,879	165,327
500,000	500,000
1,051,765	1,051,765
-	1,500,000
1,543,620	-
4,655,264	3,217,092

NOTE '14'

INVENTORIES

(Valued at lower of cost or net realisable value)

Raw Material (Refer footnote i)

Inventories of semi finished & finished Number Plates (Refer footnote ii)

TOTAL

As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
1,667,110	1,853,920
5,522,049	6,587,933
7,189,159	8,441,853

Footnote:

i Value of raw material:

Alluminium sheet

CLP reflective sheeting

As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
418,976	949,146
1,248,134	904,774

ii Closing Stock of semi finished & finished Number Plates (Qty.)

As at 31st March, 2016	As at 31st March, 2015
50,123 nos.	78,755 nos.

NOTE '15'

CASH AND BANK BALANCES

Cash and cash equivalents:

Cash on hand

Foreign Currency on hand

Balances with banks:

- On current accounts

- Deposit with maturity of less than three months

Other Bank Balances:

Deposits with maturity of more than three months but less than twelve months

Balances with Bank held as Term Deposits against guarantees

TOTAL

As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
169,378	1,542,174
182,415	171,421
4,245,040	3,675,073
3,160,861	2,974,727
7,757,694	8,363,395
75,000	62,756
4,007,271	3,750,000
4,082,271	3,812,756
11,839,965	12,176,151

NOTE '16'

SHORT TERM LOANS AND ADVANCES

Security deposits (Unsecured, considered good)

Advances recoverable in cash or kind

Advance Income Tax (Net of provisions)

TOTAL

As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
2,600,000	2,600,000
409,158	59,507
690,637	764,881
3,699,795	3,424,388

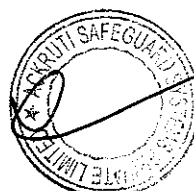
NOTE '17'

OTHER ASSETS

Interest accrued on fixed deposits

TOTAL

As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
147,945	144,743
147,945	144,743



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

NOTE '18'
REVENUE FROM OPERATIONS

Sale from operations :

Sale of Security Plates

TOTAL

Year Ended 31 st March, 2016 ₹	Year Ended 31 st March, 2015 ₹
16,018,070	14,317,256
16,018,070	14,317,256

NOTE '19'
OTHER INCOME

Interest on Fixed Deposits
Gain on redemption of Mutual Fund
Foreign Exchange Gain (Net)
Miscellaneous Income
Dividend Received on Mutual Fund
Provision no longer required

TOTAL

Year Ended 31 st March, 2016 ₹	Year Ended 31 st March, 2015 ₹
542,612	438,368
37,971	-
10,994	6,592
6,069	1,662
129,872	130,691
90,717	244,728
818,235	822,041

NOTE '20'
COST OF MATERIAL CONSUMED

Opening Stock Of Material

Less : Stock Adjustment

A

Raw Material Purchases

B

Other Expenses related to purchase of Materials :

Carriage Inward

Custom Clearing Charges

Custom Duty

C

TOTAL (A+B+C)

D

TOTAL (A+B+C-D)

TOTAL

Year Ended 31 st March, 2016 ₹	Year Ended 31 st March, 2015 ₹
1,853,920	997,811
-	(167,946)
1,853,920	1,165,757
2,575,138	4,259,011
14,365	42,269
41,026	77,977
309,792	226,866
365,183	347,112
4,794,241	5,771,880
1,667,110	1,853,920
3,127,131	3,917,960
162,520	8,877
3,289,651	3,926,837

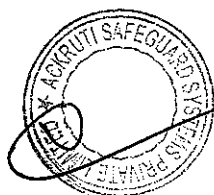
Footnote:

A. Value of Purchase of imported and indigenously raw materials and it's percentage in total

Particulars	Year Ended 31 st March, 2016		Year Ended 31 st March, 2015	
	₹	%	₹	%
Import Purchases (CLP Reflective Sheets)	813,898	31.61	1,015,683	23.85
Indigenous Purchases	1,761,240	68.39	3,243,328	76.15
	2,575,138	100.00	4,259,011	100.00

B. Details of Raw Material Consumption

Consumption of Raw Materials	F. Y. 2015-16	₹	F. Y. 2014-15	₹
Aluminum Sheet	4284 kgs.	1,062,581	4826 kgs.	1,212,354
CLP Reflective Sheeting	1598 sq.mtr.	835,554	1737sq.mtr.	1,345,072
Others	-	1,228,996	-	1,360,535
TOTAL		3,127,131		3,917,961



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

NOTE '21'
CHANGES IN INVENTORY

	Year Ended 31 st March, 2016 ₹	Year Ended 31 st March, 2015 ₹
Finished Stock:		
Opening Stock Of Number Plates	6,587,933	5,202,370
Less: Closing Stock Of Number Plates	5,522,049	6,587,933
TOTAL	1,065,884	(1,385,563)

NOTE '22'
EMPLOYEE BENEFITS EXPENSE

	Year Ended 31 st March, 2016 ₹	Year Ended 31 st March, 2015 ₹
Salaries, bonus, etc.	584,679	748,689
Contribution to provident and other funds	-	6,231
TOTAL	584,679	754,920

NOTE '23'
FINANCE COSTS

	Year Ended 31 st March, 2016 ₹	Year Ended 31 st March, 2015 ₹
Interest:		
- On Loans	-	68,750
- On Delayed payments of statutory dues	74,498	668,930
TOTAL	74,498	737,680

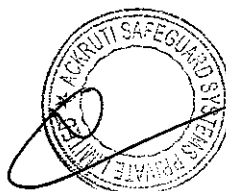
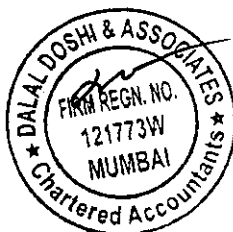
NOTE '24'
OTHER EXPENSES

	Year Ended 31 st March, 2016 ₹	Year Ended 31 st March, 2015 ₹
Royalty	1,601,860	1,039,980
Bank Charges	846,384	846,011
Travelling Expenses	71,288	244,878
Security Charges	268,443	241,997
Rates and Taxes	27,940	27,938
Carriage Outward	340,665	695,961
Repairs and Maintenance	198,475	661,541
Legal and professional fees	3,392,170	4,705,644
Other expenses (refer footnote)	1,506,335	1,745,649
TOTAL	8,253,560	10,209,599

Footnote :

Auditor's Remuneration (Included in other expenses above)

- Audit fees	60,000	60,000
- Limited Review Fees	-	22,500
- Other services	-	6,000
- Service tax on above	8,700	10,939
	68,700	99,439



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

NOTE '25'

Related Party Disclosures

A. Name of related parties and description of relations

Holding Company

: Hubtown Limited

Fellow Subsidiary Companies

: ABP Realty Advisors Private Limited
Citygold Education Research Limited
Citygold Farming Private Limited
Citywood Builders Private Limited
Devkrupa Build Tech Limited
Diviniti Projects Private Limited
Gujarat Akruti - TCG Biotech Limited
Halitious Developer Limited
Headland Farming Private Limited
Heddle Knowledge Private Limited
Heet Builders Private Limited
India Development And Construction Venture Capital Private Limited
Joynest Premises Private Limited
Sheshan Housing And Area Development Engineers Limited (Up to April 1, 2015)
Twenty Five South Realty Limited
Upvan Lake Resorts Private Limited
Urvi Build Tech Limited
Vama Housing Limited
Vega Developers Private Limited
Vishal Techno Commerce Limited
Yantti Buildcon Private Limited

Firm in which the company is a Partner

M/s Rising Glory Developers

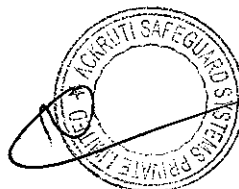
B. Transactions with related parties

Particulars	Holding Company	Firm in which Company is a partner
Loans and Advance Received	4,30,452	-
	(5,036,413)	-
Loans and Advance Repaid	800,000	-
	(1,000,000)	-
Reimbursements / On behalf payments by Hubtown	-	-
	(399,401)	-
Capital Contribution in Partnership Firm	-	-
Share of loss from Partnership Firm	-	(10,000)
	-	692
Balance Outstanding Payable	-	-
- Business Advance	176,794,267	-
	(176,970,121)	-
- Reimbursement	-	-
	(593,095)	-
- Other Payables	-	10,692
	(-)	(10,000)

Footnote:

a. Previous year figures are given in brackets.

b. Related party relationships are identified by the company and relied upon by the auditors.



24

ACKRUTI SAFEGUARD SYSTEMS PRIVATE LIMITED

CIN: U51909MH1999PTC176073

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016**NOTE '26'****CIF VALUE OF RAW MATERIAL IMPORTS:**

(In ₹)

PARTICULARS	2015-2016	2014-2015
CLP Reflective Sheet	813,898	1,093,660
TOTAL	813,898	1,093,660

NOTE '27'

Creditors and Loans and advances are subject to confirmations, reconciliation and adjustments and are considered payable/reliable, as the case may be.

NOTE '28'

In the opinion of the Board of Directors of the Company, all items of Current and Non Current Assets, Current and Non Current Liabilities continue to have a realizable value of at least the amounts at which they are stated in the balance sheets.

NOTE '29'**PRIOR PERIOD ADJUSTMENTS:**

(In ₹)

EXPENSES	2015-2016	2014-2015
Debits relating to earlier years :		
- Interest	-	209
- Other Expenses	1,023,067	617,792
Credits relating to earlier years :		
- Interest	-	(503)
- Others	-	(627,002)
TOTAL	1,023,067	(9,504)

NOTE '30'**CONTINGENT LIABILITY:**

In the opinion of the management, the company does not have any contingent liabilities, which have not been provided for.

NOTE '31'**DISCLOSURE OF DERIVATIVES**

FOREIGN CURRENCY ON HAND	As at 31 st March, 2016	As at 31 st March, 2015
USD	2,750	2,750
Equivalent INR	182,415	171,421

NOTE '32'**EARNING PER SHARES (EPS)**

	As at 31 st March, 2016 ₹	As at 31 st March, 2015 ₹
Profit / (Loss) after tax (₹)	(399,907)	(2,134,598)
Weighted average number of equity shares (Nos)	50,000	50,000
Earnings per equity share (Nominal Value of share of ₹ 10 /- each)		
Basic and Diluted	(8.00)	(42.69)

NOTE '33'

The accumulated losses of the Company have resulted in complete erosion of the net worth of the Company. The Company's management is, however, of the view that the said erosion is temporary in nature as the Company is in the process of procuring new business / contracts, the proceeds of which when fructified, would result in turnaround of the Company. The Company to that extent does not consider the erosion of the net worth as an impediment to its status as a going concern.

NOTE '34'

Figures of the previous year have been regrouped / reclassified wherever necessary.

As per our report of even date.

FOR DALAL DOSHI & ASSOCIATES

Chartered Accountants

Firm Registration No. 121773W



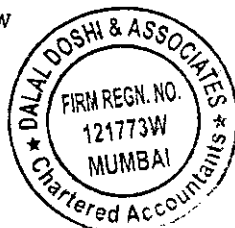
DINESH DOSHI

Partner

Membership No.: 9464

Place: Mumbai

Date: 19th May, 2016



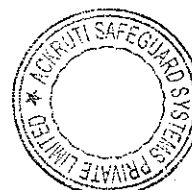
FOR AND ON BEHALF OF THE BOARD



KAMLESH SHAH

Director

DIN: 01317352





PRAPHUL SHINDE

Director

DIN: 03140671

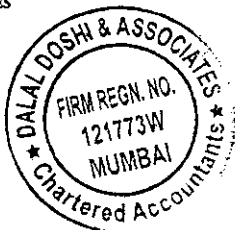
Inter company transactions during the financial year 2015-16 and the balances as on 31st March, 2016 (For the purpose of consolidation)

NAME OF THE GROUP COMPANIES SCHEDULE VI GROUPING Line Item	Relation As on	Holding Percentage (%)	LIABILITIES		ASSETS	INCOME
			Other payable	Other Curr Liabilities	Non Current Investment	Other Income
			Other Miscellaneous	Business Advances from Related Parties	Capital contribution in Firm	Share of (loss) from partnership Firm
Holding Company	31st March, 2016					
Hubtown Limited	Subsidiary	100%	-	176,794,267	-	-
Partnership and JV						
M/s Rising Glory Developers		5.33%	10,692	-	10,000	(692)
TOTAL			10,692	176,794,267	10,000	(692)

FOR DALAL DOSHI & ASSOCIATES
Chartered Accountants
Firm Registration No. 121773W

DINESH DOSHI
Partner
Membership No.: 9464

Place: Mumbai.
Date: 19th Mar. 2016



FOR AND ON BEHALF OF THE BOARD

KAMLESH SHAH
Director
DIN: 01317352

PRAPHUL SHINDE
Director
DIN : 03140671





L. J. KOTHARI
B.COM, F.C.A.
9920424040

L. J. KOTHARI & CO.

CHARTERED ACCOUNTANTS

GANDHI MANSION, 3RD FLOOR, NEW SILK BAZAR, OPP KALBADEVI HEAD P. O.,
MUMBAI – 400 002 * Tel.: 2205 5916 * E-mail: ca_lalitkothari@yahoo.co.in

INDEPENDENT AUDITORS' REPORT

TO

The Members of Citygold Education Research Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Citygold Education Research Limited** ("the Company"), which comprise the Balance Sheet as at March 31st, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements **based** on our audit. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the **audit** report.

We conducted our audit 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 financial statements are free from material misstatement.



An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the 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 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 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31st, 2016, and its loss and its cash flows for the year ended on that date.

Emphasis of Matter

Attention is invited to Note 29 in the financial statements with regards to the Company's investment in subsidiary Jineshwar Multitrade Private Limited, carried at Rs. 27 Crore in the balance sheet as at March 31st, 2016. We are unable to obtain sufficient appropriate audit evidence with regards value of such long term investment. Consequently, we are unable to state whether any provision for diminution is required to recognize decline in value of investment, if any.

Our opinion is not qualified with respect to this matter.

Report on Other Legal and Regulatory Requirements

- I. As required by 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure A", statement on the matters specified in paragraphs 3 and 4 of the Order.
- II. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.



- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on March 31st, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31st, 2016 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".
- (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
- The Company has disclosed the impact, if any, of pending litigations as at March 31st, 2016 on its financial position in its financial statements
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31st, 2016.

FOR L. J. KOTHARI & CO.
FIRM REGISTRATION No: 105313W
CHARTERED ACCOUNTANTS



LALIT KOTHARI
PROPRIETOR
Membership No. 30917



Place : Mumbai
Date : 20th May, 2016

"ANNEXURE A" REFERRED TO IN OUR REPORT TO THE MEMBERS OF CITYGOLD EDUCATION RESEARCH LIMITED FOR THE YEAR ENDED 31ST MARCH, 2016

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that: -

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.

(b) The Fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable.

(c) The Company does not own any immovable properties as disclosed in Note 7 on fixed assets to the financial statements. Therefore, the provisions of Clause 3(i)(c) of the said Order are not applicable to the Company.
- ii. The physical verification of inventory has been conducted at reasonable intervals by the management during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been appropriately dealt with in the books of accounts.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act.
- iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- v. The Company has not accepted any deposits during the year from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified. Therefore, the provisions of Clause 3(v) of the said Order are not applicable to the Company.
- vi. In our opinion, and according to the information and explanation given to us, the Company has not crossed the threshold limit as prescribed by the Central government under sub-section (1) of section 148 of the Act for maintenance of cost records and hence the provision for maintenance of records are not applicable to the Company;
- vii. (a) According to the records of the Company, it has been generally regular in depositing, wherever applicable, undisputed statutory dues including Sales Tax, Vat, Service Tax, Custom Duty, Cess and other statutory dues with the appropriate authorities, as applicable. There were no amount outstanding other than an amount of Tax deducted at Source of ₹ 52,950/- as at the last day of the financial year for a period exceeding six months from the date they became payable.



- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no disputed dues in respect of Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty or Cess other than those mentioned below:

Name of the statute	Nature of dues	Period to which the amount relates (F.Y.)	Amount (₹)	Forum where the dispute is pending
Income Tax Act, 1961	143 (3)	2009-10	10,17,08,240	Commissioner of Income tax (appeals) (Preferred by Dept.)
Income Tax Act, 1961	271 (1)(c)	2009-10	Amount not ascertainable	Dy. Commissioner of Income tax
Income Tax Act, 1961	143 (3)	2011-12	12,63,710	Commissioner of Income tax (appeals) (Preferred by Dept.)

- viii. As the Company does not have any loans or borrowings from any financial institution or bank or Government, nor has it issued any debentures as at the balance sheet date. Therefore the provisions of Clause 3(viii) of the Order are not applicable to the Company.
- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The Company has not paid / provided managerial Remuneration hence, the provisions of Section 197 read with Schedule V to the Act are not applicable. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has not entered into any related party transactions as covered by the section 188 of the Act. The details of related party transaction have been disclosed in the financial statements as required under Accounting Standard 18 - Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act, and accordingly, to this extent, the provisions of Clause 3(xiii) of the Order are not applicable to the Company.



- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non- cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

FOR L. J. KOTHARI & CO.
FIRM REGISTRATION No.: 105313W
CHARTERED ACCOUNTANTS




LALIT KOTHARI
PROPRIETOR
Membership No. 30917

Place : Mumbai
Date : 20th May, 2016

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF CITYGOLD EDUCATION RESEARCH LIMITED

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

We have audited the internal financial controls over financial reporting of Citygold Education Research Limited ("the Company") as of March 31, 2016 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

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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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



Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For L. J. KOTHARI & CO.
FIRM REGISTRATION No.:105313W
CHARTERED ACCOUNTANTS



LALIT KOTHARI
PROPRIETOR
Membership No.: 30917



Place: Mumbai
Date : 20th May, 2016

Citygold Education Research Limited
CIN: U80100MH2006PLC158595
Balance Sheet As at 31st March, 2016

Particulars	Note No	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
I. EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	1	34,300,000	34,300,000
Reserves and surplus	2	322,030,697	330,850,161
		356,330,697	365,150,161
Non-Current Liabilities			
Other long term liabilities	3	330,003	330,003
Current Liabilities			
Short-term borrowings	4	723,370	-
Trade payables	5	146,520	79,200
Other current liabilities	6	556,173,397	553,017,029
		557,373,290	553,426,232
Total		913,703,987	918,576,393
II. ASSETS			
Non-Current Assets			
Fixed assets			
Tangible assets	7	-	1,839,187
Non-current investments	8	270,016,000	270,016,000
Long term loans and advances	9	60,532,107	79,048,647
		330,548,107	350,903,834
Current Assets			
Inventories	10	565,433,223	548,575,590
Cash and bank balances	11	273,825	796,229
Short-term loans and advances	12	14,819,833	14,712,333
Other current assets	13	2,628,999	3,588,407
		583,155,880	567,672,559
Total		913,703,987	918,576,393

Significant Accounting Policies

Annexure I

Notes on Financial Statements

1 to 31

As per attached report of even date

FOR L.J. KOTHARI & CO.

Firm Registration No. 105313W

Chartered Accountants

LALIT KOTHARI

Proprietor

Membership No. 30917



For and on behalf of the board


PRAPHUL SHINDE

Director

DIN: 03140671

SUSHAAS DUMBRE

Director

DIN: 03142549

Place: Mumbai

Dated: 20th May 2016

Statement of Profit and Loss for the year ended 31st March, 2016

Particulars	Note No	Year Ended 31st March, 2016 ₹	Year Ended 31st March, 2015 ₹
I. INCOMES			
Revenue from operations	14	2,800,000	6,355,000
Share of Loss from Joint Venture and Partnership Firm		(5,146)	(6,300)
Other Income	15	84,168	857,890
Total		2,879,022	7,206,590
II. EXPENSES			
Cost of Operations	16	24,536,540	55,878,177
Changes in inventories of work-in-progress	17	(16,857,633)	(47,369,769)
Finance costs	18	180,820	1,041,260
Other expenses	19	2,075,863	2,697,644
Depreciation and amortization expense	7	1,839,187	2,120,936
Total		11,774,777	14,368,248
Loss before tax		(8,895,755)	(7,161,658)
Tax expense:			
- Current tax		-	-
- Deferred tax		-	-
- Excess Provision of Tax for earlier year		76,291	-
Net Loss for the year		(8,819,464)	(7,161,658)
Earning per equity share (Face Value of ₹ 10 /- each)			
Basic and Diluted	20	(176.39)	(143.23)

Significant Accounting Policies Annexure I
Notes on Financial Statements 1 to 31

As per attached report of even date

FOR L.J. KOTHARI & CO.
Firm Registration No. 105313W
Chartered Accountants

LALIT KOTHARI
Proprietor
Membership No. 30917

Place: Mumbai
Dated: 20th May 2016

For and on behalf of the board

PRAPHUL SHINDE
Director
DIN: 03140671

SUSHAAS DUMBRE
Director
DIN: 03143549



Cash Flow Statement for the year ended 31st March, 2016

Particulars	31st March, 2016		31st March, 2015	
	Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)
I. Cash flows arising from operating activities				
Net Loss before tax as per Profit and Loss Account		(8,895,755)		(7,161,658)
Add / (Less) :				
Interest paid	119,998		684,213	
Depreciation and Amortisation	1,839,187		2,120,936	
Share of Loss from Joint Venture and Partnership Firm	5,146		6,300	
		1,964,331		2,811,449
Operating Profit Before Working Capital Changes		(6,931,424)		(4,350,209)
Add / (Less) :				
(Increase) / Decrease in Inventories	(16,857,633)		(47,369,769)	
Increase / (Decrease) in Trade Payables & Other Current Liabilities	3,839,060		(12,307,228)	
(Increase) / Decrease in Trade and other receivables	959,408		16,695,602	
(Increase) / Decrease in Loans and advances	18,516,540		-	
Direct Taxes Paid	(31,209)		-	
		6,426,166		(42,981,395)
Net Cash flow in the course of Operating Activities		(505,258)		(47,331,604)
II. Cash flows arising from Investing activities				
Inflow / (Outflow) on account of :				
Proceed from Long term Investment	-		(16,000)	
Net Cash flow in the course of Investing Activities		-		(16,000)
III. Cash flows arising from Financing activities				
Inflow / (Outflow) on account of :				
Interest paid	(735,370)		(68,841)	
Share of Loss from Joint Venture and Partnership Firm	(5,146)		(6,300)	
Increase / (Decrease) in Unsecured Loans	723,370		-	
Increase / (Decrease) in Business Advance	-		48,115,000	
Net Cash flow in the course of Financing Activities		(17,146)		48,039,859
Net Increase in cash and cash Equivalents (I + II + III)		(522,404)		692,255
Add: Balance at the beginning of the year		796,229		103,974
Cash and Cash Equivalents at the end of the year		273,825		796,229
Reconciliation of Cash and Cash Equivalents (Refer Note 11)				
Cash on Hand		78,580		76,511
Bank Balances in Current Accounts		195,245		719,718
Cash and Cash Equivalents at the end of the year		273,825		796,229

As per attached report of even date

FOR L.J. KOTHARI & CO.
Firm Registration No. 105313W
Chartered Accountants




LALIT KOTHARI
Proprietor
Membership No. 30917




Place: Mumbai
Dated: 20th May 2016

For and on behalf of the board


PRAPHUL SHINDE
Director
DIN: 03140671




SUSHAAS DUMBRE
Director
DIN: 03143549

Notes to the financial statements for the year ended 31st March, 2016

1 Corporate Information

Citygold education research Limited is a limited Company domiciled in India, incorporated under the Companies Act, 1956. The object of the company is to establish an university, to disseminate and advance knowledge and promote educational activities and to acquire, sell, construct, exchange, design, develop, promote or otherwise deal in the land commerical and residential complex ,integrated townships etc.

2 Significant Accounting Policies

I. Basis of Preparation of Financial Statements

The financial statements have been prepared to comply in all material aspects with the Accounting Standards notified by the Companies (Accounting Standards) Rules read with Rule 7 to the Companies (Accounts) Rules 2014 in respect of section 133 of the Companies Act, 2013. The financials statements are prepared under the historical cost conversion, on an accrual basis of accounting. The accounting policies applied are consistant with those used in the previous year.

All the Assets and Liabilities have been classified as current or non-current, wherever applicable, as per the operating cycle of the Company as per the guidance as set out in the Schedule III, to the Companies Act, 2013.

Operating Cycle for the business activities of the Company covers the duration of the specific project/ contract/ Service and extends upto the realisation of receivables within the agreed credit period normally applicable to the respective project.

II. USE OF ESTIMATES

The preparation of financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known / materialized.

III. REVENUE RECOGNITION

Revenue is recognised to the extent that is probable that the economic benefits will accrue to the Company and revenue can be reliably measured and also when it is reasonably certain that the ultimate collection will be made and that there is buyer's commitment to make the complete payment.

A. Revenue from sale of properties /rights

Revenue is recognised to the extent that it is probable that the economic benefits will accrue to the company and the revenue can be reliabaly measured and also when it is reasonably certain that the ultimate collection will be made and that there is buyer's commitment to make the complete payment.

B. Profit / loss from partnership firms / association of persons:

Share of profit / loss from partnership firms / association of persons (AOP) is accounted in respect of the financial year of the Firm / AOP, during the reporting period, on the basis of their audited accounts, which is considered as a part of other operating activity.

C. Interest

Interest Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

D. Other Income

Other incomes and costs/expenditure are generally accounted on accrual, as they are earned or incurred.



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IV. TANGIBLE FIXED ASSETS AND DEPRECIATION / AMORTISATION

a. Tangible Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation / amortisation and accumulated impairment losses, if any.

b. Depreciation is provided on the straight line method method on the basis of useful life of the asset in the manner specified in Schedule II to the Companies Act, 2013. Depreciation on additions to assets or on sale/disposal of assets is calculated pro-rata from the date of such addition, or upto the date of such sale/disposal, as the case may be.

V. INVENTORIES

All inventories are stated at Cost or Net Realizable Value, whichever is lower.

'Incomplete Projects' include cost of incomplete properties for which the company has not entered into sale agreements and in other cases where the revenue recognition is postponed. 'Incomplete Projects' also include initial project costs that relate directly to a (prospective) project, incurred for the purpose of securing the project. These costs are recognized as expenditure for the year in which they are incurred unless they are separately identifiable and it is probable that the respective project will be obtained.

Cost included in inventory include costs incurred upto the completion of the project viz. cost of land / rights, value of FSI, materials, services and other expenses (including borrowing costs) attributable to the projects. Cost formula used is average cost.

VI. PROJECT EXPENSES

In respect of major projects involving construction, related pre-operational expenses form part of the Inventories capitalised. Expenses capitalised to inventories include applicable borrowing costs till the date of completion of the construction project.

VII. INVESTMENTS

Investments are classified into Current and Non Current / Long Term Investments. Current investments are stated at lower of cost and fair value. Long term investments are stated at cost. A provision for diminution is made to recognize decline, other than temporary, in the value of long term investments.

VIII. BORROWING COSTS

Interests and other borrowing costs (including front end processing fees and related professional and other costs) attributable to qualifying assets are allocated as part of the cost of construction / development of such assets. Such allocation is suspended during extended periods in which active development is interrupted. Front-end fees, processing fees and other 'one time' charges are amortised over the period of the related borrowing, but not exceeding a period of three years. Other borrowing costs are charged to the Profit and Loss Statement.

IX. SEGMENT REPORTING

The Company has a single segment namely "Educational and construction of Educational Institution". Therefore the company's business does not fall under different business segments as defined by AS - 17 - "Segmental Reporting" issued by ICAI. Further, the Company's operations are restricted to a single geographical segment.

X. EARNING PER SHARE

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



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XI. TAXATION

Income tax expense comprises Current Tax and Deferred Tax charge or credit. Provision for current tax is made on the basis of the assessable income at the tax rate applicable to the relevant assessment year. The deferred tax asset and deferred tax liability is calculated by applying tax rate and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognized, only if there is a virtual certainty of its realization, supported by convincing evidence. At each Balance Sheet date, the carrying amounts of deferred tax assets are reviewed to reassure realization.

In Case, the company is liable to pay income tax under Section 115 JB of Income Tax Act, 1961 (i.e. MAT), the amount of tax paid in excess of normal tax is recognised as an assets (MAT Credit Entitlement) only if there is convincing evidence for realization of such asset during the specified period. MAT credit entitlement is reviewed at each Balancesheet date

XII IMPAIRMENT OF ASSETS

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to the Profit & Loss Account in the year in which the asset is identified as impaired. The impairment Loss recognized in prior periods is reversed if there has been a change in the estimate of recoverable value.

XIII. PROVISIONS , CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving a substantial degree of estimation in measurement are recognised when there is present obligation as a result of past events and its probable there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the financial statement. Contingent assets are neither recognised not disclosed in the financial statements.



Notes to the financial statements for the year ended 31st March, 2016

NOTE '1'
SHARE CAPITAL

AUTHORISED

	As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
50,000 (P.Y. 50,000) Equity Shares of ₹ 10/- each	500,000	500,000
2,25,500 (P.Y. 2,25,500) 8% Non Cumulative Convertible Preference Shares of ₹ 100/- each	22,550,000	22,550,000
1,12,500 (P.Y. 1,12,500) 10% Non Cumulative Non -Convertible Redeemable Preference Shares of ₹ 100/- each	11,250,000	11,250,000
3,28,700 (P.Y. 3,28,700)Preference Shares of ₹ 100/- each	32,870,000	32,870,000
	67,170,000	67,170,000

ISSUED, SUBSCRIBED & PAID UP

50,000 (P.Y. 50,000) Equity Shares of ₹ 10/- each	500,000	500,000
2,25,500 (P.Y. 2,25,500) 8% Non Cumulative Convertible Preference Shares of ₹ 100/- each, fully paid	22,550,000	22,550,000
1,12,500 (P.Y. 1,12,500) 10% Non Cumulative Non -Convertible Redeemable Preference Shares of ₹ 100/- each	11,250,000	11,250,000
	34,300,000	34,300,000

1.1 Reconciliation of the number of shares outstanding at the beginning and at the end of reporting year :

	31st March, 2016			31st March, 2015		
	Equity	Preference (Convertible)	Preference (Non-Convertible)	Equity	Preference (Convertible)	Preference (Non-Convertible)
Number of Shares at the Beginning	50,000	225,500	112,500	50,000	225,500	112,500
Add/(Less) :						
Issue during the year	-	-	-	-	-	-
Buyback during the year	-	-	-	-	-	-
Redemption during the year	-	-	-	-	-	-
Conversion during the year	-	-	-	-	-	-
At the end of the reporting year (Nos)	50,000	225,500	112,500	50,000	225,500	112,500

1.2 Shares held by its holding company or its ultimate holding company subsidiaries or associates of the holding company or the ultimate holding company:

	31st March, 2016			31st March, 2015		
	Equity	Preference (Convertible)	Preference (Non-Convertible)	Equity	Preference (Convertible)	Preference (Non-Convertible)
Holding Company of Reporting Company (HCRC):						
Hubtown Limited with Beneficiary Owners	50,000	-	-	50,000	-	-
Others	-	225,500	112,500	-	225,500	112,500
Total	50,000	225,500	112,500	50,000	225,500	112,500



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Notes to the financial statements for the year ended 31st March, 2016

1.3 Shareholders holding more than five percent of holdings :

	31st March, 2016		31st March, 2015	
	Nos	% of Holdings	Nos	% of Holdings
Equity:				
Hubtown Limited with Beneficiary Owners	50,000	100	50,000	100
Equity Shares Total	50,000	100	50,000	100
Preference Shares:				
Alken Management and Financial Services Pvt Ltd	20,900	9.27	20,900	9.27
Harekrishna Securities Pvt Ltd	20,900	9.27	20,900	9.27
Empower India Limited	41,700	18.49	41,700	18.49
Signora Finance Pvt Ltd	16,700	7.41	16,700	7.41
Lilac Medicines Private Limited	20,900	9.27	20,900	9.27
Sonal Cosmetic (Exports) Ltd	20,900	9.27	20,900	9.27
Raw Gold Securities Private Limited	8,400	3.73	8,400	3.73
Prabhav Industries Ltd	41,700	18.49	41,700	18.49
Sonal Sil Chem Limited	12,500	5.54	12,500	5.54
Sonal International Ltd	16,700	7.41	16,700	7.41
Dynachem Pharmaceuticals Limited	4,200	1.86	4,200	1.86
Preference Shares Total	225,500	100	225,500	100
Preference Shares (Non-Convertible)				
Celestial Spaces Private Limited	112,500	100	112,500	100
Preference Shares Total	112,500	100	112,500	100

1.4 The rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital :

Equity Share

The company has a single class of equity shares having a par value of ₹ 10/- per share. Each holder of equity share is entitled to one vote per share. The company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing annual general meeting.

In the event of liquidation of company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Preference Shares

8% Non cumulative convertible Preference Shares of ₹ 100 each. The Preference Shares of the Company shall be converted into fully paid equity shares of the Company on or after 1st April, 2012 or on such other date as may be decided by Board of Directors of the Company by exercising a call option vested in the Company for conversion of the Preference Shares on such terms and conditions as the Board of Directors may deem fit. The call option has however not been exercised by the Company till date.

10% Non cumulative non convertible redeemable Preference Shares of ₹ 100 each.

NOTE '2'

RESERVES AND SURPLUS

Securities Premium Account

3,38,000(P.Y.3,38,000) Preference shares sold at premium of ₹ 1,100/- per share

	As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
Balance as per last Balance Sheet	371,800,000	371,800,000
Add: Addition during the year	-	-
Less :Deduction during the year	-	-
Balance at the end of the year (A)	371,800,000	371,800,000

Surplus in the statement of profit and Loss

	As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
Balance as per last Balance Sheet	(40,949,839)	(33,788,181)
Loss for the year	(8,819,464)	(7,161,658)
Less :Deduction during the year	-	-
Balance at the end of the year (B)	(49,769,303)	(40,949,839)

Total (A+B)

322,030,697	330,850,161
-------------	-------------

NOTE '3'

OTHER LONG TERM LIABILITIES :

Retention Money Payable

Total

	As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
Retention Money Payable	330,003	330,003
Total	330,003	330,003



Notes to the financial statements for the year ended 31st March, 2016

NOTE '4'

SHORT-TERM BORROWINGS

Unsecured Borrowings

Loans from others repayable on demand (refer footnote)

Total

As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
723,370	-
723,370	-

Footnote:

Unsecured loan from the company carries an interest of 19.50% and are repayable on demand.

NOTE '5'

TRADE PAYABLES:

Micro, Small and Medium Enterprises (refer footnote)

Trade payable

Total

As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
146,520	79,200
146,520	79,200.00

Footnote:

As per information available with the company regarding dues to Micro, Small and Medium Enterprises as defined under the Micro Small Medium Enterprises Development, Act 2006 (MSMED Act), none of the suppliers of the company are registered under MSMED Act, and the same has been relied upon by the auditors.

NOTE '6'

OTHER CURRENT LIABILITIES

Statutory dues

Advances received for projects from a related party

Business Advance from Holding Company

Advances received from Customer

Interest Accrued but not due

Other payables

Coventurer Account Payable

Total

As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
78,047	303,323
73,315,545	73,315,545
377,078,000	1,608,000
11,050,000	6,750,000
-	615,372
2,755,550	3,533,034
91,896,255	466,891,755
556,173,397	553,017,029



Notes to the financial statements for the year ended 31st March, 2016

NOTE '8'

NON-CURRENT INVESTMENTS

(Non Trade, unless otherwise specified)

Investment in Equity Shares :

270,000 (P.Y. 270,000) Equity shares of face value of ₹ 10/- each
Jineshwar Multitrade Private Limited (Refer note 29)

Capital Investment in Partnership Firm (Refer footnote 8.1)

M/s Rising Glory Developers

Capital Investment in Joint Venture (Refer footnote 8.2)

Hinterland Fintrade JV

Total

As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
270,000,000	270,000,000
10,000	10,000
6,000	6,000
270,016,000	270,016,000

8.1 Details of Investments made in capital of Partnership firm and Joint Venture:

Partnership Firm

M/s Rising Glory Developers

Name of Partners	31st March, 2016		31st March, 2015	
	Capital Contribution	Profit Sharing Ratio	Capital Contribution	Profit Sharing Ratio
Hubtown Limited	10,000	20.00%	10,000	4.78%
Ackruti Safeguard System Private Limited	10,000	5.34%	10,000	4.76%
Citygold Education Research Limited	10,000	5.34%	10,000	4.76%
Citygold Farming Private Limited	10,000	5.34%	10,000	4.76%
Diviniti Projects Private Limited	10,000	5.34%	10,000	4.76%
Halitious Developers Limited	10,000	5.34%	10,000	4.76%
Headland Farming Private Limited	10,000	5.33%	10,000	4.76%
Hedde Knowledge Private Limited	10,000	5.33%	10,000	4.76%
Heet Builders Private Limited	10,000	5.33%	10,000	4.77%
Twenty Five South Realty Limited	-	0%	10,000	4.76%
Subhsiddhi Builders Private Limited	10,000	5.33%	-	-
Hubtown Bus Terminal (Adajan) Private Limited	-	-	10,000	4.76%
Hubtown Bus Terminal (Ahemdabad) Private Limited	-	-	10,000	4.76%
Hubtown Bus Terminal (Mehsana) Private Limited	-	-	10,000	4.76%
Hubtown Bus Terminal (Surat) Private Limited	-	-	10,000	4.76%
Hubtown Bus Terminal (Vadodara) Private Limited	-	-	10,000	4.76%
Joynest Premises Private Limited	-	-	10,000	4.76%
Sunstream City Private Limited	20,000	10.66%	10,000	4.77%
Upvan Lake Resort Private Limited	10,000	5.33%	10,000	4.76%
Vega Developers Private Limited	10,000	5.33%	10,000	4.76%
Whitebud Developers Limited	10,000	5.33%	10,000	4.76%
Yantti Buildcon Private Limited	10,000	5.33%	10,000	4.76%
TOTAL	160,000	100.00%	210,000	100.00%

8.2 Co- Venturer

Hinterland Fintrade JV

Name of Co- Venturer	31st March, 2016		31st March, 2015	
	Capital Contribution	Profit Sharing Ratio	Capital Contribution	Profit Sharing Ratio
Citygold Education Research Limited	6,000	60%	6,000	60%
Rubix Trading Private Limited	4,000	40%	4,000	40%
TOTAL	10,000	100%	10,000	100%

NOTE '9'

LONG TERM LOANS AND ADVANCES

(Unsecured, considered good)

Advances to land owners

Security Deposits

Total

As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
60,499,241	79,015,781
32,866	32,866
60,532,107	79,048,647



Notes to the financial statements for the year ended 31st March, 2016

NOTE '10'
INVENTORIES

	As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
Incomplete Project, at cost (Refer foot note) (Valued at lower of cost or net realisable value)	565,433,223	548,575,590
Total	565,433,223	548,575,590

Foot note : Out of the above, Land admeasuring to 291.33 acres have been mortgaged in favour of ECL Finance Limited for loan availed by Heet Builders Private Limited and Vishal Techno Commerce Limited, a fellow subsidiary.

NOTE '11'
CASH AND CASH EQUIVALENT

	As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
Cash on Hand	78,580	76,511
Balances with Bank on current Account	195,245	719,718
Total	273,825	796,229

NOTE '12'
SHORT-TERM LOANS AND ADVANCES

	As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
Other loans and advances:		
Advance Income Tax (Net of Provisions ₹ 1,07,500/- , (P.Y. ₹ 1,07,500/-)	4,819,833	4,712,333
Advances to others	10,000,000	10,000,000
Total	14,819,833	14,712,333

NOTE '13'
OTHER CURRENT ASSETS

	As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
Other receivables	2,628,999	3,588,407
Total	2,628,999	3,588,407

NOTE '14'
REVENUE FROM BUSINESS OPERATIONS

	Year Ended 31st March, 2016 (₹)	Year Ended 31st March, 2015 (₹)
Revenue from business operations		
Sale of Plot	2,800,000	6,355,000
Total	2,800,000	6,355,000

NOTE '15'
OTHER INCOME

	Year Ended 31st March, 2016 (₹)	Year Ended 31st March, 2015 (₹)
Stamp duty refund income	59,189	857,890
Sundry Expenses written Back	24,979	-
Total	84,168	857,890

NOTE '16'
COST OF OPERATIONS

	Year Ended 31st March, 2016 (₹)	Year Ended 31st March, 2015 (₹)
Land/Rights Acquired	24,536,540	55,272,065
Other Direct development	-	606,112
Total	24,536,540	55,878,177



Notes to the financial statements for the year ended 31st March, 2016

NOTE '17'

CHANGES IN INVENTORIES OF WORK-IN-PROGRESS

Opening Inventory

- Incomplete Projects

Less : Closing Inventory

- Incomplete Projects

Total

Year Ended 31st March, 2016 (₹)	Year Ended 31st March, 2015 (₹)
548,575,590	501,205,821
565,433,223	548,575,590
(16,857,633)	(47,369,769)

NOTE '18'

FINANCE COSTS

Interest on :

Loans

Delayed payment on Taxes and Statutory dues

Total

Year Ended 31st March, 2016 (₹)	Year Ended 31st March, 2015 (₹)
119,998	684,213
60,822	357,047
180,820	1,041,260

NOTE '19'

OTHER EXPENSES

Professional Fees

Filing Fees

Brokerage Charges

Legal Fees

Security Charges

Other Expenses (Refer footnote)

Total

Year Ended 31st March, 2016 (₹)	Year Ended 31st March, 2015 (₹)
1,065,519	2,325,025
12,710	43,303
230,000	-
112,360	-
541,810	-
113,464	329,316
2,075,863	2,697,644

Footnote :

Auditors Remuneration (included in the other expenses)

Audit Fees

Limited Review fees

Service Tax on above

35,000	35,000
-	15,000
-	-
35,000	50,000

NOTE '20'

EARNINGS PER SHARE (EPS)

Net Loss as per Statement of Profit and loss available for Equity Shareholders (₹)

Weighted average number of equity shares outstanding at the end of the year (Nos.)

Earning per equity share (Nominal Value per share ₹ 10/-each)

Earning before/ after extraordinary item :

Basic and diluted (₹)

Year Ended 31st March, 2016 (₹)	Year Ended 31st March, 2015 (₹)
(8,819,464)	(7,161,658)
50,000	50,000
(176.39)	(143.23)



Notes to the financial statements for the year ended 31st March, 2016

NOTE '21'

Related Party Disclosures (As Per As - 18)

A. Name of related parties and description of relations

Holding Company	: Hubtown Limited
Subsidiary	: Jineshwar Multitrade Private Limited
Fellow Subsidiary Company	: ABP Realty Advisors Private Limited Ackruti Safeguard Systems Private Limited Citygold Farming Private Limited Citywood Builders Private Limited Devkrupa Build Tech Limited Diviniti Projects Private Limited Gujarat Akkruti - TCG Biotech Limited Halitious Developer Limited Headland Farming Private Limited Hedde Knowledge Private Limited Heet Builders Private Limited India Development And Construction Venture Capital Private Limited Joynest Premises Private Limited Sheshan Housing And Area Development Engineers Limited [Upto April 1, 2015] Twenty Fifth South Realty Limited Upvan Lake Resorts Private Limited Urvi Build Tech Limited Vama Housing Limited Vega Developers Private Limited Vishal Techno Commerce Limited Yantti Buildcon Private Limited

Firm in which Company is a Partner : Rising Glory Developers

Joint Venture in which Company is a Co-venture : Hinterland Fintrade JV

B. Transactions with related parties

Particulars	Related Party	Amount (₹)
Business Advances Received/ Recovered/ Adjusted		
Hubtown Limited	Holding Company	380,970,000 (13,234,000)
Business Advances given/ Repaid/ Adjusted		
Hubtown Limited	Holding Company	55,00,000 (21,579,000)
Advance towards property		
Joynest Premises Private Limited	Fellow subsidiary	- (90,784,455)
Share of loss from Joint Venture		
Hinterland Fintrade JV	Joint Venture in which Company is a Co-venture	4,500 (6,300)
Share of loss from Partnership Firm		
Rising Glory Developers	Fellow subsidiary	646 (-)
Capital Contribution in Partnership Firm		
Rising Glory Developers	Fellow subsidiary	- (10,000)
Capital Contribution in Joint Venture		
Hinterland Fintrade JV	Joint Venture in which Company is a Co-venture	- (6,000)
Balance Payable as on 31st March, 2016		
Hubtown Limited	Holding Company	377,078,000 (16,08,000)
Joynest Premises Private Limited	Fellow subsidiary	73,315,545 (73,315,545)
Rising Glory Developers	Fellow subsidiary	10,646 (10,000)
Hinterland Fintrade JV	Fellow subsidiary	91,896,255 (466,891,755)

Footnote:

- Previous year figures are given in brackets.
- Related Party relationships are identified by the company and relied upon by the auditors



Notes to the financial statements for the year ended 31st March, 2016

NOTE '22'

- a) The company has received permissions under Bombay Tenancy Agricultural Land Act (BTAL) from Revenue Department for acquiring Agricultural Land in excess of ceiling limit upto 621.0801 hectares in the taluka Khalapur District Raigadh, Maharashtra which are valid till year 2017.
- b) The permissions under Bombay Tenancy and Agricultural Land Act (BTAL) from Revenue Department for acquiring Agricultural Land in excess of ceiling limit are subject to certain conditions imposed by the Government which state that the approvals /permissions under MLR Code, Restoration of Land to ST Act, BTAL ACT, Forests Acts, CRZ, NDZ and other similar laws wherever applicable are necessary.

NOTE '23'

Advance paid for purchase of land of current year ₹ 60,499,241/- (P. Y. ₹ 7,90,15,781/-) includes as under:

Particulars	2015-16	2014-15
Advance paid to farmers for which no agreement have been entered	60,499,241	65,499,241
Advances paid to farmers for which agreements have been executed in the name of company	-	13,516,540

NOTE '24'

Advances received include ₹ 7,33,15,545 received from Joynest Premises Private Limited, a body corporate with whom the company has entered into a Memorandum of understanding for the Joint Development of an integrated Townships / SEZ at Khalapur.

NOTE '25'

The Company has entered in as a Co- Venture in Hinter Land Fintrade JV and agreed to transfer Land admeasuring to 155 Acres (approx.) along with the amounts received against the said land in the earlier years as per the terms and conditions agreed upon.

NOTE '26'

The Company is in the process of acquisition of land / properties. Some of the lands purchased standing in the name of nominees of Company are pending for necessary permissions from the Revenue Department.

NOTE '27'

Trade payable, Loans and advances, received and paid, are subject to confirmations, reconciliation and adjustments.

NOTE '28'

In the opinion of The Board of Directors of the Company, all items of Current and Non Current Assets, Current and Non Current Liabilities and Loan and Advances continue to have a realizable value of at least the amounts at which they are stated in the balance sheets.

NOTE '29'

The Company has invested Rs. 27,00,00,000 in Jineshwar Multitrade Private limited and thereby holds 96.43 % of Equity Share Capital of the said company. The financial statements as on 31st March 2016 of the investee company are not available. However, the management is of the view that there is no permanent diminution in value of its long term investment. Further, due to non- availability of financial statement of investee company, the company has not prepared consolidated financial statement.

NOTE '30'

CONTINGENT LIABILITIES (NOT PROVIDED FOR):

Particulars	As at 31st March, 2016	As at 31st March, 2015
Claims against the Company, not acknowledged as debts on account of:-		
On account of properties purchased pending registration and other formalities under different statutes, for which confirmations are pending, with regards to consideration paid for the purchase of land through aggregator.	Amount not ascertainable at present	Amount not ascertainable at present
Income Tax Matter under Appeal with CIT for the F.Y. 2009-2010 (A.Y. 2010-11)	10,17,08,240/-	9,79,58,240/-
Income Tax Matter under Appeal with CIT for the F.Y. 2011-2012 (A.Y. 2012-13)	12,63,710/-	12,63,710/-
Income Tax Matter under u/s 271 (1) (c) for the F.Y. 2009-2010 (A.Y. 2010-11)	Amount not ascertainable at present	
On account of Corporate Guarantee issued by the Company to ECL Finance Limited on behalf of Heet Builders Private Limited and Vishal Techno Commerce Limited, a fellow subsidiary.	1,700,000,000	1,41,00,00,000/-

Note: Interest / Penalty that may accrue on original demands are not ascertainable, at present. The company has taken the necessary steps to protect its position with respect to the above referred claims, which in its opinion, based on professional / legal advice, are not sustainable.

NOTE '31'

Previous year figures have been regrouped/ reclassified wherever necessary, to make them comparable with current year figures in the financials statements.

As per attached report of even date

FOR L.J. KOTHARI & CO.
Firm Registration No. 105313W
Chartered Accountants

LALIT KOTHARI
Proprietor
Membership No. 30917

Place : Mumbai
Dated: 20th May 2016



XS



For and on behalf of the board

PRAPHUL SHINDE
Director
DIN: 03140671

SUSTAS DUMBRE
Director

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Note : 7. FIXED ASSETS

(In ₹)

PARTICULARS	GROSS BLOCK				DEPREICATION				NET BLOCK	
	As at 1st April, 2015	Additions during the year	Deductions/ Adjustments	As at 31st March, 2016	Upto 1st April, 2015	Provided during the year	Deductions/ Adjustments	Upto 31st March, 2016	As at 31st March, 2016	As at 31st March, 2015
Tangible Assets:										
Computer	2,580,602	-	-	2,580,602	2,580,602	-	-	2,580,602	-	-
Furniture	15,396,585	-	-	15,396,585	13,557,398	1,839,187	-	15,396,585	-	1,839,187
Office Equipments	727,762	-	-	727,762	727,762	-	-	727,762	-	-
GRAND TOTAL	18,704,949	-	-	18,704,949	16,865,762	1,839,187	-	18,704,949	-	1,839,187
Previous year	18,704,949	-	-	18,704,949	14,744,826	2,120,936	-	16,865,762	1,839,187	-

Note: Depreciation has been provided on Straight Line Basis. Also see Significant Accounting Policies.



Citygold Education Research Limited
CIN: U80100MH2006PLC158595
INCOMPLETE PROJECT AS ON 31ST MARCH, 2016
SITE - KHALAPUR

(In ₹)

PARTICULARS	OPENING WIP 31st March, 2015	TRANSFERED TO STATEMENT OF PROFIT AND LOSS	INCURRED DURING THE YEAR	CLOSING WIP 31st March, 2016
CIVIL CONSTRUCTION EXPENSES				
Civil Construction Expenses	56,022,075	752,483	-	55,269,592
Electrical Expenses	33,170	446	-	32,724
PURHCASES REGISTER				
Purchases for civil materials	15,898,105	213,542	-	15,684,563
Other Construction Expenses				
Land development Expenses	279,855	3,759	-	276,096
Survey charges	801,349	10,764	-	790,585
CONSULTANTS				
Professional Fees	50,665,938	680,540	-	49,985,398
Consultancy Charges	301,446	4,049	-	297,397
Legal Fess	2,754,381	36,997	-	2,717,384
LAND COST	303,386,286	4,385,545	24,536,540	323,537,280
INDIRECT EXPENSES				
Conveyance	12,250	165	-	12,085
Petrol Expenses	67,146	902	-	66,244
Miscellaneous Expenses	62,279	837	-	61,442
Repairs & Maintanance	209,486	2,814	-	206,672
Securilty charges	2,442,678	32,810	-	2,409,868
Tea, Coffee, Lunch Expenses	79,379	1,066	-	78,313
Transport charges	115,188	1,547	-	113,641
Vehicle Expenses	25,455	342	-	25,113
Photocopy Charges	49,771	669	-	49,102
Hire Charges	244,136	3,279	-	240,857
Housekeeping Charges	1,428,946	19,193	-	1,409,753
Labour Charges	374,288	5,027	-	369,261
INTEREST & FINANCE CHARGES				
Interest Paid	113,271,843	1,521,457	-	111,750,386
Bank charges	50,140	673	-	49,467
Total	548,575,590	7,678,906	24,536,540	565,433,223





L. J. KOTHARI
B.COM, F.C.A.
9920424040

L. J. KOTHARI & CO.

CHARTERED ACCOUNTANTS

GANDHI MANSION, 3RD FLOOR, NEW SILK BAZAR, OPP KALBADEVI HEAD P. O.,
MUMBAI – 400 002 * Tel.: 2205 5916 * E-mail: ca_lalitkothari@yahoo.co.in

INDEPENDENT AUDITORS' REPORT

To
The Members of Citygold Farming Private Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Citygold Farming Private Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.

We conducted our audit 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 financial statements are free from material misstatement.



An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the 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 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 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016 and its losses and its cash flows for the year ended on that date.

Emphasis of Matter

Attention is invited to Note 30 in the financial statements with regards to the Company's investment in subsidiary Asha Multitrade Private Limited, carried at Rs. 15 Crore in the balance sheet as at March 31st, 2016. We are unable to obtain sufficient appropriate audit evidence with regards value of such long term investment. Consequently, we are unable to state whether any provision for diminution is required to recognize decline in value of investment, if any.

Our opinion is not qualified with respect to this matter.


Report on Other Legal and Regulatory Requirements

- I. As required by 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure A", statement on the matters specified in paragraphs 3 and 4 of the Order.
- II. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.



- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 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".
- (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
- The Company has disclosed the impact, if any, of pending litigations as at 31st March, 2016 on its financial position in its financial statements.
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

FOR L. J. KOTHARI & CO.
FIRM REGISTRATION No:105313W
CHARTERED ACCOUNTANTS


LALIT KOTHARI
PROPREITOR
Membership No. 30917



Place : Mumbai
Date : 19th May, 2016

"ANNEXURE A" REFERRED TO IN OUR REPORT TO THE MEMBERS OF CITYGOLD FARMING PRIVATE LIMITED FOR THE YEAR ENDED 31ST MARCH, 2016

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that:-

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets;
- (b) The Fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable;
- (c) The Company does not own any immovable properties as disclosed in Note 7 on fixed assets to the financial statements. Therefore, the provisions of Clause 3(i)(c) of the said Order are not applicable to the Company;
- ii. The physical verification of inventory has been conducted at reasonable intervals by the management during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been appropriately dealt with in the books of accounts;
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company;
- iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3 (iv) of the said Order are not applicable to the Company.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified. Therefore, the provisions of Clause 3 (v) of the said Order are not applicable to the Company.
- vi. In our opinion, and according to the information and explanation given to us, the Company has not crossed the threshold limit as prescribed by the Central government under sub-section (1) of section 148 of the Act for maintenance of cost records and hence the provision for maintenance of records are not applicable to the Company;
- vii. (a) According to the records of the Company, it has been generally regular in depositing, wherever applicable, undisputed statutory dues including Sales Tax, Vat, Service Tax, Custom Duty, Cess and other statutory dues with the appropriate authorities. There were no amounts outstanding other than an amount of Tax deducted at Source of ₹ 1,42,291/- and Service Tax of ₹ 2,14,558/- as at the last day of the financial year for a period exceeding six months from the date they became payable.



- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no disputed dues in respect of Income tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty or Cess other than those mentioned below:

Name of the statute	Nature of dues	Period to which amount relates (F.Y.)	Amount (Rs)	Forum where the dispute is pending
Income Tax Act, 1961	143 (3)	2009-10	144,009,320	Commissioner of Income tax (appeals)
Income Tax Act, 1961	271(1)(c)	2009-10	Amount not ascertainable	Dy. Commissioner of Income tax
Income Tax Act, 1961	143(3)	2011-12	2,40,06,150	Commissioner of Income tax (appeals)
Income Tax Act, 1961	271(1)(c)	2012-13	Amount not ascertainable	Dy. Commissioner of Income Tax
Income Tax Act, 1961	143(3)	2012-13	97,070	Dy. Commissioner of Income Tax

- viii. As the Company does not have any loans or borrowings from any financial institution or bank or Government, nor has it issued any debentures as at the balance sheet date. Therefore, the provisions of Clause 3(viii) of the Order are not applicable to the Company.
- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The Company has not paid / provided managerial Remuneration hence, the provisions of Section 197 read with Schedule V to the Act are not applicable. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.



- xiii. The Company has not entered into any related party transactions as covered by the section 188 of the Act. The details of related party transaction have been disclosed in the financial statements as required under Accounting Standard 18 - Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act, and accordingly, to this extent, the provisions of Clause 3(xiii) of the Order are not applicable to the Company;
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non- cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

FOR L. J. KOTHARI & CO.

FIRM REGISTRATION No.: 105313W

CHARTERED ACCOUNTANTS



LALIT KOTHARI

PROPREITOR

Membership No. 30917

Place: Mumbai

Date : 19th May, 2016

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF CITYGOLD FARMING PRIVATE LIMITED

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

We have audited the internal financial controls over financial reporting of Citygold Farming Private Limited ("the Company") as of March 31, 2016 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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control or 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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



Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate **internal** financial controls system over financial reporting and such internal financial controls over **financial** reporting were operating effectively as at March 31, 2016, based on the internal control **over** **financial** reporting criteria established by the Company considering the essential components of **internal** control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial **Reporting** issued by the Institute of Chartered Accountants of India.

FOR L. J. KOTHARI & CO.
FIRM REGISTRATION No.: 105313W
CHARTERED ACCOUNTANTS



LALIT KOTHARI
PROPREITOR
Membership No. 30917



Place: Mumbai
Date : 19th May, 2016

Citygold Farming Private Limited
CIN: U01122MH2006PTC163517

Balance Sheet As at 31st March, 2016

Particulars	Note No	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
I. EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	1	25,975,000	25,975,000
Reserves and Surplus	2	203,212,561	232,433,900
		229,187,561	258,408,900
Non-Current Liabilities			
Other Long term liabilities	3	7,029,276	4,929,276
Current Liabilities			
Trade payables	4	53,396	53,396
Other current liabilities	5	1,250,427,530	1,340,007,193
Short-term provisions	6	-	396,529
		1,257,510,202	1,345,386,394
TOTAL		1,486,697,763	1,603,795,294
II. ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	7	82,263	123,395
Non-current investments	8	150,016,000	150,016,000
Long term loans and advances	9	12,698,191	13,414,191
		162,796,454	163,553,586
Current assets			
Inventories	10	1,079,263,310	1,176,116,286
Trade Receivables	11	2,109,460	1,992,468
Cash and bank balances	12	81,065	2,340,447
Short-term loans and advances	13	240,896,554	257,395,721
Other current assets	14	1,550,920	2,396,786
		1,323,901,309	1,440,241,708
TOTAL		1,486,697,763	1,603,795,294

Significant Accounting Policies Annexure I

Notes on Financial Statements 1 to 32

As per attached report of even date

FOR L.J. KOTHARI & CO.

Firm Registration No. 105313W

Chartered Accountants

LALIT KOTHARI

Proprietor

Membership No. 30917

Place: Mumbai

Dated: 19th May 2016

For and on behalf of the board

PRAPHUL SHINDE

Director

DIN: 03140671

KAMAL MATALIA

Director

DIN: 00009695

Citygold Farming Private Limited
CIN: U01122MH2006PTC163517

Statement of Profit and Loss for the year ended 31st March, 2016

Particulars	Note No	Year Ended 31st March 2016 ₹	Year Ended 31st March 2015 ₹
I. INCOMES			
Revenue from operations	15	69,968,800	2,747,472
Share of Loss from Partnership Firm and Joint venture		(5,460)	(6,300)
Other Income	16	1,992,900	-
Total		71,956,240	2,741,172
II. EXPENSES			
Cost of Operations	17	-	642,052
Changes in inventories of finished goods and work-in-progress	18	96,852,976	(916,113)
Financial costs	19	156,626	322,592
Depreciation and amortization expense	7	41,132	303,185
Other expenses	20	4,136,541	50,855,146
Total		101,187,275	51,206,862
Loss before exceptional and extraordinary items and tax			
Loss before tax		(29,231,035)	(48,465,690)
Tax expense:			
- Current tax		-	-
- Excess / (Short) provision for taxation in respect of earlier years (net)		9,696	-
- Deferred tax		-	-
Net Loss for the year		(29,221,339)	(48,465,690)
Earning per equity share (Face Value of ₹ 10 /- each)	21		
Basic and Diluted		(2,922)	(4,847)

Significant Accounting Policies
Notes on Financial Statements

Anexure I
1 to 32

As per attached report of even date

FOR L.J. KOTHARI & CO.
Firm Registration No. 105313W
Chartered Accountants

LALIT KOTHARI
Proprietor
Membership No. 30917

Place: Mumbai
Dated: 19th May 2016



For and on behalf of the board

PRAPHUL SHINDE
Director
DIN: 03140671

KAMAL MATALIA
Director
DIN: 00009695

Cash Flow Statement for the year ended 31st March, 2016

	31st March, 2016		31st March, 2015	
	Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)
I. Cash flows arising from operating activities				
Net Profit before tax as per Profit and Loss Account		(29,231,035)		(48,465,690)
Add / (Less) :				
Interest Paid	2,278		322,592	
Share of Loss from Partnership Firm and Joint venture	5,460		6,300	
Advances and other debit balances written off	845,866		-	
Liabilities no longer to be maintained & written back	(1,567,900)		-	
Depreciation and Amortisation	41,132		303,185	
		(673,164)		632,077
Operating Profit Before Working Capital Changes		(29,904,199)		(47,833,613)
Add / (Less) :				
(Increase) / Decrease in Inventories	96,852,976		(916,114)	
(Increase) / Decrease in Trade and Other Receivables	728,874		55,092,976	
(increase) / Decrease in Loans and Advances	21,328,568		-	
Increase / (Decrease) in Trade Payables	-		(46,576)	
Increase / (Decrease) in Other current and non-current Liability & Provisions	(86,458,166)		328,573	
Direct Taxes Paid	(4,553,042)		(3,039,306)	
		27,899,210		51,419,553
Net Cash flow in the course of Operating Activities		(2,004,989)		3,585,940
II. Cash flows arising from Investing activities				
Inflow / (Outflow) on account of :				
Share of Loss from Partnership Firm and Joint venture	(5,460)		(6,300)	
Proceed from Long term Investment	-		(16,000)	
		(5,460)		(22,300)
Net Cash flow in the course of Investing Activities		(5,460)		(22,300)
III. Cash flows arising from Financing activities				
Inflow / (Outflow) on account of :				
Increase / (Decrease) in Other Long term Borrowings	-		(1,330,000)	
Interest and Finance Charges Paid	(248,933)		(294,904)	
		(248,933)		(1,624,904)
Net Cash flow in the course of Financing Activities		(248,933)		(1,624,904)
Net Increase in cash and cash Equivalents (I + II + III)		(2,259,382)		1,938,736
Add: Balance at the beginning of the year		2,340,447		401,711
Cash and Cash Equivalents at the end of the year		81,065		2,340,447
Reconciliation of cash and cash equivalents (refer note 12)				
Cash on hand		75,207		65,853
Bank balances in current accounts		5,858		2,274,594
Cash and cash equivalents at the end of the year		81,065		2,340,447

As per attached report of even date

FOR L.J. KOTHARI & CO.
Firm Registration No. 105313W
Chartered Accountants

LALIT KOTHARI
Proprietor
Membership No. 30917

Place: Mumbai
Dated: 19th May 2016



For and on behalf of the board

PRAPHUL SHINDE
Director
DIN: 03140671

KAMAL MATALIA
Director
DIN: 00009695



Notes to the financial statements for the year ended 31st March, 2016

1 Corporate Information

Citygold Farming Private Limited is a private limited Company domiciled in India, incorporated under the Companies Act, 1956. The object of the company is to acquire by purchase, lease or otherwise, to carryout agriculture and allied activities and to construct ,erect, equip, lease, convert, adapt, improve, develop, operate & manage all sorts of Agricultural parks, special economic zone & related infrastructure facilities and amenities.

2 Significant Accounting Policies

I. Basis of Preparation of Financial Statements

The financial statements have been prepared to comply in all material aspects with the Accounting Standards notified by the Companies (Accounting Standards) Rules read with Rule 7 to the Companies (Accounts) Rules 2014 in respect of section 133 of the Companies Act, 2013. The financials statements are prepared under the historical cost conversion, on an accrual basis of accounting. The accounting policies applied are consistant with those used in the previous year.

All the Assets and Liabilities have been classified as current or non-current, wherever applicable, as per the operating cycle of the Company as per the guidance as set out in the Schedule III, to the Companies Act, 2013.

Operating Cycle for the business activities of the Company covers the duration of the specific project/ contract/ Service and extends upto the realisation of receivables within the agreed credit period normally applicable to the respective project.

II. USE OF ESTIMATES

The preparation of financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known / materialized.

III. REVENUE RECOGNITION

A. Revenue from sale of properties /rights

Revenue is recognised to the extent that it is probable that the economic benefits will accrue to the company and the revenue can be reliabaly measured and also when it is reasonably certain that the ultimate collection will be made and that there is buyer's commitment to make the complete payment.

B. Profit / loss from Partnership Firm

Share of profit / loss from partnership firms / association of persons (AOP) is accounted in respect of the financial year of the Firm / AOP, during the reporting period, on the basis of their audited accounts, which is considered as a part of other operating activity.

C. Interest

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

D. Other Income

Revenues / Incomes and Costs / Expenditure are generally accounted on accrual, as they are earned or incurred.

IV. TANGIBLE FIXED ASSETS AND DEPRECIATION / AMORTISATION

a. Tangible Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation / amortisation and accumulated impairment losses, if any.

b. Depreciation is provided on the straight line method on the basis of useful life of the asset in the manner specified in Schedule II to the Companies Act, 2013. Depreciation on additions to assets or on sale/disposal of assets is calculated pro-rata from the month of such addition, or upto the month of such sale/disposal, as the case may be.



Notes to the financial statements for the year ended 31st March, 2016

V. INVENTORIES

All inventories are stated at Cost or Net Realizable Value, whichever is lower.

'Incomplete Projects' include cost of incomplete properties for which the Company has not entered into sale agreements and in other cases where the revenue recognition is postponed. 'Incomplete Projects' also include initial project costs that relate directly to a (prospective) project, incurred for the purpose of securing the project. These costs are recognized as expenditure for the year in which they are incurred unless they are separately identifiable and it is probable that the respective project will be obtained.

Cost included in inventory include costs incurred upto the completion of the project viz. cost of land / rights, value of FSI, materials, services and other expenses (including borrowing costs) attributable to the projects. Cost formula used is average cost.

VI. PROJECT EXPENSES

In respect of major projects involving construction, related pre-operational expenses form part of the Inventories capitalised. Expenses capitalised to inventories include applicable borrowing costs till the date of completion of the construction project.

VII. INVESTMENTS

Investments are classified into Current / Non Current and Long Term Investments. Current investments are stated at lower of cost and fair value. Long term investments are stated at cost. A provision for diminution is made to recognize decline, other than temporary, in the value of long term investments.

VIII. BORROWING COSTS

Interests and other borrowing costs (including front end processing fees and related professional and other costs) attributable to qualifying assets are allocated as part of the cost of construction / development of such assets. Such allocation is suspended during extended periods in which active development is interrupted. Front-end fees, processing fees and other 'one time' charges are amortised over the period of the related borrowing, but not exceeding a period of three years. Other borrowing costs are charged to the Profit and Loss Statement.

IX. SEGMENT REPORTING

The Company has a single segment namely "Agriculture and construction of Agricultural parks". Therefore the company's business does not fall under different business segments as defined by AS - 17 - "Segmental Reporting" issued by ICAI. Further, the Company's operations are restricted to a single geographical segment.

X. TAXATION

Income tax expense comprises Current Tax and Deferred Tax charge or credit. Provision for current tax is made on the basis of the assessable income at the tax rate applicable to the relevant assessment year. The deferred tax asset and deferred tax liability is calculated by applying tax rate and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognized, only if there is a virtual certainty of its realization, supported by convincing evidence. At each Balance Sheet date, the carrying amounts of deferred tax assets are reviewed to reassure realization.

In Case, the company is liable to pay income tax under Section 115 JB of Income Tax Act, 1961 (i.e. MAT), the amount of tax paid in excess of normal tax is recognised as an assets (MAT Credit Entitlement) only if there is convincing evidence for realization of such asset during the specified period. MAT credit entitlement is reviewed at each Balancesheet date.

XI. IMPAIRMENT OF ASSETS

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to the Profit & Loss Account in the year in which the asset is identified as impaired. The impairment Loss recognized in prior periods is reversed if there has been a change in the estimate of recoverable value.

XII. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving a substantial degree of estimation in measurement are recognised when there is present obligation as a result of past events and its probable there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the financial statement. Contingent assets are neither recognised not disclosed in the financial statements.



Notes to the financial statements for the year ended 31st March, 2016

NOTE '1'
SHARE CAPITAL

AUTHORISED

10,000 (P.Y.10,000) Equity Shares of ₹.10/- each

999,000 (P.Y.999,000) 8% Non Cumulative Convertible Preference Shares of ₹.100/- each

ISSUED, SUBSCRIBED & PAID UP

10,000 (P.Y.10,000) Equity Shares of ₹.10/- each, fully paid

258,750 (P.Y.258,750) 8% Non Cumulative Convertible Preference Shares of ₹.100/- each, fully paid

As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
100,000	100,000
99,900,000	99,900,000
100,000,000	100,000,000
100,000	100,000
25,875,000	25,875,000
25,975,000	25,975,000

1.1 Reconciliation of the number of shares outstanding at the beginning and at the end of reporting year :

	31st March, 2016		31st March, 2015	
	Equity	Preference	Equity	Preference
Number of Shares at the Beginning of the year	10,000	258,750	10,000	258,750
Add/(Less) :				
Issue during the year	-	-	-	-
Buyback during the year	-	-	-	-
Redemption during the year	-	-	-	-
Conversion during the year	-	-	-	-
At the end of the reporting year (Nos)	10,000	258,750	10,000	258,750

1.2 Shares held by its holding company or its ultimate holding company subsidiaries or associates of the holding company or the ultimate holding company :

	31st March, 2016		31st March, 2015	
	Equity	Preference	Equity	Preference
Holding Company of Reporting Company (HCRC)				
Hubtown Limited with Beneficiary Owners	10,000	-	10,000	-
Others	-	258,750	-	258,750
Total	10,000	258,750	10,000	258,750

1.3 Shareholders holding more than five percent of holdings

	31st March, 2016		31st March, 2015	
	Nos	% of Holdings	Nos	% of Holdings
Equity				
Hubtown Limited with Beneficiary Owners	10,000	100	10,000	100
Equity Shares Total	10,000	100	10,000	100
Preference Shares				
Hormony Energy Pvt. Ltd.	20900	8.08	20,900	8.08
Alken Management and Financial Services Pvt. Ltd.	20900	8.08	20,900	8.08
Priority Traders Pvt.Ltd.	20900	8.08	20,900	8.08
Shree Ganesh Spinners Ltd.	29200	11.29	29,200	11.29
Tac Technosoft Private Limited	16700	6.45	16,700	6.45
Hindustan Continental Limited	37500	14.49	37,500	14.49
Epson Trading Pvt. Ltd.	33400	12.91	33,400	12.91
Lilac Medicines Private Ltd.	16700	6.45	16,700	6.45
Harekrishna Securities Pvt. Ltd.	41700	16.12	41,700	16.12
Others	20850	8.06	20,850	8.06
Preference Shares Total	258,750	100	258,750	100

1.4 The rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital :

Equity Share

The company has a single class of equity shares having a par value of ₹ 10/- per share. Each holder of equity share is entitled to one vote per share. The company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing annual general meeting.

In the event of liquidation of company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Preference Shares

8% Non cumulative convertible Preference Shares of ₹100 each. The Preference Shares of the Company shall be converted into fully paid equity shares of the Company on or after 1st April, 2012 or on such other date as may be decided by Board of Directors of the Company by exercising a call option vested in the Company for conversion of the Preference Shares on such terms and conditions as the Board of Directors may deem fit. However the Board of Directors has not exercise a call option as on 31st March, 2016.



Notes to the financial statements for the year ended 31st March, 2016

NOTE '2'

RESERVES AND SURPLUS

(258,750) Preference shares issued at premium of ₹ 1,100/- per share)

Balance as per last Balance Sheet

Add: Addition during the year

Less :Deduction during the year

Balance at the end of the year (A)

As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
284,625,000	284,625,000
-	-
284,625,000	284,625,000

Surplus in the statement of profit and Loss

Balance as per last Balance Sheet

Loss for the year

Balance at the end of the year (B)

(52,191,100)	(3,725,410)
(29,221,339)	(48,465,690)
(81,412,439)	(52,191,100)
203,212,561	232,433,900

Total (A+B)

NOTE '3'

OTHER LONG TERM LIABILITIES:

Outstanding payables against Land purchased

Other payables

Retention Money

Security Deposit

Total

As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
4,522,986	4,522,986
58,301	58,301
347,989	347,989
2,100,000	-
7,029,276	4,929,276

NOTE '4'

TRADE PAYABLES:

Micro,Small and Medium Enterprises (refer footnote)

Trade Payables

Total

As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
-	-
53,396	53,396
53,396	53,396

Footnote:

As certified by the company and relied upon by the auditors, none of the creditors of the Company are registered under Micro, Small and Medium enterprises as per Micro, Small and Medium Enterprises Development Act, 2008.

NOTE '5'

OTHER CURRENT LIABILITIES:

Statutory dues

Advances received for projects from related parties

Advance received for project from others

Advances received from customers

Business advances from Holding Company

Overdrawn Bank Balances as per books of Accounts

Security Deposits

Interest Accrued and due

Other payables

Current Account balance in Joint Venture

Total

As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
594,380	215,930
150,000,000	150,000,000
660,800,000	667,900,000
49,200,000	-
33,487,923	170,937,923
1,482,064	-
1,500,000	3,086,400
-	246,655
5,851,363	112,985
347,511,800	347,507,300
1,250,427,530	1,340,007,193

NOTE '6'

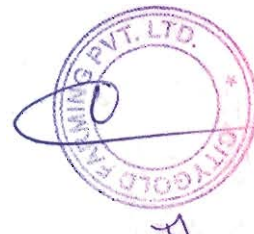
SHORT-TERM PROVISIONS

Provision for Income Tax

(Net of advances ₹ NIL, PY ₹ 6,57,771/-)

Total

As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
-	396,529
-	396,529



Notes to the financial statements for the year ended 31st March, 2016

NOTE '8'

NON-CURRENT INVESTMENTS

(Non Trade, unless otherwise specified)

Investment in Equity Shares :

150,000 Equity shares of face value of ₹10/- each

Asha Multitrade Private limited (Refer note no 30)

	As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
Investment in Equity Shares :		
150,000 Equity shares of face value of ₹10/- each	150,000,000	150,000,000
Asha Multitrade Private limited (Refer note no 30)		
Capital Investment in Partnership Firm (Refer footnote a)		
M/s Rising Glory Developers	10,000	10,000
Capital Investment in Joint Venture (Refer footnote b)		
Town Planning Fintrade JV	6,000	6,000
Total	150,016,000	150,016,000

8.1 Details of Investments made in capital of Partnership firm and Joint Venture:

Partnership Firm

M/s Rising Glory Developers

Name of Partners	31st March, 2016		31st March, 2015	
	Capital Contribution	Profit Sharing Ratio	Capital Contribution	Profit Sharing Ratio
Hubtown Limited	10,000	20.00%	10,000	4.78%
Ackruti Safeguard System Private Limited	10,000	5.34%	10,000	4.76%
Citygold Education Research Limited	10,000	5.34%	10,000	4.76%
Citygold Farming Private Limited	10,000	5.34%	10,000	4.76%
Diviniti Projects Private Limited	10,000	5.34%	10,000	4.76%
Haltious Developers Limited	10,000	5.34%	10,000	4.76%
Headland Farming Private Limited	10,000	5.33%	10,000	4.76%
Hedde Knowledge Private Limited	10,000	5.33%	10,000	4.76%
Heet Builders Private Limited	10,000	5.33%	10,000	4.77%
Twenty Five South Realty Limited	-	-	10,000	4.76%
Hubtown Bus Terminal (Adajan) Private Limited	-	-	10,000	4.76%
Hubtown Bus Terminal (Ahemdabad) Private Limited	-	-	10,000	4.76%
Hubtown Bus Terminal (Mehsana) Private Limited	-	-	10,000	4.76%
Hubtown Bus Terminal (Surat) Private Limited	-	-	10,000	4.76%
Hubtown Bus Terminal (Vadodara) Private Limited	-	-	10,000	4.76%
Subhsiddhi Developers Pvt Ltd.	10,000	5.33%	-	-
Joynest Premises Private Limited	-	-	10,000	4.76%
Sunstream City Private Limited	20,000	10.66%	10,000	4.77%
Upvan lake Resort Private Limited	10,000	5.33%	10,000	4.76%
Vega Developers Private Limited	10,000	5.33%	10,000	4.76%
Whitebud Developers Limited	10,000	5.33%	10,000	4.76%
Yantti Buildcon Private Limited	10,000	5.33%	10,000	4.76%
TOTAL	160,000	100.00%	210,000	100%

8.2 Co- Venturer

Town Planning Fintrade JV

Name of Partners	31st March, 2016		31st March, 2015	
	Capital Contribution	Profit Sharing Ratio	Capital Contribution	Profit Sharing Ratio
Citygold Farming Private Limited	6,000	60%	6,000	60%
Rubix Trading Private Limited	4,000	40%	4,000	40%
TOTAL	10,000	100%	10,000	100%



Notes to the financial statements for the year ended 31st March, 2016

		As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
NOTE '9'			
LONG TERM LOANS AND ADVANCES:			
Advances to land owners		12,698,191	13,414,191
Total		12,698,191	13,414,191
NOTE '10'			
INVENTORIES			
Incomplete Project (Valued at lower of cost or net realisable value)		1,079,263,310	1,176,116,286
Total		1,079,263,310	1,176,116,286
NOTE '11'			
TRADE RECEIVABLES:			
Unsecured, considered good :			
Outstanding for a period exceeding six months from the date they are due for payment		451,568	-
Less : Provision for Doubtful Debtors		(92,468)	-
		359,100	-
Other trade receivables		1,750,360	1,992,468
Total		2,109,460	1,992,468
NOTE '12'			
CASH AND BANK BALANCES			
Balances With Bank in current Account		5,858	2,274,594
Cash in Hand		75,207	65,853
Total		81,065	2,340,447
NOTE '13'			
SHORT-TERM LOANS AND ADVANCES:			
Unsecured, Considered good)			
Other loans and advances:			
Loans to others		1,251,067	-
Advances for purchase of Land		140,433,882	130,643,382
Advance for Projects		89,375,000	121,875,000
Advances recoverable in cash or kind		479,169	479,169
Advance Income Tax (Net of Provisions ₹ 14,32,000/- , (P.Y. ₹ 14,32,000/-)		9,357,437	4,398,170
Total		240,896,554	257,395,721
NOTE '14'			
OTHER CURRENT ASSETS:			
Other receivables		1,550,920	2,396,786
Total		1,550,920	2,396,786
NOTE '15'			
REVENUE FROM OPERATIONS:			
Sale of Plots		67,168,800	-
Rental income		2,800,000	2,747,472
Total		69,968,800	2,747,472



Notes to the financial statements for the year ended 31st March, 2016

NOTE '16'

OTHER INCOME:

Miscellaneous Income
Liabilities no longer to be maintained & written back

Total

Year Ended 31st March, 2016 (₹)	Year Ended 31st March, 2015 (₹)
425,000	-
1,567,900	-
1,992,900	-

NOTE '17'

COST OF OPERATIONS :

Land/Rights Acquired
Material and Labour Cost
Other Expenses

Total

Year Ended 31st March, 2016 (₹)	Year Ended 31st March, 2015 (₹)
-	-
-	-
-	642,052
-	642,052

NOTE '18'

CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE:

Opening Inventory :
- Incomplete Projects
Less : Closing Inventory :
- Incomplete Projects

Total

Year Ended 31st March, 2016 (₹)	Year Ended 31st March, 2015 (₹)
1,176,116,286	1,175,200,173
1,079,263,310	1,176,116,286
96,852,976	(916,113)

NOTE '19'

FINANCE COSTS

Interest :
Body Corporates
Interest on Delayed payment

Total

Year Ended 31st March, 2016 (₹)	Year Ended 31st March, 2015 (₹)
2,278	274,061
154,348	48,531
156,626	322,592

NOTE '20'

OTHER EXPENSES:

Professional / Legal Fees
Security Charges
Brokerage expenses
Donation Expenses
Advances and other debit balances written off
Provision for Doubtful Debt
Other Expenses (Refer footnote)

Total

Year Ended 31st March, 2016 (₹)	Year Ended 31st March, 2015 (₹)
633,430	52,427
360,814	-
2,065,200	686,868
-	50,000,000
845,866	-
92,468	-
138,763	115,851
4,136,541	50,855,146

Footnote :

Auditors Remuneration (included in the other expenses)
Audit Fees
Limited Review fees

35,000	35,000
15,000	15,000
50,000	50,000

NOTE '21'

EARNINGS PER SHARE (EPS)

Net Loss as per Statement of Profit and loss available for Equity Shareholders before / after extraordinary item (₹)

Weighted average number of equity shares outstanding at the end of the year (Nos.)
Earning per equity share (Nominal Value per share ₹10/-each)
Earning before/ after extraordinary item :
Basic and diluted (₹)

Year Ended 31st March, 2016 (₹)	Year Ended 31st March, 2015 (₹)
(29,221,339)	(48,465,690)
10,000	10,000
(2,922)	(4,847)



Notes to the financial statements for the year ended 31st March, 2016

NOTE '22'

Related Party Disclosures (As Per As - 18)

A. Name of related parties and description of relations

Holding Company	: Hubtown Limited
Subsidiary Company	: Asha Multitrade Private Ltd
Fellow Subsidiary Company	: ABP Realty Advisors Private Limited Ackruti Safeguard Systems Private Limited Citygold Education Research Limited Citywood Builders Private Limited Devkrupa Build Tech Limited Diviniti Projects Private Limited Gujarat Akruiti - TCG Biotech Limited Halituous Developer Limited Headland Farming Private Limited Heddle Knowledge Private Limited Heet Builders Private Limited India Development And Construction Venture Capital Private Limited Joynest Premises Private Limited Sheshan Housing And Area Development Engineers Limited [Upto April 1, 2015] Twenty Fifth South Realty Limited Upvan Lake Resorts Private Limited Urvi Build Tech Limited Vama Housing Limited Vega Developers Private Limited Vishal Techno Commerce Limited Yantti Buildcon Private Limited

Firm in which Company is a Partner : Rising Glory Developers

Joint Venture in which Company is a Co-venture : Town Planning Fintrade JV

B. Transactions with related parties

Particulars	Related Party	Amount (₹)
Business Advances Received/ Recovered/ Adjusted		
Hubtown Limited	Holding Company	2,35,00,000 (94,81,000)
Business Advances given/ Repaid/ Adjusted		
Hubtown Limited	Holding Company	16,09,50,000 (1,79,50,000)
Share of loss from Joint Venture		
Town Planning Fintrade JV	Joint Venture in which Company is a Co-venture	4,500 (6,300)
Share of loss from Partnership Firm		
Rising Glory Developers	Firm in which Company is a Partner	5,460 (-)
Capital Contribution in Partnership Firm		
Rising Glory Developers	Firm in which Company is a Partner	(-) (10,000)
Capital Contribution in Joint Venture		
Town Planning Fintrade JV	Joint Venture in which Company is a Co-venture	(-) (6,000)
Balance Payable as on 31st March, 2016		
Hubtown Limited	Holding Company	3,34,87,923 (17,09,37,923)
Joynest Premises Private Limited	Fellow subsidiary	15,00,00,000 (15,00,00,000)
Rising Glory Developers	Fellow subsidiary	10,960 (10,000)
Hinterland Fintrade JV	Fellow subsidiary	34,75,11,800 (34,75,07,300)

Footnote:

- Previous year figures are given in brackets.
- Related Party relationships are identified by the company and relied upon by the auditors



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Notes to the financial statements for the year ended 31st March, 2016

NOTE '23'

The permissions under Bombay Tenancy and Agricultural Land Act (BTAL) from Revenue Department for acquiring Agricultural Land in excess of ceiling limit are subject to certain conditions imposed by the Government which state that the approvals /permissions under MLR Code, Restoration of Land to ST Act, BTAL ACT, Forests Acts, CRZ, NDZ and other similar laws wherever applicable are necessary.

NOTE '24'

Advance paid for purchase of land of current year ₹ 16,33,41,573/- (P. Y. ₹ 14,40,57,573/-) includes as under:

(In ₹)

PARTICULARS	As at 31-03-2016	As at 31-03-2015
Advance paid to farmers for which no agreement have been entered	12,698,191	13,414,191
Advances paid to farmers for which agreements have been executed in the name of company & nominee of company	140,433,882	130,643,382

NOTE '25'

Advances received include ₹ 15,00,00,000 received from Joynest Premises Private Limited, a body incorporate with whom the company has entered into a Memorandum of understanding for the Joint Development of an integrated Townships / SEZ at Khalapur.

NOTE '26'

The Company has entered into Town Planning Fintrade JV and agreed to transfer Land admeasuring to 65 Acres (approx.) along with the amounts received against the said land in the earlier years as per the terms and conditions agreed upon.

NOTE '27'

The company is in the process of acquisition of land / properties. Some of the lands purchased standing in the name of nominees of Company are pending for necessary permissions from the Revenue Department.

NOTE '28'

Debtors, Creditors and Loans and advances include confirmations, reconciliation and adjustments and are considered payable/realizable, as the case may be.

NOTE '29'

In the opinion of The Board of Directors of the Company, all items of Current and Non Current Assets, Current and Non Current Liabilities and Loan and Advances continue to have a realizable value of at least the amounts at which they are stated in the balance sheets.

NOTE '30'

The Company has invested Rs. 15,00,00,000 in Asha Multitrade Private limited and thereby holds 93.75 % of Equity Share Capital of the said company. The financial statements as on 31st March 2016 of the investee company are not available. However, the management is of the view that there is no permanent diminution in value of its long term investment. Further, due to non- availability of financial statement of investee company, the company has not prepared consolidated financial statement.

NOTE '31'

CONTINGENT LIABILITIES (NOT PROVIDED FOR):

(₹)

Particulars	As at 31st March, 2016	As at 31st March, 2015
Claims against the Company, not acknowledged as debts on account of:-		
On account of properties purchased pending registration and other formalities under different statutes, for which confirmations are pending, with regards to consideration paid for the purchase of land through aggregator.	Amount not ascertainable at present	Amount not ascertainable at present
Income Tax matters under Appeal with CIT for the Financial Year 2009-2010	144,009,320	144,009,320
Income Tax matters under Deputy Commissioner of Income Tax for the Financial Year 2009-10	Amount not ascertainable at	-
Income Tax matters under Appeal with CIT for the Financial Year 2011-2012	24,006,150	24,006,150
Income Tax matters under Deputy Commissioner of Income Tax for the Financial Year 2012-13	Amount not ascertainable at	-
Income Tax matters under Deputy Commissioner of Income Tax for the Financial Year 2012-13	97,070	-

Note : Interest / Penalty that may accrue on original demands are not ascertainable, at present. The company has taken the necessary steps to protect its position with respect to the above referred claims, which in its opinion, based on professional / legal advice, are not sustainable.

NOTE '32'

Figures for the previous year have been regrouped / reclassified wherever necessary.

As per attached report of even date

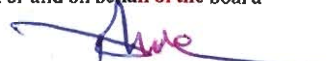
FOR L.J. KOTHARI & CO.
Firm Registration No. 105313W
Chartered Accountants



LALIT KOTHARI
Proprietor
Membership No. 30917



For and on behalf of the board



PRAPHUL SHINDE
Director
DIN: 03140671



KAMAL MATALIA
Director
DIN: 00009695

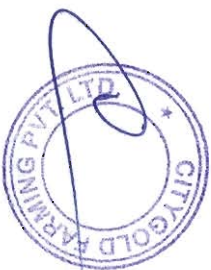
CITYGOLD FARMING PRIVATE LIMITED
CIN: U01122MH2006PTC163517

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

NOTE : 7 FIXED ASSET

(In ₹)

PARTICULARS	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK	
	As on	Additions	Deductions/	As at	As on	Provided	Deductions/	Upto	As at	As at
	1st April, 2015	during the year	Adjustments	31st March, 2016	1st April, 2015	during the Year	Adjustments	31st March, 2016	31st March, 2016	31st March, 2015
Office Equipments	630,000	-	-	630,000	630,000	-	-	630,000	-	-
Site Office Furniture	517,500	-	-	517,500	394,105	41,132	-	435,237	82,263	123,395
TOTAL	1,147,500	-	-	1,147,500	1,024,105	41,132	-	1,065,237	82,263	123,395
PREVIOUS YEAR	1,147,500	-	-	1,147,500	720,920	303,185	-	1,024,105	123,395	426,580



Citygold Farming Private Limited

CIN: U01122MH2006PTC163517

WORK IN PROGRESS AS ON 31-MAR-16

PARTICULAR	As on 31st March 2015	ADDITION DURING THE YEAR	DEDUCTION DURING THE YEAR	As on 31st March 2016
	₹	₹	₹	₹
CIVIL CONSTRUCTION				
CIVIL CONSTRUCTION EXPENSES	52,350,367	-	3,880,048	48,470,319
CONSULTANTS / PROFESSIONALS				
CONSULTANCY CHARGES	287,389	-	21,300	266,089
PROFESSIONAL FEES	1,469,577	-	108,921	1,360,656
SURVEY CHARGES	2,336	-	173	2,163
GENERAL EXPENSES				
HIRE CHARGES	76,615	-	5,678	70,937
HOUSEKEEPING CHARGES	726,602	-	53,854	672,748
LEGAL FEES	3,557,751	-	263,690	3,294,061
MISC EXPS	102,187	-	7,574	94,613
MOBILE EXPENSES	3,148	-	233	2,915
OFFICE EXPENSES	18,666	-	1,383	17,283
PETROL EXPENSES (FOUR WHEELER)	1,476	-	109	1,367
POSTAGE & COURIER CHARGES	390	-	29	361
SECURITY CHARGES	2,223,308	-	164,785	2,058,523
SITE OFFICE EXPS	2,376	-	176	2,200
STAMP DUTY REFUND EXP. A/C	533,216	-	39,520	493,696
STATIONERY EXPENSES	743	-	55	688
TEA, COFFEE & LUNCH EXPS	59,188	-	4,387	54,801
TRAVELLING EXPENSES	14,729	-	1,092	13,637
VEHICLE EXPS (FOUR WHEELER)	5,522	-	409	5,113
XEROX, FAX & TYPING EXPS	34,236	-	2,537	31,699
INTEREST & FINANCE CHARGES				
BANK CHARGES	117,033	-	8,674	108,359
INTEREST PAID	165,208,501	-	12,244,747	152,963,754
LAND COST				
COMMISSION CHARGES	38,839	-	2,879	35,960
LAND DEVELOPMENT EXPENSES	4,811,055	-	356,581	4,454,474
LAND RECORD EXPENSES	216,863	-	16,073	200,790
PLOT (CHIRLE)	353,716,602	-	16,147,000	337,569,602
PLOT (DIGHODE)	87,043,000	-	21,766,250	65,276,750
PLOT (JAISAI)	196,458,750	-	-	196,458,750
PLOT (KAULI BELONDEKHAR)	4,218,750	-	4,218,750	-
PLOT (VESHVI)	23,726,250	-	2,531,250	21,195,000
PLOT(BELONDEKHAR)	228,092,003	-	29,715,812	198,376,191
REGISTRATION CHARGES	2,913,831	-	271,522	2,642,309
REGISTRATION CHARGES -PLOT A/C	2,747,200	-	-	2,747,200
ROYALTY A/C	39,616	-	2,936	36,680
STAMP DUTY CHARGES PLOT A/C	42,160,472	-	4,781,993	37,378,479
STAMPING & NOTARY CHG	2,416,114	-	179,075	2,237,039
LAND RECORD EXPENSES	350	-	26	324
OTHER CONSTRUCTION EXPENSES				
LABOR CHARGES	34,339	-	2,545	31,794
TRANSPORT CHARGES	199,933	-	14,818	185,115
PURCHASE REGISTER				
CEMENT	6,641	-	492	6,149
PROPERTY TAX	480,323	-	35,600	444,723
Total	1,176,116,286	-	96,852,976	1,079,263,310



**AUDITOR'S REPORT****TO THE MEMBERS OF CITYWOOD BUILDERS PRIVATE LIMITED
Report on the Financial Statements**

We have audited the accompanying financial statements of **CITYWOOD BUILDERS PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

1) Management's Responsibility for the Financial Statements:

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

2) Auditor's Responsibility:

Our responsibility is to express an opinion on these 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 and the Order under Section 143(11) of the Act.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Income Tax Act, 1961. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the 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 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 financial statements.

3) Opinion:

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its loss and its cash flows for the year ended on that date.

4) Emphasis of Matter:

- a. Attention is invited to Note No. 17 of the financial statements Revenue from Operations, which includes cancelled booking of units / flats in previous year, is taken back in current year.
- b. Attention is invited to Note 27 of the financial statements with regard to reliance placed by the auditors on certification received from the management with regard to the disclosure of contingent liabilities given by the Company.
- c. Attention is invited to Note 29 and 30 of the financial statements with regards to balances that are subject to confirmations, reconciliation and adjustments if any.
- d. Attention is invited with regards identification and allocation of costs over completed projects which is based upon estimated balance cost, if any as per the judgment of the management and certificate of architect, which have been relied upon by us, this being technical matter.

5) Report on Other Legal and Regulatory Requirements:

- I. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central government of India in terms of sub section (11) of Section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order.
- II. As required by Section 143 (3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;



- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2016 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'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
- 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 material pending litigation which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

FOR SANKET R SHAH & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO.: 135703W


SANKET SHAH
PROPRIETOR
MEMBERSHIP NO.: 152369



Place: Mumbai
Date: 30th August, 2016

ANNEXURE 'A' REFERRED TO IN PARAGRAPH I OF OUR REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS OUR AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016 OF CITYWOOD BUILDERS PRIVATE LIMITED

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that:

- (i) a. The Company has maintained a register of fixed assets, giving description and location of its assets; and
b. As explained to us, the Company has physically verified its fixed assets during the year;
c. The Company does not own any immovable properties as disclosed in Note 11 on fixed assets to the financial statements. Therefore, the provisions of Clause 3(i)(c) of the said Order are not applicable to the Company.
- (ii) a. The inventory physically verified by the management during the year. In our opinion, the frequency of the verification is reasonable;
b. In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business; and
c. On the basis of our examination of the records produced before us, we are of the opinion that, the Company is maintaining proper project-wise records. The discrepancies notices on physical verification of inventory as compared to its book records were not material;
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company;
- (iv) The Company has not granted any loans or made any investments, or provided any guarantees or securities to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company;
- (v) The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified. Therefore, the provisions of Clause 3(v) of the said Order are not applicable to the Company.
- (vi) In our opinion, and according to the information and explanation given to us, the Company has not crossed the threshold limit as prescribed by the Central government under sub-section (1) of section 148 of the Act for maintenance of cost records and hence the provision for maintenance of records are not applicable to the Company;
- (vii) a. According to the records of the Company, it has been generally regular in depositing, wherever applicable, undisputed statutory dues including Investor Education and Protection Fund, Wealth Tax, Custom Duty, Cess and other statutory dues with the appropriate authorities. There have been delays in depositing



Income Tax Deducted at Source (TDS) amounting to ₹ 45,02,162/-, ₹4,60,777/- towards service tax, ₹13,49,375/- towards VAT and Interest on Tax payable amounting to ₹15,19,081/- and Profession Tax payable of ₹4,219/- on the late payment of statutory dues are outstanding from the date they become payable. There were no other dues towards Employees State Insurance and Excise Duty;

b. According to the information and explanations given to us and the records of the Company examined by us, the particular of dues of income tax, value added tax and cess as at balance sheet date which have not been deposited on account of a dispute, are as follows:

Statute and nature of dues	Section	Financial Year	Disputed Dues	Amount paid	Balance disputed dues payable	Forum where dispute is pending
Income Tax	271B	2010-11	1,00,000	-	1,00,000	Commissioner of Income tax (appeals)
Income Tax	271(1)(c)	2011-12	Amt not ascertainable	-	-	Asstt. Commissioner of Income Tax
Income Tax	143(3)	2012-13	5,25,70,280	-	5,25,70,280	Commissioner of Income Tax (Appeals)
Income Tax	271(1)(c)	2012-13	Amount not ascertainable	-	-	Deputy Commissioner of Income Tax
			5,26,70,280		5,26,70,280	

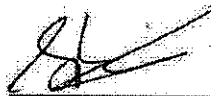
c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

- (viii)** In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of dues to banks and financial institution. There are no dues to any financial institutions.
- (ix)** The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3(ix) of the Order is not applicable.
- (x)** During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practice in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management;
- (xi)** The provisions of Section 197 read with Schedule V to the Act are applicable only to public companies. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company.



- (xii) As the Company is not a Nidhi Company, the provisions of clause 3 (xii) of the Order are not applicable to the Company;
- (xiii) The Company has not entered into any related party transactions as covered by the section 188 of the Act. The details of related party transaction have been disclosed in the financial statements as required under Accounting Standard (AS-18) "Related Party". Disclosers specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act, and accordingly, to this extent, the provisions of Clause 3 (xiii) of the Order are not applicable to the Company;
- (xiv) The Company has made redeemable non-convertible debenture during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are applicable to the Company;
- (xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company;
- (xvi) The company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company;

FOR SANKET R SHAH & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO.: 135703W



SANKET SHAH
PROPRIETOR
MEMBERSHIP NO.: 152369



Place: Mumbai
Date: 30th August, 2016

ANNEXURE 'B' REFERRED TO IN PARAGRAPH II(f) OF OUR REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS OUR AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016 OF CITYWOOD BUILDERS PRIVATE LIMITED

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

We have audited the Internal Financial Controls over financial reporting of CITYWOOD BUILDERS PRIVATE LIMITED ("the Company"), as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the company for the year ended and as on that date.

1) Management's Responsibility for Internal Financial Controls:

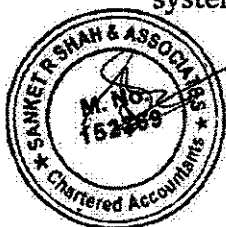
The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial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

2) Auditor's Responsibility:

Our responsibility is to express an opinion on the Company's Internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Standards on Auditing prescribed under Section 143(10) of the Act and Guidance Note, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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



3) Meaning of Internal Financial Controls over Financials Reporting:

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

4) Inherent Limitations of Internal Financial Controls over Financial Reporting:

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


5) Opinion:

In our opinion, to the best of our information and according to the explanations given to us, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

FOR SANKET R SHAH & ASSOCIATES

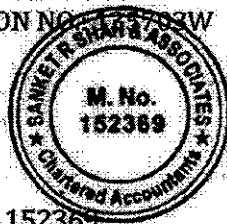
CHARTERED ACCOUNTANTS

FIRM REGISTRATION NO. 152369W


SANKET SHAH

PROPRIETOR

MEMBERSHIP NO.: 152369



Place: Mumbai

Date: 30th August, 2016

Balance Sheet As at 31st March, 2016

Particulars	Note No.	As At 31st March 2016 ₹	As At 31st March 2015 ₹
I. EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	100,000	100,000
Reserves and surplus	4	(143,012,864) (142,912,864)	(118,534,297) (118,434,297)
Non-current liabilities			
Long-term borrowings	5	287,010,000	-
Other long term liabilities	6	3,920,874 290,930,874	3,252,679 3,252,679
Current liabilities			
Short-term borrowings	7	6,993,319	15,593,587
Trade payables	8	56,740,520	73,342,326
Other current liabilities	9	907,594,353	1,086,192,119
Short term provisions	10	-	1,914,106
		<u>971,328,192</u>	<u>1,177,042,138</u>
Total		<u>1,119,346,202</u>	<u>1,061,860,520</u>
II. ASSETS			
Non-current assets			
Fixed assets:			
Tangible assets	11	461,897	682,020
Long term loans and advances	12	136,926,922 137,388,819	136,960,366 137,642,386
Current assets			
Inventories	13	685,234,431	858,088,334
Trade receivables	14	189,538,394	25,445,329
Cash and bank balances	15	81,054,478	4,285,533
Short-term loans and advances	12	24,672,020	2,906,253
Other assets	16	1,458,061	33,492,685
		<u>981,957,384</u>	<u>924,218,134</u>
Total		<u>1,119,346,202</u>	<u>1,061,860,520</u>

Significant Accounting Policies

1 to 2

Notes to Financial Statement

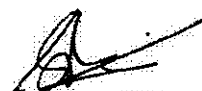
3 to 30

As per our report of even date

FOR SANKET R SHAH & ASSOCIATES

Chartered Accountants

Firm Registration No. 135703W

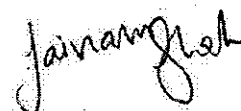

SANKET SHAH

PROPRIETOR

Membership No. 152369



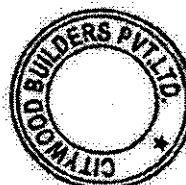
FOR AND ON BEHALF OF THE BOARD



JAINAM SHAH

DIRECTOR

DIN: 07129100





PRAPHUL SHINDE

DIRECTOR

DIN: 03140671

Mumbai

Date: 30th August 2016



Statement of Profit and Loss for the Year ended 31st March, 2016

Particulars	Note No.	31st Mar. 2016 ₹	31st Mar. 2015 ₹
I. INCOME			
Revenue from operation	17	202,892,122	(126,479,487)
Other income	18	2,204,059	251,262
Total		205,096,181	(126,228,225)
II. EXPENSES			
Cost of construction / development	19	48,317,055	92,619,591
Changes in inventories of work in progress, finished properties and FSI	20	172,947,471	(202,098,736)
Employee benefit expenses	21	397,325	452,176
Finance costs	22	8,021,077	609,249
Depreciation and amortisation	11	230,123	619,266
Other expenses	23	2,284,187	1,260,209
Total		232,197,238	(106,538,245)
Profit/(Loss) before tax		(27,101,057)	(19,689,980)
Tax expense :			
Current tax		-	-
Excess/(Short) provision of tax in respect of earlier years		2,622,491	-
Deferred tax (charge) / credit		-	-
Profit/(Loss) after tax but before adjustments		(24,478,566)	(19,689,980)
Prior period adjustments (Net)	26	-	(1,958,716)
Profit/(Loss) for the Year		(24,478,566)	(21,648,696)
Earnings per equity share of nominal value of ₹ 10/- each)			
Earnings before extraordinary item;			
Basic and diluted	24	(2,447.86)	(2,164.87)

Significant Accounting Policies

1 to 2

Notes to Financial Statement

3 to 30

As per our report of even date

FOR SANKET R SHAH & ASSOCIATES

Chartered Accountants

Firm Registration No. 135703W

SANKET SHAH

PROPRIETOR

Membership No. 152369



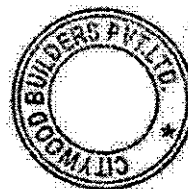
FOR AND ON BEHALF OF THE BOARD

Jainam Shah

JAINAM SHAH

DIRECTOR

DIN: 07129100



Praphul Shinde

PRAPHUL SHINDE

DIRECTOR

DIN: 03140671

Mumbai

Date: 30th August 2016

Cash Flow Statement for the year ended 31st March, 2016

Particulars	Year Ended 31st March, 2016 ₹	Year Ended 31st March, 2015 ₹
Cash flows arising from operating activities		
Net profit before taxation and prior period items as per statement of profit and loss	(27,101,057)	(19,689,980)
Add / (Less) :		
Depreciation and amortisation	230,123	619,266
Interest and Finance Cost	8,021,077	609,249
Prior period adjustments	-	(1,958,716)
Liabilities written back to the extent no longer required		
Interest received	(2,196,643)	(42,748)
	6,054,557	(772,949)
Operating profit before working capital changes	(21,046,500)	(20,462,929)
Add / (Less) :		
(Increase) / Decrease in Fixed Assets	(10,000)	-
(Increase) / Decrease in Inventories	172,853,904	(204,004,956)
(Increase) / Decrease in trade receivables	(164,093,065)	122,205,217
(Increase) / Decrease in other receivables	10,516,751	674,064
Increase / (Decrease) in other Current liabilities	(177,163,235)	203,629,387
Increase / (Decrease) in trade and other payables	271,076,388	32,762,387
Direct taxes paid	493,935	175,075
	113,674,678	155,441,174
Net cash flow from operating activities	92,628,178	134,978,245
Cash flows arising from investing activities		
Inflow / (Outflow) on account of:		
Interest income received	2,196,643	4,275
Net cash flow from investing activities	2,196,643	4,275
Cash flows arising from financing activities		
Inflow / (Outflow) on account of:		
Proceeds from short-term borrowings	(8,600,268)	(135,644,329)
Finance costs paid	(9,455,608)	(206,897)
Net cash flow from financing activities	(18,055,876)	(135,851,226)
Net increase in cash and cash equivalents (I + II + III)	76,768,945	(868,706)
Add: Balance at the beginning of the year	4,285,533	5,154,239
Cash and cash equivalents at the end of the year	81,054,478	4,285,533
Components of cash and cash equivalents (Refer note 15)		
Cash and cash equivalents:		
Cash on hand	3,486,564	3,504,922
Balances with banks		
- On Current accounts	19,427,914	140,611
- On Term deposits	58,140,000	640,000
	81,054,478	4,285,533

Footnote:

Previous year figures have been regrouped / reclassified wherever necessary to make them comparable with current year figures.

As per our report of even date

FOR SANKET R SHAH & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No. 135703W

SANKET SHAH
PROPRIETOR
Membership No. 152369



Mumbai
Date: 30th August 2016

For and on behalf of the Board of Directors

Jainam Shah

JAINAM SHAH
DIRECTOR
DIN: 07129100



Praphul Shinde
PRAPHUL SHINDE
DIRECTOR
DIN: 03140671

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

NOTE '1' : CORPORATE INFORMATION

Citywood Builders Private Limited is a private limited Company domiciled in India, incorporated under The Companies Act, 1956. The Company is engaged in real estate business of construction and development of residential and commercial projects and other real estate project etc.

NOTE '2' : SIGNIFICANT ACCOUNTING POLICIES

I. Basis of preparation of financial statements

The financial statements have been prepared and presented complying the section 134(5) of Companies Act, 2013 in accordance with the accounting principles generally accepted in India and in accordance with the applicable Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, Guidance Notes and other relevant provisions of the Companies Act, 2013.

II. Use of estimates

The preparation of financial statements in conformity with the generally accepted accounting principles in India requires the management to make estimates and assumptions, that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known / materialized.

III. Revenue recognition

For projects commenced on or after April 1, 2012 and also to projects which have already commenced but where revenue is being recognised for the first time on or after April 1, 2012:

Revenue from sale of incomplete properties / projects is recognized on the basis of percentage of completion method only if the following thresholds have been met;

- All critical approvals necessary for the commencement of the project have been obtained;
- The expenditure incurred on construction and development costs, excluding land costs, is not less than 25% of the total estimated construction and development costs of the project;
- Atleast 25% of the saleable project area is secured by agreements with the buyers; and
- Atleast 10% of the sale consideration of each sold unit has been received at the reporting date in respect of such contracts with the buyers.

Further, revenue recognized in the aforesaid manners and related costs are both restricted to 90% until the construction activity and related formalities are substantially completed. Recognition of revenue relating to agreements entered into with the buyers, which are subject to fulfillment of obligations / conditions imposed on the Company by statutory authorities is postponed till such obligations are substantially discharged.

Estimated costs relating to construction / development are charged to the statement of profit and loss in proportion with the revenue recognized during the year. The balance costs are carried as part of 'Incomplete Projects' under inventories under current assets. Amounts receivable / payable are reflected as Trade Receivables / Unbilled Receivables or Advances from Customers, respectively, after considering income recognized in the aforesaid manner.

IV. Tangible assets and depreciation / amortisation

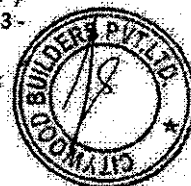
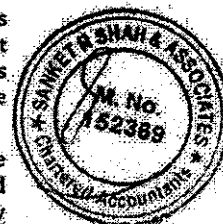
- Tangible Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation / amortisation and accumulated impairment losses, if any.
- Depreciation is provided on the straight line method on the basis of useful life of the asset in the manner specified in Schedule II to the Companies Act, 2013. Depreciation on additions to assets or on sale/disposal of assets is calculated pro-rata from the date of such addition, or upto the date of such sale/disposal, as the case may be.

V. Inventories

All inventories are stated at Cost or Net Realizable Value, whichever is lower.

- 'Stock of material at Site' includes cost of purchase, other costs incurred in bringing them to their respective present location and condition. Cost formula used is average cost.
- 'Incomplete Projects' include cost of incomplete properties for which the Company has not entered into sale agreements and in other cases where the revenue recognition is postponed. 'Incomplete Projects' also include initial project costs that relate directly to a (prospective) project, incurred for the purpose of securing the project. These costs are recognized as expenditure for the Period in which they are incurred unless they are separately identifiable and it is probable that the respective project will be obtained.
- Finished properties given under operating lease are disclosed under 'Non Current Assets' as 'Investment Properties'. The costs transferred to the 'Investment properties' are shown as deductions from the costs carried in opening inventory and construction costs incurred during the Period. These assets are depreciated / amortised as per the accounting policy (IV)(C) and (IV)(D). Although the Company considers these assets as inventories held for sale in the ordinary course of business, the disclosure under 'Non Current Assets' as 'Investment Properties' and provision for depreciation / amortisation is made to comply with the requirements of Accounting Standard 19 - 'Leases' and Accounting Standard 13 - 'Investments'

Inventory value includes costs incurred upto the completion of the project viz. cost of land / rights, value of floor space index (FSI), materials, services and other expenses (including borrowing costs) attributable to the projects. Cost formula used is average cost.



VI. Employee benefits

- A. Short term employee benefits are recognized as an expense at the undiscounted amount in the statement of profit and loss for the Period in which the related service is rendered;
- B. Post Employment Benefits
- Defined contribution plans: Company's contribution to State governed Provident Fund Scheme is recognized during the Period in which the related service is rendered;
 - Defined benefit plans: The present value of the gratuity obligation is determined based on an actuarial valuation using the Projected Unit Credit Method. Actuarial gains and losses arising on such valuation are recognised immediately in the statement of profit and loss. In the case of gratuity which is funded with the Life Insurance Corporation of India, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plan to recognise the obligation on net basis;
- C. Other long-term benefits (leave entitlement) are recognized in a manner similar to defined benefit plans;
- D. Termination Benefits are recognized as an expense in the statement of profit and loss for the Period in which they are incurred.
- E. Actuarial gains / losses are recognized to the statement of profit and loss during the relevant period

VII. Borrowing costs

Interests and other borrowing costs (including ancillary borrowing costs) attributable to qualifying assets are allocated as part of the cost of construction / development of such assets. Such allocation is suspended during extended periods in which active development is interrupted and, no costs are allocated once all such activities are substantially complete. Ancillary borrowing costs (including front-end fees, processing fees etc. due to which rate of borrowing gets reduced) are amortised over the period of the related borrowing, but not exceeding a period of three years. Other borrowing costs are charged to the profit and loss statement.

VIII. Segment reporting

The company is engaged in the business of Real Estate Development, which as per Accounting Standard - 17 'Segment Reporting' is considered to be the only reportable business segment. The Company is also operating within the same geographical segment. Hence, disclosures under AS-17 are not applicable.

IX. Impairment of assets

The carrying amount of assets is reviewed at each Balance Sheet date. If there is any indication of impairment based on internal/external factors, i.e. when the carrying amount of the assets exceeds the recoverable amount, an impairment loss is charged to the statement of profit and loss in the Period in which an asset is identified as impaired. An impairment loss recognised in prior accounting periods is reversed or reduced if there has been a favourable change in the estimate of the recoverable amount.

X. Taxation

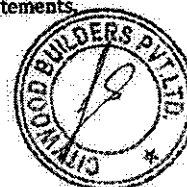
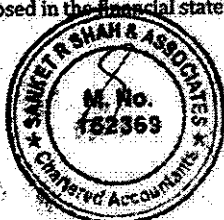
Income tax expense comprises Current Tax and Deferred Tax charge or credit. Provision for current tax is made on the basis of the assessable income at the tax rate applicable to the relevant assessment year. The deferred tax asset and deferred tax liability is calculated by applying tax rate and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognized, only if there is a virtual certainty of its realization, supported by convincing evidence. Deferred tax assets on account of other timing differences are recognized only to the extent there is a reasonable certainty of its realization. At each Balance Sheet date, the carrying amounts of deferred tax assets are reviewed to reassess realization.

Excess / short provision for taxation are recognized on completion of necessary taxation proceedings (Viz. revised returns, assessments etc.)

In case the Company is liable to pay income tax U/s 115JB of Income Tax Act, 1961 (i.e. MAT), the amount of tax paid in excess of normal income tax is recognised as an asset (MAT Credit Entitlement) only if there is convincing evidence for realization of such asset during the specified period. MAT credit entitlement is reviewed at each Balance Sheet date.

XI. Provisions, contingent liabilities and contingent assets

Provisions involving a substantial degree of estimation in measurement are recognized when there is present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the financial statements. Contingent assets are neither recognized nor disclosed in the financial statements.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

NOTE '3'

SHARE CAPITAL

AUTHORISED

500,000 (P.Y. 500,000) Equity Shares of ₹ 10/- each

ISSUED, SUBSCRIBED AND PAID UP

10,000 (P.Y. 10,000) Equity Shares of ₹ 10/- each fully paid up

Total

31st March, 2016 ₹	31st March, 2015 ₹
5,000,000	5,000,000
5,000,000	5,000,000
100,000	100,000
100,000	100,000

Footnotes:

a. Reconciliation of the number of Equity shares outstanding at the beginning and at the end of the Year

Number of shares at the beginning

Add/(Less) :

Issued during the year

Buyback during the year

Conversion during the year

At the end of the reporting Year (Nos)

Total

31st March, 2016 (Nos)	31st March, 2015 (Nos)
10,000	10,000
-	-
-	-
-	-
10,000	10,000

b. Equity shareholders holding more than five percent shares in the company

Hubtown Limited along with its beneficiary owner
Immortal Trading Private Limited
Maya Vaidya / Hubtown Limited
D.V Prabhu / Hubtown Limited
Kamal Matalia / Hubtown Limited
Nancy Pereira / Hubtown Limited
Anil Ahluwalia / Hubtown Limited
Chetan Mody / Hubtown Limited

31st March, 2016		31st March, 2015	
Nos	% of Holding	Nos	% of Holding
9,994	99.94%	7,500	75.00%
-	-	2,500	25.00%
1	0.01%	-	-
1	0.01%	-	-
1	0.01%	-	-
1	0.01%	-	-
1	0.01%	-	-
1	0.01%	-	-
10,000	100%	10,000	100%

c. Terms / rights attached to Equity Shares :

The company has only one class of equity shares having a face value of Rs 10 per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

NOTE '4'

RESERVES AND SURPLUS

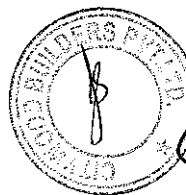
Surplus in statement of profit and loss

Balance as per last financial statements

Profit/(Loss) for the Year

Total

31st March, 2016 ₹	31st March, 2015 ₹
(118,534,297)	(96,885,601)
(24,478,566)	(21,648,696)
(143,012,864)	(118,534,297)



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

NOTE '5'

LONG TERM BORROWINGS

31st March, 2016	31st March, 2015
₹	₹
287,010,000	-
287,010,000	-

Debentures (Secured):

300 (P.Y. Nil) Redeemable Non-Convertible debenture of the face value of (Rs.10,00,000) each (Refer footnote)

Total

Footnote:

22% Debentures issue of unlisted, unrated, dematerialized, secured, redeemable, NCDs for cash at par, on a private placement basis, the maximum outstanding principal amount of NCD from the date of first disbursement will not exceed at the end of 12 month 94% of the issue size, 24 months 88%, 36 months 44% and at the end of 48 month is Nil of the issue size. These debentures are secured by personal guarantee of the promoters of Hubtown Limited.

NOTE '6'

OTHER LONG TERM LIABILITIES

31st March, 2016	31st March, 2015
₹	₹
3,920,874	3,252,679
3,920,874	3,252,679

Retention money payable

Total

NOTE '7'

SHORT TERM BORROWINGS

31st March, 2016	31st March, 2015
₹	₹
2,839,254	15,593,587
4,154,065	-
6,993,319	15,593,587

Loan repayable on demand:

- from companies (Refer footnote a)
- from others

Loan from related party (Unsecured) (Refer footnote b)

Total

The above amounts include:

Secured borrowings
Unsecured borrowings

Total

6,993,319	15,593,587
6,993,319	15,593,587

Footnote:

Unsecured Loan from related party carrying interest rate Nil (P.Y. 18%) & others Nil (P.Y. nil).

Footnote:

- a. Unsecured loans from Companies carries a rate of interest in range of nil to 19.10%, (P.Y. 19.10%)
- b. Unsecured loans from others are interest free (P.Y. Nil)

NOTE '8'

TRADE PAYABLES

31st March, 2016	31st March, 2015
₹	₹
137,431	137,431
56,603,089	73,204,895
56,740,520	73,342,326

Micro, Small and Medium payable (refer footnote)

Trade Payables
- related party
- others

Total

Footnote:

Details of dues to Micro, Small and Medium Enterprises Development Act, 2006 (MSMED)

As per information available with the Company regarding dues to Micro, Small and Medium Enterprises as defined under the Micro Small Medium Enterprises Development, Act 2006 (MSMED Act), none of the suppliers of the Company are registered under MSMED Act, and the same has been relied upon by the auditors.

NOTE '9'

OTHER CURRENT LIABILITIES

31st March, 2016	31st March, 2015
₹	₹
-	1,434,531
738,474	-
69,289,071	69,289,071
611,936,204	703,662,798
97,941,941	66,069,927
-	991,431
7,832,420	5,797,459
119,856,243	238,946,901
907,594,353	1,086,192,119

Other Current Liabilities:

Interest accrued and due on borrowings
Interest Accrued and but not due on Debentures
Business advances for project
- from others
- from related party
Income received in advance (advance from customers)
Overdrawn Bank Balances

Other payables:

- Statutory dues
- Others miscellaneous

Total

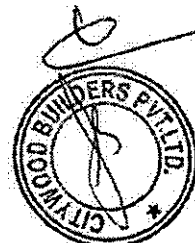
NOTE '10'

SHORT TERM PROVISIONS

Other Provisions

Provision for Income Tax
(Net of tax advances ₹ Nil, (P.Y ₹ 42,38,312)

31st March, 2016	31st March, 2015
₹	₹
-	1,914,106
-	1,914,106



CITYWOOD BUILDERS PRIVATE LIMITED

CIN: U45202MH2009PTC191711

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

11 FIXED ASSETS

Q2 85	PARTICULARS	GROSS BLOCK (AT COST)				DEPRECIATION/AMORTISATION				NET BLOCK	
		As at 1st April, 2015	Additions / Adjustments	Deductions / Adjustments	As at 31st March, 2015	Upto 31st March, 2015	Provided during the Period	Deductions / Adjustments	As at 31st March, 2016	As at 31st March, 2015	
A.	Tangible assets										
	Office Equipment	1,149,710	10,000	-	1,159,710	1,029,115	120,595	-	1,149,710	130,595	
	Computer	6,814	-	-	6,814	6,814	-	-	6,814	-	
	Furnitures & Fixtures	1,299,827	-	-	1,299,827	738,402	109,528	-	847,930	561,425	
	Total	2,456,351	10,000	-	2,466,351	1,774,331	230,123	-	2,004,454	692,021	
	Previous Year Total	2,635,242	-	178,891	2,456,350	1,333,956	619,266	178,891	682,020	1,301,285	



CITYWOOD BUILDERS PRIVATE LIMITED
CIN: U45202MH2009PTC191711
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

NOTE '12'	Current		Non Current	
	31st March, 2016	31st March, 2015	31st March, 2016	31st March, 2015
LOANS AND ADVANCES	₹	₹	₹	₹
Security deposits (Unsecured, considered good)	-	-	185,500	185,500
Advances recoverable in cash or kind (Unsecured, considered good)				
- Business advance	-	-	75,019,210	75,019,210
- Advances to land owners	-	-	26,990,194	26,990,193
- Others	-	-	34,732,018	34,765,463
	-	-	136,926,922	136,960,366
Other loans and advances:				
Prepaid expenses	4,776,820	1,258,525	-	-
Loans to Others	1,614,687	-	-	-
Advance Income Tax (Net of provisions)	1,391,464	-	-	-
Advances recoverable in cash or kind	13,702,339	-	-	-
Balances with statutory / government authorities	3,186,710	1,647,728	-	-
	24,672,020	2,906,253	-	-
Total	24,672,020	2,906,253	136,926,922	136,960,366

NOTE '13'
INVENTORIES

(Valued at lower of cost or net realisable value)

Stock of material at site

Incomplete projects

Total

31st March, 2016	31st March, 2015
₹	₹
2,062,951	1,969,384
683,171,479	856,118,950
685,234,431	858,088,334

NOTE '14'
TRADE RECEIVABLES

Trade receivables (Unsecured considered good)

Outstanding for a period exceeding six months

Others

Total

31st March, 2016	31st March, 2015
₹	₹
-	8,659,670
189,538,394	16,785,659
189,538,394	25,445,329

NOTE '15'
CASH AND BANK BALANCES

Cash and cash equivalents:

Cash on hand

Balances with banks:

On current accounts

Other Bank Balances:

Fixed deposit having maturity less than 3 months (Kept against guarantee given by bank on our behalf)

Total

31st March, 2016	31st March, 2015
₹	₹
3,486,564	3,504,922
19,427,914	140,611
58,140,000	640,000,000
81,054,478	4,285,533

NOTE '16'
Other Assets

Others:

Interest accrued on Fixed deposits

Unbilled revenue debtors



Current	
31st March, 2016	31st March, 2015
₹	₹
1,458,061	38,473
-	33,454,212
1,458,061	33,492,685

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

NOTE '17'

REVENUE FROM OPERATIONS

	31st March, 2016 ₹	31st March, 2015 ₹
Revenue from Incomplete Properties	202,892,122	-
Reversal of Revenue from Incomplete Properties on cancellation of flats	-	(126,479,487)
	<u>202,892,122</u>	<u>(126,479,487)</u>

Footnote:

In previous year some customer's cancelled the flats, now in current year they are taken back in revenue.

NOTE '18'

OTHER INCOME

	31st March, 2016 ₹	31st March, 2015 ₹
Interest:		
- Bank fixed deposits	2,196,643	42,748
- Others	-	16,231
Liabilities written back to the extent no longer required	7,416	192,283
Total	<u>2,204,059</u>	<u>251,262</u>

NOTE '19'

COST OF CONSTRUCTION / DEVELOPMENT

Construction costs incurred during the Period:

	31st March, 2016 ₹	31st March, 2015 ₹
Land / rights acquired	-	-
Material and labour costs	22,773,338	53,297,644
Approval and consultation expenses	16,672,721	4,753,104
Other direct development expenses	8,870,996	34,568,843
Total	<u>48,317,055</u>	<u>92,619,591</u>

NOTE '20'

CHANGES IN INVENTORIES OF INCOMPLETE PROJECTS, FINISHED PROPERTIES AND FSI

	31st March, 2016 ₹	31st March, 2015 ₹
Opening Inventory :		
Incomplete projects	856,118,950	654,020,214
	856,118,950	654,020,214
Closing Inventory :		
Incomplete projects	683,171,479	856,118,950
	683,171,479	856,118,950
Total	<u>172,947,471</u>	<u>(202,098,736)</u>

NOTE '21'

EMPLOYEE BENEFIT EXPENSES

	31st March, 2016 ₹	31st March, 2015 ₹
Salaries, bonus, etc.	320,953	380,140
Contribution to provident and other funds	37,598	62,330
Staff welfare expenses	38,774	9,706
Other fund expenses	-	-
Total	<u>397,325</u>	<u>452,176</u>



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

NOTE '22'

FINANCE COST

Interest:

- Interest paid on debenture
- Other borrowing cost of loans
- On Delayed Payments of Statutory Dues

Total

31st March, 2016	31st March, 2015
₹	₹
2,747,814	-
4,182,775	-
1,090,488	609,249
8,021,077	609,249

NOTE '23'

OTHER EXPENSES

- Advertisement expenses
- Legal and professional fees
- Compensation on cancellation of flats
- Other expenses (Refer Footnote (a))

Total

31st March, 2016	31st March, 2015
₹	₹
491,114	18,000
68,455	78,250
1,350,378	675,000
374,240	488,959
2,284,187	1,260,209

Footnote:

a) Auditors, Remuneration:

(Included in other expenses)

Audit fees

Service Tax on above

60,000	60,000
8,700	7,416
68,700	67,416



NOTE '24'

EARNINGS PER SHARE (EPS)

Particulars

Net Profit as per Statement of Profit and Loss available for Equity Shareholders after extraordinary items (₹)

(24,478,566)

(21,648,696)

Weighted average number of equity shares outstanding at the end of the Year (Nos)

10,000

10,000

Earnings after extraordinary item (net of tax expense); Basic and diluted

(2,447.86)

(2,164.87)

NOTE '25'

RELATED PARTIES DISCLOSURES

A. Names of related parties and description of relationship

I. HOLDING COMPANY

Hubtown Limited

II. FELLOW SUBSIDIARY COMPANIES

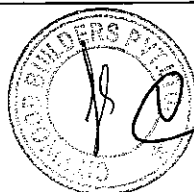
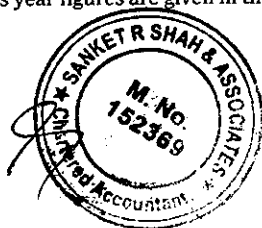
- 1 ABP Realty Advisors Private Limited
- 2 Ackruti Safeguard Systems Private Limited
- 3 Citygold Education Research Limited
- 4 Citygold Farming Private Limited
- 5 Devkrupa Build Tech Limited
- 6 Diviniti Projects Private Limited
- 7 Gujarat Akruiti - TCG Biotech Limited
- 8 Halitious Developer Limited
- 9 Headland Farming Private Limited
- 10 Heddle Knowledge Private Limited
- 11 Heet Builders Private Limited
- 12 India Development And Construction Venture Capital Private Limited
- 13 Joynest Premises Private Limited
- 14 Sheshan Housing & Area Development Engineers Limited (up to April 01, 2015)
- 15 Twenty Five South Realty Limited
- 16 Upvan Lake Resorts Private Limited
- 17 Urvi Build Tech Limited
- 18 Vama Housing Limited
- 19 Vega Developers Private Limited
- 20 Vishal Techno Commerce Limited
- 21 Yantti Buildcon Private Limited

III. ASSOCIATE COMPANIES AND JOINT VENTURES (JV)/ PARTNERSHIP FIRMS OF THE COMPANY

B. Transactions with Related Parties

Sr. No.	Nature of transaction	Amount ₹
i.	Loans and Advances Received /Recovered Hubtown Limited	348,762,570 (36,905,000)
ii.	Loans and Advances Given / Repaid Hubtown Limited	92,375,000 (5,235,000)
iii.	Expenses Reimbursement Account (Incurred by Hubtown Limited on our behalf) Hubtown Limited	137,433 (137,433)
iv.	Balance Outstanding Payable: Hubtown Limited	447,275,228 (703,800,229)

Previous year figures are given in the brackets.



NOTE '26'

PRIOR PERIOD ADJUSTMENTS (NET)

Debits relating to earlier periods:

Finance costs

Professional fees

Employee benefit expense

Transit rent expense

Electricity and water expense

Other expenses

Total

31st March, 2016

31st March, 2015

₹

₹

113,795

137,743

15,494

781,996

909,688

1,958,716



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

NOTE '27'

CONTINGENT LIABILITIES (NOT PROVIDED FOR):

The company does not have any contingent liability as at balance sheet as certified by the management and relied upon by the auditor.

NOTE '28'

The accumulated losses of the company have resulted in complete erosion of the net worth of the company. The Company's management is however of the view that the same erosion is temporary in nature as the company has made certain investments in certain assets / projects, the proceeds of which would, when fructified, result in recovery of the eroded worth of the company. The company to that extent does not see the stated erosion of the net worth as an impediment to its status as a going concern.

NOTE '29'

In the opinion of the Board of Directors of the Company, all items of Current Assets, Current Liabilities and Loans and Advances continues to have a realizable value of at least the amounts at which they are stated in the Balance Sheet.

NOTE '30'

Trade payable & other current liability are subject to confirmation, reconciliation and adjustment if any.

NOTE '31'

Previous year figures regrouped / reclassified wherever necessary in order to confirm current period's presentation.

As per our report of even date.

FOR SANKET R SHAH & ASSOCIATES

Chartered Accountants

Firm Registration No. 135703W


SANKET SHAH

PROPRIETOR

Membership No. 152369



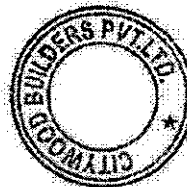
FOR AND ON BEHALF OF THE BOARD



JAINAM SHAH

DIRECTOR

DIN: 07129100





PRAPHUL SHINDE

DIRECTOR

DIN: 03140671

Mumbai

Date: 30th August 2016

CITYWOOD BUILDERS PRIVATE LIMITED

CIN: U45202MH2009PTC191711

WIP Working Notes to the financial statements for the Year ended 31st March, 2016

(At lower of cost and net realisable value)

Particulars	As at 31st March, 2015 ₹	Addition	As at 31st March, 2016 ₹
To Opening Work in Progress B/f	654,020,214		856,118,950
Opening COGS	467,023,249		359,474,197
Additions:			
Tr. To WIP			
Land Cost (Revaluation Reversal) - Prior Period Item			
<u>COST OF CONSTRUCTION</u>			
Material & Labour Cost		4,721,453	
Civil Construction Cost		18,051,885	
Direct Expenses		12,420,345	
	72,110,256		35,193,683
<u>APPROVAL & CONSULTATION COST</u>			
Approval Cost		905,962	
Consultant's Fees		3,346,414	
	4,753,104		4,252,376
<u>EMPLOYEE BENEFITS EXPENSE</u>			
Salary		359,727	
Contribution to Gratuity			
Contribution to Provident Fund		37,598	
	452,176		397,325
<u>FINANCE COST</u>			
Interest on Debenture		2,747,814	
Other Borrowing cost of the loan		4,182,775	
Interest (Income)		(2,196,643)	
	(58,979)		4,733,946
<u>ADMINISTRATIVE & OTHER EXPENSE</u>			
Insurance Charges		232,288	
Mobile Expenses		-	
Project Expenses Write off		-	
Municipal taxes		-	
Other Expenses		8,638,708	
	17,293,127		8,870,996
Total Additions During The period	94,549,684		53,448,326
Less : Cumulative Cost of goods sold during the year	(359,474,197)		(585,869,994)
CLOSING WIP	856,118,950		683,171,479



INDEPENDENT AUDITOR'S REPORT

10

TO,

THE MEMBERS OF,
DEVKRUPA BUILD TECH LIMITED

Report on the Financial Statements

We have audited the accompanying Financial Statements of **DEVKRUPA BUILD TECH LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these 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 there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial



control relevant to the Company's preparation of the 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 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 Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- I. As required by 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the **Annexure A** statement on the matters specified in paragraphs 3 and 4 of the Order.
- II. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 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**".
 - (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 material pending litigations other than as disclosed in note no 20 to the Financial Statements, which would impact its financial position.



- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

FOR M. K. GOHEL & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGISTRATION No.: 103256W

M. K. Gohel



MUKESH K. GOHEL
PROPRIETOR
Membership No. 038823
Place : Mumbai
Date : 30/08/2016

"ANNEXURE-A" REFERRED TO IN PARAGRAPH I OF OUR REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS OUR AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016 OF DEVKRUPA BUILD TECH LIMITED

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that: -

- (i) a) The company has maintained proper records showing full particulars of its quantitative details and situation of fixed assets;
- b) The company has physically verified its fixed assets at reasonable interval and no material discrepancies were noticed on such verification;
- c) Total Assets of company includes immovable property also and the title deeds of immovable properties are held in the name of the company.
- (ii) The company does not have any Inventories during the year and as at the balance sheet date;
- (iii) In our opinion, and according to the information and explanations given to us, the Company has not granted any secured or unsecured loans to Companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013;
- (iv) In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of inventories and fixed assets and for sale of goods and services. Further, on the basis of our examination of records of the books and records of the Company, and according to the information and explanation given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system;
- (v) The Company has not accepted any deposits from the public as mentioned in sections 73 and 74 of the Act and the rules framed thereunder to the extent notified;
- (vi) In our opinion, and according to the information and explanation given to us, the Company has not crossed the threshold limit as prescribed by the Central government under sub-section (1) of section 148 of the Act for maintenance of cost records and hence such the provision for maintenance of records are not applicable to the company;
- (vii) a. According to the records of the Company, it has been generally regular in depositing, wherever applicable, undisputed statutory dues including Investor Education and Protection Fund, Wealth Tax, Custom Duty, Cess and other statutory dues with the appropriate authorities. There have been delays during certain months in depositing Income Tax Deducted at Source. There were Tax Deducted at Source ₹523930/- Service Tax ₹1047513/-, TDS on Interest ₹923123/- and WCT ₹484287 outstanding at the last day of the financial year for a period exceeding six months from the date they became payable. There were no dues during the year towards Employees State Insurance and Excise Duty;
- b. On the basis of our examination of documents and records of the Company, and explanation provided to us, there are no disputed dues in respect of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty or Cess other than mentioned below:



Statute and nature of dues	Section	Financial Year	Disputed Dues	Forum where dispute is pending
Income Tax	143(3)	2011-12	20,823,010	Commissioner of Income tax (appeals)

- (viii) On the basis of records examined by us and the information and explanations given to us, the Company has not accepted any loans from any financial institution or banks or issued debentures;
- (ix) The Company doesn't raise any money by way of initial public offer or further public offer (including debt instruments).
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of the material fraud on or by the Company, has been noticed or reported by the Company during the year, nor have we been informed any such case by the Company;
- (xi) Managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of sec 197 read with schedule V to the companies Act.
- (xii) The company is not a Nidhi Company hence nothing to be disclosed for any provisions applicable on Nidhi Company;
- (xiii) All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standard;
- (xiv) The company hasn't made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) The company hasn't entered into any non-cash transactions with directors or persons connected with him.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

FOR M. K. GOHEL & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGISTRATION No.: 103256W

MUKESH K. GOHEL
PROPRIETOR
Membership No. 038823



Place : Mumbai
Date : 30/08/2016

“ANNEXURE-B” REFERRED TO IN PARAGRAPH II OF OUR REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (i) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (“THE ACT”) OUR AUDITORS’ REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016 OF DEVKRUPA BUILD TECH LIMITED

We have audited the internal financial controls over financial reporting of DEVKRUPA BUILD TECH LIMITED (“the Company”) as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

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

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

Meaning of Internal Financial Controls over Financial Reporting

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



acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on IFS Report.

FOR M. K. GOHEL & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGISTRATION No.: 103256W

MK Gohel
MUKESH K. GOHEL
PROPRIETOR
Membership No. 038823



Place : Mumbai
Date : 30/08/2016

Balance Sheet as at 31st March, 2016

Particulars	Note No.	As At 31st March 2016 ₹	As At 31st March, 2015 ₹
I. EQUITY AND LIABILITIES			
Shareholders' Funds			
Share capital	3	500,000	500,000
Reserves and surplus	4	(87,113,372)	(94,771,260)
		(86,613,372)	(94,271,260)
Non-current liabilities			
Other Long-term Liabilities	5	1,266,555	1,266,555
		1,266,555	1,266,555
Current liabilities			
Short-term borrowings	6	60,250,394	58,268,852
Trade payables	7	26,763,691	27,811,204
Other current liabilities	8	4,038,289	12,210,752
Short term provisions	9	15,317	-
		91,067,691	98,290,808
Total		5,720,874	5,286,103
II. ASSETS			
Non-current assets			
Fixed assets :	10		
Tangible assets		61,979	77,223
		61,979	77,223
Current assets			
Trade receivables	11	4,193,359	4,193,359
Cash and cash equivalents	12	345,546	816,128
Loans and Advances	13	1,119,990	199,393
		5,658,895	5,208,880
Total		5,720,874	5,286,103

The accompanying notes 1 to 24 are an integral part of the financial statements.

As per our report of even date

For M. K. GOHEL & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REG. NO.:103256W

MKGohel
MUKESH K GOHEL
PROPRIETOR
Membership No. 038823



For and on behalf of the Board of Directors

Nancy Pereira

NANCY PEREIRA
DIRECTOR
DIN : 00081958



Vikram Jain
VIKRAM JAIN
DIRECTOR
DIN : 01912696

Mumbai **30 AUG 2016**
Date:

Statement of Profit and Loss for the year ended 31st March 2016

Particulars	Note No.	Year Ended 31st March 2016 ₹	Year Ended 31st March, 2015 ₹
I. INCOME			
Revenue from operations		-	-
Other income	14	8,435,115	645,980
Total		8,435,115	645,980
II. EXPENSES			
Finance costs	15	530,412	7,918,634
Depreciation and amortisation	16	15,244	24,403
Other expenses	17	216,254	144,558
Total		761,910	8,087,595
Profit / (Loss) before tax		7,673,205	(7,441,615)
Tax expense :			
Current tax		(15,317)	-
Excess / (Short) provision for taxation in respect of earlier years		-	(19,775)
Deferred tax (charge) / credit		-	-
Profit / (Loss) after tax but before adjustments		7,657,888	(7,461,389)
Prior period adjustments (Net)	21	-	(6,571)
Profit for the year		7,657,888	(7,467,960)
Earning per equity share of nominal value of ₹ 10/- each	19		
Basic and diluted		153.16	(149.36)

The accompanying notes 1 to 24 are an integral part of the financial statements.

As per our report of even date

For M. K. GOHEL & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REG. NO.:103256W

M. K. Gohel
MUKESH K GOHEL
PROPRIETOR
Membership No. 038823



For and on behalf of the Board of Directors

Nancy Pereira
NANCY PEREIRA
DIRECTOR
DIN : 00081958



Vikrant Jain
VIKRANT JAIN
DIRECTOR
DIN : 01912696

Mumbai
Date:

30 AUG 2016

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016**NOTE '1' : CORPORATE INFORMATION**

Devkrupa Build Tech Public Limited is a Limited Company domiciled in India, incorporated under the Companies Act, 1956. The company is engaged in real estate business of construction and development of Residential and Commercial Premises and Other Real Estate Projects including consultancy and sole selling of real estate.

NOTE '2' : SIGNIFICANT ACCOUNTING POLICIES**I. Basis of preparation of financial statements**

The financial statements have been prepared and presented complying the section 134(5) of Companies Act, 2013 in accordance with the accounting principles generally accepted in India and in accordance with the applicable Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, Guidance Notes and other relevant provisions of the Companies Act, 1956 and Companies Act, 2013.

II. Use of estimates

The preparation of financial statements in conformity with the generally accepted accounting principles in India requires the management to make estimates and assumptions, that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known / materialized.

III. Revenue recognition**A. Revenue from Construction Activity**

Revenue from sale of 'finished properties / buildings / rights' is recognised on transfer of all significant risks and rewards of ownership of such properties / building / rights, as per the terms of the contracts entered into with buyer/(s), which generally coincides with the firming of the sales contracts/ agreements, except for contracts where the Company still has obligations to perform substantial acts even after the transfer of all significant risks and rewards.

B Interest:

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

C Others:

Other Revenues / Incomes and Costs / Expenditure are generally accounted on accrual, as they are earned or incurred.

IV. Tangible assets and depreciation / amortisation

A. Tangible Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation / amortisation and accumulated impairment losses, if any.

B. Depreciation is provided on the straight line method on the basis of useful life of the asset in the manner specified in Schedule II to the Companies Act, 2013. Depreciation on additions to assets or on sale/disposal of assets is calculated pro-rata from the month of such addition, or upto the month of such sale/disposal, as the case may be.

V. Borrowing costs

Interests and other borrowing costs (including ancillary borrowing costs) attributable to qualifying assets are allocated as part of the cost of construction / development of such assets. Such allocation is suspended during extended periods in which active development is interrupted and, no costs are allocated once all such activities are substantially complete. Ancillary borrowing costs (including front-end fees, processing fees etc. due to which rate of borrowing gets reduced) are amortised over the period of the related borrowing, but not exceeding a period of three years. Other borrowing costs are charged to the profit and loss statement.



NOTE '2' (Contd.)**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016****VI. Segment reporting**

The company is engaged in the business of Real Estate Development, which as per Accounting Standard - 17 'Segment Reporting' is considered to be the only reportable business segment. The Company is also operating within the same geographical segment. Hence, disclosures under AS-17 are not applicable.

VII. Impairment of assets

The carrying amount of assets is reviewed at each Balance Sheet date. If there is any indication of impairment based on internal/external factors, i.e. when the carrying amount of the assets exceeds the recoverable amount, an impairment loss is charged to the statement of profit and loss in the year in which an asset is identified as impaired. An impairment loss recognised in prior accounting periods is reversed or reduced if there has been a favourable change in the estimate of the recoverable amount.

VIII. Taxation

Income tax expense comprises Current Tax and Deferred Tax charge or credit. Provision for current tax is made on the basis of the assessable income at the tax rate applicable to the relevant assessment year. The deferred tax asset and deferred tax liability is calculated by applying tax rate and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognized, only if there is a virtual certainty of its realization, supported by convincing evidence. Deferred tax assets on account of other timing differences are recognized only to the extent there is a reasonable certainty of its realization. At each Balance Sheet date, the carrying amounts of deferred tax assets are reviewed to reassure realization.

Excess / short provision for taxation are recognized on completion of necessary taxation proceedings (Viz. revised returns, assessments etc.)

In case the Company is liable to pay income tax U/s 115JB of Income Tax Act, 1961 (i.e. MAT), the amount of tax paid in excess of normal income tax is recognised as an asset (MAT Credit Entitlement) only if there is convincing evidence for realization of such asset during the specified period. MAT credit entitlement is reviewed at each Balance Sheet date.

IX. Provisions, contingent liabilities and contingent assets

Provisions involving a substantial degree of estimation in measurement are recognized when there is present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the financial statements. Contingent assets are neither recognized nor disclosed in the financial statements.



6



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2016

		As At 31st March, 2016 ₹	As At 31st March, 2015 ₹	
NOTE '3'				
SHARE CAPITAL				
AUTHORISED				
50,000 (P.Y. 50,000) Equity Shares of ₹ 10/- each		500,000	500,000	
	Total	500,000	500,000	
ISSUED SUBSCRIBED AND PAID UP				
50,000 (P.Y. 50,000) Equity Shares of ₹ 10/- each		500,000	500,000	
	Total	500,000	500,000	
Footnotes:				
3.1 Reconciliation of the number of Equity shares outstanding at the beginning and at the end of the year		31st March, 2016 (Nos)	31st March, 2015 (Nos)	
Number of Shares at the Beginning		50,000	50,000	
Add/(Less) :				
Issue during the year		-	-	
Buyback during the year		-	-	
At the end of the year (Nos)	Total	50,000	50,000	
3.2 Equity Shares held by its holding company or its ultimate holding company subsidiaries or associates of the holding company or the ultimate holding company		31st March, 2016 (Nos)	31st March, 2015 (Nos)	
Huhtown Limited with its beneficiary owners		25,500	50,000	
Mr. Surendra Sanas		24,500	-	
	Total	50,000	50,000	
3.3 Equity Shareholders holding more than five percent of holdings		31st March, 2015		
		31st March, 2016		
		Nos	% of Holdings	
		Nos	% of Holdings	
Huhtown Limited with its beneficiary owners	25,500	51%	50,000	100%
Mr. Surendra Sanas	24,500	49%		
Total	50,000	51%	50,000	100%

3.4 Terms / rights attached to Equity Shares :

The company has a single class of equity shares having a face value of ₹ 10/- per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

NOTE '4'

RESERVES AND SURPLUS

Debenture Redemption Reserve

Balance as per last financial statements

Add / (Less) :

Transferred from Profit and Loss Account

Trasferred to General Reserve

General Reserves

Balance as per last financial statements

Add / (Less) :

Transferred from Profit and Loss Account

Trasferred to Profit and Loss Account

Surplus in statement of profit and loss

Balance as per last financial statements

Profit for the year

Net surplus in the statement of profit and loss

Total

As At 31st March, 2016 ₹	As At 31st March, 2015 ₹
-	-
-	-
-	-
52,500,000	52,500,000
-	-
52,500,000	52,500,000
(147,271,260)	(139,803,299)
7,657,888	(7,467,961)
(139,613,372)	(147,271,260)
(87,113,372)	(94,771,260)

NOTE '5'

OTHER LONG-TERM LIABILITIES

Retention money payable

Total

As At 31st March, 2016 ₹	As At 31st March, 2015 ₹
1,266,555	1,266,555
1,266,555	1,266,555

NOTE '6'

SHORT TERM BORROWINGS

Unsecured Loans

- from Companies (Refer footnote i)

- from related party (Refer note 18) and (footnote ii)

Total

As At 31st March, 2016 ₹	As At 31st March, 2015 ₹
591,075	-
59,659,319	58,268,852
60,250,394	58,268,852

Footnote:

i. The above loan from other Companies is taken at an interest rate of C.Y NIL and (P.Y. 15% p.a.)

ii. Loan from related parties are interest free and are repayable on demand.



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st, March 2016

NOTE '7'

TRADE PAYABLES

Micro, Small and Medium Enterprises payable (Refer footnote)

Trade Payables

	As At 31st March, 2016 ₹	As At 31st March, 2015 ₹
	-	-
	26,763,691	27,811,204
Total	26,763,691	27,811,204

Footnotes:

7.1 Details of dues to Micro, Small and Medium Enterprises as defined under MSMED Act, 2006 :

As per information available with the Company regarding dues to Micro, Small and Medium Enterprises as defined under the Micro Small Medium Enterprises Development, Act 2006 (MSMED Act), none of the suppliers of the Company are registered under MSMED Act, and the same has been relied upon by the auditors.

NOTE '8'

OTHER CURRENT LIABILITIES

Interest accrued and due on borrowings

Security Deposit from Customer

Advance from Customer

Other payables :

- Statutory dues

- Other miscellaneous

	As At 31st March, 2016 ₹	As At 31st March, 2015 ₹
	-	7,126,771
	113,230	113,230
	335,422	335,422
	2,055,730	3,196,434
	1,533,907	1,438,895
Total	4,038,289	12,210,752

NOTE '9'

SHORT TERM PROVISIONS

Other Provisions

Provision for income tax

	As At 31st March, 2016 ₹	As At 31st March, 2015 ₹
	15,317	-
Total	15,317	-



DEVKRUPA BUILD TECH LIMITED
CIN : U74140MH2006PLC166596

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2016

NOTE '10'

FIXED ASSETS

(Amount in ₹)

PARTICULARS	GROSS BLOCK (AT COST)				DEPRECIATION / AMORTISATION				NET BLOCK	
	As at 31st March, 2015	Additions / Adjustments during the year	Deductions / Adjustments	As at 31st March, 2015	Upto 31st March, 2015	Provided during the year	Deductions / Adjustments	Upto 31st Mar, 2016	As at 31st Mar, 2016	As at 31st Mar, 2016
Tangible Assets										
Air Conditioner	32,309	-	-	32,309	32,309	-	-	32,309	-	-
Pump	186,810	-	-	186,810	109,587	15,244	-	124,831	61,979	77,223
Office equipment	7,200	-	-	7,200	7,200	-	-	7,200	-	-
GRAND TOTAL	226,319	-	-	226,319	149,096	15,244	-	164,340	61,979	77,223
Previous Year	226,319	-	-	226,319	124,694	24,402	-	149,096	77,223	101,625



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2016

	As At 31st March, 2016 ₹	As At 31st March, 2015 ₹
NOTE '11'		
TRADE RECEIVABLES		
Trade receivables (Unsecured considered good)		
Outstanding for a period exceeding six months	2,896,514	2,896,514
Other receivables	1,296,845	1,296,845
Total	4,193,359	4,193,359
	As At 31st March, 2016 ₹	As At 31st March, 2015 ₹
NOTE '12'		
CASH AND CASH EQUEVALENTS		
Cash and cash equivalents:		
Cash on hand	195	195
Balances with banks:		
- On current accounts	345,351	815,933
Total	345,546	816,128
	As At 31st March, 2016 ₹	As At 31st March, 2015 ₹
NOTE '13'		
LOANS AND ADVANCES		
Security Deposits	190,300	190,300
Loans and advances (Unsecured, considered good)		
- to related parties	-	-
Advance Income Tax [Net of Provision ₹ 5,75,758 ; (P.Y. ₹ 5,75,758)]	925,960	9,093
Service tax Cenvat	3,730	
Total	1,119,990	199,393
	Year Ended 31st March, 2016 ₹	Year Ended 31st March, 2015 ₹
NOTE '14'		
OTHER INCOME		
Interest:		
- On Loans	-	-
Liabilities written back to the extent no longer required	8,435,115	-
Miscellaneous income	-	645,980
Total	8,435,115	645,980
	Year Ended 31st March, 2016 ₹	Year Ended 31st March, 2015 ₹
NOTE '15'		
FINANCE COSTS		
Interest on Loans	-	7,918,634
Interest on delayed payments of taxes and statutory dues	530,412	-
Total	530,412	7,918,634



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

		Year Ended 31st March, 2016 ₹	Year Ended 31st March, 2015 ₹
NOTE '16'			
DEPRECIATION AND AMORTISATION			
Depreciation on tangible fixed assets		15,244	24,403
Total		15,244	24,403
NOTE '17'			
OTHER EXPENSES			
Repairs and Maintenance		-	-
Professional Fees		62,845	49,461
Auditors Remuneration (Refer footnote)		17,175	33,708
Other expenses		136,234	61,389
Total		216,254	144,558
Footnote:			
Auditor's Remuneration (included in other expenses)			
Audit fees		15,000	15,000
Limited Review Fees		-	15,000
Tax Audit Fees		-	-
Service Tax on above		2,175	3,708
Total		17,175	33,708



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

NOTE '18'

RELATED PARTIES DISCLOSURES

Related Party Transactions as per Accounting Statdard 18 (AS-18).

A. Holding Company

1 Hubtown Limited

B. Fellow Subsidiaries

- 1 ABP Realty Advisors Private Limited
- 2 Acruti Safeguard Systems Private Limited
- 3 Adhivitiya Properties Limited (Upto August 31, 2014)
- 4 Arnav Gruh Limited (Upto February 28, 2015)
- 5 Citygold Education Research Limited
- 6 Citygold Farming Private Limited
- 7 Diviniti Projects Private Limited
- 8 Gujarat Akruvi - TCG Biotech Limited
- 9 Halitious Developer Limited
- 10 Headland Farming Private Limited
- 11 Heddle Knowledge Private Limited
- 12 Heeler Hospitality Private Limited (Upto 31st March 2015)
- 13 Sheshan Housing & Area Development Engineers Limited
- 14 India Development And Construction Venture Capital Private Limited
- 15 Joynest Premises Private Limited
- 16 Merrygold Buildcon Private Limited (Upto 31st March 2015)
- 17 Heet Builders Private Limited
- 18 Upvan Lake Resorts Private Limited
- 19 Urvi Build Tech Limited
- 20 Vama Housing Limited
- 21 Vega Developers Private Limited
- 22 Vishal Nirman (India) Limited (Upto 31st March 2015)
- 23 Vishal Techno Commerce Limited
- 24 Yantti Buildcon Private Limited
- 25 Citywood Builders Private Limited (From November 29, 2014)

C. Related Party Transaction for the year ended March 31	Holding Company	Fellow Subsidiary
Nature of Transactions	₹	₹
Loans received / recovered / Adjusted		
Hubtown Limited	300,000	
	(52,000,000)	
Urvi Build Tech Limited		918,000
		(2,093,355)
Loans repaid / given / Adjusted		
Hubtown Limited	-	
	-	
Urvi Build Tech Limited		172,467
		(50,906)
Interest Income		
Urvi Build Tech Limited		-
		-
Interest Expense		
Urvi Build Tech Limited		0
		(191,630)
Loan Payable		
Hubtown Limited	56,664,891	
	(56,364,891)	
Urvi Build Tech Limited		2,994,428
		(1,782,233)
Loan Receivable		
Urvi Build Tech Limited		-
		-

Footnotes:

- i. Figures in bracket pertains to previous year.
- ii. Related parties are identified by the Company and relied upon by the auditors.



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

	31st March, 2016 ₹	31st March, 2015 ₹
NOTE '19'		
EARNING PER SHARE (EPS)		
Profit/(Loss) after tax (₹)	7,657,888	(7,467,960)
Weighted average number of equity shares outstanding at the end of the year (Nos)	50,000	50,000
Earning per equity share (Nominal Value of share of ₹10 /- each)		
Basic and Diluted	153.16	(149.36)

NOTE '20'

CONTINGENT LIABILITY

Particular	As At 31st March, 2016	As At 31st March, 2015
Claims against the Company, not acknowledged as debts on account of:- Income tax matters under appeals for : Income Tax matters under Appeal with CIT for the Financial Year 2011-2012	1,99,06,143	20,823,010.00

Note:

Interest / Penalty that may accrue on original demands are not ascertainable, at present. The company has taken the necessary steps to protect its position with respect to the above referred claims, which in its opinion, based on professional / legal advice, are not sustainable.

	31st March, 2016 ₹	31st March, 2015 ₹
NOTE '21'		
PRIOR PERIOD ADJUSTMENTS		
Debit related to earlier years:		
Repairs and Maintenance Expenses	-	(6,571)
Other Expenses	-	-
	-	(6,571)

NOTE '22'

The accumulated losses of the Company have resulted in complete erosion of the net worth of the Company. The Company's management is, however, of the view that the said erosion is temporary in nature as the Company is in the process of procuring new business, the proceeds of which when fructified, would result in turnaround of the Company. The Company to that extent does not consider the erosion of the net worth as an impediment to its status as a going concern.

NOTE '23'

In the opinion of the Board of Directors of the Company, all items of Current Assets, Current Liabilities and Loans and Advances continues to have a realizable value of at least the amounts at which they are stated in the Balance Sheet.

NOTE '24'

Previous year figures have been regrouped / reclassified wherever necessary to make them comparable with current year

As per attached report of even date

For M. K. GOHEL & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REG. NO.:103256W

MUKESH K GOHEL
PROPRIETOR
Membership No. 038823



For and on behalf of the Board of Directors



NANCY PEREIRA
DIRECTOR
DIN : 00081958

VIKRANT JAIN
DIRECTOR
DIN : 01912696

Mumbai
Date: 30 AUG 2016

Cash Flow Statement for the year ended 31st March, 2016

Particulars	Year Ended 31st March, 2016 ₹	Year Ended 31st March, 2015 ₹
Cash flows arising from operating activities		
Net profit before taxation and prior period items as per statement of profit and loss	7,673,205	(7,441,615)
Add / (Less) :		
Depreciation and amortisation	15,244	24,403
Interest and Finance Cost	530,412	7,918,634
Prior period adjustments	-	(6,571)
Provisions no longer required	-	(19,775)
Interest income	-	-
	545,656	7,916,691
Operating profit before working capital changes	8,218,861	475,076
Add / (Less) :		
(Increase) / Decrease in trade receivables	-	63,019
(Increase) / Decrease in other receivables	(920,597)	910,556
Increase / (Decrease) in other Current liabilities	(1,030,375)	(2,135,212)
Increase / (Decrease) in trade and other payables	(1,047,513)	(558,437)
Direct taxes paid	(15,317)	-
	(3,013,802)	(1,720,074)
Net cash flow from operating activities	5,205,059	(1,244,998)
Cash flows arising from investing activities		
Inflow / (Outflow) on account of :		
Interest income received	-	-
Net cash flow from investing activities	-	-
Cash flows arising from financing activities		
Inflow / (Outflow) on account of :		
Repayment of Long-term borrowings	-	-
Proceeds from short-term borrowings	1,981,541	7,403,960
Finance costs paid	(7,657,183)	(6,089,041)
Net cash flow from financing activities	(5,675,642)	1,314,919
Net increase in cash and cash equivalents (I + II + III)	(470,583)	69,922
Add: Balance at the beginning of the year	816,128	746,207
Cash and cash equivalents at the end of the year	345,545	816,129
Components of cash and cash equivalents (Refer note 12)		
Cash and cash equivalents:		
Cash on hand	195	195
Balances with banks		
- On Current accounts	345,350	815,933
	345,545	816,128

Footnote:

Previous year figures have been regrouped / reclassified wherever necessary to make them comparable with current year figures.

As per our report of even date

For M. K. GOHEL & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REG. NO.: 103256W

MUKESH K. GOHEL
PROPRIETOR
Membership No. 038823



For and on behalf of the Board of Directors

[Signature]

NANCY PEREIRA
DIRECTOR
DIN : 00081958



[Signature]
VIKRANT JAIN
DIRECTOR
DIN : 01912696

Mumbai **30 AUG 2016**
Date:

IN THE BOOKS OF DEVKRUPA BUILD TECH LIMITED
CIN : U74140MH2006PLC166596

Inter Group Transactions During April To March 2016 And The Balances As On 31st March, 2016

NAME OF THE GROUP COMPANIES	Relation As on	EXPENSES		ASSETS	LIABILITIES			
		Fin Costs	Fin Costs	L&A - Current	Cur. Liabilities	ST-Borrowing	Other Cur. Liab	Equities & Liab.
SCHEDULE VI GROUPING		Interst on Loans	Interest on Others	Loan given to related Parties	Trade Payable	Loan from Related Parties	Interes Acc and Due	ESC/ PSC/ Capital in JVs & Firms
Hubtown Limited	Parent	-				56,664,891		500,000
Subsidiaries								
Urvi Buildtech Limited	Fellow Subsidiary	0				2,994,428	-	
Akruti Jay Developers					26,191,710			
TOTAL		-	-	-	26,191,710	59,659,319	-	500,000

For M. K. GOHEL & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REG. NO.:103256W

MKGohel
MUKESH K GOHEL
PROPRIETOR
Membership No. 038823



For and on behalf of the Board of Directors

Nancy Pereira

NANCY PEREIRA
DIRECTOR
DIN : 00081958



Vikrant Jain
VIKRANT JAIN
DIRECTOR
DIN : 01912696

Mumbai **30 AUG 2016**
Date:

INDEPENDENT AUDITOR'S REPORT

TO
The Members of Divinity Projects Private Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Divinity Projects Private Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

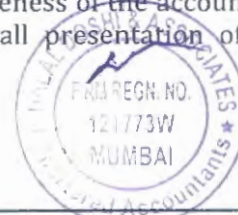
The Company's Board of Directors is responsible for the matters stated in section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company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

Auditor's Responsibility

Our responsibility is to express an opinion on these 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 there under.

We conducted our audit 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the 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 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 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- I. As required by the provisions of 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "**Annexure A**" statement on the matters specified in paragraphs 3 and 4 of the Order;
- II. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the Directors as on 31st March, 2016 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2016 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**".



(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 has disclosed the impact of pending litigations, if any as at March 31, 2016 on its financial position in its financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

FOR DALAL DOSHI & ASSOCIATES

Firm Registration No.: 121773W

Chartered Accountants



DINESH DOSHI

Partner

Membership No.: 9464



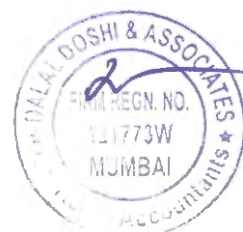
Place : Mumbai

Date : 18th May, 2016

"ANNEXURE A" INDEPENDENT AUDITORS' REPORT REFERRED TO IN OUR REPORT TO THE MEMBERS OF DIVINITY PROJECTS PRIVATE LIMITED ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016;

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that: -

- (i) The Company did not have any Fixed Assets during the year, Therefore, the provisions of Clause 3(i) of the said Order are not applicable to the Company.
- (ii) The Company did not have any Inventories during the year; Therefore, the provisions of Clause 3(ii) of the said Order are not applicable to the Company.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- (iv) The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- (v) The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified. Therefore, the provisions of clause 3 (v) of the Companies (Auditors Report) Order, 2016 are not applicable to the Company;
- (vi) The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company. Therefore, the provisions of clause 3 (vi) of the Companies (Auditors Report) Order, 2016 are not applicable to the Company;
- (vii) a) According to the records of the Company, it has been generally regular in depositing, wherever applicable, undisputed statutory dues including Investor Education and Protection Fund, Income Tax, Sales Tax, Vat, Wealth Tax, Custom Duty, Cess and other statutory dues with the appropriate authorities. There were no amounts outstanding as at the last day of the financial year for a period exceeding six months from the date they became payable.
b) According to the information and explanation given to us and records of the Company examined by us, there are no dues of Income Tax, Wealth Tax, Service Tax, Sales tax including value added tax, duty of customs and duty of excise which have not been deposited on account of any dispute;
- (viii) On the basis of records examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institution, bank and debenture holders as at balance sheet date;



- (ix) In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained;
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management;
- (xi) The Company has not paid / provided managerial Remuneration hence, the provisions of Section 197 read with Schedule V to the Act are not applicable. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company.
- (xii) The Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company;
- (xiii) The Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of related party transaction have been disclosed in the financial statements as required under Accounting Standard 18 - Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act, and accordingly, to this extent, the provisions of Clause 3(xiii) of the Order are not applicable to the Company;
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company;
- (xv) Based upon the audit procedures performed and the information and explanations given by the Management, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company;
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

FOR DALAL DOSHI & ASSOCIATES

Firm Registration No.: 121773W

Chartered Accountants



DINESH DOSHI

Partner

Membership No.: 9464



Place : Mumbai

Date : 18th May, 2016

"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF DIVINITY PROJECTS PRIVATE LIMITED

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

We have audited the internal financial controls over financial reporting of Divinity Projects Private Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the period ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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



Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.


Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For DALAL DOSHI & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGISTRATION No.:121773W


DINESH DOSHI
PARTNER
Membership No.: 9464



Place: Mumbai
Date: 18th May, 2016

Diviniti Projects Private Limited

CIN: U70100MH1995PTC087713

Balance Sheet As at 31st March, 2016

Particulars	Note No.	As At 31st March, 2016 ₹	As At 31st March, 2015 ₹
I. EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	500,000	500,000
Reserves and surplus	4	48,230,665	48,549,916
		48,730,665	49,049,916
Non-Current liabilities :			
Long-term Borrowings	5	511,500,000	-
Current liabilities :			
Short term borrowings	6	2,167,532	1,480,532
Trade Payables	7	123,206	-
Other current liabilities	8	1,718,169	90,951
Short term provisions	9	-	12,595
		4,008,907	1,584,078
TOTAL		564,239,572	50,633,994
II. ASSETS			
Non-current Assets			
Non-current investments	10	33,125	33,125
Long term loans and advances	11	514,689,798	-
		514,722,923	33,125
Current Assets			
Cash and cash equivalent	12	250,026	250,869
Short-term loans and advances	13	49,266,623	50,350,000
		49,516,649	50,600,869
TOTAL		564,239,572	50,633,994

Significant Accounting Policies 1 to 2
Notes on Financial Statements 3 to 21

As per attached report of even date

FOR DALAL DOSHI & ASSOCIATES

Firm Registration No. 121773W

Chartered Accountants



DINESH DOSHI

Partner

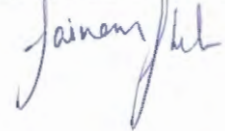
Membership No: 9464



Place : Mumbai

Date : 18th May, 2016

For and on behalf of the board



JAINAM NARESH SHAH

Director

DIN: 07129100





RAJEEVAN PARAMBAN

Director

DIN: 03141200

Diviniti Projects Private Limited
CIN: U70100MH1995PTC087713

Statement of Profit and Loss for the year ended 31st March, 2016

Particulars	Note No.	Year Ended 31st March, 2016 ₹	Year Ended 31st March, 2015 ₹
I. INCOMES			
Income from business operations		-	-
Share of profit / (loss) from partnership firms (Net)		(692)	-
Other Income	14	-	585,000
TOTAL		(692)	585,000
II. EXPENSES			
Finance Cost	15	306,144	68
Other Expenses	16	69,325	1,029,653
TOTAL		375,469	1,029,721
Loss before tax		(376,161)	(444,721)
Tax expense :			
Current tax		-	-
Excess / (Short) Provision of Income Tax for earlier periods		56,910	(70,505)
Deferred tax		-	-
Loss for the year		(319,251)	(515,226)
Earning per equity share (Nominal Value of share of ₹ 10 /- each)	17		
Basic and diluted		(6.39)	(10.30)

Significant Accounting Policies
Notes on Financial Statements

1 to 2
3 to 21

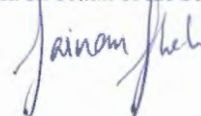
As per attached report of even date

FOR DALAL DOSHI & ASSOCIATES
Firm Registration No. 121773W
Chartered Accountants


DINESH DOSHI
Partner
Membership No: 9464



For and on behalf of the board



JAINAM NAREISH SHAH
Director
DIN: 07129100




RAJEEVAN PARAMBAN
Director
DIN: 03141200

Place : Mumbai
Date : 18th May, 2016

Cash Flow Statement for the year ended 31st March, 2016

Particulars	31st March, 2016		31st March, 2015	
	Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)
I. Cash flows arising from operating activities				
Net Loss before tax as per Statement of Profit and Loss		(376,161)		(444,721)
Add / (Less):				
Sundry Credit balance written back	-		(585,000)	
Advance and other debit balance written off	-		925,750	
Share of profit / (loss) from partnership firms (Net)	692		-	
Finance cost	-		68	
		692		340,818
Operating Profit Before Working Capital Changes		(375,469)		(103,903)
<u>Changes in working capital:</u>				
Add/ Less:				
Increase/ (Decrease) in Trade Payables	123,206		-	
Increase / (Decrease) in Other Payables	1,627,218		25,220	
Increase/ (Decrease) in Short Term Provisions	-		12,595	
(Increase)/ Decrease in Long-term Loans and Advances	(514,689,798)		-	
(Increase)/ Decrease in Short Term Loans and Advances	1,127,692		57,910	
		(511,811,682)		95,725
Cash generated from Operations		(512,187,151)		(8,178)
Direct Taxes Paid	-		(70,505)	
		-		(70,505)
Net Cash flow in the course of Operating Activities		(512,187,151)		(78,683)
II. Cash flows arising from Investing activities				
Inflow / (Outflow) on account of:				
Share of profit / (loss) from partnership firms (Net)	(692)		-	
(Increase) / Decrease in Long Term Investment	-		(10,000)	
Net Cash flow in the course of Investing Activities		(692)		(10,000)
		(692)		(10,000)
III. Cash flows arising from Financing activities				
Inflow / (Outflow) on account of:				
Increase in advances	-		-	
Increase in borrowings	512,187,000		-	
Interest on delay payment of taxes	-		(68)	
Net Cash flow in the course of Financing Activities		512,187,000		(68)
		512,187,000		(68)
Net Increase in cash and cash Equivalents (I + II + III)		(843)		(88,751)
Add: Balance at the beginning of the year		250,869		339,620
Cash and Cash Equivalents at the end of the year		250,026		250,869
<u>Cash and Cash Equivalents (Refer Note 12)</u>				
Cash on hand		24,330		27,990
Balances with banks				
- in current account		225,696		222,879
Cash and Cash Equivalents at the end of the year		250,026		250,869

As per attached report of even date

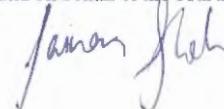
FOR DALAL DOSHI & ASSOCIATES
Firm Registration No. 121773W
Chartered Accountants



DINESH DOSHI
Partner
Membership No: 9464



For and on behalf of the board



JAINAM NAREESH SHAH
Director
DIN: 07129100




RAJEEVAN PARAMBAN
Director
DIN: 03141200

Place : Mumbai
Date : 18th May, 2016

Notes to the financial statements for the year ended 31st March, 2016

1 Corporate Information

Diviniti Projects Private Limited is a Private Limited Company domiciled in India, incorporated under the Companies Act, 1956. The Company is engaged to acquire by purchase, lease, exchange, hire, or otherwise land and property of any tenure or any interest in the same and to erect and construct houses, building or work of every description on any land of the company or upon any other lands of property and to pull down, rebuild, enlarge, alter and improve existing, houses, building or work thereon to convert and appropriate any such land into and for roads, streets, squares, garden, and any other conveniences and generally to deal with and improve the property of the company or any other property, and to act as earthmovers, contractors, developers of land, government contractor, construction of road, bridges, earth work, sewers, tanks drains, culvert, channels, sewage, or other works.

2 Significant Accounting Policies

I. Basis of Preparation of Financial Statements

The financial statements have been prepared and presented complying the section 134(5) of Companies Act, 2013 in accordance with the accounting principles generally accepted in India and in accordance with the applicable Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, Guidance Notes and other relevant provisions of the Companies Act, 1956 and Companies Act, 2013.

All the Assets and Liabilities have been classified as current or non-current, wherever applicable, as per the operating cycle of the Company as per the guidance as set out in the Schedule III, to the Companies Act, 2013.

Operating Cycle for the business activities of the Company covers the duration of the specific project/ contract/ Service and extends upto the realisation of receivables within the agreed credit period normally applicable to the respective project.

II. Use of Estimates

The preparation of financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known / materialized

III. Revenue Recognition

- a. Revenue is recognised to the extent that it is probable that the economic benefits will accrue to the company and the revenue can be reliably measured and also when it is reasonably certain that the ultimate collection will be made and that there is buyer's commitment to make the complete payment.
- b. Share of profit / loss from partnership firm / associations of person (AOP) is accounted in respect of the financial year of the firm / AOP, during the reporting period, on the basis of their audited / management reviewed accounts, which is considered as a part of other operating activity.

IV. Investments

Investments are classified into current and Non-Current/ Long Term Investments. Current investments are stated at lower of cost and fair value. Long term investments are stated at cost. A provision for diminution is made to recognize decline, other than temporary, in the value of long term investments.



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V. Borrowing Costs

Interests and other borrowing costs attributable to qualifying assets are allocated as part of the cost of construction / development of such assets. The borrowing costs incurred during the period in which activities, necessary to prepare the assets for their intended use or sale, are in progress, are allocated as aforesaid. Such allocation is suspended during extended periods in which active development is interrupted and, no costs are allocated once all such activities are substantially complete. Front-end fees, processing fees and other 'one time' charges are amortised over the period of the related borrowing, but not exceeding a period of three years. Other borrowing costs are charged to the Profit and Loss Account.

VI. Segment Reporting

The company is engaged in the business of "Real Estate Development", which as per Accounting Standards AS-17-'Segment Reporting' is considered to be the only reportable business segment. The Company is also operating within the same geographical segment.

VII. Taxations

Income tax expense comprises Current Tax and Deferred Tax charge or credit. Provision for current tax is made on the basis of the assessable income at the tax rate applicable to the relevant assessment year. The deferred tax asset and deferred tax liability is calculated by applying tax rate and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognized, only if there is a virtual certainty of its realization, supported by convincing evidence. Deferred tax assets on account of other timing differences are recognized only to the extent there is a reasonable certainty of its realization. At each Balance Sheet date, the carrying amounts of deferred tax assets are reviewed to reassure realization.

Excess / short provision for taxation are recognised on completion of necessary taxation proceedings (viz. revised returns, assessments, etc.)

In case, the Company is liable to pay income tax under Section 115JB of Income Tax, 1961 (i.e. MAT), the amount of tax paid in excess of normal income tax is recognised as an asset (MAT Credit Entitlement) only if there is convincing evidence for realisation of such asset during the specified period. MAT Credit entitlement is reviewed at each Balance Sheet date.

VIII. Impairment of Assets

The carrying amount of assets is reviewed at each Balance Sheet date. If there is any indication of impairment based on internal/external factors, i.e. when the carrying amount of the assets exceeds the recoverable amount, an impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. An impairment loss recognised in prior accounting periods is reversed or reduced if there has been a favourable change in the estimate of the recoverable amount.

IX. Provisions, Contingent Liability and Contingent Assets

Provisions involving a substantial degree of estimation in measurement are recognised when there is present obligation as a result of past events and its probable there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the financial statement. Contingent assets are neither recognised nor disclosed in the financial statements.



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Notes to the financial statements for the year ended 31st March, 2016

	As at 31 st March, 2016 ₹	As at 31 st March, 2015 ₹
NOTE '3'		
SHARE CAPITAL		
AUTHORISED		
50,000(P.Y.50,000) Equity Shares of ₹ 10/- each	500,000	500,000
	500,000	500,000
ISSUED, SUBSCRIBED AND PAID UP		
50,000 (P.Y.50,000) Equity Shares of ₹ 10/- each fully paid up	500,000	500,000
Total	500,000	500,000

	31st March, 2016 (Nos)	31st March, 2015 (Nos)
3.1 Reconciliation of the number of Equity shares outstanding at the beginning and at the end of the year		
Number of Shares at the Beginning	50,000	50,000
Add/(Less) :		
Issue during the year	-	-
Buyback during the year	-	-
Conversion during the year	-	-
At the end of the reporting the year (Nos)	50,000	50,000

	31st March, 2016 (Nos)	31st March, 2015 (Nos)
3.2 Equity Shares held by its holding company or its ultimate holding company, subsidiaries or associates of the holding company or the ultimate holding company.		
Holding Company		
Hubtown Limited with beneficiary owners	50,000	50,000
Total	50,000	50,000

	31st March, 2016		31st March, 2015	
	Nos	% of Holdings	Nos	% of Holdings
3.3 Equity Shareholders holding more than five percent of holdings				
Hubtown Limited with Beneficiary Owners	50,000	100%	50,000	100%
Total	50,000	100%	50,000	100%

3.4 Terms / Right attached to Ordinary Equity Shares :

The company has a single class of equity shares having a par value of ₹ 10/- per share. Each holder of equity share is entitled to one vote per share. The company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing annual general meeting.

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
NOTE '4'		
RESERVES AND SURPLUS		
General Reserve		
Balance as per Last Financial Statements	121,000	121,000
Add : Transfer from Profit/Loss account	-	-
Closing balance	121,000	121,000
Surplus in Profit and Loss Statement		
Balance as per Last Profit and Loss Statement	48,428,916	48,944,142
Add: Profit / (Loss) for the year	(319,251)	(515,226)
Closing balance	48,109,665	48,428,916
Total	48,230,665	48,549,916



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Notes to the financial statements for the year ended 31st March, 2016

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
NOTE '5'		
LONG-TERM BORROWINGS		
Secured Loans		
- Loan from Financial Institution	511,500,000	-
Total	511,500,000	-

Footnote :

- I. The Company has entered in to tripartite agreement with Twenty Five South Realty Limited and Indiabulls Housing Finance Limited, in accordance with the terms of the agreement Interest on long term borrowings shall be paid by Twenty Five South Realty Limited till the date of Possession.

II. Repayment Terms

- a. Long term borrowings amounting to ₹ 24 crore is paid to be repaid in 8 equal 6 monthly installments starting from the month of July, 2017.
b. Long term borrowings amounting to ₹ 31 crore is paid to be repaid in 8 equal 6 monthly installments starting from the month of July, 2017.

III. The above loan are secured against:

a. For loan amounting to ₹ 24 crore:

Mortgage and charge over unit no. 2103 and 3801 having aggregate carpet area of 5,202 sq.ft. to be constructed at Prabhadevi, Dadar.

b. For loan amounting to ₹ 31 crore:

Mortgage and charge over unit no. 4003 having aggregate carpet area of 9,840 sq.ft. to be constructed at Prabhadevi, Dadar.

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
NOTE '6'		
SHORT TERM BORROWINGS		
Unsecured Loans		
- from related party (Refer Note 18)	2,167,532	1,480,532
Total	2,167,532	1,480,532

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
NOTE '7'		
TRADE PAYABLES		
Trade payable (Refer foot note)	123,206	-
Total	123,206	-

Foot note :

As certified by the company and relied upon by the auditors, none of the creditors of the Company are registered under Micro, Small and Medium enterprises as per Micro, Small and Medium Enterprises Development Act, 2008.

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
NOTE '8'		
OTHER CURRENT LIABILITIES		
Other payables :		
- Statutory Dues	1,687,439	-
- Others Miscellaneous	30,730	90,951
Total	1,718,169	90,951

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
NOTE '9'		
PROVISIONS		
Other Provisions		
Provision for Income tax (Net of Advance tax C.Y. Nil, P.Y. ₹ 56,57,494)	-	12,595
Total	-	12,595



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Notes to the financial statements for the year ended 31st March, 2016

NOTE '11'**LONG TERM LOANS AND ADVANCES**

Capital Advances (Refer note 19 b)
Ancillary cost of acquiring capital asset

As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
501,060,598	-
13,629,200	-
514,689,798	-

NOTE '12'**CASH AND BANK BALANCES**

Cash on hand
Balances with banks:
- On Current accounts

As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
24,330	27,990
225,696	222,879
250,026	250,869

Total**NOTE '13'****LOANS AND ADVANCES**

Advances recoverable in cash or kind
Unsecured, considered good
Advance Tax (Net of Provision ₹ Nil, P.Y. ₹ Nil)

As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
49,222,308	50,350,000
44,315	-
49,266,623	50,350,000

Total**NOTE '14'****OTHER INCOME**

Sundry Credit balances written back

As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
-	585,000
-	585,000

NOTE '15'**FINANCE COST**

Interest on delayed payment of taxes

As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
306,144	68
306,144	68

Total**NOTE '16'****OTHER EXPENSES**

Legal & Professional fees
Advance and other debit balance written off
Other Expenses (Refer footnote)

As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
19,202	49,440
-	925,750
50,123	54,463
69,325	1,029,653

Total

31st March, 2016 ₹	31st March, 2015 ₹
-----------------------	-----------------------

Footnote:**Auditor's Remuneration included in other expenses :**

Statutory Audit Fees
Other certification fees
Service tax on above

31st March, 2016 ₹	31st March, 2015 ₹
17,500	17,500
-	15,000
2,538	4,017
20,038	36,517

Total

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Diviniti Projects Private Limited

CIN: U70100MH1995PTC087713

Notes to the financial statements for the year ended 31st March, 2016

NOTE '17'

Earnings Per Share (EPS)

	As at 31st March, 2016	As at 31st March, 2015
Loss for the year (₹)	(319,251)	(515,226)
Weighted average number of equity shares (Nos)	50,000	50,000
Earnings per equity share (Nominal Value of share of ₹ 10 /- each)		
Basic and diluted	(6.39)	(10.30)

NOTE '18'

Related Party Disclosures

A. Name of related parties and description of relations

Holding Company	: Hubtown Limited
Fellow Subsidiary Company	: ABP Realty Advisors Private Limited Ackruti Safeguard systems Private Limited Citygold Education Research Limited Citygold Farming Private Limited Citywood Builders Private Limited Devkrupa Build Tech Limited Gujarat Akkruti - TCG Biotech Limited Halitious Developer Limited Headland Farming Private Limited Heddle Knowledge Private Limited Heet Builders Private Limited India Development And Construction Venture Capital Private Limited Joynest Premises Private Limited Sheshan Housing And Area Development Engineers Limited (Up to April 1, 2015) Twenty Five South Realty Limited Upvan Lake Resorts Private Limited Urvi Build Tech Limited Vama Housing Limited Vega Developers Private Limited Vishal Techno Commerce Limited Yantti Buildcon Private Limited

Firm in which Company is a Partner : M/s Rising Glory Developers

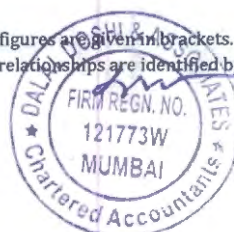
B. Transactions with related parties

Particulars	Related Party	Amount (₹)
Loans received / recovered / Adjusted		
Hubtown Limited	Holding Company	6,85,000 (-)
Share of loss from Partnership Firm		
Rising Glory Developers	Firm in which Company is a Partner	692 (-)
Advance towards property		
Twenty Five South Realty Pvt. Ltd.	Fellow subsidiary	50,10,60,598 (-)
On behalf payments made (including reimbursement of expenses)		
Twenty Five South Realty Pvt. Ltd.	Fellow subsidiary	16,87,671 (-)
Balance Payable as on 31st March, 2016		
Hubtown Limited	Holding Company	21,65,532 (14,80,532)
Rising Glory Developers	Firm in which Company is a Partner	10,692 (10,000)
Balance Receivable as on 31st March, 2016		
Twenty Five South Realty Pvt. Ltd.	Fellow subsidiary	50,27,48,269 (-)

Footnote:

a. Previous year figures are given in brackets.

b. Related Party relationships are identified by the company and relied upon by the auditors



Diviniti Projects Private Limited
CIN: U70100MH1995PTC087713

Notes to the financial statements for the year ended 31st March, 2016

NOTE '19'

a. Contingent Liability

The Company does not have any contingent liability as on balance sheet date, as certified by the management and relied upon by the auditors.

b. Capital Commitment

Estimated amount of contract remaining to be executed on capital account
and not provided for (net of capital advances)

As at	As at
31st March, 2016	31st March, 2015
1,000,079,402	-

NOTE '20'

In the opinion of the Board of Directors of the Company, all items of Current Assets, Non Current Assets, Non current liabilities and Current Liabilities continues to have a realizable value of at least the amounts at which they are stated in the Balance Sheet.

NOTE '21'

Previous year's figures have been regrouped / recast wherever necessary.

As per attached report of even date

FOR DALAL DOSHI & ASSOCIATES
Firm Registration No. 121773W
Chartered Accountants

DINESH DOSHI
Partner
Membership No: 9464

Place : Mumbai
Date : 18th May, 2016



For and on behalf of the board

JAINAM NARESH SHAH
Director
DIN: 07129100

RAJEEVAN PARAMBAN
Director
DIN: 03141200

Diviniti Projects Private Limited
CIN: U70100MH1995PTC087713

Inter company transactions as on 31 March, 2016 (For the purpose of Consolidation)

NAME OF THE GROUP COMPANIES	LIABILITIES	ASSET	ASSET
SCHEDULE VI GROUPING	Short Term Borrowings	Other Current Assets	Non - current Loans & Advances
Line item	Unsecured Loans	Advances recoverable in cash or kind	Advances towards Property
Hubtown	2,165,532	-	-
Twenty five south	-	1,687,671	501,060,598
SCHEDULE VI GROUPING	Other current liabilities	-	Investment
	Others Miscellaneous		Capital Investment in Partnership Firm
Firm in which company is a Partner			
Rising Glory Developers	10,692	-	10,000
TOTAL	2,176,224	1,687,671	501,070,598

FOR DALAL DOSHI & ASSOCIATES

Firm Registration No. 121773W

Chartered Accountants

DINESH DOSHI

Partner

Membership No: 9464



Mumbai

Date : 18th May, 2016

For and on behalf of the board

Jainam Naresh Shah

JAINAM NARESH SHAH

Director

DIN: 07129100



Rajeevan Paramban

RAJEEVAN PARAMBAN

Director

DIN: 03141200

INDEPENDENT AUDITOR'S REPORT

TO
The Members of Gujarat Akruti - TCG Biotech Limited

Report on the Financial Statements

We have audited the accompanying Financial Statements of **Gujarat Akruti - TCG Biotech Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these 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 there under.

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



An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the 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 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 Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Act in the manner so required and gives 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, 2016, and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- I. As required by the provisions of 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the Order.
- II. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.

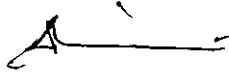


- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with 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 has disclosed the impact of pending litigations as at March 31, 2016 on its financial position in its financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

FOR DALAL DOSHI & ASSOCIATES

Chartered Accountants

Firm Registration No.: 121773W



DINESH DOSHI

Partner

Membership No. 9464



Place : Mumbai

Date : 19th May, 2016

"ANNEXURE A" INDEPENDENT AUDITORS' REPORT REFERRED TO IN OUR REPORT TO THE MEMBERS OF GUJARAT AKRUTI - TCG BIOTECH LIMITED ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016;

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that: -

- (i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- b) The Fixed Assets have been physically verified by the Management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed asset has been physically verified by the Management during the year and no material discrepancies between the book records and the physical fixed assets have been noticed;
- c) The title deeds of immovable properties are held in the name of the company.
- (ii) The Company does not have any Inventories during the year; Therefore, the provisions of clause 3(ii) of the said order are not applicable to the company.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- (iv) The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- (v) The Company has not accepted any deposits during the year from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified; Therefore, the provisions of Clause 3(v) of the said Order are not applicable to the Company.
- (vi) In our opinion, and according to the information and explanation given to us, the Company has not crossed the threshold limit as prescribed by the Central government under sub-section (1) of section 148 of the Act for maintenance of cost records and hence the provision for maintenance of records are not applicable to the company;
- (vii) a) According to the records of the Company, it has been generally regular in depositing, wherever applicable, undisputed statutory dues including Investor Education and Protection Fund, Wealth Tax, VAT, Sales Tax, Custom Duty, Cess and other statutory dues with the appropriate authorities. There have been delays during certain months in depositing Tax deducted at source and Service Tax. There were outstanding Service tax dues of ₹ 44,781/-, outstanding Tax deducted at source of ₹ 1,466/- and interest on late payment of taxes of ₹ 29,582/- as at the last day of the financial year for a period exceeding six months from the date they became payable.



- b) On the basis of our examination of documents and records of the Company, and explanation provided to us, there are no disputed dues in respect of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty or Cess other than mentioned below:

Statute and nature of dues	Section	Financial Year	Disputed Dues	Forum where dispute is pending
Income Tax, Act 1961	143(3)	2011-12	3,570	Commissioner of Income tax (appeals)

- (viii) On the basis of records examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to debenture holders as at the balance sheet date;
- (ix) The Company has not raised any moneys by way of initial public offer. The moneys raised by way of debentures have been applied for the purposes for which they were obtained.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (xi) The Company has not paid or provided managerial remuneration during the year hence, the provisions of section 197 read with Schedule V to the act are not applicable. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the company;
- (xii) As the Company is not a Nidhi Company, Therefore, the provisions of clause (3)(xii) of the Order are not applicable to the company;
- (xiii) The Company has not entered into any related party transactions as covered by the section 188 of the Act. The details of related party transaction have been disclosed in the financial statements as required under Accounting Standard 18 - Related Party Disclosers specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act, and accordingly, to this extent, the provisions of Clause 3(xiii) of the Order are not applicable to the Company.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.



- (xv) Based upon the audit procedures performed and the information and explanations given by the Management, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company;
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

FOR DALAL DOSHI & ASSOCIATES

Chartered Accountants

Firm Registration No.: 121773W



DINESH DOSHI

Partner

Membership No. 9464



Place : Mumbai

Date : 19th May, 2016

"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF GUJARAT AKRUTI - TCG BIOTECH LIMITED

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

We have audited the internal financial controls over financial reporting of Gujarat Akruti - TCG Biotech Limited ("the Company") as of March 31, 2016 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

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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

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

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



Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For DALAL DOSHI & ASSOCIATES

Chartered Accountants

Firm Registration No.:121773W


DINESH DOSHI

Partner

Membership No.: 9464

Place: Mumbai

Date : 19th May, 2016



GUJARAT AKRUTI - TCG BIOTECH LIMITED

CIN: U70102GJ2007PLC050966

Balance Sheet As at 31st March, 2016

Particulars	Note No.	As at	As at
		31st March, 2016 ₹	31st March, 2015 ₹
I. EQUITY AND LIABILITIES			
Shareholders' funds			
Share Capital	3	5,00,000	5,00,000
Reserves and Surplus	4	(3,87,80,772)	(3,73,78,589)
Non-current liabilities			
Long term borrowings	5	23,84,18,800	23,84,18,800
Other Long term liabilities	6	9,06,95,914	7,32,391
Current liabilities			
Trade payables	7	40,12,415	29,37,550
Other current liabilities	8	3,08,57,463	3,09,17,423
TOTAL		32,57,03,820	23,61,27,575
II. ASSETS			
Non-current Assets			
Fixed assets			
Tangible assets	9	17,89,25,874	17,92,54,823
Capital work in progress	9	7,44,48,339	5,64,55,636
Long terms loans and advances	10	2,07,600	2,07,600
Other assets	11	5,39,78,114	-
Current Assets			
Other assets	11	1,79,96,225	1,658
Cash and bank balances	12	1,47,668	2,07,858
TOTAL		32,57,03,820	23,61,27,575

Significant Accounting Policies

1 to 2


Notes on Financial Statements

3 to 23

As per our attached report of even date

FOR DALAL DOSHI & ASSOCAITES
CHARTERED ACCOUNTANTS
 FIRM REGISTRATION No.:121773W

For and on behalf of the Board of Directors


DINESH DOSHI

Partner

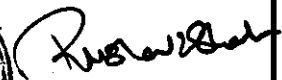
Membership No. 9464



VIKRANT JAIN

Director

DIN: 01912696



RUSHANK SHAH

Director

DIN: 02960155

Place: Mumbai

Date: 19th May, 2016

GUJARAT AKRUTI - TCG BIOTECH LIMITED

CIN: U70102GJ2007PLC050966

Statement of Profit and Loss for the year ended 31st March, 2016

Particulars	Note No.	Year Ended 31st March, 2016 ₹	Year Ended 31st March, 2015 ₹
I. INCOMES			
Revenue from business operations		-	-
Other income	13	7,858	4,064
TOTAL		7,858	4,064
II. EXPENSES			
Finance Costs	14	22,512	13,313
Other Expenses	15	10,58,580	7,62,977
Depreciation and Amortisation	9	3,28,949	3,28,808
TOTAL		14,10,041	11,05,098
Loss before tax		(14,02,183)	(11,01,034)
Tax expense :			
Current tax		-	-
Deferred tax		-	-
Loss for the year		(14,02,183)	(11,01,034)
Earning per equity share (Face Value of ₹ 10 /- each)	17		
Basic		(28.04)	(22.02)
Diluted		(0.09)	(6.02)

Significant Accounting Policies

1 to 2

Notes on Financial Statements

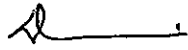
3 to 23

As per our attached report of even date

FOR DALAL DOSHI & ASSOCAITES**For and on behalf of the Board of Directors**

Chartered Accountants

FIRM REGISTRATION No.:121773W

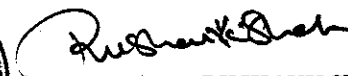

DINESH DOSHI
 Partner
 Membership No. 9464




VIKRANT JAIN
 Director
 DIN: 01912696

Place: Mumbai
 Date: 19th May, 2016




RUSHANK SHAH
 Director
 DIN: 02960155

GUJARAT AKRUTI - TCG BIOTECH LIMITED

CIN: U70102GJ2007PLC050966

Cash Flow Statement for the year ended 31st March, 2016

	Particulars	2015-2016	2014-2015
		₹	₹
A.	Cash flow from operating Activity		
	Net Loss before tax as per Statement of Profit or Loss	(14,02,183)	(11,01,034)
	Add / (Deduct) :		
	Depreciation	3,28,949	3,28,808
	Interest Expense	22,512	13,313
	Interest received on Loans and deposits	(5,996)	(2,406)
		3,45,465	3,39,715
	Operation profit before working capital changes	(10,56,718)	(7,61,319)
	Add / (Deduct) :		
	Loans and Advances & Other Current Assets	(7,19,72,680)	17,612
	Trade Payables & Other liabilities	9,09,78,428	(7,19,043)
		1,90,05,748	(7,01,431)
	Cash Generated from Operating Activities	1,79,49,029	(14,62,751)
B.	Cash Flow from Investment Activities		
	(Purchase)/Sale of capital assets	(1,79,92,703)	-
	Interest received	5,996	2,406
	Net Cash Flow from Investment Activity	(1,79,86,707)	2,406
C.	Cash Flow from Financial Activities		
	Share application money	-	(23,70,21,000)
	Proceeds from Borrowings	-	23,84,18,800
	Interest Expense	(22,512)	(13,313)
	Net Cash Flow from Financial Activities	(22,512)	13,84,487
	Total of Cash Flow	(60,190)	(75,858)
	Opening Cash & Cash equivalent	2,07,858	2,83,716
	Closing Cash & Cash equivalent	1,47,668	2,07,858
	Component of cash and cash equivalents (Refer note 13)		
	Cash on hand	1,19,225	1,12,468
	Balances with bank		
	- in current accounts	9,173	76,120
	- in deposits with maturity of less than three months	19,270	19,270
		1,47,668	2,07,858

As per our attached report of even date

FOR DALAL DOSHI & ASSOCAITES
CHARTERED ACCOUNTANTS
FIRM REGISTRATION No.:121773W

DINESH DOSHI
 Partner
 Membership No. 9464



Place: Mumbai
 Date: 19th May, 2016

For and on behalf of the Board of Directors

VIKRANT JAIN
 Director
 DIN: 01912696



RUSHANK SHAH
 Director
 DIN: 02960155

1 CORPORATE INFORMATION

Gujarat Akruti TCG-Biotech Ltd. is an unlisted limited Company domiciled in India, Incorporated under the Companies Act, 1956. The Company is engaged in the business of development, construction, marketing and maintenance of a bio-technology park in the state of Gujarat. The Company was incorporated on 28th May, 2007 as a joint venture between Gujarat State Biotechnology Mission, Hubtown Limited and TCG Urban Infrastructure Holding Private Limited to carry on the business of development, construction, marketing and maintenance of a bio-technology park in the state of Gujarat, as per the Memorandum of Understanding dated 5th March, 2007. The Company is yet to commence Commercial activities.

2 SIGNIFICANT ACCOUNTING POLICIES**I. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared and presented complying the section 134(5) of Companies Act, 2013 in accordance with the accounting principles generally accepted in India and in accordance with the applicable Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. Guidance Notes and other relevant provisions of the Companies Act, 2013.

II. USE OF ESTIMATES

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Key estimates include estimate of useful life of assets, provision for expenses, retirement benefits, provision for doubtful debts and income taxes. Actual results could differ from those estimates. Any revision to accounting estimates will be recognised prospectively in the future periods.

III. REVENUE RECOGNITION

Revenue is recognised to the extent that it is probable that the economic benefits will accrue to the Company and revenue can be reliably measured and also when it is reasonably certain that the ultimate collection will be made and that there is buyer's commitment to make the complete payment.

A. Revenue from Construction/ Development Activity

Revenue is recognised to the extent that it is probable that the economic benefits will accrue to the company and the revenue can be reliably measured and also when it is reasonably certain that the ultimate collection will be made and that there is buyer's commitment to make the complete payment.

B. Interest

Revenue from Interest is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

IV. TANGIBLE FIXED ASSETS AND DEPRECIATION / AMORTISATION

- a. Tangible Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation / amortisation and accumulated impairment losses, if any.
- b. Depreciation is provided on the straight line method on the basis of useful life of the asset in the manner specified in Schedule II to the Companies Act, 2013. Depreciation on additions to assets or on sale/disposal of assets is calculated pro-rata from the month of such addition, or upto the month of such sale/disposal, as the case may be.



V. FOREIGN CURRENCY TRANSACTIONS

- a. All transactions in foreign currency are recorded in the reporting currency based on the rate of exchange prevailing on the dates the relevant transactions take place.
- b. Monetary Assets and Liabilities in foreign currency, outstanding at the close of the year, are converted in Indian Currency at the appropriate rates of exchange prevailing on the date of the Balance Sheet. Resultant gain or loss is charged to the Profit and Loss Account for the year. Exchange differences on transactions settled during the year are recognized in the profit and loss account for that year.
- c. Non monetary assets and liabilities denominated in foreign currencies are carried at the exchange rate prevalent on the date of the transaction.

VI. BORROWING COSTS

Interests and other borrowing costs (including front end processing fees and related professional and other costs) attributable to qualifying assets are allocated as part of the cost of construction / development of such assets. Such allocation is suspended during extended periods in which active development is interrupted. Front-end fees, processing fees and other 'one time' charges are amortised over the period of the related borrowing, but not exceeding a period of three years. Other borrowing costs are charged to the Profit and Loss Statement.

VII. SEGMENT REPORTING

The Company has a single segment namely "Development, construction, marketing and maintenance of a bio-technology park". Therefore the company's business does not fall under different business segments as defined by AS - 17 - "Segmental Reporting" issued by ICAI. Further, the Company's operations are restricted to a single geographical segment.

VIII. EARNINGS PER SHARE

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

IX. TAXATION

Income tax expense comprises Current Tax and Deferred Tax charge or credit. Provision for current tax is made on the basis of the assessable income at the tax rate applicable to the relevant assessment year. The deferred tax asset and deferred tax liability is calculated by applying tax rate and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognized, only if there is a virtual certainty of its realization, supported by convincing evidence. At each Balance Sheet date, the carrying amounts of deferred tax assets are reviewed to reassure realization.

Excess / short provision for taxation are recognised on completion of necessary taxation proceedings (viz. revised returns, assessments, etc.)

In Case, the company is liable to pay income tax under Section 115 JB of Income Tax Act, 1961 (I.e. MAT), the amount of tax paid in excess of normal tax is recognised as an assets (MAT Credit Entitlement) only if there is convincing evidence for realization of such asset during the specified period. MAT credit entitlement is reviewed at each Balance sheet date

X. IMPAIRMENT OF ASSETS

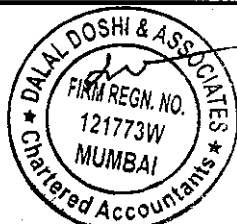
An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to the Profit & Loss Account in the year in which the asset is identified as impaired. The impairment Loss recognized in prior periods is reversed if there has been a change in the estimate of recoverable value.

XI. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving a substantial degree of estimation in measurement are recognised when there is present obligation as a result of past events and its probable there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the financial statement. Contingent assets are neither recognised not disclosed in the financial statements.

XII. ZERO COUPON COMPULSARILY CONVERTIBLE DEBENTURES

Bond Issue expenses including management fee on issue of bonds (except discount on deep discount bonds) incurred during the year are charged to Profit and Loss Account. Upfront Discount / financial charges / interest on the commercial papers and zero coupon bonds (deep discount bonds) are amortized proportionately over the period of its tenure.



GUJARAT AKRUTI - TCG BIOTECH LIMITED
CIN: U70102GJ2007PLC050966
Notes to the financial statement for the year ended 31st March, 2016

Particulars	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
NOTE '3'		
SHARE CAPITAL		
AUTHORISED		
3,000,000 Equity Shares of ₹ 10/- each	3,00,00,000	3,00,00,000
800,000 Preference Shares of ₹ 100/- each	8,00,00,000	8,00,00,000
Total	11,00,00,000	11,00,00,000
ISSUED, SUBSCRIBED AND PAID UP		
50,000 (P.Y. 50,000) Equity Shares of ₹ 10/- each fully paid up	5,00,000	5,00,000
Total	5,00,000	5,00,000

(a) Reconciliation of Number of Equity Shares	As at 31st March, 2016		As at 31st March, 2015	
	Number of Shares	Amount ₹	Number of Shares	Amount ₹
Balance as at the beginning of the year	50,000	5,00,000	50,000	5,00,000
50,000 Equity Shares of ₹ 10/- each				
Issued during the year	-	-	-	-
Buyback during the year	-	-	-	-
Conversion during the year	-	-	-	-
Balance as at the end of the year	50,000	5,00,000	50,000	5,00,000

(b) Rights, Preferences and Restrictions attached to Shares

The company has a single class of equity shares having a face value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Shares held by its holding company or its ultimate holding company subsidiaries or associates of the holding company or the ultimate holding company	31st March, 2016	31st March, 2015
	Equity	Equity
Holding Company of Reporting Company (HCRC)		
Hubtown Limited with Beneficiary Owners	37,000	37,000
Total	37,000	37,000

(d) Details of shares held by shareholders holding more than 5 % of the aggregate shares in the company	As at 31st March, 2016		As at 31st March, 2015	
	Number of Shares	% Holding	Number of Shares	% Holding
Equity Shares:				
Hubtown Limited with Beneficiary Owners	37,000	74.00%	37,000	74.00%
TCG Urban Infrastructure Holdings Private Limited	13,000	26.00%	13,000	26.00%
Total	50,000	100.00%	50,000	100.00%



GUJARAT AKRUTI - TCG BIOTECH LIMITED

CIN: U70102GJ2007PLC050966

Notes to the financial statement for the year ended 31st March, 2016

	As at 31st March, 2016 ₹		As at 31st March, 2015 ₹	
NOTE '4'				
RESERVES AND SURPLUS				
Surplus in Statement of Profit and Loss				
Balance as per Last Statement of Profit and Loss	(3,73,78,589)		(3,62,77,555)	
(Loss) for the year	(14,02,183)		(11,01,034)	
		(3,87,80,772)		(3,73,78,589)
Total		(3,87,80,772)		(3,73,78,589)
NOTE '5'				
LONG - TERM BORROWINGS				
Debentures (unsecured)				
1,615,269 (P.Y. Nil) Zero Coupon Compulsorily Convertible		16,15,26,900		16,15,26,900
Debentures of the face value of ₹ 100 each (refer footnote a)				
Debentures (secured)				
768,919 (P.Y. Nil) Secured Redeemable Non-Convertible		7,68,91,900		7,68,91,900
Debentures of the face value of ₹ 100 each (refer footnote b)				
Total		23,84,18,800		23,84,18,800
Footnotes:				
a) 1,615,269, 0% compulsorily convertible debenture of ₹ 100 each to be convertible on or before 28th March, 2020, i.e. not later than five years from the date of allotment. These debentures will be converted into 16,152,690 number of equity shares of face value of ₹10/-.				
b) 768,919, 0% Debenture having redeemable balance of ₹ 76,891,900 are to be redeemed at the end of five years from the date of allotment at the latest at 28th March, 2020. These debentures are secured by creation of first charge by way of the receivables from the project of the company and project being presently executed and developed at Savli, near Vadodara, Gujarat. These debenture will be redeemed at a premium of ₹ 117 each.				
NOTE '6'				
OTHER LONG TERM LIABILITIES				
Retention Money		7,32,391		7,32,391
Debenture Premium Payable On Redemption		8,99,63,523		-
Total		9,06,95,914		7,32,391
NOTE '7'				
TRADE PAYABLES				
Micro, Small and Medium Enterprises (Refer footnote)		-		-
Others		40,12,415		29,37,550
Total		40,12,415		29,37,550
Footnote:				
As per information available with the Company regarding dues to Micro, Small and Medium Enterprises as defined under the Micro Small Medium Enterprises Development, Act 2006 (MSMED Act), none of the suppliers of the Company are registered under MSMED Act, and the same has been relied upon by the auditors.				
NOTE '8'				
OTHER CURRENT LIABILITIES				
Income received in Advance (Advance from Customer)		53,00,000		53,00,000
Overdrawn Bank Balance as per books of accounts		8,672		-
Business Advance received from related party		4,88,332		6,61,219
Other Payables :				
- Deposits (Unsecured)	13,50,000		13,50,000	
- Statutory Dues	1,19,813		82,864	
- Other payables	2,35,90,646		2,35,23,340	
		2,50,60,459		2,49,56,204
Total		3,08,57,463		3,09,17,423



Notes to the financial statement for the year ended 31st March, 2016

NOTE '9' : TANGIBLE ASSETS

Fixed Assets		GROSS BLOCK			DEPRECIATION / AMORTISATION			NET BLOCK		(Amount in ₹)	
St. No		Balance as at 1st April, 2015	Additions	Deduction / Adjustments	Balance as at 31 March, 2016	Balance as at 1st April, 2015	Provided during the year	Deduction / Adjustments	Balance as at 31st March, 2016	Balance as at 31 March, 2016	Balance as at 1st April, 2015
A.	Tangible Assets										
	Leasehold Land	17,14,96,664	-	-	17,14,96,664	-	-	-	-	17,14,96,664	17,14,96,664
	Compound Wall	1,06,35,281	-	-	1,06,35,281	28,77,122	3,28,949	-	32,06,071	74,29,210	77,58,159
	Computers	17,160	-	-	17,160	17,160	-	-	17,160	-	-
B.	Capital Work In Progress	5,64,55,636	1,79,92,703	-	7,44,48,339	-	-	-	-	7,44,48,339	5,64,55,636
TOTAL		23,86,04,741	1,79,92,703	-	18,21,49,105	28,94,282	3,28,949	-	32,23,231	25,33,74,213	23,57,10,459
PREVIOUS YEAR FIGURES		18,21,49,105	-	-	23,86,04,741	25,65,474	3,28,808	-	28,94,282	23,57,10,459	-

Note: Depreciation is provided on Straight Line Method. Also refer Note 2 (IV) (b).

Note: Depreciation is provided on Straight Line Method. Also refer Note 2 (IV) (b).



GUJARAT AKRUTI - TCG BIOTECH LIMITED

CIN: U70102GJ2007PLC050966

Notes to the financial statement for the year ended 31st March, 2016

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
	Non Current		Current	
NOTE '10'				
LOANS AND ADVANCES				
Security Deposits				
Secured, considered good	2,07,600	2,07,600	-	-
Total	2,07,600	2,07,600	-	-
NOTE '11'				
OTHER ASSETS				
Unamortised Premium on Debentures	5,39,78,114	-	1,79,92,705	-
Others :				
- Interest accrued on fixed deposits			3,520	1,658
Total	5,39,78,114	-	1,79,96,225	1,658
NOTE '12'				
CASH AND BANK BALANCES				
Cash on hand	-	-	1,19,225	1,12,468
Balances with banks :				
- On Current accounts	-	-	9,173	76,120
	-	-	1,28,398	1,88,588
Other Bank Balance:				
Fixed Deposit maturing more than 12 months	-	-		
Fixed Deposit maturing more than 3 months less than 12 months	-	-	19,270	19,270
	-	-	19,270	19,270
Total	-	-	1,47,668	2,07,858



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GUJARAT AKRUTI - TCG BIOTECH LIMITED**CIN: U70102GJ2007PLC050966****Notes to the financial statement for the year ended 31st March, 2016**

	Year Ended 31st March, 2016 ₹	Year Ended 31st March, 2015 ₹
NOTE '13'		
OTHER INCOME		
Interest:		
- Bank Fixed Deposits	1,862	1,658
Gain on Foreign Currency fluctuation (Net)	5,996	2,406
Total	7,858	4,064
NOTE '14'		
FINANCIAL CHARGES		
Interest:		
- Interest on delayed payment of taxes	22,512	13,313
- Amortization of premium on debentures	1,79,92,705	-
- Less: Transfer to Capital work in progress	(1,79,92,705)	
Total	22,512	13,313
NOTE '15'		
OTHER EXPENSES		
Security Charges	4,07,719	4,05,067
Water Charges	5,77,987	2,01,998
Professional Fees	18,382	96,857
Other Expenses (refer footnote)	54,492	59,055
Total	10,58,580	7,66,910
Footnote:		
Auditors Remuneration: (included in other expenses)		
Audit Fees	20,000	20,000
Limited Review Expenses (including preceding Auditor's fees)	15,000	15,000
Service Tax on above	5,075	4,326
Total	40,075	39,326



GUJARAT AKRUTI - TCG BIOTECH LIMITED
CIN: U70102GJ2007PLC050966
Notes to the financial statements for the year ended 31st March, 2016
16 Related Party Disclosures (As per AS - 18)
A. Name of related parties and description of relations
I Holding Company : Hubtown Limited

II Fellow Subsidiary Companies

- 1 ABP Realty Advisors Private Limited
- 2 Ackruti Safeguard Systems Private Limited
- 5 Citygold Education Research Limited
- 6 Citygold Farming Private Limited
- 7 Citywood Builders Private Limited
- 8 Devkrupa Build Tech Limited
- 9 Diviniti Projects Private Limited
- 10 Halitious Developer Limited
- 11 Headland Farming Private Limited
- 12 Heddle Knowledge Private Limited
- 14 Heet Builders Private Limited
- 15 India Development And Construction Venture Capital Private Limited
- 16 Joynest Premises Private Limited
- 18 Sheshan Housing & Area Development Engineers Limited
- 19 Upvan Lake Resorts Private Limited
- 20 Urvi Build Tech Limited
- 21 Vama Housing Limited
- 22 Vega Developers Private Limited
- 24 Vishal Techno Commerce Limited
- 25 Yantti Buildcon Private Limited

III Entities having substantial interest in the Company

- 1 TCG Urban Infrastructure Holdings Private Limited.

B. Transactions with related parties

Particulars	Holding Company	Entity having substantial interest
1 Issue of Compulsorily Convertible debenture		
Hubtown Limited	-	
	(11,95,29,900)	
TCG Urban Infrastructure Holdings Private Limited		-
		(4,19,97,000)
2 Issue of Non- Convertible Debenture		
Hubtown Limited	-	
	(7,68,91,900)	
3 Balances Payable		
a) Compulsorily Convertible debenture		
Hubtown Limited	11,95,29,900	
	(11,95,29,900)	
TCG Urban Infrastructure Holdings Private Limited		4,19,97,000
		(4,19,97,000)
b) Unsecured Non- Convertible Debenture		
Hubtown Limited	7,68,91,900	
	(7,68,91,900)	
c) Business advances payable		
Hubtown Limited	3,60,002	
	(8,97,802)	
d) Trade Payables		
Hubtown Limited	5,61,217	
	(5,61,217)	

Note: a) Previous Year figures given in brackets.
b) Related party relationship are indentified by the company and relied upon by the Auditors.


17 Earning Per Share (EPS)

	As at 31 st March, 2016	As at 31 st March, 2015
The following reflects the profit and share data used in the basic and diluted earnings per share		
A. Basic Earning Per Share:		
Profit / (Loss) after tax (₹)	(14,02,183)	(11,01,034)
Number of equity shares outstanding at the end of the year (Nos)	50,000	50,000
Basic Earnings per equity share (Nominal Value of share of ₹ 10 /- each)	(28.04)	(22.02)
B. Diluted Earning Per Share		
Profit / (Loss) after tax (₹)	(14,02,183)	(11,01,034)
Weighted average number of equity shares outstanding (Nominal Value of share ₹ 10/- each) (Refer footnote)	1,62,02,690	1,82,762
Diluted Earnings Per Share	(0.09)	(6.02)
Foot note:		
No of 0% Convertible Debentures of ₹ 100 each	16,15,269	16,15,269
Date of issue of Compulsorily Convertible Debenture	28-03-2015	28-03-2015
No of days	365	3
Weighted average number of equity shares outstanding including potential equity shares (Nominal Value of share ₹ 10/- each) (Refer footnote (a) to note 5)	1,62,02,690	1,82,762

18 Disclosure of foreign currency balance as on 31/03/2016

Particulars	Current Year	Previous Year
Cash in hand		
USD	1,400	1,400
INR	92,866	87,276
EURO	50	50
INR	3,755	3,348

19 CONTINGENT LIABILITIES (NOT PROVIDED FOR):

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
a) Claims against the Company, not acknowledged as debts on account of:-		
Income Tax Matter under Appeal with Commissioner of Income Tax (Appeals) for the F.Y. 2012-13 (A.Y. 2013-14)	3,570	3,570
Income Tax Matter under Appeal with D.CIT for the F.Y. 2012-2013 (A.Y. 2013-14)	Amount not ascertainable at present	Amount not ascertainable at present
Non Agricultural Tax payable to Gujarat Industrial Development Corporation	44,44,000	44,44,000

Further interest / penalty that may accrue on original demands are not ascertainable, at present. The Company has taken necessary steps to protect its position with respect to the above referred claims, which in its opinion, based on professional / legal advice, are not sustainable.

The Company does not have any contingent liability as at balance sheet date, other then stated above, as certified by management & relied upon by the auditors.

20 Trade payable, current asset, non - current asset, current liability and non current liability are subject to confirmation, reconciliation and adjustment if any.

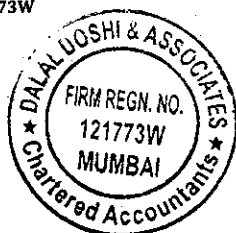
21 In the opinion of the Board of Directors of the Company, all items of Current Assets, Non Current Assets, Non current liabilities, Current Liabilities and Loans and Advances continues to have a realizable value of at least the amounts at which they are stated in the Balance Sheet.

22 The accumulated losses of the company have resulted in complete erosion of the net worth of the company. The Company's management is however of the view that the same erosion is temporary in nature as the company has made investments in assets / projects, the proceeds of which would, when fructified, result in recovery of the eroded worth of the company. The company to that extend does not see the stated erosion of the net worth as an impediment to its status as a going concern.

23 Previous year's figures have been regrouped / recast wherever necessary.

As per attached report of even date
FOR DALAL DOSHI & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGISTRATION No.:121773W

DINESH DOSHI
Partner
Membership No. 9464



Place: Mumbai
Date: 19th May, 2016

For and on behalf of the Board of Directors

VIKRAM JAIN
Director
DIN: 01912696

RUSHANK SHAH
Director
DIN: 02960155



GUJARAT AKRUTI - TCG BIOTECH LIMITED

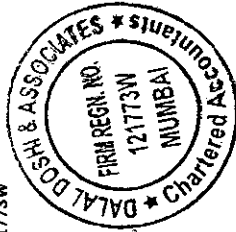
CIN: U70102GJ2007PLC050966

Inter company transactions as on 31 March, 2016 (For the purpose of consolidation)

NAME OF THE GROUP COMPANIES SCHEDULE VI GROUPING	ASSETS		EXPENSE	LIABILITIES				SHARE CAPITAL
	NON CURRENT	CURRENT		LONG TERM LIABILITY			Business advance	
Line Item	Unamortised Premium on Debentures	Amortized Premium on Debentures	Amortization of premium on debentures	Compulsorily Convertible Dedenture	Non Convertible Debenture	Debtenture Premium Payable On Redemption	Trade Payable	Equity Share Capital
Hibtown Limited	5,39,78,114	1,79,92,705	1,79,92,705	11,95,29,900	7,68,91,900	8,99,63,523	5,61,217	3,70,000
TOTAL	5,39,78,114	1,79,92,705	1,79,92,705	11,95,29,900	7,68,91,900		5,61,217	3,70,000

AS PER OUR REPORT ANNEXED

FOR DALAL DOSHI & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGISTRATION No.:121773W



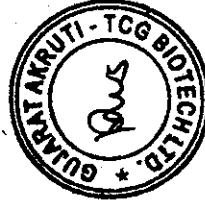
DINESH DOSHI
Partner
Membership No. 9464

FOR AND ON BEHALF OF THE BOARD

Vikrant Jain
VIKRANT JAIN
Director
DIN: 01912696

Rushank Shah
RUSHANK SHAH
Director
DIN: 02960155

Place: Mumbai
Date: 19th May, 2016



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HALITIOUS DEVELOPER LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **HALITIOUS DEVELOPER LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

1) Management's Responsibility for the Financial Statements:

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

2) Auditor's Responsibility:

Our responsibility is to express an opinion on these 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 and the Order under Section 143(11) of the Act.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Income Tax Act, 1961. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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.



In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the 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 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 financial statements.

3) Opinion:

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its loss and its cash flows for the year ended on that date.

4) Report on Other Legal and Regulatory Requirements:

- I) As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central government in terms of Section 143(11) of the Act, we give in '**Annexure A**' a statement on the matters specified in paragraphs 3 and 4 of the Order.
- II) As required by Section 143 (3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2016 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**'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.



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 material pending litigation which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

FOR SANKET R SHAH & ASSOCIATES
FIRM REGISTRATION No.: 135703W
CHARTERED ACCOUNTANTS



SANKET SHAH
PROPRIETOR
Membership No. 152369



Place : Mumbai

Date : 30 AUG 2016

ANNEXURE 'A' REFERRED TO IN PARAGRAPH - I OF OUR REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS OUR AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016 OF HALITIOUS DEVELOPER LIMITED

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that: -

- (i) The company does not have any Fixed Assets during the financial year and as at the balance sheet date;
- (ii) The Company does not have any Inventories during the year and as at the balance sheet date;
- (iii) In our opinion, and according to the information and explanations given to us, the Company has not granted any secured or unsecured loans to Companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013;
- (iv) The Company has not granted any loans or made any investments, or provided any guarantees or securities to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company;
- (v) The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified. Therefore, the provisions of Clause 3(v) of the said Order are not applicable to the Company;
- (vi) In our opinion, and according to the information and explanation given to us, the Company has not crossed the threshold limit as prescribed by the Central government under sub-section (1) of section 148 of the Act for maintenance of cost records and hence the provision for maintenance of records are not applicable to the Company;
- (vii) (a) According to the records of the Company, it has been generally regular in depositing, wherever applicable, undisputed statutory dues including Investor Education and Protection Fund, Wealth Tax, Custom Duty, Cess and other statutory dues with the appropriate authorities. **However, there were Outstanding interest amounts of ₹47,39,413/- on Maharashtra Value Added Tax (MVAT) thereon and interest under on delayed payment of taxes (under section 234B and 234C of Income Tax) amounting to ₹6,81,130/-.** There were no dues during the year towards Employees State Insurance and Excise Duty;
(b) On the basis of our examination of documents and records of the Company, and explanation provided to us, there were no disputed dues in respect of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty or Cess;
(c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

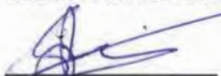


- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of dues to banks and financial institution. There are no dues to any financial institutions.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3(ix) of the Order is not applicable.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practice in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management;
- (xi) The Company not paid any Managerial Remuneration. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company;
- (xii) The Company is not a Nidhi Company, the provisions of clause 3 (xii) of the Order are not applicable to the Company;
- (xiii) The Company has not entered into any related party transactions as covered by the section 188 of the Act. The details of related party transaction have been disclosed in the financial statements as required under Accounting Standard (AS-18) "Related Party". Disclosers specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act, and accordingly, to this extent, the provisions of Clause 3 (xiii) of the Order are not applicable to the Company;
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debenture during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company;
- (xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company;
- (xvi) The company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company;

FOR SANKET R SHAH & ASSOCIATES

FIRM REGISTRATION No.: 135703W

CHARTERED ACCOUNTANTS



SANKET SHAH

PROPRIETOR

Membership No. 152369

Place : Mumbai

Date : **30 AUG 2016**



ANNEXURE 'B' REFERRED TO IN PARAGRAPH - II(f) OF OUR REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS OUR AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016 OF HALITIOUS DEVELOPER LIMITED

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

We have audited the internal financial controls over financial reporting of **HALITIOUS DEVELOPERS LIMITED** ('the Company') as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the company for the year ended and as on that date.

1) Management's Responsibility for Internal Financial Controls:

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

2) Auditors' Responsibility:

Our responsibility is to express an opinion on the Company's Internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Standards on Auditing prescribed under Section 143(10) of the Act and Guidance Note, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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



3) Meaning of Internal Financial Controls over Financials Reporting:

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

4) Inherent Limitations of Internal Financial Controls over Financial Reporting:

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

5) Opinion:

In our opinion, to the best of our information and according to the explanations given to us, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 201, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

FOR SANKET R SHAH & ASSOCIATES

FIRM REGISTRATION No.: 135703W

CHARTERED ACCOUNTANTS



SANKET SHAH

PROPRIETOR

Membership No. 152369



Place : Mumbai

Date :

30 AUG 2016

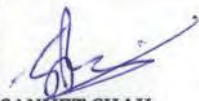
Balance Sheet As at 31st March, 2016

Particulars	Note No.	As At 31 st March, 2016 ₹	As At 31 st March, 2015 ₹
I. EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	1,000,000	1,000,000
Reserves and surplus	4	29,650,834	29,726,911
		30,650,834	30,726,911
Current liabilities :			
Short term borrowings	5	10,300,000	10,300,000
Trade payables	6	556,696	542,940
Other current liabilities	7	5,440,410	5,445,543
		16,297,106	16,288,483
TOTAL		46,947,940	47,015,394
II. ASSETS			
Non Current Assets			
Non Current Investments	8	10,000	10,000
Current Assets			
Trade receivables	9	46,719,631	46,719,631
Cash and cash equivalent	10	104,876	172,330
Short-term loans and advances	11	113,433	113,433
		46,947,940	47,015,394
TOTAL		46,947,940	47,015,394

Significant Accounting Policies 1 to 2
Notes on Financial Statements 3 to 20

As per attached report of even date

For Sanket R Shah & Associates
Firm Registration No: 135703W
Chartered Accountants


SANKET SHAH
Proprietor
Membership No.: 152369



For and on behalf of the board


KUSHAL SHAH
Director
DIN: 06843982




MAULIK J. SHAH
Director
DIN: 02892175

Mumbai
Date:

30 AUG 2016

Statement of Profit and Loss for the year ended 31st March, 2016

Particulars	Note No.	Year ended 31 st March 2016 ₹	Year ended 31 st March 2015 ₹
I. INCOMES			
Revenue from business operations		-	-
Other Income	12	(692)	36,809
TOTAL		(692)	36,809
II. EXPENSES			
Other Expenses	13	75,183	140,695
Finance Cost	14	203	1,357,380
TOTAL		75,386	1,498,075
Profit / (Loss) for the period from continuing operations		(76,078)	(1,461,266)
Prior period adjustments (Net)	17	-	1,252,478
Profit / (Loss) for the year		(76,078)	(208,788)
Earning per equity share (Face Value of ₹10 /- each)	15		
Basic and Diluted		(0.76)	(2.09)

Significant Accounting Policies
Notes on Financial Statements

1 to 2
3 to 20

As per attached report of even date

For Sanket R Shah & Associates
Firm Registration No: 135703W
Chartered Accountants

SANKET SHAH
Proprietor
Membership No.: 152369



For and on behalf of the board

KUSHAL SHAH
Director
DIN: 06843982

MAULIK J. SHAH
Director
DIN: 02892175

Mumbai
Date:

30 AUG 2016



Cash Flow Statement for the year ended 31st March, 2016

	2015 - 2016 (₹)		2014 - 2015 (₹)	
	Amount	Amount	Amount	Amount
I. Cash flows arising from operating activities				
Net Profit before tax as per Statement of Profit or Loss		(76,077)		(1,461,266)
Add / (Less) :				
Interest and Finance Charges	203		1,357,380	
Prior Period Adjustments (Net)	-		1,252,478	
		203		2,609,858
<u>Operating Profit / (Loss) Before Working Capital Changes</u>		<u>(75,874)</u>		<u>1,148,592</u>
Add / (Less) :				
(Increase) / Decrease in Trade & Other Receivables	-		50,751,549	
Increase / (Decrease) in Trade Payables & Other Current Liability	8,623		(58,040,097)	
Direct Taxes (Paid) / Income Tax Refunds	-		-	
		8,623		(7,288,548)
Net Cash flow in the course of Operating Activities		(67,251)		(6,139,956)
II. Cash flows arising from Investing activities				
Inflow / (Outflow) on account of :				
Proceed from Long Term Investment	-		(10,000)	
Net Cash flow in the course of Investing Activities				(10,000)
III. Cash flows arising from Financing activities				
Inflow / (Outflow) on account of :				
Short term borrowings	-		10,300,000	
Interest and Finance Charges Paid	(203)		(4,271,788)	
Net Cash flow in the course of Financing Activities		(203)		6,028,212
Net Increase in cash and cash Equivalents (I + II + III)		(67,454)		(121,744)
Add: Balance at the beginning of the year		172,330		294,074
Cash and Cash Equivalents at the end of the year		104,876		172,330
Reconciliation of Cash and Cash Equivalents (Refer Note 10)				
Cash on Hand		3,256		43,634
Bank Balances in Current Accounts		101,620		128,696
Cash and Cash Equivalents at the end of the year		104,876		172,330

As per attached report of even date

For Sanket R Shah & Associates
Firm Registration No: 135703W
Chartered Accountants

SANKET SHAH
Proprietor
Membership No.: 152369



For and on behalf of the board

KUSHAL SHAH
Director
DIN: 06843982

MAULIK J. SHAH
Director
DIN: 02892175



Mumbai
Date: 30 AUG 2016

Notes to the financial statements for the year ended 31st March, 2016

1. Corporate Information

Halitious Developer Limited is an unlisted Public Limited Company domiciled in India, incorporated under the Companies Act, 1956. The Company is engaged into business of constructing building, chawls, houses, appartments, flat, residential township, commercial complex, warehouses, storage facilities, industrial park, SEZ, anywhere in India & abroad and transporting & carriage of goods and to provide storage and protection of goods against calamities.

2. Significant Accounting Policies

I. Basis Of Preparation Of Financial Statements

The financial statements have been prepared and presented complying the section 134(5) of Companies Act, 2013 in accordance with the accounting principles generally accepted in India and in accordance with the applicable Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. Guidance Notes and other relevant provisions of the Companies Act, 2013.

II. Use of Estimates

The preparation of financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known / materialized

III. Revenue Recognition

A. Revenue from Construction Activity

Revenue from sale of Finished Properties / Buildings is recognized on transfer of property and once significant risks and rewards of ownership have been transferred to the buyer. Revenue recognition is postponed to the extent of significant uncertainty.

Recognition of revenue relating to agreements entered into with the buyers, which are subject to fulfillment of obligation / condition imposed by the statutory authorities is postponed till such obligations are discharged.

B. Interest

Revenue is recognised on time proportion basis taking into account the amount outstanding and the rate applicable.

C. Others

Other Revenues / Incomes and Costs/ Expenditure are generally accounted on accrual, as they earned or incurred.

IV. Borrowing Costs

Interest and other borrowing costs attributable to qualifying assets are allocated as part of the cost of construction / development of such assets. The borrowing costs are incurred during the period in which activities, necessary to prepare the assets for their intended use or sale, are in progress, are allocated as aforesaid. Such allocation is suspended during extended periods in which active development is interrupted and, no costs are allocated once all such activities are substantially complete. Front-end fees, processing fees and other 'one time' charges are amortised over the period of the related borrowing, but not exceeding a period of three years. Other borrowing costs are charged to Profit and Loss Account.

V. Segment Reporting

The company is engaged in the business of Real Estate Development, which as per Accounting Standards AS 17-'Segment Reporting' is considered to be the only reportable business segment. The Company is also operating within the same geographical segment. Hence, disclosures under AS-17 are not applicable.



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VI. Taxations

Income tax expense comprises Current Tax and Deferred Tax charge or credit. Provision for current tax is made on the basis of the assessable income at the tax rate applicable to the relevant assessment year. The deferred tax asset and deferred tax liability is calculated by applying tax rate and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognized, only if there is a virtual certainty of its realization, supported by convincing evidence. Deferred tax assets on account of other timing differences are recognized only to the extent there is a reasonable certainty of its realization. At each Balance Sheet date, the carrying amounts of deferred tax assets are reviewed to reassure realization.

VII. Investments

Investments are classified into Current / Non Current and Long Term Investments. Current investments are stated at lower of cost and fair value. Long term investments are stated at cost. A provision for diminution is made to recognize decline, other than temporary, in the value of long term investments.

VIII. Impairment of Assets

The Carrying amount of assets is reviewed at each Balance Sheet date. If there is any indication of impairment based on internal/external factors, i.e when the carrying amount of the assets exceeds the recoverable amount, an impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. An impairment loss recognised in prior accounting periods is reversed or reduced if there has been a favourable change in the estimate of the recoverable amount.

IX. Earning Per Share

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

X. Provisions, Contingent Liabilities and Contingent Assets

Provisions involving a substantial degree of estimation in measurement are recognised when there is present obligation as a result of past events and its probable there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the financial statement. Contingent assets are neither recognised not disclosed in the financial statements.



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Notes to the financial statements for the year ended 31st March, 2016

NOTE '8'

NON CURRENT INVESTMENTS

Capital Investment in Partnership Firm (Refer footnote)

M/s Rising Glory Developers - Capital

Total

As at 31st March, 2016	As at 31st March, 2015
₹	₹
10,000	10,000
10,000	10,000

Footnote:

Details of Investments made in capital of partnership firm:

Partnership Firm

M/s Rising Glory Developers

Sr No	Name of Partners	31st March, 2016		31st March, 2015	
		Capital Contribution	Profit Sharing Ratio	Capital Contribution	Profit Sharing Ratio
1	Hubtown Limited	10,000	20.00%	10,000	4.78%
2	Ackruti Safeguard System Private Limited	10,000	5.34%	10,000	4.76%
3	Citygold Education Research Limited	10,000	5.34%	10,000	4.76%
4	Citygold Farming Private Limited	10,000	5.34%	10,000	4.76%
5	Diviniti Projects Private Limited	10,000	5.34%	10,000	4.76%
6	Halitious Developers Limited	10,000	5.34%	10,000	4.76%
7	Headland Farming Private Limited	10,000	5.33%	10,000	4.76%
8	Hedde Knowledge Private Limited	10,000	5.33%	10,000	4.76%
9	Heet Builders Private Limited	10,000	5.33%	10,000	4.77%
10	Twenty Five South Realty Limited	-	-	10,000	4.76%
11	Hubtown Bus Terminal (Adajan) Private Limited up to 31st May 2015	-	-	10,000	4.76%
12	Hubtown Bus Terminal (Ahemdabad) Private Limited up to 31st May 2015	-	-	10,000	4.76%
13	Hubtown Bus Terminal (Mehsana) Private Limited up to 31st May 2015	-	-	10,000	4.76%
14	Hubtown Bus Terminal (Surat) Private Limited up to 31st May 2015	-	-	10,000	4.76%
15	Hubtown Bus Terminal (Vadodara) Private Limited up to 31st May 2015	-	-	10,000	4.76%
16	Joynest Premises Private Limited	-	-	10,000	4.76%
17	Subhsiddhi Builders Private Limited	10,000	5.33%	-	-
18	Sunstream City Private Limited	20,000	10.66%	10,000	4.77%
19	Upvan lake Resort Private Limited	10,000	5.33%	10,000	4.76%
20	Vega Developers Private Limited	10,000	5.33%	10,000	4.76%
21	Whitebud Developers Limited	10,000	5.33%	10,000	4.76%
22	Yantti Buildcon Private Limited	10,000	5.33%	10,000	4.76%
TOTAL		160,000	100.00%	210,000	100.00%

NOTE '9'

TRADE RECEIVABLES

Trade receivables

Outstanding for a period exceeding Six Months (from the date they are due for payment)

Unsecured, considered good

Total

As at 31st March, 2016	As at 31st March, 2015
₹	₹
46,719,631	46,719,631
46,719,631	46,719,631



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NOTE '10'

CASH AND CASH EQUIVALENTS

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
Balances with banks;		
On Current accounts	101,620	128,696
Cash on hand	3,256	43,634
Total	104,876	172,330

NOTE '11'

SHORT TERM LOANS AND ADVANCES

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
Other loans and advances:		
Advance Tax (Net of Provision ₹ NIL, P.Y. ₹ NIL)	113,433	113,433
Total	113,433	113,433



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

NOTE '12'
OTHER INCOME

	Year Ended 31st March, 2016 ₹	Year Ended 31st March, 2015 ₹
Other income	-	196
Miscellaneous Income	-	36,613
Share of loss from firm /JV	(692)	-
Total	(692)	36,809

NOTE '13'
OTHER EXPENSES

	Year Ended 31st March, 2016 ₹	Year Ended 31st March, 2015 ₹
Rates and Taxes	2,500	2,500
Legal and Professional Fees	16,358	39,642
Corporate Governance Expenses (Filing fees)	10,033	13,864
Other Expenses (Refer Footnote)	46,292	84,689
Total	75,183	140,695

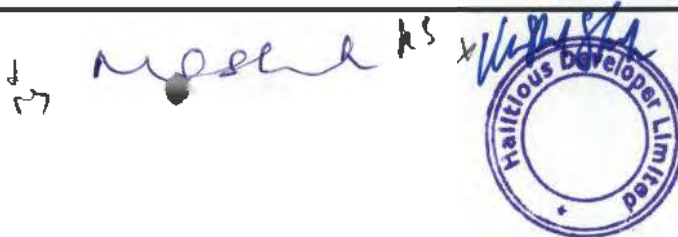
Footnotes :

Auditor's Remuneration (Included in other expenses)

	31st March, 2016 ₹	31st March, 2015 ₹
Tax Audit Fees	-	15,000
Statutory Audit Fees	15,000	15,000
Limited Review	-	10,000
Service tax on above	2,175	4,326
Total	17,175	44,326

NOTE '14'
FINANCE COST

	Year Ended 31st March, 2016 ₹	Year Ended 31st March, 2015 ₹
Interest:		
Interest on delayed payment of taxes	203	1,357,380
Total	203	1,357,380



Halitious Developer Limited

CIN: U70101MH2007PLC172784

Notes to the financial statements for the year ended 31st March, 2016

NOTE '15'**EARNING PER SHARE (EPS)**

The following reflects the profit and share data used in the basic and diluted earning per share

	As at 31 st March, 2016	As at 31 st March, 2015
Profit / (Loss) after tax (₹)	(76,078)	(208,788)
Number of equity shares outstanding at the end of the year (Nos)	100,000	100,000
Weighted average number of equity shares outstanding at the end of the year (Nos)	100,000	100,000
Earning per equity share (Nominal Value of share of ₹ 10 /- each) Basic and Diluted	(0.76)	(2.09)

NOTE '16'**RELATED PARTY DISCLOSURES****A. Name of related parties and description of relations**

I Holding Company : Hubtown Limited

II Fellow Subsidiary Companies

- 1 Ackruti Safeguard Systems Private Limited
- 2 ABP Realty Advisors Private Limited
- 3 Citygold Education Research Limited
- 4 Jineshwar Multitrade Private Limited
- 5 Citygold Farming Private Limited
- 6 Asha Multitrade Private Limited
- 7 Citywood Builders Private Limited
- 8 Diviniti Projects Private Limited
- 9 Gujarat Akruiti-TCG Biotech Limited
- 10 Devkrupa Buildtech Limited (Upto August 12, 2015)
- 11 Headland Farming Private Limited
- 12 Heddle Knowledge Private Limited
- 13 Heet Builders Private Limited
- 14 India Development And Construction Venture Capital Private Limited
- 15 Joynest Premises Private Limited
- 16 Sheshan Housing And Area Development Engineers Limited (Desubsidiarised Effective April 1, 2015)
- 17 Upvan Lake Resorts Private Limited
- 18 Urvi Build Tech Limited
- 19 Vama Housing Limited
- 20 Vega Developers Private Limited
- 21 Vishal Techno Commerce Limited
- 22 Yantti Buildcon Private Limited

III Firm in which the Company is

a Partner : M/s Rising Glory Developers

B. Transactions with related parties

Particulars	Related Party	Transaction	Amount(Rs)
Balance Payable as on 31st March 16			
Hubtown Limited	Holding Company	-	10,300,000 (10,300,000)
Rising Glory Developers	Partner	- Fixed Capital - Current Capital (Share of Loss)	10,000 (10,000) 692 -

Notes: Related party relationship are indentified by the company and relied upon by the Auditors.



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NOTE '17'

PRIOR PERIOD INCOMES

Particulars	(₹)	
	As at	As at
	31.03.2016	31.03.2015
Reversal of Excess interest	-	1,252,478

NOTE '18'

In the opinion of the Board of Directors of the Company, all items of Current Assets, Current Liabilities and Loans and Advances continues to have a realizable value of at least the amounts at which they are stated in the Balance Sheet.

NOTE '19'

The Company does not have any contingent liability as at the balance sheet date, as certified by the management and relied upon by the auditors.

NOTE '20'

Previous year's figures have been regrouped / rearranged / recasted wherever considered necessary to conform to the presentation of current year's financial statements.


As per attached report of even date

For Sanket R Shah & Associates
Firm Registration No: 135703W
Chartered Accountants



SANKET SHAH
Proprietor
Membership No.: 152369



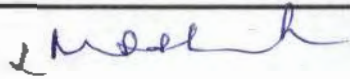
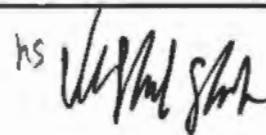
For and on behalf of the board


KUSHAL SHAH
Director
DIN: 00643982




MAULIK J. SHAH
Director
DIN: 02892175

Mumbai
Date: 30 AUG 2016



L. J. KOTHARI
B.COM, F.C.A.
9920424040

L. J. KOTHARI & CO.

CHARTERED ACCOUNTANTS

GANDHI MANSION, 3RD FLOOR, NEW SILK BAZAR, OPP KALBADEVI HEAD P. O.,
MUMBAI – 400 002 * Tel.: 2205 5916 * E-mail: ca_lalitkothari@yahoo.co.in

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF HEADLAND FARMING PRIVATE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **HEADLAND FARMING PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31st, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.

We conducted our audit 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 financial statements are free from material misstatement.



An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the 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 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 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31st, 2016, its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- I. As required by 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure A", statement on the matters specified in paragraphs 3 and 4 of the Order.
- II. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on March 31st, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31st, 2016 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**".
- (g) With respect to the other matters to be included in the Auditors' **Report in** accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our **opinion** and to the best of our knowledge and belief and according to the information and **explanations** given to us:
- The Company has disclosed the impact, if any, of pending **litigations** as at March 31st, 2016 on its financial position in its financial statements
 - The Company did not have any long-term contracts including **derivative** contracts for which there were any material foreseeable losses.
 - There were no amounts which were required to be **transferred** to the Investor Education and Protection Fund by the Company during the year **ended** March 31st, 2016.

FOR L. J. KOTHARI & CO.
FIRM REGISTRATION No:105313W
CHARTERED ACCOUNTANTS



LALIT KOTHARI
PROPRIETOR
Membership No. 30917



Place : Mumbai
Date : 20th May, 2016

"ANNEXURE A" REFERRED TO IN OUR REPORT TO THE MEMBERS OF HEADLAND FARMING PRIVATE LIMITED FOR THE YEAR ENDED 31ST MARCH, 2016

WE REPORT THAT;

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that:

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.

(b) The Fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies were noticed on such verification.

(c) The Company does not own any immovable properties as disclosed in Note 6 on fixed assets to the financial statements. Therefore, the provisions of Clause 3(i)(c) of the said Order are not applicable to the Company.
- ii. The physical verification of inventory has been conducted at reasonable intervals by the management during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been appropriately dealt with in the books of accounts.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. In our opinion, and according to the information and explanation given to us, the Company has not crossed the threshold limit as prescribed by the Central government under sub-section (1) of section 148 of the Act for maintenance of cost records and hence the provision for maintenance of records are not applicable to the Company;
- vii. (a) According to the records of the Company, it has been generally regular in depositing, wherever applicable, undisputed statutory dues including Sales Tax, Vat, Service Tax, Custom Duty, Cess and other statutory dues with the appropriate authorities. However, there were no amounts outstanding as at the last day of the financial year for a period exceeding six months from the date they became payable.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no disputed dues in respect of Income tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty or Cess.



- viii. As the Company does not have any loans or borrowings from any financial institution or bank or Government, nor has it issued any debentures as at the balance sheet date Therefore, the provisions of Clause 3(viii) of the Order are not applicable to the Company.
- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The Company has not paid / provided managerial Remuneration hence, the provisions of Section 197 read with Schedule V to the Act are not applicable. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has not entered into any related party transactions as covered by the section 188 of the Act. The details of related party transaction have been disclosed in the financial statements as required under Accounting Standard 18 - Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act, and accordingly, to this extent, the provisions of Clause 3(xiii) of the Order are not applicable to the Company;
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non- cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.



- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

FOR L. J. KOTHARI & CO.

FIRM REGISTRATION No.: 105313W

CHARTERED ACCOUNTANTS



LALIT KOTHARI

PROPRIETOR

Membership No. 30917

Place : Mumbai

Date : 20th May, 2016



"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF HEADLAND FARMING PRIVATE LIMITED

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

We have audited the internal financial controls over financial reporting of Headland Farming Private Limited ("the Company") as of March 31, 2016 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

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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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



Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For L. J. KOTHARI & CO.

FIRM REGISTRATION No.:105313W

CHARTERED ACCOUNTANTS

LALIT KOTHARI

PROPRIETOR

Membership No.: 30917



Place: Mumbai

Date : 20th May, 2016

Balance Sheet As at 31st March, 2016

Particulars	Note No	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
I. EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	1	100,000	100,000
Reserves and Surplus	2	14,525,077	15,709,903
		14,625,077	15,809,903
Non-Current Liabilities			
Other Long term liabilities	3	3,778,750	3,778,750
Current Liabilities			
Other current liabilities	4	151,988,741	152,597,648
Short-term provisions	5	1,351,746	1,351,746
		157,119,237	157,728,144
TOTAL		171,744,314	173,538,047
II. ASSETS			
Non-Current Assets			
Fixed Assets:			
Tangible assets	6	-	-
Intangible assets	6	-	-
Long term loans and advances	7	105,004,105	105,004,105
Non Current Investments	8	10,000	10,000
		105,014,105	105,014,105
Current Assets			
Inventories	9	66,591,436	68,276,406
Cash and Bank Balances	10	138,773	247,536
		66,730,209	68,523,942
TOTAL		171,744,314	173,538,047

Significant Accounting Policies

Anexure I

Notes on Financial Statements

1 to 22

As per attached report of even date

For and on behalf of the board

FOR L.J. KOTHARI & CO.

Firm Registration No. 105313W

Chartered Accountants

LALIT KOTHARI

Proprietor

Membership No. 30917



ANKIT SHETH

Director

DIN: 02972741



JASMIN RATHOD

Director

DIN: 03147669

Place: Mumbai

Dated: 20th May 2016

Statement of Profit and Loss for the year ended 31st March, 2016

Particulars	Note No	Year Ended 31st March, 2016 ₹	Year Ended 31st March, 2015 ₹
I. INCOMES			
Revenue from operations	11	750,000	1,515,000
Share of Loss from Partnership Firm		(692)	-
Total		749,308	1,515,000
II. EXPENSES			
Cost of operations		-	-
Changes in inventories of work-in-progress	12	1,684,970	1,712,050
Finance cost	13	162,315	162,448
Depreciation and amortization expense	6	-	4,152
Other expenses	14	86,849	175,174
Total		1,934,134	2,053,824
Loss before tax		(1,184,826)	(538,824)
Tax expense:			
Current tax		-	-
Deferred tax		-	-
Loss for the year		(1,184,826)	(538,824)
Earning per equity share (Face Value of ₹ 10 /- each)			
Basic and Diluted	16	(118.48)	(53.88)

Significant Accounting Policies
Notes on Financial Statements

Anexure I
1 to 22

As per attached report of even date

FOR L.J. KOTHARI & CO.
Firm Registration No. 105313W
Chartered Accountants

LALIT KOTHARI
Proprietor
Membership No. 30917

Place: Mumbai
Dated: 20th May 2016



For and on behalf of the board



ANKIT SHETH
Director
DIN: 02972741

JASMIN RATHOD
Director
DIN: 03147669

Headland Farming Private Limited

CIN: U74999MH2006PTC163511

Cash Flow Statement for the year ended 31st March, 2016

Particulars	2015 - 16 ₹	2014 - 15 ₹
I. Cash flows arising from operating activities		
Net Loss before tax as per Statement of Profit and Loss Account	(1,184,826)	(538,824)
Add / (Less) :		
Depreciation and Amortisation	-	4,152
Operating Profit Before Working Capital Changes	(1,184,826)	(534,672)
Add / (Less) :		
(Increase) / Decrease in Inventories	1,684,970	1,712,050
Increase / (Decrease) in Trade Payables & Other Current Liability	(608,907)	(1,184,982)
	1,076,063	527,068
Net Cash flow in the course of Operating Activities	(108,763)	(7,604)
II. Cash flows arising from Investing activities		
Inflow / (Outflow) on account of :		
Proceed from sale of long term Investment	-	(10,000)
Net Cash flow in the course of Investing Activities	-	(10,000)
III. Cash flows arising from Financing activities		
Inflow / (Outflow) on account of :		
Interest and Finance Charges Paid	-	-
Net Cash flow in the course of Financing Activities	-	-
Net Increase in cash and cash Equivalents (I + II + III)	(108,763)	(17,604)
Add: Balance at the beginning of the year	247,536	265,140
Cash and Cash Equivalents at the end of the year	138,773	247,536
Reconciliation of Cash and Cash Equivalents (Refer Note 10)		
Cash on Hand	28,368	28,368
Bank Balances in Current Accounts	110,405	219,168
Cash and Cash Equivalents at the end of the year	138,773	247,536

As per attached report of even date

FOR L.J. KOTHARI & CO.

Firm Registration No. 105313W

Chartered Accountants


LALIT KOTHARI

Proprietor

Membership No. 30917

Place: Mumbai

Dated: 20th May 2016



For and on behalf of the board


ANKIT SHETH

Director

DIN: 02972741



JASMIN RATHOD

Director

DIN: 03147669

Annexure - I

1 Corporate Information

Headland Farming Private Limited is a private limited Company domiciled in India, incorporated under the Companies Act, 1956. The main object of the company is to acquire by purchase, lease or otherwise, agricultural land for farming, to establish and run farms and to Construct, erect, acquire, equip, lease, furnish, convert, adapt, improve, develop, operate & manage all sorts of Agricultural Parks, Industrial Parks, Special Economic Zone & related infrastructure facilities, commercial & social infrastructure facilities & amenities.

2 Significant Accounting Policies

I. Basis of Preparation of Financial Statements

The financial statements have been prepared and presented complying the section 134(5) of Companies Act, 2013 in accordance with the accounting principles generally accepted in India and in accordance with the applicable Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. Guidance Notes and other relevant provisions of the Companies Act, 2013.

II. USE OF ESTIMATES

The preparation of financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known / materialized.

III. REVENUE RECOGNITION

Revenue is recognized to the extent that it is probable that the economic benefits will accrue to the Company and the revenue can be reliably measured.

A. Revenue from sale of properties /rights

Revenue is recognised to the extent that it is probable that the economic benefits will accrue to the company and the revenue can be reliably measured and also when it is reasonably certain that the ultimate collection will be made and that there is buyer's commitment to make the complete payment.

B. Profit /(Loss) from partnership firms / association of persons:

Share of profit / loss from partnership firms / association of persons (AOP) is accounted in respect of the financial year of the Firm / AOP, during the reporting period, on the basis of their audited accounts, which is considered as a part of other operating activity.

C. Interest

Interest is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

D. Others:

Other incomes and costs / expenditure are generally accounted on accrual, as they are earned or incurred.

IV. TANGIBLE FIXED ASSETS AND DEPRECIATION / AMORTISATION

a. Tangible Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation / amortisation and accumulated impairment losses, if any.

b. Depreciation is provided on the straight line method on the basis of useful life of the asset in the manner specified in Schedule II to the Companies Act, 2013. Depreciation on additions to assets or on sale/disposal of assets is calculated pro-rata from the month of such addition, or upto the month of such sale/disposal, as the case may be.



2

as



V. Intangible assets and amortisation

Computer softwares are classified as intangible assets and are stated at cost less accumulated amortisation. These are being amortised over the estimated useful life of five years, as determined by the management.

VI. INVESTMENTS

Investments are classified into Current / Non Current and Long Term Investments. Current investments are stated at lower of cost and fair value. Long term investments are stated at cost. A provision for diminution is made to recognize decline, other than temporary, in the value of long term investments.

VII. INVENTORIES

All inventories are stated at Cost or Net Realizable Value, whichever is lower.

'Inventories' include cost of land for which the Company has not entered into sale agreements and in other cases where the revenue recognition is postponed. 'Incomplete Projects' also include initial project costs that relate directly to a (prospective) project, incurred for the purpose of securing the project. These costs are recognized as expenditure for the year in which they are incurred unless they are separately identifiable and it is probable that the respective project will be obtained.

VIII. BORROWING COSTS

Interests and other borrowing costs (including front end processing fees and related professional and other costs) attributable to qualifying assets are allocated as part of the cost of construction / development of such assets. Such allocation is suspended during extended periods in which active development is interrupted. Front-end fees, processing fees and other 'one time' charges are amortised over the period of the related borrowing, but not exceeding a period of three years. Other borrowing costs are charged to the Profit and Loss Statement.

IX. SEGMENT REPORTING

The Company has a single segment namely "Agriculture and construction of Agricultural parks". Therefore the company's business does not fall under different business segments as defined by AS - 17 - "Segmental Reporting" issued by ICAI. Further, the Company's operations are restricted to a single geographical segment.

X. TAXATION

Income tax expense comprises Current Tax and Deferred Tax charge or credit. Provision for current tax is made on the basis of the assessable income at the tax rate applicable to the relevant assessment year. The deferred tax asset and deferred tax liability is calculated by applying tax rate and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognized, only if there is a virtual certainty of its realization, supported by convincing evidence. At each Balance Sheet date, the carrying amounts of deferred tax assets are reviewed to reassess realization.

In Case, the company is liable to pay income tax under Section 115 JB of Income Tax Act, 1961 (i.e. MAT), the amount of tax paid in excess of normal tax is recognised as an assets (MAT Credit Entitlement) only if there is convincing evidence for realization of such asset during the specified period. MAT credit entitlement is reviewed at each Balancesheet date

XI. IMPAIRMENT OF ASSETS

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to the Profit & Loss Account in the year in which the asset is identified as impaired. The impairment Loss recognized in prior periods is reversed if there has been a change in the estimate of recoverable value.

XII. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving a substantial degree of estimation in measurement are recognised when there is present obligation as a result of past events and its probable there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the financial statement. Contingent assets are neither recognised nor disclosed in the financial statements.



Notes to the financial statements for the year ended 31st March, 2016

NOTE '1'

SHARE CAPITAL

AUTHORISED

10,000 (P.Y.10,000) Equity Shares of ₹.10/- each
9,99,000 (P.Y. 9,99,000) 8% Non Cumulative Convertible Preference
Shares of ₹100/- each

ISSUED, SUBSCRIBED AND PAID UP

10,000 (P.Y.10,000) Equity Shares of ₹.10/- each, fully paid

Total

As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
100,000	100,000
99,900,000	99,900,000
100,000,000	100,000,000
100,000	100,000
100,000	100,000

1.1 Reconciliation of the number of shares outstanding at the beginning and at the end of reporting year:

	31st March, 2016 Equity	31st March, 2015 Equity
Number of Shares at the Beginning of the year	10,000	10,000
Add/(Less) :		
Issue during the year	-	-
Buyback during the year	-	-
Redemption during the year	-	-
Conversion during the year	-	-
At the end of the reporting year (Nos)	10,000	10,000

1.2 Shares held by its holding company or its ultimate holding company subsidiaries or associates of the holding company or the ultimate holding company:

	31st March, 2016 Equity	31st March, 2015 Equity
Holding Company		
Hubtown Limited with Beneficiary Owners	10,000	10,000
Total	10,000	10,000

1.3 Shareholders holding more than five percent of holdings

	31st March, 2016		31st March, 2015	
	Nos	% of Holdings	Nos	% of Holdings
Equity:				
Hubtown Limited with Beneficiary Owners	10,000	100	10,000	100
Add/(Less) :				
Issue during the year	-	-	-	-
Buyback during the year	-	-	-	-
Redemption during the year	-	-	-	-
Conversion during the year	-	-	-	-
At the end of the reporting year (Nos)	10,000	100	10,000	100

1.4 The rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital :

Equity Share

The company has a single class of equity shares having a par value of ₹ 10/- per share. Each holder of equity share is entitled to one vote per share. The company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing annual general meeting.

In the event of liquidation of company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

NOTE '2'

RESERVES AND SURPLUS

Surplus in the statement of profit and Loss

Balance as per last Balance Sheet
Loss for the year
Balance at the end of the year

As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
15,709,903	16,248,727
(1,184,826)	(538,824)
14,525,077	15,709,903

NOTE '3'

OTHER LONG TERM LIABILITIES:

Outstanding Liability against Land purchased

Total

As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
3,778,750	3,778,750
3,778,750	3,778,750



Notes to the financial statements for the year ended 31st March, 2016

NOTE '4'

OTHER CURRENT LIABILITIES :

Statutory dues
Advance received from Body Corporate
Business Advance from Holding Company
Other payable (refer footnote)

Total

As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
3,500	8,500
60,000,000	60,000,000
90,469,000	91,269,000
1,516,241	1,320,148
151,988,741	152,597,648

Note : Other Payable amount includes Rs. 10,692 (P.Y. Rs. 10,000) payable to a related party.

NOTE '5'

SHORT-TERM PROVISIONS

Provision for Income Tax
(Net of advance tax ₹ 3,020,664; P.Y. ₹ 3,020,664)

Total

As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
1,351,746	1,351,746
1,351,746	1,351,746

NOTE '7'

LONG TERM LOANS AND ADVANCES

Loans and Advances
Unsecured, Considered good
Advances to land owner

Total

As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
105,004,105	105,004,105
105,004,105	105,004,105

NOTE '8'

NON - CURRENT INVESTMENTS

Capital Investment in Partnership Firm (Refer footnote)
Rising Glory Developers

Total

As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
10,000	10,000
10,000	10,000

Footnote:

Details of Investments made in capital of partnership firm:

Partnership Firm

Rising Glory Developers

Name of Partners	31st March, 2016		31st March, 2015	
	Capital Contribution	Profit Sharing Ratio	Capital Contribution	Profit Sharing Ratio
Hubtown Limited	10,000	20.00%	10,000	4.78%
Ackruti Safeguard System Private Limited	10,000	5.34%	10,000	4.76%
Citygold Education Research Limited	10,000	5.34%	10,000	4.76%
Citygold Farming Private Limited	10,000	5.34%	10,000	4.76%
Diviniti Projects Private Limited	10,000	5.34%	10,000	4.76%
Halitious Developers Limited	10,000	5.34%	10,000	4.76%
Headland Farming Private Limited	10,000	5.33%	10,000	4.76%
Hedde Knowledge Private Limited	10,000	5.33%	10,000	4.76%
Heet Builders Private Limited	10,000	5.33%	10,000	4.77%
Twenty Five South Realty Limited	-	-	10,000	4.76%
Hubtown Bus Terminal (Adajan) Private Limited	-	-	10,000	4.76%
Hubtown Bus Terminal (Ahemdabad) Private Limited	-	-	10,000	4.76%
Hubtown Bus Terminal (Mehsana) Private Limited	-	-	10,000	4.76%
Hubtown Bus Terminal (Surat) Private Limited	-	-	10,000	4.76%
Hubtown Bus Terminal (Vadodara) Private Limited	-	-	10,000	4.76%
Subhsiddhi Developers Pvt Ltd.	10,000	5.33%	-	-
Joynest Premises Private Limited	-	-	10,000	4.76%
Sunstream City Private Limited	20,000	10.66%	10,000	4.77%
Upvan Lake Resort Private Limited	10,000	5.33%	10,000	4.76%
Vega Developers Private Limited	10,000	5.33%	10,000	4.76%
Whitebud Developers Limited	10,000	5.33%	10,000	4.76%
Yantti Buildcon Private Limited	10,000	5.33%	10,000	4.76%
TOTAL	160,000	100.00%	210,000	100%



Notes to the financial statements for the year ended 31st March, 2016

NOTE '9'

INVENTORIES

Land and ancillary costs

Total

As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
66,591,436	68,276,406
<u>66,591,436</u>	<u>68,276,406</u>

NOTE '10'

CASH AND BANK BALANCES

Cash in Hand

Balances With Bank

- in current Account

Total

As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
28,368	28,368
110,405	219,168
<u>138,773</u>	<u>247,536</u>



Notes to the financial statements for the year ended 31st March, 2016

NOTE '11'

REVENUE FROM OPERATIONS:

Sale of Plot

Total

Year Ended 31st March, 2016 (₹)	Year Ended 31st March, 2015 (₹)
750,000	1,515,000
750,000	1,515,000

NOTE '12'

CHANGES IN INVENTORIES OF WORK-IN-PROGRESS

Opening Inventory

Less : Closing Inventory

Total

Year Ended 31st March, 2016 (₹)	Year Ended 31st March, 2015 (₹)
68,276,406	69,988,457
66,591,436	68,276,407
1,684,970	1,712,050

NOTE '13'

FINANCE COST

Interest :

Interest on Delayed payment of taxes

Total

Year Ended 31st March, 2016 (₹)	Year Ended 31st March, 2015 (₹)
162,315	162,448
162,315	162,448

NOTE '14'

OTHER EXPENSES

Professional Fees

Filling fees

Other Expenses (Refer footnote)

Total

Year Ended 31st March, 2016 (₹)	Year Ended 31st March, 2015 (₹)
43,953	65,325
7,896	6,710
35,000	103,139
86,849	175,174

Footnote:

Auditors Remuneration (included in the other expenses)

Audit Fees

Limited Review fees

35,000	35,000
-	15,000
35,000	50,000



Notes to the financial statements for the year ended 31st March, 2016

NOTE '15'

EARNINGS PER SHARE (EPS)

	Year Ended 31st March, 2016 (₹)	Year Ended 31st March, 2015 (₹)
Net Loss as per Statement of Profit and loss	(1,184,826)	(538,824)
Weighted average number of equity shares outstanding at the end of the year { Nos.}	10,000	10,000
Earning per equity share (Nominal Value per share ₹ 10/-each)		
Basic and diluted (₹)	(118.48)	(53.88)

NOTE '16'

Related Party Disclosures (As Per As - 18)

A. Name of related parties and description of relations

Holding Company	: Hub Hubtown Limited
Fellow Subsidiary Company	: ABP Realty Advisors Private Limited Ackruti Safeguard Systems Private Limited Citygold Education Research Limited Citygold Farming Private Limited Citywood Builders Private Limited Devkrupa Build Tech Limited Diviniti Projects Private Limited Gujarat Akruiti - TCG Biotech Limited Halitious Developer Limited Heddie Knowledge Private Limited Heet Builders Private Limited India Development And Construction Venture Capital Private Limited Joynest Premises Private Limited Sheshan Housing And Area Development Engineers Limited (Up to April 1, 2015) Twenty Five South Realty Limited Upvan Lake Resorts Private Limited Urvi Build Tech Limited Vama Housing Limited Vega Developers Private Limited Vishal Techno Commerce Limited Yantti Buildcon Private Limited
Firm in which Company is a Partner	: Rising Glory Developers

B. Transactions with related parties

Particulars	Related Party	Amount (₹)
Business Advances Received/ Recovered/ Adjusted		
Hubtown Limited	Holding Company	(-) (1,00,000)
Business Advances given/ Repaid/ Adjusted		
Hubtown Limited	Holding Company	8,00,000 (15,00,000)
Share of loss from Partnership Firm		
Rising Glory Developers	Firm in which Company is a Partner	692 (-)
Capital Contribution in Partnership Firm		
Rising Glory Developers	Firm in which Company is a Partner	(-) (10,000)
Balance Payable as on 31st March, 2016		
Hubtown Limited	Holding Company	90,469,000 (91,269,000)
Rising Glory Developers	Fellow subsidiary	10,692 (10,000)

Footnote:

- a. Previous year figures are given in brackets.
b. Related Party relationships are identified by the company and relied upon by the auditors



NOTE '17'

a. The company has obtained permission for purchase of Agricultural lands admeasuring 442.15 hectares in the District Raigad as per villages referred in the order dated 12th March 2008 and the details of land shown in the annexure to said order from Directorate of Industries, Maharashtra State, for setting up Industrial Estate, Flatted Building, readymade build space, plots custom Built Campuses for IT & ITES services sector.

b. Further same is subject to permission from town planning department and Agricultural Land Ceiling Act and the provisions of section 36 and 36 A of Maharashtra Land Revenue Code 1966 and of the Maharashtra Restoration of Lands to scheduled Tribe Act 1974 and permission and approval from other Government bodies

NOTE '18'

Advance paid for purchase of land includes :

Particulars	2015-2016	2014-2015
Advance paid to farmers for which no agreement have been entered	105,004,105	105,004,105

NOTE '19'

Trade Payable and Loans and advances are subject to confirmations, reconciliation and adjustments

NOTE '20'

In the opinion of The Board of Directors of the Company, all items of Current and Non Current Assets, Current and Non Current Liabilities and Loan and Advances continue to have a realizable value of at least the amounts at which they are stated in the balance sheets.

NOTE '21'

CONTINGENT LIABILITIES (NOT PROVIDED FOR):

Particulars	As at 31st March, 2016	As at 31st March, 2015
Claims against the Company, not acknowledged as debts on account of:		
On account of properties purchased pending registration and other formalities under different statutes, for which confirmations are pending, with regards to consideration paid for the purchase of land through aggregator.	Amount not ascertainable at present	Amount not ascertainable at present

NOTE '22'

Previous year figures have been regrouped/ reclassified wherever necessary, to make them comparable with current year figures in the financials statements.

As per attached report of even date

FOR L.J. KOTHARI & CO.

Firm Registration No. 105313W

Chartered Accountants

LALIT KOTHARI

Proprietor

Membership No. 30917

Place: Mumbai

Dated: 20th May 2016



For and on behalf of the board



ANKIT SHETH

Director

DIN: 02972741

JASMIN RATHOD

Director

DIN: 03147669

Headland Farming Private Limited

CIN: U74999MH2006PTC163511

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST, MARCH 2016

NOTE 6 : FIXED ASSET

(Amount in Rs.)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 1st April, 2015	Additions during the year	Deductions / Adjustments	As at 31st March, 2016	Upto 1st April, 2015	Provided during the Year	Deductions / Adjustments	As at 31st March, 2016	As at 31st March, 2016	As at 31st March, 2015
Tangible Assets:										
Office Equipment	6,200	-	-	6,200	6,200	-	-	6,200	-	-
Computer	33,176	-	-	33,176	33,176	-	-	33,176	-	-
Intangible Asset:										
Computer Software	30,976	-	-	30,976	30,976	-	-	30,976	-	-
TOTAL	70,352	-	-	70,352	70,352	-	-	70,353	-	-
Previous year	70,352	-	-	70,352	66,200	4,152	-	70,353	-	-



Headland Farming Private Limited
CIN: U74999MH2006PTC163511
INVENTORY OF LAND & ANCILLARY COST AS ON 31ST MARCH, 2016
SITE - KHALAPUR
(In `)

PARTICULARS	OPENING WIP	TRASFERED TO STATEMENT OF PROFIT AND LOSS ACCOUNT	CLOSING WIP
PLOT / LAND COST			
Brokerage for Land	23,076,026	569,629	22,506,397
Land Nazarana Tax	490,440	12,106	478,334
Land Record	4,960	122	4,838
Legal Fees	1,162,840	28,705	1,134,135
Legal /Notary Charges	695,600	17,171	678,429
Plot - Kalote-Rayati	750,000	750,000	-
Plot-Asroti	280,500	-	280,500
Plot - Dharani	3,282,000	120,000	3,162,000
Plot - Kandroli	2,625,000	-	2,625,000
Plot - Majgaon	645,000	-	645,000
Plot - Nadode	3,130,000	-	3,130,000
Plot - Nigdoli	3,310,000	-	3,310,000
Plot - Nimbode	4,633,750	-	4,633,750
Plot - Shirval	801,250	-	801,250
Plot - Vanave	2,463,750	-	2,463,750
Plot - Varad	13,364,250	37,500	13,326,750
Registration Charges -Plot	383,440	(258,160)	641,600
Stamp Duty (Plot A/C)	4,375,907	338,737	4,037,170
MUNCIPAL CHARGES			
Scrutiny Fees	1,254	31	1,223
CONSULTANTS			
MMRDA/City Survey Charges	1,636	40	1,596
Survey Charges	631,147	15,580	615,567
INDIRECT EXPENSES			
Conveyance	64,060	1,581	62,479
Electricity Expenses	6,292	155	6,137
Filling Fees	3,483	86	3,397
Petrol Expenses	65,063	1,606	63,457
Professional fees	1,352,718	33,392	1,319,326
Repairs & Maintenance	19,895	491	19,404
Stationery Charges	9,100	224	8,876
Miscellaneous Expenses	12,944	320	12,624
Tea, Coffee, Lunch Expenses	13,281	328	12,953
Travelling Expenses	8,812	218	8,594
Vehicle Expenses	2,586	64	2,522
Photocopy Charges/Fax Charges	144,814	3,575	141,239
INTEREST & FINANCE CHARGES			
Bank Charges	158,119	3,903	154,216
Interest	306,489	7,566	298,923
TOTAL	68,276,406	1,684,970	66,591,436





L. J. KOTHARI
B.COM, F.C.A.
9920424040

L. J. KOTHARI & CO.

CHARTERED ACCOUNTANTS

GANDHI MANSION, 3RD FLOOR, NEW SILK BAZAR, OPP KALBADEVI HEAD P. O.,
MUMBAI – 400 002 * Tel.: 2205 5916 * E-mail: ca_lalitkothari@yahoo.co.in

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HEDDLE KNOWLEDGE PRIVATE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **HEDDLE KNOWLEDGE PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these 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 there under.

We conducted our audit 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 financial statements are free from material misstatement.



An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the 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 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 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its loss and its cash flows for the year ended on that date.

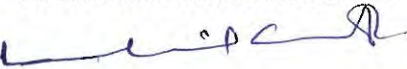
Report on Other Legal and Regulatory Requirements

- I. As required by the provisions of 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the Order;
- II. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the Directors as on 31st March, 2016 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2016 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"
- (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 :
- The Company has disclosed the impact of pending litigations, if any as at March 31, 2016 on its financial position in its standalone financial statements.
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

FOR L. J. KOTHARI & CO.
FIRM REGISTRATION No.: 105313W
CHARTERED ACCOUNTANTS


LALIT KOTHARI
PROPREITOR
Membership No. 30917



Place: Mumbai
Date: 20th May, 2016

"ANNEXURE A" REFERRED TO IN OUR REPORT TO THE MEMBERS OF HEDDLE KNOWLEDGE PRIVATE LIMITED ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016; WE REPORT THAT;

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that: -

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies were noticed on such verification;
- (c) The Company does not own any immovable properties as disclosed in Note 9 on fixed assets to the financial statements. Therefore, the provisions of Clause 3(i)(c) of the said Order are not applicable to the Company;
- (ii) The physical verification of inventory has been conducted at reasonable intervals by the management during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been appropriately dealt with in the books of accounts;
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company;
- (iv) The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company;
- (v) The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified. Therefore, the provisions of Clause 3(v) of the said Order are not applicable to the Company;
- (vi) In our opinion, and according to the information and explanation given to us, the Company has not crossed the threshold limit as prescribed by the Central government under sub-section (1) of section 148 of the Act for maintenance of cost records and hence the provision for maintenance of records are not applicable to the Company;
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, except for dues in respect of Tax Deducted at Source, the Company is generally regular in depositing undisputed statutory dues, including Income Tax, Wealth Tax, Sales Tax, Service Tax, duty of customs, duty of excise and other material statutory dues, as applicable, with the appropriate authorities. The extent of arrears of statutory dues outstanding as at Balance Sheet date, for a period exceeding six months from the date they became payable is Rs. 4,94,921/- relating to Income Tax Deducted at Source;



- (b) On the basis of our examination of documents and records of the Company, and explanation provided to us, there are no disputed dues in respect of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty or Cess other than mentioned below:

Statute and nature of dues	Section	Financial Year	Disputed Dues	Forum where dispute is pending
Income Tax Act, 1961	221(1)	2008-09	12,98,946	Income Tax Appellate Tribunal

- (viii) As the Company does not have any loans or borrowings from any financial institution or bank or Government, nor has it issued any debentures as at the balance sheet date, the provisions of Clause 3(viii) of the Order are not applicable to the Company;
- (ix) The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company;
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practice in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management;
- (xi) The Company has not paid / provided managerial Remuneration hence, the provisions of Section 197 read with Schedule V to the Act are not applicable. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company.
- (xii) As the Company is not a Nidhi Company, the provisions of clause 3 (xii) of the Order are not applicable to the Company;
- (xiii) The Company has not entered into any related party transactions as covered by the section 188 of the Act. The details of related party transaction have been disclosed in the financial statements as required under Accounting Standard 18 - Related Party Disclosers specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act, and accordingly, to this extent, the provisions of Clause 3(xiii) of the Order are not applicable to the Company;
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debenture during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company;
- (xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company;



(xvi) The company is not required to be registered under section 45 IA of **the** Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) **of the** Order are not applicable to the Company;

**FOR L. J. KOTHARI & CO.
FIRM REGISTRATION No.: 105313W
CHARTERED ACCOUNTANTS**



**LALIT KOTHARI
PROPREITOR
Membership No. 30917**



**Place: Mumbai
Date: 20th May, 2016**

"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF HEDDLE KNOWLEDGE PRIVATE LIMITED

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

We have audited the internal financial controls over financial reporting of Heddle Knowledge Private Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control or 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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



Meaning of Internal Financial Controls Over Financial Reporting

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

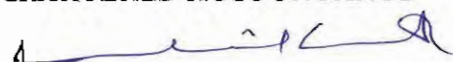
Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial **controls** over financial reporting were operating effectively as at March 31, 2016, based on **the** internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit **of** Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered **Accountants** of India.

FOR L. J. KOTHARI & CO.
FIRM REGISTRATION No.: 105313W
CHARTERED ACCOUNTANTS



LALIT KOTHARI
PROPREITOR
Membership No. 30917



Place: Mumbai
Date: 20th May, 2016

Balance Sheet As at 31st March, 2016

Particulars	Note No	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
I. EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	1	100,000	100,000
Reserves and Surplus	2	(86,331,381)	(27,879,509)
		(86,231,381)	(27,779,509)
Non-Current Liabilities			
Long term trade payable	3	13,156,446	13,156,446
Other Long term liabilities	4	66,157,400	66,157,400
Long term provisions	5	295,816	291,263
Current Liabilities			
Trade payables	6	227,581	195,838
Other current liabilities	7	624,326,632	701,079,728
Short-term provisions	8	80,167	724,227
		704,244,042	781,604,903
Total		618,012,662	753,825,394
II. ASSETS			
Non-current assets			
Fixed assets:			
Tangible assets	9	241,412	448,333
Non Current Investments	10	16,000	16,000
Long term loans and advances	11	128,112,290	129,787,290
		128,369,702	130,251,623
Current assets			
Current investments	12	38,472	36,579
Inventories	13	304,315,902	369,780,658
Trade Receivables	14	-	15,000,000
Cash and bank balances	15	359,868	14,072,236
Short-term loans and advances	16	179,171,383	185,081,085
Other current assets	17	5,757,333	39,603,213
		489,642,960	623,573,771
Total		618,012,662	753,825,394

Significant Accounting Policies

Anexure I

Notes on Financial Statements

1 to 36

As per attached report of even date

FOR L.J. KOTHARI & CO.

Firm Registration No. 105313W

Chartered Accountants

LALIT KOTHARI

Proprietor

Membership No. 30917

Place: Mumbai

Dated: 20th May 2016



For and on behalf of the board

RAJEEVAN PARAMBAN

Director

DIN: 03141200



BABULAL PAREKH

Director

DIN: 00967976

Heddle Knowledge Private Limited
CIN: U01122MH2006PTC163518

Statement of Profit and Loss for the year ended 31st March, 2016

Particulars	Note No	Year Ended 31st March, 2016 ₹	Year Ended 31st March, 2015 ₹
I. INCOMES			
Revenue from operations	18	26,940,000	32,150,000
Other Income	19	3,919,691	203,684,241
Share of Loss from JV		(5,191)	(6,300)
Total		30,854,500	235,827,941
II. EXPENSES			
Cost of Operations	20	7,068,079	8,336,247
Changes in inventories of work-in-progress	21	65,464,756	17,567,297
Employee benefit expenses	22	4,595,247	5,217,768
Depreciation and amortization expenses	9	206,921	859,132
Financial costs	23	124,696	202,781,281
Other expenses	24	11,833,020	2,429,446
Total		89,292,719	237,191,171
Loss before tax		(58,438,219)	(1,363,230)
Tax expense:			
Current tax		-	-
Deferred tax		-	-
Tax for earlier year		(41,698)	-
Loss before prior period adjustments		(58,396,521)	(1,363,230)
Prior Period Adjustments		(55,351)	-
Loss for the Year		(58,451,872)	(1,363,230)
Earning per equity share (Face Value of ₹ 10 /- each)			
Basic and Diluted	25	(5,845)	(136)

Significant Accounting Policies
Notes on Financial Statements

Anexure I
1 to 36

For and on behalf of the board

As per attached report of even date

FOR L.J. KOTHARI & CO.
Firm Registration No. 105313W
Chartered Accountants

LALIT KOTHARI
Proprietor
Membership No. 30917

Place: Mumbai
Dated: 20th May 2016



RAJEEVAN PARAMBAN
Director
DIN: 03141200

BABULAL PAREKH
Director
DIN: 00967976

Cash Flow Statement for the year ended 31st March, 2016

Particulars	31st March, 2016		31st March, 2015	
	Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)
I. Cash flows arising from operating activities				
Net Loss before tax as per Profit and Loss Account		(58,438,219)		(1,363,230)
Add / (Less) :				
Depreciation and Amortisation	206,921		859,132	
Advances and other debit balances written off	-		-	
Surplus/loss of sale of Fixed Assets	-		-	
Provision no longer required	-		-	
Dividend from Current Investments	(1,893)		(2,149)	
Sundry balance written off	1,816,839		-	
Interest Expense	124,696		202,781,281	
Liabilities written back to the extent no longer required	(578,984)			
Prior Period Expenses	(55,351)			
Interest Income	(3,338,814)		(202,148,987)	
		(1,826,586)		1,489,277
Operating Profit Before Working Capital Changes		(60,264,805)		126,047
Add / (Less) :				
(Increase) / Decrease in Inventories	65,464,756		17,567,297	
Increase / (Decrease) in Trade Payables & Other Liabilities	(76,781,876)		24,768,276	
(Increase) / Decrease in Trade and other receivables	3,195,469		27,924,634	
Direct Taxes Paid	17,873,902		(20,575,230)	
		9,752,251		49,684,976
Net Cash flow in the course of Operating Activities		(50,512,555)		49,811,022
II. Cash flows arising from Investing activities				
Inflow / (Outflow) on account of :				
Interest Income	36,924,883.84		166,986,715	
(Increase) / Decrease in proceeds from long term Investment	-		(16,000)	
		36,924,884		166,970,715
Net Cash flow in the course of Investing Activities		36,924,884		166,970,715
III. Cash flows arising from Financing activities				
Inflow / (Outflow) on account of :				
Interest paid	(124,696)		(202,781,281)	
Dividend paid	-		-	
		(124,696)		(202,781,281)
Net Cash flow in the course of Financing Activities		(124,696)		(202,781,281)
Net Increase in cash and cash Equivalents (I + II + III)		(13,712,368)		14,000,456
Add: Balance at the beginning of the year		14,072,236		71,780
Cash and Cash Equivalents at the end of the year		359,868		14,072,236
IV. Reconciliation of cash and cash equivalents (refer note 15)				
Cash on hand		17,255		32,155
Balances with bank		342,614		14,040,081
Cash and cash equivalents at the end of the year		359,868		14,072,236

As per attached report of even date

FOR L.J. KOTHARI & CO.

Firm Registration No. 105313W

Chartered Accountants



LALIT KOTHARI

Proprietor

Membership No. 30917

Place: Mumbai

Dated: 20th May 2016.



For and on behalf of the board



RAJEEVAN PARAMBAN

Director

DIN: 03141200


BABULAL PAREKH
Director
DIN: 00967976

Annexure I

1 Corporate Information

Hedde Knowledge Private Limited is a private limited Company domiciled in India, incorporated under the Companies Act, 1956. The main object of the company is to establish, manage, maintain, own, administer, promote, control, and subsidise educational institutions, computer literacy centers, schools, colleges, institutions for study and research, centers of learning, reading rooms, hostels, boarding houses, and other institutions for basic education.

To construct, erect, acquire, equip, lease, furnish, convert, adapt, improve, develop, operate and manage all sorts of Knowledge Parks, Industrial Parks, Special Economic Zones & related infrastructure facilities, commercial and social infrastructure facilities and amenities

2 Significant Accounting Policies

I. Basis of Preparation of Financial Statements

The financial statements have been prepared to comply in all material aspects with the Accounting Standards notified by the Companies (Accounting Standards) Rules read with Rule 7 to the Companies (Accounts) Rules 2014 in respect of section 133 of the Companies Act, 2013. The financials statements are prepared under the historical cost conversion, on an accrual basis of accounting. The accounting policies applied are consistent with those used in the previous year.

All the Assets and Liabilities have been classified as current or non-current, wherever applicable, as per the operating cycle of the Company as per the guidance as set out in the Schedule III, to the Companies Act, 2013.

Operating Cycle for the business activities of the Company covers the duration of the specific project/ contract/ Service and extends upto the realisation of receivables within the agreed credit period normally applicable to the respective project.

II. USE OF ESTIMATES

The preparation of financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known / materialized.

III. REVENUE RECOGNITION

A. Revenue from sale of properties /rights

Revenue is recognised to the extent that it is probable that the economic benefits will accrue to the company and the revenue can be reliably measured and also when it is reasonably certain that the ultimate collection will be made and that there is buyer's commitment to make the complete payment.

B. Profit / (Loss) from partnership firms / association of persons:

Share of profit / loss from partnership firms / association of persons (AOP) is accounted in respect of the financial year of the Firm / AOP, during the reporting period, on the basis of their audited accounts, which is considered as a part of other operating activity.

C. Interest

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

D. Other Income

Revenues / Incomes and Costs / Expenditure are generally accounted on accrual, as they are earned or incurred.

IV. TANGIBLE FIXED ASSETS AND DEPRECIATION / AMORTISATION

a. Tangible Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation / amortisation and accumulated impairment losses, if any.

b. Depreciation is provided on the straight line method method on the basis of useful life of the asset in the manner specified in Schedule II to the Companies Act, 2013. Depreciation on additions to assets or on sale/disposal of assets is calculated pro-rata from the month of such addition, or upto the month of such sale/disposal, as the case may be.

V. INVENTORIES

All inventories are stated at Cost or Net Realizable Value, whichever is lower.

'Incomplete Projects' include cost of incomplete properties for which the Company has not entered into sale agreements and in other cases where the revenue recognition is postponed. 'Incomplete Projects' also include initial project costs that relate directly to a (prospective) project, incurred for the purpose of securing the project. These costs are recognized as expenditure for the year in which they are incurred unless they are separately identifiable and it is probable that the respective project will be obtained.

Cost included in inventory include costs incurred upto the completion of the project viz. cost of land / rights, value of FSI, materials, services and other expenses (including borrowing costs) attributable to the projects. Cost formula used is average cost.



VI. Investments

Investments are classified into Current / Non Current and Long Term Investments. Current investments are stated at lower of cost and fair value. Long term investments are stated at cost. A provision for diminution is made to recognize decline, other than temporary, in the value of long term investments.

VII. RETIREMENT BENEFITS

A. Short term employee benefits

Short term employee benefits are recognised as an expense at the undiscounted amount in the Profit and Loss Account for the year in which the related service is rendered;

B. Post Employment Benefits

Defined contribution plans: Company's contribution to State governed Provident Fund Scheme is recognised during the year in which the related service is rendered;

Defined benefit plans: The present value of the gratuity obligation is determined based on an actuarial valuation using the Projected Unit Credit Method. Actuarial gains and losses arising on such valuation are recognised immediately in the Profit and Loss Account. In the case of gratuity which is funded with the Life Insurance Corporation of India, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plan to recognise the obligation on net basis;

C. Other long-term benefits (leave entitlement) are recognized in a manner similar to defined benefit plans;

D. Termination Benefits are recognised as an expense in the Profit and Loss Account for the year in which they are incurred

VII. BORROWING COSTS

Interests and other borrowing costs (including front end processing fees and related professional and other costs) attributable to qualifying assets are allocated as part of the cost of construction / development of such assets. Such allocation is suspended during extended periods in which active development is interrupted. Front-end fees, processing fees and other 'one time' charges are amortised over the period of the related borrowing, but not exceeding a period of three years. Other borrowing costs are charged to the Profit and Loss Statement.

VIII. SEGMENT REPORTING

The Company has a single segment namely "Promote and construction of Knowledge Parks & SEZ,". Therefore the company's business does not fall under different business segments as defined by AS - 17 - "Segmental Reporting" issued by ICAI. Further, the Company's operations are restricted to a single geographical segment.

IX. TAXATION

In Case, the company is liable to pay income tax under Section 114 JB of Income Tax Act, 1961 (i.e. MAT), the amount of tax paid in excess of normal tax is recognised as an assets (MAT Credit Entitlement) only if there is convincing evidence for realization of such asset during the specified period. MAT credit entitlement is reviewed at each Balance sheet date

Income tax expense comprises Current Tax and Deferred Tax charge or credit. Provision for current tax is made on the basis of the assessable income at the tax rate applicable to the relevant assessment year. The deferred tax asset and deferred tax liability is calculated by applying tax rate and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognized, only if there is a virtual certainty of its realization, supported by convincing evidence. At each Balance Sheet date, the carrying amounts of deferred tax assets are reviewed to reassess realization.

X. IMPAIRMENT OF ASSETS

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to the Profit & Loss Account in the year in which the asset is identified as impaired. The impairment Loss recognized

XI. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving a substantial degree of estimation in measurement are recognised when there is present obligation as a result of past events and its probable there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the financial statement. Contingent assets are neither recognised not disclosed in the financial statements.



Notes to the financial statements for the year ended 31st March, 2016

NOTE '1'

SHARE CAPITAL
AUTHORISED

10,000 (P.Y.10,000) Equity Shares of ₹.10/- each
9,99,000 (P.Y.9,99,000) 8% Non Cumulative Convertible Preference Shares of ₹.100/- each

ISSUED, SUBSCRIBED & PAID UP

10,000 (P.Y.10,000) Equity Shares of ₹.10/- each, fully paid

Total

As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
100,000	100,000
99,900,000	99,900,000
100,000,000	100,000,000
100,000	100,000
100,000	100,000

1.1 Reconciliation of the number of shares outstanding at the beginning and at the end of reporting year :

Number of Shares at the Beginning
Add/(Less) :
Issue during the year
Buyback during the year
Redemption during the year
Conversion during the year
At the end of the reporting year (Nos)

31st March, 2016 Equity	31st March, 2015 Equity
10,000	10,000
-	-
-	-
-	-
-	-
10,000	10,000

1.2 Shares held by its holding company or its ultimate holding company, subsidiaries or associates of the holding company or the ultimate holding company:

Holding Company:

Hubtown Limited with Beneficiary Owners

Total

31st March, 2016 Equity	31st March, 2015 Equity
10,000	10,000
10,000	10,000

1.3 Shareholders holding more than five percent of holdings:

Equity

Hubtown Limited with Beneficiary Owners

Total

31st March, 2016 Nos	% of Holdings	31st March, 2015 Nos	% of Holdings
10,000	100	10,000	100
10,000	100	10,000	100

1.4 The company has a single class of equity shares having a par value of ₹ 10/- per share. Each holder of equity share is entitled to one vote per share. The company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing annual general meeting. In the event of liquidation of company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

NOTE '2'

RESERVES AND SURPLUS

Balance as per last Balance Sheet
Loss for the year
Balance at the end of the year

As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
(27,879,509)	(26,516,279)
(58,451,872)	(1,363,230)
(86,331,381)	(27,879,509)

NOTE '3'

LONG TERM TRADE PAYABLE

Retention Money Payable

Total

As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
13,156,446	13,156,446
13,156,446	13,156,446



Notes to the financial statements for the year ended 31st March, 2016

NOTE '4'

OTHER LONG TERM LIABILITIES:

Outstanding Liability against Land purchased

Total

As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
66,157,400	66,157,400
66,157,400	66,157,400

NOTE '5'

LONG TERM PROVISIONS

Provision for leave benefits

Total

As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
295,816	291,263
295,816	291,263

NOTE '6'

TRADE PAYABLES:

Micro, Small and Medium Enterprises (Refer footnote)

Trade Payable

Total

As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
-	-
227,581	195,838
227,581	195,838

Footnote:

As per information available with the company regarding dues to Micro, Small and Medium Enterprises as defined under the Micro Small Medium Enterprises Development, Act 2006 (MSMED Act), none of the suppliers of the company are registered under MSMED Act, and the same has been relied upon by the auditors.

NOTE '7'

OTHER CURRENT LIABILITIES

Statutory Dues

Advance received towards Projects (Refer footnote)

Business Advance from Holding Company

Advance from Customer

Other payable

Current account balance in Joint Venture

Total

As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
1,159,571	20,570,059
94,400,000	94,400,000
112,705,772	173,173,695
30,900,000	30,000,000
3,649,489	1,428,674
381,511,800	381,507,300
624,326,632	701,079,728

Note : Advance received towards projects included Rs. 5,10,00,000 (P.Y. 5,10,00,000) from a related party

NOTE '8'

SHORT-TERM PROVISIONS

Provision for Employee Benefits

Provision for gratuity

(Net of plan assets ₹ 5,66,342; (P.Y. ₹ 3,71,152/-)

Provision for leave benefits

Total

As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
45,542	106,259
34,625	617,968
80,167	724,227

NOTE '10'

NON CURRENT INVESTMENTS

Capital Investment in Partnership Firm (Refer footnote 10.1)

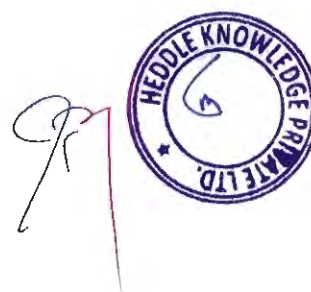
M/s Rising Glory Developers

Capital Investment in Joint Venture (Refer footnote 10.2)

New Township Fintrade JV

Total

As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
10,000	10,000
6,000	6,000
16,000	16,000



Notes to the financial statements for the year ended 31st March, 2016

10.1 Details of Investments made in capital of Partnership firm and Joint Venture:

Partnership Firm

M/s Rising Glory Developers

Name of Partners	31st March, 2016		31st March, 2015	
	Capital Contribution	Profit Sharing Ratio	Capital Contribution	Profit Sharing Ratio
Hubtown Limited	10,000	20.00%	10,000	4.78%
Ackruti Safeguard System Private Limited	10,000	5.34%	10,000	4.76%
Citygold Education Research Limited	10,000	5.34%	10,000	4.76%
Citygold Farming Private Limited	10,000	5.34%	10,000	4.76%
Diviniti Projects Private Limited	10,000	5.34%	10,000	4.76%
Halituous Developers Limited	10,000	5.34%	10,000	4.76%
Headland Farming Private Limited	10,000	5.33%	10,000	4.76%
Hedde Knowledge Private Limited	10,000	5.33%	10,000	4.76%
Heet Builders Private Limited	10,000	5.33%	10,000	4.77%
Twenty Five South Realty Limited	-	-	10,000	4.76%
Subhsiddhi Builders Private Limited	10,000	5.33%	-	-
Hubtown Bus Terminal [Adajan] Private Limited	-	-	10,000	4.76%
Hubtown Bus Terminal [Ahemdabad] Private Limited	-	-	10,000	4.76%
Hubtown Bus Terminal [Mehsana] Private Limited	-	-	10,000	4.76%
Hubtown Bus Terminal [Surat] Private Limited	-	-	10,000	4.76%
Hubtown Bus Terminal [Vadodara] Private Limited	-	-	10,000	4.76%
Joynest Premises Private Limited	-	-	10,000	4.76%
Sunstream City Private Limited	20,000	10.66%	10,000	4.77%
Upvan Lake Resort Private Limited	10,000	5.33%	10,000	4.76%
Vega Developers Private Limited	10,000	5.33%	10,000	4.76%
Whitebud Developers Limited	10,000	5.33%	10,000	4.76%
Yantti Buildcon Private Limited	10,000	5.33%	10,000	4.76%
TOTAL	160,000	100.00%	210,000	100.00%

10.2 Co- Venturer

New Township Fintrade JV

Name of Partners	31st March, 2016		31st March, 2015	
	Capital Contribution	Profit Sharing Ratio	Capital Contribution	Profit Sharing Ratio
Hedde Knowledge Private Limited	6,000	60%	6,000	60%
Rubix Trading Private Limited	4,000	40%	4,000	40%
TOTAL	10,000	100%	10,000	100%

NOTE '11'

LONG TERM LOANS AND ADVANCES

Loans and Advances

Unsecured, considered good:

Advances to land owners

Advances recoverable in cash or kind

Total

As at
31st March, 2016
(₹)

As at
31st March, 2015
(₹)

79,787,290
48,325,000
128,112,290

79,787,290
50,000,000
129,787,290

NOTE '12'

CURRENT INVESTMENTS

Investment In Mutual Fund - Daily Dividend Plan:

State Bank of India Mutual Fund : C.Y. 22.968 (P.Y. 21.732) Units of ₹ 1675.03/- each

Total

As at
31st March, 2016
(₹)

As at
31st March, 2015
(₹)

38,472
38,472

36,579
36,579

NOTE '13'

INVENTORIES

Incomplete Project, at cost

(Valued at lower of cost and net realisable value)

Total

As at
31st March, 2016
(₹)

As at
31st March, 2015
(₹)

304,315,902
304,315,902

369,780,658
369,780,658



Notes to the financial statements for the year ended 31st March, 2016

NOTE '14'

TRADE RECEIVABLE

Trade Receivables

Total

As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
-	15,000,000
-	15,000,000

NOTE '15'

CASH AND BANK BALANCES

Cash In Hand

Balances With Bank

In current Account

Total

As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
17,255	32,155
342,614	14,040,081
359,868	14,072,236

NOTE '16'

SHORT-TERM LOANS AND ADVANCES

Other loans and advances:

Advances for purchase of Land

Business Advance to a related party

Advances for project

Security Deposits

Prepaid expenses

Loan to others

Loan to employee

Advance Income Tax (Net of Provisions of ₹ NIL ; P.Y. ₹ 15,00,000)

Total

As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
101,044,646	108,112,725
14,309,156	-
50,000,000	50,000,000
25,100	25,100
25,070	8,337
4,666,355	-
1,000	2,663
9,100,056	26,932,260
179,171,383	185,081,085

NOTE '17'

OTHER CURRENT ASSETS

Other receivables

Interest accrued and receivable on loan given

Total

As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
2,752,400	3,012,211
3,004,933	36,591,002
5,757,333	39,603,213

NOTE '18'

REVENUE FROM OPERATIONS

Sale of Plot

Total

Year Ended 31st March, 2016 (₹)	Year Ended 31st March, 2015 (₹)
26,940,000	32,150,000
26,940,000	32,150,000

NOTE '19'

OTHER INCOME

Interest Received

Dividend from current investment

Sundry balances written back

Liabilities written back to the extent no longer required

Total

Year Ended 31st March, 2016 (₹)	Year Ended 31st March, 2015 (₹)
3,338,814	202,148,987
1,893	2,149
-	1,533,105
578,984	-
3,919,691	203,684,241



Notes to the financial statements for the year ended 31st March, 2016

NOTE '20'

COST OF OPERATIONS :

Land/Rights Acquired
Approval and Consultation Expenses
Other Expenses

Total

Year Ended 31st March, 2016 (₹)	Year Ended 31st March, 2015 (₹)
7,068,079	39,769
-	6,538,041
-	1,758,437
7,068,079	8,336,247

NOTE '21'

CHANGES IN INVENTORIES OF WORK-IN-PROGRESS

Opening Inventory
- Incomplete Projects
Less : Closing Inventory
- Incomplete Projects

Total

Year Ended 31st March, 2016 (₹)	Year Ended 31st March, 2015 (₹)
369,780,658	387,347,955
304,315,902	369,780,658
65,464,756	17,567,297

NOTE '22'

EMPLOYEE BENEFIT EXPENSE

Salaries , bonus, etc
Contribution to provident and other funds

Total

Year Ended 31st March, 2016 (₹)	Year Ended 31st March, 2015 (₹)
4,280,999	4,839,024
314,248	378,744
4,595,247	5,217,768

NOTE '23'

FINANCIAL COSTS

Interest :
Interest on borrowings
Interest on Delayed payment

Total

Year Ended 31st March, 2016 (₹)	Year Ended 31st March, 2015 (₹)
-	202,298,016
124,696	483,265
124,696	202,781,281

NOTE '24'

OTHER EXPENSES

Professional / Legal Fees
Brokerage expenses
Consultancy charges
Stamp paper and Notary charges
Hire charges
Petrol exps
Security expenses
Sundry balance written off
Other Expenses (Refer footnote)

Total

Year Ended 31st March, 2016 (₹)	Year Ended 31st March, 2015 (₹)
448,478	1,278,035
990,000	951,000
6,387,967	-
331,595	10,615
462,970	-
485,232	-
506,198	-
1,816,839	-
403,741	189,796
11,833,020	2,429,446

Footnote :

Auditors Remuneration (included in the other expenses)

Audit Fees
Limited Review fees
Service Tax on above

Total

35,000	35,000
-	15,000
-	-
35,000	50,000

NOTE '25'

EARNING PER SHARE (EPS)

Net Loss as per Statement of Profit and loss available for Equity Shareholders before / after
Weighted average number of equity shares outstanding at the end of the year (Nos.)
Earning per equity share (Nominal Value per share ₹ 10/-each)
Earning before/ after extraordinary item :
Basic and diluted (₹)

Year Ended 31st March, 2016 (₹)	Year Ended 31st March, 2015 (₹)
(58,451,872)	(1,363,230)
10,000	10,000
(5,845)	(136)



Notes to the financial statements for the year ended 31st March, 2016

NOTE '26'

Related Party Disclosures (As Per As - 18)

A. Name of related parties and description of relations

Holding Company	: Hubtown Limited
Fellow Subsidiary Company	: ABP Realty Advisors Private Limited Ackruti Safeguard Systems Private Limited Citygold Education Research Limited Citygold Farming Private Limited Citywood Builders Private Limited Devkrupa Build Tech Limited Diviniti Projects Private Limited Gujarat Akkruti - TCG Biotech Limited Halitious Developer Limited Headland Farming Private Limited Heet Builders Private Limited India Development And Construction Venture Capital Private Limited Joynest Premises Private Limited Sheshan Housing And Area Development Engineers Limited (Up to April 1, 2015) Twenty Five South Realty Limited Upvan Lake Resorts Private Limited Urvi Build Tech Limited Vama Housing Limited Vega Developers Private Limited Vishal Techno Commerce Limited Yantti Buildcon Private Limited

Firm in which Company is a Partner : New Township Fintrade JV

Joint Venture in which Company is a Co-venture : Town Planning Fintrade JV

B. Transactions with related parties

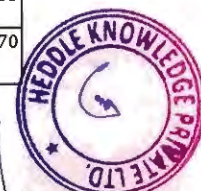
Particulars	Related Party	Amount (₹)
Business Advances Received/ Recovered/ Adjusted		
Hubtown Limited	Holding Company	84,617,923 (1,620,388,695)
Twenty Five South Realty Limited	Fellow Subsidiary Company	14,309,156 (-)
Business Advances given/ Repaid/ Adjusted		
Hubtown Limited	Holding Company	24,150,000 (1,644,800,000)
Interest Received		
Hubtown Limited	Holding Company	(-) (1,55,179,228)
Share of loss from joint Venture		
Town Planning Fintrade JV	Joint Venture in which Company is a Co-venture	4,500 (6,300)
Share of loss from Partnership Firm		
Rising Glory Developers	Firm in which Company is a Partner	691 (-)
Capital Contribution in Partnership Firm		
Rising Glory Developers	Firm in which Company is a Partner	(-) (10,000)
Capital Contribution in joint Venture		
Town Planning Fintrade JV	Joint Venture in which Company is a Co-venture	(-) (6,000)
Balance Payable as on 31st March, 2016		
Hubtown Limited	Holding Company	112,705,772 (173,173,695)
Joynest Premises Private Limited	Fellow subsidiary	51,000,000 (51,000,000)
Rising Glory Developers	Firm in which Company is a Partner	10,691 (10,000)
Town Planning Fintrade JV	Joint Venture in which Company is a Co-venture	381,511,800 (381,507,300)

Note: Previous year figures are given in brackets

NOTE '27'

Advance paid for purchase of land of current year ₹. 18,79,00,015 (P. Y. ₹. 18,79,00,015) includes as under:

Particulars	2015-16 (Amount in ₹)	2014-15 (Amount in ₹)
Advance paid to farmers for which no agreement have been entered	79,787,290	79,787,290
Advances paid to farmers for which agreements have been executed in the name of company.	97,468,476	104,572,555
Advances paid to farmers for which agreements have been executed in the name of nominees of company.	3,576,170	3,540,170



Notes to the financial statements for the year ended 31st March, 2016

NOTE '28'

Advances received include ₹ 5,10,00,000/- received from Joynest Premises Private Limited, a body incorporate with whom the company has entered into a Memorandum of understanding for the joint Development of an integrated Townships / SEZ at Panvel.

NOTE '29'

The Company has entered into New Township Fintrade JV and agreed to transfer Land admeasuring to 40 Acres (approx.) along with the amounts received against the said land in the earlier years as per the terms and conditions agreed upon.

NOTE '30'

The company is in the process of acquisition of land / properties. Some of the lands purchased standing in the name of nominees of Company are pending for necessary permissions from the Revenue Department.

NOTE '31'

a) The company has received permissions under Bombay Tenancy Agricultural Land Act (BTAL) from Revenue Department for acquiring Agricultural Land in excess of ceiling limit upto 621.0801 hectares in the taluka Khalapur District Raigadh, Maharashtra which are valid till year 2010 and July 2012 respectively.

b) The permissions under Bombay Tenancy and Agricultural Land Act (BTAL) from Revenue Department for acquiring Agricultural Land in excess of ceiling limit are subject to certain conditions imposed by the Government which state that the approvals /permissions under MLR Code, Restoration of Land to ST Act, BTAL ACT, Forests Acts, CRZ, NDZ and other similar laws wherever applicable are necessary.

NOTE '32'

Debtors, Creditors and Loans and advances include confirmations, reconciliation and adjustments and are considered payable/realizable, as the case may be.

NOTE '33'

In the opinion of The Board of Directors of the Company, all items of Current and Non Current Assets, Current and Non Current Liabilities and Loan and Advances continue to have a realizable value of at least the amounts at which they are stated in the balance sheets.

NOTE '34'

The accumulated losses of the Company have resulted in complete erosion of the net worth of the Company. The Company's management is, however, of the view that the said erosion is temporary in nature as the Company has made strategic investments in certain assets / projects, the proceeds of which would when fructified, would result in turnaround of the Company. The Company to that extent does not consider the erosion of the net worth as an impediment to its status as a going concern.

NOTE '35'

CONTINGENT LIABILITIES (NOT PROVIDED FOR):

Particulars	(In ₹)	
	As at 31st March, 2016	As at 31st March, 2015
Claims against the Company, not acknowledged as debts on account of:-		
Properties purchased pending registration and other formalities under different statutes, for which confirmations are pending, with regards to consideration paid for the purchase of land through aggregator.	Amount not ascertainable at present	Amount not ascertainable at present
Income Tax matters under appeal with ITAT for the Financial Year 2008-09	1,298,946	1,298,946

NOTE '36'

Figures for the previous year have been regrouped / reclassified wherever necessary.

As per attached report of even date

FOR L.J. KOTHARI & CO.
Firm Registration No. 105313W
Chartered Accountants

LALIT KOTHARI
Proprietor
Membership No. 30917

Place: Mumbai
Dated: 20th May 2016



For and on behalf of the board

RAJEEVAN PARAMBAN
Director
DIN: 03141200

BABULAL PAREKH
Director
DIN: 00967976



Hedde Knowledge Private Limited

CIN: U01122MH2006PTC163518

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

9 FIXED ASSETS

(In ₹)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 1st April, 2015	Additions during the period	Deductions/ Adjustments	As at 31st March, 2016	As on 1st April, 2015	Provided during the period	Deductions/ Adjustments	Upto 31st March, 2016	As at 31st March, 2016	As at 31 st March, 2015
Vehicles	2,490,855	-	-	2,490,855	2,190,494	100,883	-	2,291,377	199,478	300,361
Computer	426,116	-	-	426,116	426,116	-	-	426,116	-	-
Furniture and Fixtures	926,340	-	-	926,340	842,470	41,936	-	884,406	41,934	83,870
Office Equipments	1,059,760	-	-	1,059,760	995,658	64,102	-	1,059,760	-	64,102
Grand Total	4,903,071	-	-	4,903,071	4,454,738	206,921	-	4,661,659	241,412	448,333
Previous Year	4,903,071	-	-	4,903,071	3,595,606	859,132	-	4,454,738	448,333	1,307,465



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INCOMPLETE PROJECT AS ON 31st MARCH, 2016
SITE - PANVEL

(in ₹)

Particulars	As on 1st April, 2015	Addition during the period	Transfer to P&L A/c	As on 31st March, 2016
Civil Construction Expenses				
Civil Construction Expenses	61,359,112	-	9,271,008	52,088,104
Other Construction Cost				
Labour Charges	45,738	-	6,911	38,827
Land Development Expenses	3,164,649	-	478,160	2,686,488
Transport Charges	95,403	-	14,415	80,988
Purchase Register				
Other Purchase	10,079,534	-	1,522,960	8,556,574
Consultants				
Consultancy Charges	26,843,486	-	4,055,896	22,787,590
Professional Fees / Comission	3,434,620	-	518,951	2,915,669
Architect Fees	361,624	-	54,639	306,985
Survey charges	4,708	-	711	3,997
Land Cost				
Plot	202,711,877	7,068,079	47,220,032	162,559,924
Interest and Finance Charges				
Interest Paid	22,307,473	-	3,370,530	18,936,943
Indirect Expenses				
Advertisment Expenses	4,164	-	629	3,535
Bank Charges	70,094	-	10,591	59,503
Books & Periodicals	1,957	-	296	1,661
Conveyance	170,059	-	25,695	144,364
Electricity Expenses	62,749	-	9,481	53,268
Electrical Expenses	30,201	-	4,563	25,638
House Keeping Expenses	2,985,723	-	451,126	2,534,598
Hire Charges	3,063,002	-	462,802	2,600,200
Insurance	205,128	-	30,994	174,134
Loading/ Unloading Charges	2,058	-	311	1,747
Petrol Expenses	1,833,680	-	275,164	1,558,516
Postage & Courior Charges	7,813	-	1,180	6,632
Photo Expenses	2,138	-	323	1,815
Printing & Stationery	310,123	-	46,858	263,265
Office & Miscellaneous Expenses	356,867	-	53,921	302,946
Office Rent	1,112,563	-	168,102	944,461
Repairs & Maintanance	667,537	-	100,861	566,676
Staff Welfare Expenses	142,880	-	21,588	121,292
Security Expenses	741,300	-	112,006	629,294
Tea, Coffee, Lunch Expenses	280,535	-	42,387	238,148
Telephone & Mobile Expenses	498,130	-	76,402	421,728
Travelling Expenses	27,753	-	4,193	23,560
Vehicle Expenses	649,582	-	98,148	551,433
Photocopy Charges	280,646	-	42,404	238,242
Internet & Network Charges	55,398	-	8,370	47,028
Manpower Expenses				
Salary	25,810,357		3,970,227	21,840,130
TOTAL	369,780,658	7,068,079	72,532,835	304,315,902

