

**INDEPENDENT AUDITOR'S REPORT**

**To**  
**The Members of Heet Builders Private Limited**

**Report on the Financial Statements**

We have audited the accompanying financial statements of **Heet 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.

**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 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 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



**DINESH DOSHI**

Partner

Membership No.: 9464



Place: Mumbai

Date: 19<sup>th</sup> May, 2016

**"ANNEXURE A" INDEPENDENT AUDITORS REFERRED TO IN OUR REPORT TO THE MEMBERS OF HEET BUILDERS PRIVATE LIMITED ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> 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 nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed;
- (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 had 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 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 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, Sales Tax, VAT, Service Tax, 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 no amount outstanding other than Tax Deducted at Source including interest on delayed payments of taxes of Rs. 6,14,34,785/- 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, the particular of dues of income tax, as at balance sheet date which have not been deposited on account of a dispute, are as follows:

<b>Statute and nature of dues</b>	<b>Financial Year</b>	<b>Amount ( in lacs)</b>	<b>Forum where dispute is pending</b>
Income Tax Act, 1961 – Income Tax	2011-12	1,23,65,150/-	Income Tax Appellate Tribunal

- (viii) On the basis of the records examined by us and the information and explanations given to us, the Company has delayed in repayment of dues to financial institutions. Attention is invited to Footnote "I (iv)" to Note 4 with regards the amounts and period of delay in payment of interest in case of financial institution;
- (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 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 entered into transactions with related parties in compliance with the provisions of Section 177 and 188 of the Act. The details of such related party transaction have been disclosed in the financial statements as required under accounting standard AS 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (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 DALAL DOSHI & ASSOCIATES**

Firm Registration No.: 121773W

Chartered Accountants



**DINESH DOSHI**

Partner

Membership No.: 9464



Place: Mumbai

Date: 19<sup>th</sup> May, 2016

## **"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF HEET BUILDERS 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 Heet Builders 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 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) pertains 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



**DINESH DOSHI**

Partner

Membership No. 9464



Place: Mumbai

Date: 19<sup>th</sup> May, 2016

**HEET BUILDERS PRIVATE LIMITED**

CIN : U70102MH1985PTC037030

**BALANCE SHEET AS AT 31st MARCH, 2016**

Particulars	Note No.	As At 31st March, 2016 ₹	As At 31st March, 2015 ₹
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	2	500,000	500,000
Reserves and surplus	3	(29,368,518)	(14,866,120)
		<b>(28,868,518)</b>	<b>(14,366,120)</b>
<b>Non-current liabilities</b>			
Long-term Borrowings	4	1,400,000,000	410,000,000
Other Long-term Liabilities	5	3,107,350	2,203,190
Long term provisions	6	15,108	33,271
		<b>1,403,122,458</b>	<b>412,236,461</b>
<b>Current liabilities</b>			
Trade payables	7	35,645,091	11,451,251
Other liabilities	8	233,029,988	1,133,221,322
Short- term provisions	6	62,790	134,549
		<b>268,737,869</b>	<b>1,144,807,122</b>
<b>TOTAL</b>		<b>1,642,991,809</b>	<b>1,542,677,463</b>
<b>II. ASSETS</b>			
<b>Non-current Assets</b>			
Fixed assets :			
Tangible assets	9	3,817	21,445
Non Current Investments	10	10,000	10,000
		<b>13,817</b>	<b>31,445</b>
<b>Current Assets</b>			
Trade Receivables	11	60,946,410	407,708
Inventories	12	1,111,683,148	887,838,080
Cash and Bank Balances	13	819,929	18,837,492
Short-term loans and advances	14	469,523,505	635,557,738
Other current assets	15	5,000	5,000
		<b>1,642,977,992</b>	<b>1,542,646,018</b>
<b>TOTAL</b>		<b>1,642,991,809</b>	<b>1,542,677,463</b>

Significant Accounting Policy

1

Notes on financial statements

2 to 31

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****VIKRANT JAIN**

Director

DIN: 01912696

**KAMAL MATALIA**

DIRECTOR

DIN: 00009695

Place: Mumbai

Date : 19-May-2016

**HEET BUILDERS PRIVATE LIMITED**

CIN : U70102MH1985PTC037030

**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 ₹
<b>I. INCOMES</b>			
Revenue from operations	16	174,351,163	-
Share of profit / (Loss) from partnership firms (Net)		(692)	-
Other income	17	3,233,917	115,038,913
<b>TOTAL</b>		<b>177,584,388</b>	<b>115,038,913</b>
<b>II. EXPENSES</b>			
Cost of operations	18	82,525,140	145,882,022
Changes in inventories of work in progress	19	(223,845,068)	(296,451,295)
Employee benefit expenses	20	1,075,153	1,307,948
Finance cost	21	327,369,170	266,338,155
Depreciation and amortisation	22	17,628	30,786
Other expenses	23	4,715,840	1,182,680
<b>TOTAL</b>		<b>191,857,863</b>	<b>118,290,296</b>
<b>Profit/ (Loss) before tax</b>		<b>(14,273,475)</b>	<b>(3,251,383)</b>
Tax expense :			
Current tax		-	-
Excess / (Short) provision for taxation of earlier years		(228,923)	-
Deferred tax		-	-
<b>Profit / (Loss) for the year</b>		<b>(14,502,398)</b>	<b>(3,251,383)</b>
Prior Period Adjustments	28	-	12,000
<b>Net Profit / (Loss) for the period</b>		<b>(14,502,398)</b>	<b>(3,263,383)</b>
<b>Earning per equity share (Face Value of ₹ 100 /- each)</b>			
Basic and Diluted	29	(2,900.48)	(652.68)

Significant Accounting policy 1  
Notes on financial statements 2 to 31

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

**FOR AND ON BEHALF OF THE BOARD**

**DINESH DOSHI**  
PARTNER  
Membership No: 9464



**VIKRANT JAIN**  
Director  
DIN: 01912696

**KAMAL MATALIA**  
DIRECTOR  
DIN: 00009695

Place: Mumbai  
Date : 19-May-2016

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

Particulars	31st March, 2016		31st March, 2015	
	Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)
<b>I CASH FLOW ARISING FROM OPERATING ACTIVITIES:</b>				
Net Profit before Tax as per Statement of Profit and Loss		(14,273,475)		(3,251,383)
<b>Add / (Deduct) :</b>				
Interest and finance charges	316,091,092		266,338,155	
Depreciation	17,628		30,786	
Advances and other debit balances written off	248,470		-	
Interest received	(2,925,933)		(115,038,788)	
Liabilities written back to the extent no longer required	(307,984)		(125)	
Prior period adjustment	-		(12,000)	
		313,123,273		151,318,028
Operating Profit before Working Capital Changes		298,849,798		148,066,645
<b>Add / (Deduct) :</b>				
(Increase) / Decrease in Inventory	(223,845,067)		(296,451,296)	
(Increase) / Decrease in Trade & other receivable	(60,538,702)		(15,543,527)	
(Increase) / Decrease in Loans & Advances	152,485,767		(68,278,332)	
Increase / (Decrease) in Current Liabilities	(7,747,279)		(50,032,314)	
Increase/ (Decrease) in Long term/ Short Term provisions	(89,922)		167,820	
Income Tax Paid	13,071,072		(11,345,394)	
		(126,664,131)		(441,483,043)
<b>Net Cash Outflow in the course of Operating Activities</b>		172,185,667		(293,416,398)
<b>II CASH FLOW ARISING FROM INVESTING ACTIVITIES:</b>				
<b>Inflow / (Outflow) on account of:</b>				
Interest Income	2,925,933		115,038,788	
Proceeds from Long Term Investment	-		(10,000)	
		2,925,933		115,028,788
<b>Net Cash Outflow in the course of Investing Activities</b>		2,925,933		115,028,788
<b>III CASH FLOW ARISING FROM FINANCING ACTIVITIES:</b>				
<b>Inflow / (Outflow) on account of:</b>				
Increase / (Decrease) in Long-term Loan (net)	90,000,000		456,226,523	
Interest and Finance Charges	(283,129,163)		(259,778,300)	
		(193,129,163)		196,448,223
<b>Net Cash Inflow in the course of Financing Activities</b>		(193,129,163)		196,448,223
<b>Net Increase in Cash and Cash Equivalents (I+II+III)</b>		(18,017,563)		18,060,613
<b>Add: Balance at the beginning of the period</b>		18,837,492		776,879
<b>Cash and Cash Equivalents at the end of the year</b>		819,929		18,837,492
<b>Cash &amp; Cash Equivalents (Refer Note 13)</b>				
Cash on Hand		51,619		76,794
Balances with bank				
-in current account		768,310		18,760,698
<b>Cash and Cash Equivalents at the end of the year</b>		819,929		18,837,492

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



VIKRANT JAIN  
Director

DIN: 01912696

KAMAL MAT/LIA

DIRECTOR

DIN: 00009695

Place: Mumbai

Date : 19-May-2016

**Note 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES**

**1 Corporate Information**

Heet Builders Private Limited is a company domiciled in India, incorporated under the Companies Act, 1956. The Company is a developer of properties and is engaged in construction of Residential and Commercial properties.

**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**

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.

**A. Revenue from sale of properties / rights**

- i. Revenue from sale of finished properties / buildings /rights' is recognised on transfer of all significant risks and rewards of such properties/ building/ rights, as per terms of the contracts entered into with the 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 ever after all the transfer of all significant risks and rewards.
- ii. Revenue from sale of incomplete properties/ projects is recognized on the basis of percentage of completion method in accordance with the Revised Guidance Note issued by the Institute of Chartered Accountants of India (ICAI) on Accounting for Real Estate Transactions (Revised 2012) and if the following thresholds have been met:
  - a. All critical approvals necessary for the commencement of the projects have been obtained;
  - b. The expenditure incurred on the construction and development costs, excluding land costs, is not less than 25% of the total estimated construction and development costs of the project;
  - c. Atleast 25% of the saleable project area is secured by agreements with the buyers; and
  - d. At least 10% of the sale consideration of each sold units has been received at the reporting date in respect of such contracts with the buyers.

Further, revenue recognized in the aforesaid manner 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 to 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.

- iii. Losses expected to be incurred on projects under construction, are charged in the Statement of Profit and Loss in the period in which such the losses are known.
- iv. Costs of the projects are based on the management's estimate of the cost to be incurred upto the completion of the projects and include costs of the land, Floor Space Index (FSI), materials, services and other expenses attributable to the projects. Estimates of project income, as well as project costs, are reviewed periodically.

**B. Interest:**

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

**C. Profit/loss from partnership firms**

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



**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. 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 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. Employee Benefits**

A. **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. **Other long-term benefits** (leave entitlement) are recognized in a manner similar to defined benefit plans;

C. **Termination Benefits** are recognised as an expense in the Profit and Loss Account for the year in which they are incurred.

D. **Actuarial gains/losses** are recognised in the Statement of Profit and Loss during the relevant period

**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 recognised decline, other than temporary, in the value of long term investment

**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 Statement of Profit and Loss.

**IX. 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.

**X. 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.

**XI. 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.

**XII. 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.



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

NOTE '2'

SHARE CAPITAL

AUTHORISED

5,000 (P.Y. 5,000) Equity Shares of ₹ 100/- each

ISSUED, SUBSCRIBED AND PAID UP

5,000 (P.Y. 5,000) Equity Shares of ₹ 100/- each, fully paid up

Total

As at 31 <sup>st</sup> March, 2016 ₹	As at 31 <sup>st</sup> March, 2015 ₹
500,000	500,000
500,000	500,000
500,000	500,000
500,000	500,000

2.1 Reconciliation of the number of shares

Number of shares at the Beginning

Add/(Less):

Issue during the year

Buyback during the year

Conversion during the year

At the end of the year (Nos.)

Nos of shares	
As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
5,000	5,000
-	-
-	-
-	-
5,000	5,000

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

Hubtown Limited

Total

Nos of shares	
As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
4,720	4,720
4,720	4,720

2.3 Shareholders holding more than five percent

of holdings

Hubtown Limited

Others

Total

As at 31st March, 2016		As at 31st March, 2015	
No's of shares	% of holdings	No's of shares	% of holdings
4,720	94.40%	4,720	94.40%
280	5.60%	280	5.60%
5,000	100%	5,000	100%

2.4 Terms / Right attached to ordinary Equity Shares

The company has a single class of equity shares having a face value of ₹ 100/- per share. The shareholders are entitled to receive dividend on their shares, as and when the same is declared by the Company. 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 '3'

RESERVES AND SURPLUS

Surplus / (Deficit) in Profit and Loss Statement

Balance as per Last Profit and Loss Statement

Add : Profit / (Loss) for the year

Total

As at 31 <sup>st</sup> March, 2016 ₹	As at 31 <sup>st</sup> March, 2015 ₹
(14,866,120)	(11,602,737)
(14,502,398)	(3,263,383)
(29,368,518)	(14,866,120)

NOTE '4'

LONG TERM-BORROWINGS

Term Loans :

- From Financial Institution (Secured) [Refer Foot note (I)]
- From Related Party (Unsecured) [Refer Foot note (II)]

As at 31 <sup>st</sup> March, 2016 ₹	As at 31 <sup>st</sup> March, 2015 ₹
200,000,000	1,410,000,000
1,300,000,000	-
1,500,000,000	1,410,000,000

Less : Amounts grouped under current maturities as per repayment schedule

Total

100,000,000	1,000,000,000
1,400,000,000	410,000,000

Foot note (I):

i. Long term borrowings carry interest in the range of 20% to 26% per annum respectively.

319,200,000

ii. Repayment terms

- Long term borrowings amounting to ₹10 crore is to be repaid in 12 equal monthly installments from the month of June 2015.
- Long term borrowings amounting to ₹ 10 crore is to be repaid in 3 equal quarterly installments from 9th March 2017.

iii. The above loan is secured against :

- First Mortgage and Charge on the project developed by Company and entire receivables of the project.
- Charge by way of mortgage of units of Hubtown Sunmist, and land situated at Mulund.
- Corporate Guarantee of Hubtown Limited, Corporate Guarantee of Vishal Techno Commerce Limited, and Personal Guarantee of Mr. Hemant Shah and Mr. Vyomesh Shah Director's of Holding Company Hubtown Limited.
- Pledge of 94.4% shares of Heet Builders Private Limited, 100% Shares of Vishal Techno Commerce Limited and 70,00,000 Shares of Hubtown Limited and Corporate Guarantee of Vishal Techno Commerce Limited.



iv. Period and amount of continuing default as on balance sheet date in repayment of term loans and interest :

Particulars	31st March, 2016	
	₹	Period
<b>Term loan from Financial Institutions</b>		
Overdue instalments	-	-
Interest (Net of TDS)	39,416,725	Jan 16 to Mar 16
	<u>39,416,725</u>	

**Foot note (II):**

i. Long term borrowings from related party carry interest in the range of 26% per annum.

ii. **Repayment terms**

Long term borrowings amounting to ₹ 130 crore is to be repaid in quarterly installments from 30th September 2019.

**NOTE '5'**

**OTHER LONG-TERM LIABILITIES**

Retention Money Payable

**Total**

As at 31 <sup>st</sup> March, 2016 ₹	As at 31 <sup>st</sup> March, 2015 ₹
3,107,350	2,203,190
<u>3,107,350</u>	<u>2,203,190</u>

**NOTE '6'**

**PROVISIONS**

Provision for Leave Benefit

**Total**

Non- Current		Current	
As at 31 <sup>st</sup> March, 2016 ₹	As at 31 <sup>st</sup> March, 2015 ₹	As at 31 <sup>st</sup> March, 2016 ₹	As at 31 <sup>st</sup> March, 2015 ₹
15,108	33,271	62,790	134,549
<u>15,108</u>	<u>33,271</u>	<u>62,790</u>	<u>134,549</u>

**NOTE '7'**

**TRADE PAYABLES**

Micro, Small and Medium Enterprises (Footnote)

Others

**Total**

As at 31 <sup>st</sup> March, 2016 ₹	As at 31 <sup>st</sup> March, 2015 ₹
35,645,091	11,451,251
<u>35,645,091</u>	<u>11,451,251</u>

**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**

Current maturities of long-term borrowings

Interest accrued and due on borrowings

Advance from Customers

Overdrawn Bank Balances

Statutory Dues

Others

**Total**

As at 31 <sup>st</sup> March, 2016 ₹	As at 31 <sup>st</sup> March, 2015 ₹
100,000,000	1,000,000,000
40,419,631	7,457,702
3,804,410	76,369,514
377,055	-
68,659,619	39,088,762
19,769,273	10,305,344
<u>233,029,988</u>	<u>1,133,221,322</u>



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HEET BUILDERS PRIVATE LIMITED

CIN : U70102MH1985PTC037030

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

## NOTE '9' : FIXED ASSETS

(In ₹)

Sr. No.	Fixed Assets	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK	
		Balance as at 1st April, 2015	Additions/ (Disposals)	Deduction / Adjustments	Balance as at 31st March, 2016	Balance as at 1st April, 2015	Provided during the year	Deduction / Adjustments	Balance as at 31st March, 2016	Balance as at 31st March, 2016	Balance as at 31st March, 2015
	<b><u>Tangible Assets</u></b>										
1	Furniture and Fixtures	16,369	-	-	16,369	11,192	1,360	-	12,552	3,817	5,177
2	Office equipment	31,807	-	-	31,807	26,433	5,374	-	31,807	-	5,374
3	Computers	70,406	-	-	70,406	59,512	10,894	-	70,406	-	10,894
	<b>TOTAL</b>	<b>118,582</b>	<b>-</b>	<b>-</b>	<b>118,582</b>	<b>97,137</b>	<b>17,628</b>	<b>-</b>	<b>114,765</b>	<b>3,817</b>	<b>21,445</b>
	Previous Year	118,582	-	-	118,582	66,351	30,786	-	97,137	21,445	-

## Note:

1 Depreciation has been provided on Straight Line Basis, refer note 2 (IV) (B).



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

NOTE '10'

NON CURRENT INVESTMENTS

(Trade unless otherwise stated)

Capital Investment in Partnership Firm (Refer footnote)

M/s Rising Glory Developers

Total

As at 31 <sup>st</sup> March, 2016 ₹	As at 31 <sup>st</sup> 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	5.34%	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	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	Shubhsiddhi Builders Pvt. Ltd.	10,000	5.33%	-	-
17	Joyneest 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 '11'

TRADE RECEIVABLES

Trade Receivables

Total

As at 31 <sup>st</sup> March, 2016 ₹	As at 31 <sup>st</sup> March, 2015 ₹
60,946,410	407,708
60,946,410	407,708

NOTE '12'

INVENTORIES

(Valued at lower of cost or net realisable value)

Incomplete Projects (Refer Footnote)

Total

As at 31 <sup>st</sup> March, 2016 ₹	As at 31 <sup>st</sup> March, 2015 ₹
1,111,683,148	887,838,080
1,111,683,148	887,838,080

Foot Note : The project is mortgaged in favour of of ECL Finance Limited for loan availed by Vishal Techno Commerce Limited, a fellow subsidiary.



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

NOTE '13'

CASH AND BANK BALANCES

Cash and cash equivalents:

Cash in hand

Balances with banks:

In current accounts

In deposits with maturity of less than three months

Total

As at 31 <sup>st</sup> March, 2016 ₹	As at 31 <sup>st</sup> March, 2015 ₹
51,619	76,794
768,310	2,660,698
-	16,100,000
819,929	18,837,492

NOTE '14'

LOANS AND ADVANCES

Loans and advances (Unsecured, considered good)

- to related parties (Refer Note No. 24)

- to others

Security Deposits

Unsecured, considered good

Advances recoverable in cash or kind

- to related parties (Refer Note No. 24)

- to others

Other loans and advances

- Advance tax paid (Net of Provision ₹ NIL)

- Balances with statutory authorities

Prepaid expenses

Unamortised ancillary cost of borrowings

Total

As at 31 <sup>st</sup> March, 2016 ₹	As at 31 <sup>st</sup> March, 2015 ₹
452,357,009	493,389,983
-	76,968,882
532,000	157,000
1,356,908	326,408
6,753,000	2,019,222
1,452,290	14,752,285
4,816,247	7,534,444
56,687	26,287
2,199,364	40,383,227
469,523,505	635,557,738

NOTE '15'

OTHER CURRENT ASSETS

Other Receivable

Total

As at 31 <sup>st</sup> March, 2016 ₹	As at 31 <sup>st</sup> March, 2015 ₹
5,000	5,000
5,000	5,000

NOTE '16'

REVENUE FROM OPEARTIONS

Revenue from Incomplete Properties

Total

Year ended 31 <sup>st</sup> March, 2016 ₹	Year ended 31 <sup>st</sup> March, 2015 ₹
174,351,163	-
174,351,163	-

NOTE '17'

OTHER INCOME

Interest:

- Loans

- Fixed Deposits

- Income tax refund

- Others

Liabilities written back to the extent no longer required

Total

Year ended 31 <sup>st</sup> March, 2016 ₹	Year ended 31 <sup>st</sup> March, 2015 ₹
-	108,595,850
186,633	410,363
-	8,323
2,739,300	6,024,252
307,984	125
3,233,917	115,038,913



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**NOTE '18'**

**COST OF CONSTRUCTION / DEVELOPMENT**

Land / rights acquired	
Material and Labor Costs	
Approval and Consultation expenses	
Other direct development expenses	
<b>Total</b>	

Year ended 31 <sup>st</sup> March, 2016 ₹	Year ended 31 <sup>st</sup> March, 2015 ₹
-	110,152,619
30,662,504	26,326,507
37,576,049	4,584,894
14,286,587	4,818,002
<b>82,525,140</b>	<b>145,882,022</b>

**NOTE '19'**

**CHANGES IN INVENTORIES OF WORK IN PROGRESS AND FINISHED GOODS**

Opening Inventory :  
Incomplete Projects

Closing Inventory :  
Incomplete Projects

**Total**

Year ended 31 <sup>st</sup> March, 2016 ₹	Year ended 31 <sup>st</sup> March, 2015 ₹
887,838,080	591,386,785
<b>887,838,080</b>	<b>591,386,785</b>
1,111,683,148	887,838,080
<b>(223,845,068)</b>	<b>(296,451,295)</b>

**NOTE '20'**

**EMPLOYEE BENEFIT EXPENSES**

Salaries, Bonus, etc.  
Leave Encashment  
Staff welfare Expense

**Total**

Year ended 31 <sup>st</sup> March, 2016 ₹	Year ended 31 <sup>st</sup> March, 2015 ₹
982,785	1,140,128
77,898	167,820
14,470	-
<b>1,075,153</b>	<b>1,307,948</b>

**NOTE '21'**

**FINANCE COST**

Interest:  
- Interest on Fixed loans  
- Interest on delayed payments  
- Other interest  
- Other borrowing costs

**Total**

Year ended 31 <sup>st</sup> March, 2016 ₹	Year ended 31 <sup>st</sup> March, 2015 ₹
282,796,712	239,210,192
11,278,078	4,594,318
923,497	513,715
32,370,883	22,019,930
<b>327,369,170</b>	<b>266,338,155</b>

**NOTE '22'**

**DEPRECIATION AND AMMORTIZATION**

Depreciation on Assets

**Total**

Year ended 31 <sup>st</sup> March, 2016 ₹	Year ended 31 <sup>st</sup> March, 2015 ₹
17,628	30,786
<b>17,628</b>	<b>30,786</b>

**NOTE '23'**

**OTHER EXPENSES**

Advances and other debit balances written off  
Donation  
Filing fees  
Equipment Rent  
Professional fees  
Stationary & printing charges  
Advertising Expenses  
Marketing Consultancy Charges  
Brokerage and Incentives  
Profession tax  
Others (Refer footnote)

**Total**

Year ended 31 <sup>st</sup> March, 2016 ₹	Year ended 31 <sup>st</sup> March, 2015 ₹
248,470	-
-	100,000
9,654	13,335
567,000	-
966,163	192,905
11,666	8,607
473,925	807,280
280,000	-
1,938,000	-
2,500	2,500
218,462	58,053
<b>4,715,840</b>	<b>1,102,680</b>

**Foot Note:**

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

Audit fees  
Limited Review fees  
Service tax on above

50,000	25,000
-	15,000
7,250	4,944
<b>57,250</b>	<b>44,944</b>



**NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2016**

**24 Related Party Disclosures**

**A) Names of Related Parties and description of Relationships**

**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 CITYWOOD BUILDERS PRIVATE LIMITED
- 6 DEVKRUPA BUILD TECH LIMITED
- 7 DIVINITI PROJECTS PRIVATE LIMITED
- 8 GUJARAT AKRUTI - TCG BIOTECH LIMITED
- 9 HEADLAND FARMING PRIVATE LIMITED
- 10 HEDDLE KNOWLEDGE PRIVATE LIMITED
- 11 HALITIOUS DEVELOPER 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 1, 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 FIRM IN WHICH THE COMPANY IS PARTNER**

M/S RISING GLORY DEVELOPERS

**B). Transactions with Related Parties:**

S.N.	Nature of Transaction	Holding Company / Fellow Subsidiary Company / Firm in which Company is partner
1	<b>Loans and Advances Received/ Recovered</b>	
	Vishal Techno Commerce Limited	1,300,000,000 (-)
	Hubtown Limited	81,552,087 (318,302,237)
2	<b>Loans and Advances Given/Repaid/Adjusted</b>	
	Hubtown Limited	26,450,000 (235,500,000)
5	<b>Interest Paid</b>	
	Vishal Techno Commerce Limited	923,497 (-)
6	<b>Interest Received</b>	
	Hubtown Limited	- (108,595,850)
7	<b>Reimbursement of Expenses</b>	
	Hubtown Limited (Incurred by Hubtown Limited)	13,719,479 (3,237,773)
	Vishal Techno Commerce Limited (Incurred by Heet Builders Private Limited)	1,030,500 (-)
8	<b>Capital Contribution in Partnership Firm</b>	
	M/s Rising Glory Developers	(29,000)



9	<b>Share of Loss</b>	
	M/s Rising Glory Developers	692 (-)
10	<b>Corporate guarantee availed during the year for loan taken</b>	
	Hubtown Limited & Vishal Techno Commerce Limited	- (462,200,000)
11	<b>Corporate guarantee vacated during the year for loan taken</b>	
	Hubtown Limited & Vishal Techno Commerce Limited	1,162,605,686 (-)
12	<b>Balance of Corporate guarantee for loan taken</b>	
	Hubtown Limited & Vishal Techno Commerce Limited	247,394,314 (1,410,000,000)
13	<b>Balance Outstanding payable</b>	
	Vishal Techno Commerce Limited	1,300,923,497 (-)
	M/s Rising Glory Developers	10,692 (10,000)
	Hubtown Limited (Reimbursement of Expense)	13,719,479 (4,566,500)
14	<b>Balance Outstanding receivable</b>	
	Hubtown Limited (Loan)	452,357,009 (493,389,983)
	Vishal Techno Commerce Limited	1,356,908 (326,408)

**Note:**

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

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

26 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.

**27 CONTINGENT LIABILITY**

Particulars	As at 31st March, 2016	As at 31st March, 2015
Income Tax matters under appeal with CIT for the financial year 2011-12	12,365,150	12,365,150
Income Tax Matter under u/s 271 (1) (c) for the F.Y. 2011-2012 (A.Y. 2012-13)	Amount not ascertainable at present	Amount not ascertainable at present

**28 PRIOR PERIOD ADJUSTMENT**

Particulars		2015-2016	2014-2015
<b>Debit relating to earlier years:</b>			
Meal Expenses	₹	-	12000
<b>Net Prior Period Adjustments</b>	₹	-	12000

**29 EARNING PER SHARE**

Particulars	As at 31 <sup>st</sup> Mar 2016	As at 31 <sup>st</sup> Mar 2015
Profit / (Loss) after tax (₹)	(14,502,398)	(32,63,383)
Number of equity shares at the end of the year (Nos)	5,000	5,000
Earning per equity share (Nominal Value of share of ₹ 100 /- each)		
Basic and Diluted	(2,900.48)	(652.68)



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30 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. The project of the company is presently in initial phase of construction, 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.

31 Previous years figures have been regrouped / reclassified wherever necessary.

As per attached report of even date

For and on behalf of the Board

**For Dalal Doshi & Associates**  
Firm Registration No: 121773W  
Chartered Accountants

  
**DINESH DOSHI**  
PARTNER  
Membership No: 9464



Place: Mumbai  
Date : 19-May-2016

  
**VIKRANT JAIN**  
Director  
DIN: 01912696

  
  
**KAMAL MATALIA**  
Director  
DIN: 00009695

IN THE BOOKS OF HEET BUILDERS PVT LTD  
CIN : U70102MH1985PTC037030

Inter Group Balances and transaction for the year ended 31 March, 2016 (for the purpose of consolidation)

NAME OF THE GROUP COMPANIES	Relation As on	Holding	EXPENSES	EXPENSES	INCOME	LIABILITIES				ASSETS		
SCHEDULE VI GROUPING			Finance Cost		Other Income	Loan from Related Parties	CURRENT LIABILITIES		Other Curr Liab	Non Current	L & A - Current	L & A - Current
	31st March, 2016	Percentage (%)	Interest on Loan	Reimbursement of Expenses	Share of Profit / (Loss)		Other Payables	Trade payable Others (Reimbursement)	Int Accrued and due	Investments	Loan to Related Parties	Adv. Rc in cash or kind
<b>Subsidiaries</b>												
Hubtown Ltd.	Holding Co.	94.40%		13,719,479	-	-		13,719,479			452,357,009	-
Vishal Techno Pvt Ltd	Fellow Subsidiary	99.88%	923,497		-	1,300,000,000			923,497		-	1,356,908
<b>Total Subsidiary</b>			-	<b>13,719,479</b>	-	<b>1,300,000,000</b>	-	<b>13,719,479</b>	<b>923,497</b>	-	<b>452,357,009</b>	<b>1,356,908</b>
<b>Firm in which company is a Partner</b>												
Rising Glory Developers					692		10,692			10,000		
<b>TOTAL</b>			-	<b>13,719,479</b>	<b>692</b>	<b>1,300,000,000</b>	<b>10,692</b>	<b>13,719,479</b>	<b>923,497</b>	<b>10,000</b>	<b>452,357,009</b>	<b>1,356,908</b>

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 : 19-May-2016



FOR AND ON BEHALF OF THE BOARD



VIKRANT JAIN  
Director

DIN: 01912696

KAMAL MATALLIA  
DIRECTOR  
DIN: 00009695

INCOMPLETE PROJECT AS ON 31st MARCH, 2016

(In ₹)

PARTICULARS	As at 31st Mar, 2015	Addition During the Period	COGS for the Period	As at 31st Mar, 2016
<b>LAND COST</b>				
Plot	110,152,619	-	-	110,152,619
Compensation For Land Development	291,503,558	-	-	291,503,558
Registration Fees	30,525	-	-	30,525
TDR Purchased	-	-	-	-
Stamping/Notary charges	7,340,980	-	-	7,340,980
<b>CONSTRUCTION EXPENSES</b>				
Purchase Register	10,822,654	-	-	10,822,654
Civil Construction Expenses	88,976,551	20,643,052	-	109,619,603
Transit Rent	35,268,853	9,651,776	-	44,920,629
Loading and Unloading Charges	3,580	-	-	3,580
Electricity Contract	69,280	-	-	69,280
Stamping / Notary Charges / Registration	2,150,555	-	-	2,150,555
Lift and Escalators	2,517,242	-	-	2,517,242
Octroi Charges	51,201	-	-	51,201
Security Charges	1,926,696	237,791	-	2,164,487
Site Office Expenses	137,489	-	-	137,489
Transport Charges	218,028	1,000	-	219,028
Labour Charges	1,126,885	63,000	-	1,189,885
Pest Control Charges	81,098	21,450	-	102,548
Equipment Rent	378,000	-	-	378,000
Water Charges	1,165,547	44,435	-	1,209,982
<b>BMC EXPENSES</b>				
BMC Charges	1,018,002	16,680	-	1,034,682
BMC Deposit	97,227	58,000	-	155,227
Balcony Premium	301,000	-	-	301,000
Development Charges	445,565	22,609,500	-	23,055,065
Open Space Deposit	-	104,600	-	104,600
IOD Deposit	123,900	-	-	123,900
Scrutiny Fees	628,150	2,310	-	630,460
Land Record	2,478	-	-	2,478
Revalidation Fees	77,139	23,100	-	100,239
Staircase Premium	-	931,500	-	931,500
Municipal Taxes	29,124	-	-	29,124
Survey Charges	33,000	-	-	33,000
Labour Cess	-	3,260,200	-	3,260,200
Approval Cost	1,244,701	5,944,332	-	7,189,033
<b>CONSULTANTS</b>				
Architect Fees	7,470,682	2,012,059	-	9,482,741
Professional Fees	7,229,776	804,163	-	8,033,939
Project Management Consultant (Pmc)	11,411,985	2,302,125	-	13,714,110
Legal Fees	1,072,770	-	-	1,072,770
Professional Fees / consultancy	7,562,038	311,643	-	7,873,681
Services Consultancy (MEP)	177,044	-	-	177,044
<b>FINANCIAL CHARGES</b>				
Interest Paid	513,715	923,497	-	1,437,212
Loan Processing Charges	13,585,167	31,301,363	-	44,886,530
Finance Charges	260,409,970	282,796,712	-	543,206,682
Stamp Duty & Registration -Finance	1,030,500	1,069,520	-	2,100,020
Other Interest Chgs. (Delayed & Penal)	-	715,786	-	715,786
Interest received on FD	(410,363)	(186,633)	-	(596,996)
Interest received from Sytrex	(6,024,252)	(2,739,300)	-	(8,763,552)
<b>ADMINISTRATION &amp; GENERAL EXPENSE</b>				
Conveyance	105,856	109,535	-	215,391
Staff Cost	336,518	1,075,153	-	1,411,671
Electricity Expenses	384,618	172,056	-	556,674
Insurance Expense	42,047	48,097	-	90,144
Repair and Maintenance	336,045	141,525	-	477,570
Community Development Expense	5,001	-	-	5,001
Telephone Expenses	155,817	2,858	-	158,675
Tea, Coffee, Lunch Exps	53,913	-	-	53,913
Petrol Expenses	55,108	-	-	55,108
Internet Charges	15,201	-	-	15,201
Printing and Stationery	166,716	11,666	-	178,382
Zerox and Typing Charges	29,430	748	-	30,178
Site Office Expenses	1,148,150	139,262	-	1,287,412
Salary and Wages	3,430,675	-	-	3,430,675
Project Implementation Cost	19,183,472	13,719,479	-	32,902,951
Stamp Paper and Notary Charges	-	36,330	-	36,330
Brokerage (General)	-	135,000	-	135,000
Sundry Creditors Balances Written Back	-	(244,856)	-	(244,856)
<b>SELLING EXPENSES</b>				
Advertising Expenses	165,450	-	-	165,450
Brokerage	254,560	-	-	254,560
Brochure Expenses	3,230	-	-	3,230
Exhibition Expenses	15,613	-	-	15,613
Less: Transfer to COGS			174,425,445	(174,425,445)
<b>TOTAL</b>	<b>887,838,080</b>	<b>398,270,514</b>	<b>174,425,445</b>	<b>1,111,683,148</b>



**INDEPENDENT AUDITOR'S REPORT**

**TO THE MEMBERS OF INDIA DEVELOPMENT AND CONSTRUCTION VENTURE CAPITAL PRIVATE LIMITED**

**Report on the Financial Statements**

We have audited the accompanying financial statements of **INDIA DEVELOPMENT AND CONSTRUCTION VENTURE CAPITAL 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 13 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 :
- 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



**VIRAL DOSHI**

Partner

Membership No.: 105330



Place : Mumbai

Date : 18<sup>th</sup> May, 2016

**"ANNEXURE A" REFERRED TO IN OUR REPORT TO THE MEMBERS OF INDIA DEVELOPMENT AND CONSTRUCTION VENTURE CAPITAL PRIVATE LIMITED ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> 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. There were amounts of Tax Deducted at Source of ₹ 15,531 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



**VIRAL DOSHI**

Partner

Membership No.: 105330



Place : Mumbai

Date : 18<sup>th</sup> May, 2016

## **"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF INDIA DEVELOPMENT AND CONSTRUCTION VENTURE CAPITAL 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 INDIA DEVELOPMENT AND CONSTRUCTION VENTURE CAPITAL 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 : 18<sup>th</sup> May, 2016

**INDIA DEVELOPMENT AND CONSTRUCTION VENTURE CAPITAL PRIVATE LIMITED**

CIN: U67190MH2007PTC172391

**Balance Sheet As at 31<sup>st</sup> March, 2016**

Particulars	Note No.	As At 31 <sup>st</sup> March, 2016 ₹	As At 31 <sup>st</sup> March, 2015 ₹
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	3	5,00,000	5,00,000
Reserves and surplus	4	(28,00,088)	(26,38,854)
		<b>(23,00,088)</b>	<b>(21,38,854)</b>
<b>Current liabilities :</b>			
Short-term borrowings	5	20,97,475	19,75,095
Other current liabilities	6	2,42,136	2,08,459
		<b>23,39,611</b>	<b>21,83,554</b>
<b>TOTAL</b>		<b>39,523</b>	<b>44,700</b>
<b>II. ASSETS</b>			
<b>Current Assets</b>			
Cash and bank balances	7	39,523	44,700
		<b>39,523</b>	<b>44,700</b>
<b>TOTAL</b>		<b>39,523</b>	<b>44,700</b>

Significant Accounting Policies

1 to 2

Notes on Financial Statements

3 to 14

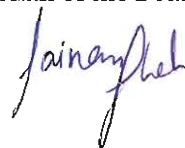
As per attached report of even date

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

**VIRAL DOSHI**

Partner

Membership No: 105330

**For and on behalf of the Board**

**JAINAM SHAH**

Director

**DIN: 07129100**

**PRAPHUL SHINDE**

Director

**DIN: 03140671**

Mumbai

Date : 18-05-2016

**INDIA DEVELOPMENT AND CONSTRUCTION VENTURE CAPITAL PRIVATE LIMITED**

CIN: U67190MH2007PTC172391

**Statement of Profit and Loss for the year ended 31<sup>st</sup> March, 2016**

Particulars	Note No.	31 <sup>st</sup> March, 2016 ₹	31 <sup>st</sup> March, 2015 ₹
<b>INCOMES</b>			
Revenue from operations		-	-
<b>TOTAL REVENUE</b>		-	-
<b>EXPENSES</b>			
Finance Cost	8	145,370	131,685
Other Expenses	9	15,864	65,228
<b>TOTAL EXPENSES</b>		<b>161,234</b>	<b>196,913</b>
<b>Profit / (Loss) before tax</b>		<b>(161,234)</b>	<b>(196,913)</b>
Tax expense :			
Current tax		-	-
Deferred tax		-	-
<b>Profit / (Loss) for the year</b>		<b>(161,234)</b>	<b>(196,913)</b>
Earning per equity share	10		
Basic and diluted		<b>(3.22)</b>	<b>(3.94)</b>

Significant Accounting Policies

1 to 2

Notes on Financial Statements

3 to 14

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

**JAINAM SHAH**

Director

DIN: 07129100

**PRAPHUL SHINDE**

Director

DIN: 03140671

Mumbai

Date : 18-05-2016

## INDIA DEVELOPMENT AND CONSTRUCTION VENTURE CAPITAL PRIVATE LIMITED

CIN: U67190MH2007PTC172391

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

Particulars	As at 31st March, 2016 (In ₹)	As at 31st March, 2015 (In ₹)
<b>Cash flows arising from operating activities</b>		
Net Loss before tax as per Statement of Profit and Loss	(1,61,234)	(1,96,913)
Add / (Less):		
Interest Expense	1,45,370	1,31,685
	<u>1,45,370</u>	<u>1,31,685</u>
Operating Profit Before Working Capital Changes	(15,864)	(65,228)
<b>Changes in working capital:</b>		
Adjustments for increase / (decrease) in operating liabilities:		
Increase in Other Current Liabilities	33,677	28,253
	<u>33,677</u>	<u>28,253</u>
Cash generated from Operations	17,813	(36,975)
Net income tax (paid) / refunds	-	-
	<u>-</u>	<u>-</u>
<b>Net cash flow from / (used in) operating activities (A)</b>	<u>17,813</u>	<u>(36,975)</u>
<b>Cash flows arising from Investing activities</b>		
Inflow / (Outflow) on account of:		
Interest received	-	-
	<u>-</u>	<u>-</u>
<b>Net cash flow from / (used in) Investing activities (B)</b>	<u>-</u>	<u>-</u>
<b>Cash flows arising from Financing activities</b>		
Inflow / (Outflow) on account of:		
Interest Expense	(15,401)	(1,716)
Proceeds of short term borrowings	(7,589)	75,632
	<u>(22,990)</u>	<u>73,916</u>
<b>Net cash flow from / (used in) financing activities (C)</b>	<u>(22,990)</u>	<u>73,916</u>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>	<u>(5,177)</u>	<u>36,941</u>
Cash and cash equivalents at the beginning of the year	44,700	7,759
Cash and cash equivalents at the end of the year	39,523	44,700
<b>Components of Cash and bank balances (Refer Note 7)</b>		
Cash on hand	3,040	3,040
Balances with banks		
- in current account	36,483	41,660
	<u>39,523</u>	<u>44,700</u>

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 Board



JAINAM SHAH  
Director  
DIN: 07129100



PRAPHUL SHINDE  
Director  
DIN: 03140671

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2016**

**NOTE '1'**

**Corporate Information**

India Development and Construction Venture Capital 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. 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 Statement of Profit and Loss.

**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 31<sup>st</sup> 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. 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.

**VIII. 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 31<sup>st</sup> MARCH, 2016

	As at 31 <sup>st</sup> March, 2016 ₹	As at 31 <sup>st</sup> March, 2015 ₹
<b>NOTE '3'</b>		
<b>SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
500,000 (P.Y. 500,000) Equity Shares of ₹ 10/- each	50,00,000	50,00,000
	<b>50,00,000</b>	<b>50,00,000</b>
<b>ISSUED, SUBSCRIBED AND PAID UP</b>		
50,000 (P.Y. 50,000) Equity Shares of ₹ 10/- each fully paid up	5,00,000	5,00,000
<b>Total</b>	<b>5,00,000</b>	<b>5,00,000</b>
	<b>31<sup>st</sup> March, 2016</b>	<b>31<sup>st</sup> March, 2015</b>

## 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 year (Nos)

Total

50,000

50,000

31<sup>st</sup> March, 201631<sup>st</sup> March, 2015

## 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

## 3.3 Equity Shareholders holding more than five percent of holdings

Hubtown Limited with Beneficiary Owners

Total

31<sup>st</sup> March, 201631<sup>st</sup> March, 2015

Nos

% of Holdings

Nos

% of Holdings

50,000

100.00%

50,000

100.00%

50,000

100.00%

50,000

100.00%

## 3.4 Terms / Right attached to Ordinary Equity Shares :

The company has 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.

NOTE '4'  
RESERVES AND SURPLUS

Surplus /(Deficit) in Statement of Profit and Loss

Balance as per Last Statement of Profit and Loss

Add/(Less) : Profit / (Loss) for the year

Total

As at  
31<sup>st</sup> March, 2016  
₹As at  
31<sup>st</sup> March, 2015  
₹

(26,38,854)

(24,41,941)

(1,61,234)

(1,96,913)

(28,00,088)

(26,38,854)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2016

NOTE '5'

SHORT TERM BORROWINGS

Loans repayable on demand:  
(unsecured)

- from related parties (Refer Note 11)
- from other companies

	As at 31 <sup>st</sup> March, 2016 ₹	As at 31 <sup>st</sup> March, 2015 ₹
	7,98,967	7,93,559
	12,98,508	11,81,536
<b>Total</b>	<b>20,97,475</b>	<b>19,75,095</b>

NOTE '6'

OTHER CURRENT LIABILITIES

- Interest accrued and due on borrowings
- Other payables :
  - Statutory Dues
  - Others Miscellaneous

	As at 31 <sup>st</sup> March, 2016 ₹	As at 31 <sup>st</sup> March, 2015 ₹
	1,28,552	1,16,972
	29,815	12,997
	83,769	78,490
<b>Total</b>	<b>2,42,136</b>	<b>2,08,459</b>

NOTE '7'

CASH AND BANK BALANCES

- Cash on hand
- Balances with banks:
  - in current account

	As at 31 <sup>st</sup> March, 2016 ₹	As at 31 <sup>st</sup> March, 2015 ₹
	3,040	3,040
	36,483	41,660
<b>Total</b>	<b>39,523</b>	<b>44,700</b>

NOTE '8'

FINANCE COST

- Interest on loans
- Other Interest Charges (Delayed and penal Interest)

	For the year ended 31 <sup>st</sup> March, 2016 ₹	For the year ended 31 <sup>st</sup> March, 2015 ₹
	1,42,836	1,29,969
	2,534	1,716
<b>Total</b>	<b>1,45,370</b>	<b>1,31,685</b>

NOTE '9'

OTHER EXPENSES

- Legal and Professional Fees
- Other Expenses (Refer footnote)

	For the year ended 31 <sup>st</sup> March, 2016 ₹	For the year ended 31 <sup>st</sup> March, 2015 ₹
	1,710	29,776
	14,154	35,452
<b>Total</b>	<b>15,864</b>	<b>65,228</b>

Footnote:

Auditor's Remuneration (included in other expenses)

- Statutory Audit Fees
- Certification Fees
- Service tax on above

	6,000	6,000
	-	9,000
	870	1,854
<b>Total</b>	<b>6,870</b>	<b>16,854</b>



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2016

	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>NOTE '10'</b>		
<b>Earnings Per Share (EPS)</b>		
Profit / (Loss) after tax (₹)	(1,61,234)	(1,96,913)
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	(3.22)	(3.94)

**NOTE '11'****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  
 Diviniti Projects Private Limited  
 Gujarat Akruiti - TCG Biotech Limited  
 Halitious Developer Limited  
 Headland Farming Private Limited  
 Heddle Knowledge Private Limited  
 Heet Builders 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



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016

B. Transactions with related parties

Particulars	Related Party Relationship	Amount
<b>Loans received / recovered / adjusted</b>		
Hubtown Limited	Holding	-
		-1,00,000
ABP Realty Advisors Pvt. Ltd.	Fellow Subsidiary	5,408
		(-)
<b>Balance Payable</b>		
Hubtown Limited	Holding	6,90,600
		-6,90,600
ABP Realty Advisors Pvt. Ltd.	Fellow Subsidiary	1,08,367
		-1,02,959

Footnote:

a. Previous year figures are given in brackets.

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

NOTE '12'

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 '13'


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 '14'

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

As per attached report of even date

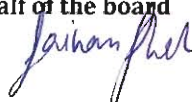
FOR DALAL DOSHI & ASSOCIATES  
Firm Registration No. 121773W  
Chartered Accountants

  
**VIRAL DOSHI**  
Partner  
Membership No: 105330



Mumbai  
Date : 18-05-2016

For and on behalf of the board






**JAINAM SHAH**  
Director  
DIN: 07129100





**PRAPHUL SHINDE**  
Director  
DIN: 03140671

INDIA DEVELOPMENT AND CONSTRUCTION VENTURE CAPITAL PRIVATE LIMITED					
CIN: U67190MH2007PTC172391					
Inter Group Transactions for the year 2015-2016 & the Balances As On 31 <sup>st</sup> March, 2016					
NAME OF THE GROUP COMPANIES		Relation	Holding	LIABILITIES	
SCHEDULE VI GROUPING		As on	ST - Borrowing		Equities
		31st March, 2015	Percentage (%)	Loan taken from Related Parties	ESC/ PSC/ Capital in JVs & Firms
Hubtown Limited		Parent	100%	6,90,600	5,00,000
<b>Subsidiaries</b>					
ABP Realty Advisors Pvt. Ltd.		Fellow Subsidiary	100%	1,08,367	-
<b>TOTAL</b>				<b>7,98,967</b>	<b>5,00,000</b>
Encl. Ledger confirmation					
FOR DALAL DOSHI & ASSOCIATES			For and on behalf of the Board		
Firm Registration No. 121773W					
Chartered Accountants					
 <b>VIRAL DOSHI</b> Partner Membership No: 105330			 <b>JAINAM SHAH</b> Director DIN: 07129100		
Mumbai			 <b>PRAPHUL SHINDE</b> Director DIN: 03140671		
Date : 18-05-2016					

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

We have audited the accompanying financial statements of JOYNEST PREMISES PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> 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 12 on financial statements with regards Non-Current Investments in Compulsorily Convertible Debentures (CCD). The Company conversion of long term loan into CCD and Issuer Company in process of filing the documents as per Rule 18 (18) of the Companies (Share Capital and Debentures) Rules, 2014 notified by the Ministry of Corporate Affairs.
- 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 28 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: 3 SEP 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 31<sup>st</sup> MARCH, 2016 OF JOYNEST PREMISES 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 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) 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 ₹6,63,64,274/-, ₹57,32,491/- towards service tax, ₹16,50,475/- towards VAT and Interest on Tax payable amounting to ₹59,76,247/- 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	143(3)	2008-09	7,96,764	-	7,96,764	Income Tax Appellate Tribunal
Income Tax	271(1)(c)	2008-09	Amount not ascertainable	-	-	Income Tax Officer
Income Tax	143(3)	2009-10	28,01,295	20,07,180	7,94,115	Income Tax Appellate Tribunal
Income Tax	271(1)(c)	2009-10	Amount not ascertainable	-	-	Income Tax Officer
Income Tax	154 & 143(3)	2011-12	23,86,670	-	23,86,670	Commissioner of Income Tax (Appeals)
Income Tax	271(1)(c)	2011-12	Amount not ascertainable	-	-	Income Tax Officer
Income Tax	143(3)	2012-13	40,32,830	-	40,32,830	Commissioner of Income Tax (Appeals)
Income Tax	271(1)(c)	2012-13	Amount not ascertainable	-	-	Income Tax Officer
<b>Total</b>			<b>1,00,17,559</b>	<b>20,07,180</b>	<b>80,10,379</b>	

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.

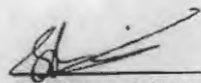
(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practice in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company 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 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**  
CHARTERED ACCOUNTANTS  
FIRM REGISTRATION NO.: 135703W

  
**SANKET SHAH**

PROPRIETOR  
MEMBERSHIP NO.: 152369



Place: Mumbai

Date: **3 SEP 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 31<sup>st</sup> MARCH, 2016 OF JOYNES PREMISES 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 JOYNES PREMISES 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.: 135703W




**SANKET SHAH**

PROPRIETOR

MEMBERSHIP NO.: 152369



Place: Mumbai

Date:  3 SEP 2016

**JOYNEST PREMISES PRIVATE LIMITED**  
CIN : U45202MH2008PTC183715

**BALANCE SHEET AS AT 31ST MARCH, 2016**

Particulars	Note No.	As At 31st March, 2016 ₹	As At 31st March, 2015 ₹
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	3	1,047,194,550	1,047,194,550
Reserves and surplus	4	(65,542,447)	(38,777,298)
		<b>981,652,103</b>	<b>1,008,417,252</b>
<b>Non-current liabilities :</b>			
Long term borrowings	5	400,000,000	1,079,700,000
Other long term liabilities	6	26,686,149	20,410,631
Long term provisions	7	1,506,425	919,719
		<b>428,192,574</b>	<b>1,101,030,350</b>
<b>Current liabilities :</b>			
Trade payables	8	120,844,047	100,748,249
Other current liabilities	9	1,401,928,495	298,536,738
Short term provisions	7	154,493	19,091
		<b>1,522,927,035</b>	<b>399,304,078</b>
<b>TOTAL</b>		<b>2,932,771,712</b>	<b>2,508,751,680</b>
<b>II. ASSETS</b>			
<b>Non-current Assets</b>			
<b>Fixed assets :</b>			
Tangible assets	10	2,760,664	2,861,502
Capital work in progress		19,636,066	17,922,339
Non Current Investments	12	898,963,400	10,000
Other non-current assets	13	31,450,000	31,729,153
		<b>952,810,130</b>	<b>52,522,994</b>
<b>Current Assets</b>			
Current Investment	14	-	21,579,230
Inventories	15	1,476,122,550	702,955,487
Cash and Bank Balance	16	3,092,732	4,911,272
Short-term loans and advances	11	497,452,730	1,726,647,549
Other current assets	13	3,293,570	135,147
		<b>1,979,961,582</b>	<b>2,456,228,686</b>
<b>TOTAL</b>		<b>2,932,771,712</b>	<b>2,508,751,680</b>

Significant Accounting Policies

1 to 2

Note form an integral part of these financial statement

3 to 29

As per our report of even date

**FOR AND ON BEHALF OF THE BOARD**

For Sanket R Shah & Associates  
Firm Registration No: 135703W  
Chartered Accountants

**SANKET SHAH**  
Proprietor  
Membership No.: 152369



Place: Mumbai  
Date: 3 SEP 2016

**VIKRANT JAIN**  
Director  
DIN : 01912696



**BHARAT MODY**  
Director  
DIN : 00134632

## JOYNEST PREMISES PRIVATE LIMITED

CIN : U45202MH2008PTC183715

## PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

Particulars	Note No.	As At 31st March, 2016 ₹	As At 31st March, 2015 ₹
<b>I. INCOMES</b>			
Other income	17	6,014,349	227,282,732
<b>TOTAL</b>		<b>6,014,349</b>	<b>227,282,732</b>
<b>II. EXPENSES</b>			
Cost of Construction / Development	18	333,131,120	248,851,138
Changes in inventories of Work in Progress and finished goods	19	(773,167,062)	(126,973,176)
Employee Benefits Expense	20	14,869,691	14,081,233
Finance Cost	21	438,309,716	80,270,371
Other Expenses	22	18,679,661	16,465,592
Depreciation and Amortisation	10	930,214	1,004,219
<b>TOTAL</b>		<b>32,753,340</b>	<b>233,699,377</b>
Loss before tax		(26,738,991)	(6,416,645)
Tax expense :			
Current tax		-	-
Deferred tax		-	-
Loss after Tax but before adjustment		(26,738,991)	(6,416,645)
Prior Period adjustments (Net)	23	(26,158)	(14,340,963)
Loss for the Year		(26,765,149)	(20,757,608)
Earning per equity share (Face Value of ₹ 10 /- each)	24		
Basic & Diluted			
Class - A		(0.21)	(0.16)
Class - B		(7.97)	(6.18)
Class - C		(0.13)	(0.10)
Significant Accounting Policies	1 to 2		
Note form an integral part of these financial statement	3 to 29		

As per our report of even date  
For Sanket R Shah & Associates  
Firm Registration No: 135703W  
Chartered Accountants

**SANKET SHAH**  
Proprietor  
Membership No.: 152369



Place: Mumbai  
Date: 3 SEP 2016

FOR AND ON BEHALF OF THE BOARD

**VIKRANT JAIN**  
Director  
DIN : 01912696


**BHARAT MODY**  
Director  
DIN : 00134632



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016**

Particulars	As at 31st March, 2016 ₹		As at 31st March, 2015 ₹	
<b>I CASH FLOW ARISING FROM OPERATING ACTIVITIES:</b>				
Net loss before Tax as per Statement Profit and Loss		(26,738,991)		(6,416,645)
Add / (Deduct):				
Interest & Finance Charge Expense	79,105,023		78,888,888	
Depreciation and Amortisation	930,214		1,004,219	
Dividend Income	-		(6,326,710)	
Interest Income	(5,988,998)		(220,956,022)	
Prior Period Adjustments (net)	(26,158)		(14,340,963)	
Ancillary cost of borrowings written off	-	74,020,081	-	(161,730,588)
Operating Profit before Working Capital Changes		47,281,090		(168,147,233)
Add / (Deduct):				
Increase / (Decrease) in Trade payables	26,371,316		26,627,954	
Increase / (Decrease) in Provisions	722,108		471,092	
Increase / (Decrease) in Other Non Current / Current Liabilities and Provisions	1,061,634,679		154,837,923	
(Increase) / Decrease in Inventories	(773,167,062)		(126,973,176)	
(Increase) / Decrease in Long Term / Short Term Loans and Advances	1,193,940,679		(209,338,547)	
(Increase) / Decrease in Other Non Current / Current Assets	42,622		475,393	
(Increase) / Decrease in Trade Receivables	-		(2,238,836)	
Direct taxes paid	32,648,802		(22,898,174)	
Net Cash flow from Operating Activities		1,542,193,144		(179,036,371)
		1,589,474,234		(347,183,604)
<b>II CASH FLOW ARISING FROM INVESTING ACTIVITIES:</b>				
Inflow / (Outflow) on account of:				
Purchase of Tangible / Intangible Assets	(829,376)		(423,992)	
(Increase) / Decrease in Capital Work in Progress	(1,713,727)		(17,922,339)	
(Increase) / Decrease in Proceeds from Long Term Investment	(898,953,400)		(10,000)	
(Increase) / Decrease in Investment	21,579,230		219,909,157	
Investment in Fixed deposits (having Maturity more than three months)	(250,000)		1,234,066	
(Increase) / Decrease in Accrued Interest on Fixed Deposit	(66,554)		24,798	
Dividend Income	-		6,326,710	
Interest Received	5,988,998		220,956,022	
Net Cash flow from Investing Activities		(874,244,828)		430,094,422
<b>III CASH FLOW ARISING FROM FINANCING ACTIVITIES:</b>				
Inflow / (Outflow) on account of:				
Proceeds from Long Term Borrowings	(679,700,000)		-	
Interest Paid	(37,347,946)		(88,541,056)	
Ancillary cost of borrowings paid	-		-	
Net Cashflow from Financing Activities		(717,047,946)		(88,541,856)
Net Increase / (Decrease) in Cash and Cash Equivalents (I+II+III)		(1,818,540)		(5,631,038)
Add: Balance at the beginning of the year		4,911,272		10,542,310
Cash and Cash Equivalents at the close of the year		3,092,732		4,911,272
Cash and Cash Equivalents comprise of:				
Cash on hand		325,347		430,170
Balances with Banks (including Fixed Deposits having maturities less than three months)		2,767,385		4,481,102
<b>TOTAL</b>		<b>3,092,732</b>		<b>4,911,272</b>


As per our attached report of even date  
For Sanket R Shah & Associates  
Firm Registration No: 135703W  
Chartered Accountants

  
SANKET SHAH  
Proprietor  
Membership No: 152369

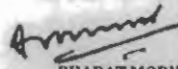


Place: Mumbai  
Date: 3 SEP 2016

For and on behalf of the Board

  
VIKRANT JAIN  
Director  
DIN : 01912696



  
BHARAT MODU  
Director  
DIN : 00134632

**JOYNEST PREMISES PRIVATE LIMITED**  
**CIN: U45202MH2008PTC183715**

**NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016**

**1. CORPORATE INFORMATION**

Joynest Premises Private Limited is a Private Limited company domiciled in India, Incorporated under the Companies Act, 1956. The Company is engaged into real estate business of construction and development of Residential project at Chembur and other similar 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.

**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 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 buyers' commitment to make the complete payment

**A. Revenue from Construction Activity**

- i. 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
- ii. 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;

- a. All critical approvals necessary for the commencement of the project have been obtained;
- b. 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;
- c. At least 25% of the saleable project area is secured by agreements with the buyers; and



**NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED  
31ST MARCH 2016**

- d. At least 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.

Costs of the projects are based on the management's estimate of the cost to be incurred upto the completion of the projects and include cost of land, Floor Space Index (FSI), materials, services and other expenses attributable to the projects. Estimates of project income, as well as project costs, are reviewed periodically.

**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 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.
- C. Capital Work in Progress represents expenses incurred for construction of Sample Flat, Sample Flat expenses are charged to the Statement of Profit and Loss over the period of life of the project.

**V. INVENTORIES**

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

- A. 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.
- B. 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.



**JOYNEST PREMISES PRIVATE LIMITED**  
**CIN: U45202MH2008PTC183715**

**NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016**

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. INVESTMENTS**

Investments are classified into current and non current / long term investment. 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. OPERATING CYCLES**

Receivables and Payables in relation to operations (Projects) are considered as "Current Assets" and "Current Liabilities" as the case may be considering the nature of real estate business of the company, unless otherwise provided by an agreement.

All other Assets and Liabilities have been classified as provided in Revised Schedule VI, issued by Institute of Chartered Accountants of India.

**VIII. EMPLOYEE BENEFITS**

- A. 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**
- i. Defined contribution plans: Company's contribution to State governed Provident Fund Scheme is recognised during the year in which the related service is rendered;
  - ii. 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.
- E. Actuarial gains / losses** are taken to the profit & loss account during the relevant period

**IX. BORROWING COSTS**

Interests and other borrowing costs attributable to qualifying assets (including projects undertaken for sale by the Company directly or through its Subsidiaries, Joint Ventures, etc.) 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



**NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016**

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.

**X. FOREIGN CURRENCY TRANSACTIONS**

- A. All transactions in foreign currency are recorded in the reporting currency, at the rates 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 Balance Sheet. Resultant gain or loss is accounted during the year.

**XI. 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.

**XII. 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.

In case, the Company is liable to pay income tax under section 115JB of Income Tax Act, 1961 (ie MAT) the amount of tax paid in excess of normal income tax is recognized 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.

**XIII. 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 number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, 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.

**XIV. 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.



**JOYNEST PREMISES PRIVATE LIMITED**  
**CIN: U45202MH2008PTC183715**

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**NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016**

**XV. 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 FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016**

**NOTE 'B'**

**SHARE CAPITAL**

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
<b>AUTHORISED</b>		
<b>EQUITY SHARE :</b>		
Class A - Equity Shares - 1,81,34,450 Equity Shares of ₹ 10/- each (P Y: 1,81,34,450 Class A - Equity Shares of ₹ 10/- each)	181,344,500	181,344,500
Class B - Equity Shares - 20,16,050 Equity Shares of ₹ 10/- each (P Y: 20,16,050 Class B - Equity Shares of ₹ 10/- each)	20,160,500	20,160,500
Class C - Equity Shares - 5,25,58,955 Equity Shares of ₹ 10/- each (P Y: 5,25,58,955 Class C - Equity Shares of ₹ 10/- each)	525,589,550	525,589,550
Ordinary - Equity Shares - 10,000 Equity Shares of ₹ 10/- each (P Y: 10,000 Ordinary - Equity Shares of ₹ 10/- each)	100,000	100,000
<b>PREFERENCE SHARE :</b>		
17.75% 3,20,00,000 Cumulative Compulsory Convertible Preference Share of Rs. ₹ 10/- Each (P Y: 3,20,00,000 Preference Shares of ₹ 10/- each)	320,000,000	320,000,000
	<b>1,047,194,550</b>	<b>1,047,194,550</b>
<b>ISSUED, SUBSCRIBED AND PAID UP</b>		
<b>EQUITY SHARE :</b>		
Class A - Equity Shares - 1,81,34,450 Equity Shares of ₹ 10/- each (P Y: 1,81,34,450 Class A - Equity Shares of ₹ 10/- each)	181,344,500	181,344,500
Class B - Equity Shares - 20,16,050 Equity Shares of ₹ 10/- each (P Y: 20,16,050 Class B - Equity Shares of ₹ 10/- each)	20,160,500	20,160,500
Class C - Equity Shares - 5,25,58,955 Equity Shares of ₹ 10/- each (P Y: 5,25,58,955 Class C - Equity Shares of ₹ 10/- each)	525,589,550	525,589,550
Ordinary - Equity Shares - 10,000 Equity Shares of ₹ 10/- each (P Y: 10,000 Ordinary - Equity Shares of ₹ 10/- each)	100,000	100,000
<b>PREFERENCE SHARE :</b>		
17.75% 3,20,00,000 Cumulative Compulsory Convertible Preference Share of Rs. ₹ 10/- Each (P Y: 3,20,00,000)	320,000,000	320,000,000
	<b>1,047,194,550</b>	<b>1,047,194,550</b>
<b>Per Balance Sheet</b>	<b>1,047,194,550</b>	<b>1,047,194,550</b>

**a) Rights / preference / restrictions attached to Equity Shares**

- |                           |   |
|---------------------------|---|
| Equity Shares (Class 'A') | : Class A equity shares have no voting rights.  |
| Equity Shares (Class 'B') | : Class B equity shares shall be entitled to 26% of the total voting rights in the Company. |
| Equity Shares (Class 'C') | : Class C equity shares shall be entitled to 74% of the total voting rights in the Company. |
| Ordinary Shares           | : Ordinary Equity shares have no voting and distributions rights.                           |

**b) Terms of Conversion of Preference Shares**

The Company has issued 17.75% 3,20,00,000, cumulative compulsorily convertible preference shares of ₹ 10 each (CCPS) on 26th February, 2014. Each Cumulative CCPS shall be compulsorily convertible into Class 'B' Equity Share at fair value, which is equivalent to the subscription amount of the Cumulative CCPS in one or more tranches on or after 27th February, 2029. The Company has not paid any dividend since date of issue of the above preference shares.

**3.1 Reconciliation of the number of shares outstanding at the beginning and at the end of the year: Part - I (6A) (d)**

	No. of Shares at the beginning of the year	Issued / Converted	Buyback	Redeem / Converted	No. of Shares at the end of the year
<b>Class A Equity Shares</b>	18,134,450 (18,134,450)	- (-)	- (-)	- (-)	18,134,450 (18,134,450)
<b>Class B Equity Shares</b>	2,016,050 (2,016,050)	- (-)	- (-)	- (-)	2,016,050 (2,016,050)
<b>Class C Equity Shares</b>	52,558,955 (52,558,955)	- (-)	- (-)	- (-)	52,558,955 (52,558,955)
<b>Ordinary Shares</b>	10,000 (10,000)	- (-)	- (-)	- (-)	10,000 (10,000)
<b>Preference Shares</b>	32,000,000 (32,000,000)	- (-)	- (-)	- (-)	32,000,000 (32,000,000)
<b>Total</b>	<b>1,04,719,455</b> <b>(1,04,719,455)</b>	<b>-</b> <b>(-)</b>	<b>-</b> <b>(-)</b>	<b>-</b> <b>(-)</b>	<b>1,04,719,455</b> <b>(1,04,719,455)</b>

Footnote: Numbers in brackets pertain to previous year.



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**NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016**

3.2 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	
	Hubtown HCRC	Others	Hubtown HCRC	Others
Holding Company of Reporting Company (HCRC)				
Class A Equity Shares	12,431,045	5,703,405	12,431,045	5,703,405
Class B Equity Shares	-	2,016,050	-	2,016,050
Class C Equity Shares	52,558,955	-	52,558,955	-
Ordinary Shares	7,400	2,600	7,400	2,600
Preference Shares	-	32,000,000	-	32,000,000
Total	64,997,400	39,722,055	64,997,400	39,722,055

**3.3 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	12,431,045	68.55	12,431,045	68.55
High Scale Trading Private Limited	2,016,050	11.12	2,016,050	11.12
Grayline Real Estate Private Limited	1,108,827	6.11	1,108,827	6.11
Elkash Infraprojects Private Limited	1,671,306	9.22	1,671,306	9.22
J.P. Vaastu Nirman Private Limited	907,222	5.00	907,222	5.00
Equity (Class 'A') Total	18,134,450	100.00	18,134,450	100.00
Equity (Class 'B')				
SIREF I Residential A Limited	2,016,050	100.00	2,016,050	100.00
Equity (Class 'B') Total	2,016,050	100.00	2,016,050	100.00
Equity (Class 'C')				
Hubtown Limited	52,558,955	100.00	52,558,955	100.00
Equity (Class 'C') Total	52,558,955	100.00	52,558,955	100.00
Equity (Ordinary)				
Hubtown Limited	7,400	74.00	7,400	74.00
Shree Naman Developers	2,600	26.00	2,600	26.00
Equity (Ordinary) Total	10,000	100.00	10,000	100.00
Preference Shares				
SIREF I Residential A Limited	32,000,000	100.00	32,000,000	100.00
Preference Shares Total	32,000,000	100.00	32,000,000	100.00

**NOTE '4'**

**RESERVES AND SURPLUS**

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
Surplus in Profit and Loss Statement		
Balance as per Last Profit and Loss Statement	(38,777,299)	(18,019,691)
Add / (Less): Profit / (Loss) for the year	(26,765,149)	(20,757,600)
<b>TOTAL</b>	<b>(65,542,447)</b>	<b>(38,777,299)</b>



NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

NOTE '5' LONG-TERM BORROWINGS	Non Current		Current	
	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
Debentures (Unsecured) 40,00,000 (P.Y.40,00,000) Compulsorily Convertible Debentures of Face Value of ₹ 100/- each (Refer footnote a)	400,000,000	400,000,000	-	-
Other Loans and Advances (Secured): - From Companies (Refer footnote b)	-	679,700,000	-	-
	400,000,000	1,079,700,000	-	-
The above amounts includes: Secured Borrowings (Refer footnote b) Unsecured Borrowings Amount disclosed under "Other Current Liabilities"	- 400,000,000 -	679,700,000 400,000,000 -	- - -	- - -
<b>TOTAL</b>	<b>400,000,000</b>	<b>1,079,700,000</b>	<b>-</b>	<b>-</b>

Footnotes:

- a) 17.75% Debentures of 40 Lacs debenture at Rs. 100 each have a term of 84 months from issue date (20,00,000 debentures issued on 01/02/2013 and 20,00,000 debentures issued on 16/06/2013) same can be converted into Class "B" Shares in whole or in part at the option of the investor but not before expiry of 36 months.
- (b) Guarantees / Security given for Secured loans taken by the company
- Personal guarantee of Mr. Hemant Shah and Mr. Vyomesh Shah, the promoter directors of Hubtown Limited
  - Corporate guarantee of Hubtown Limited
  - The promoters of Hubtown Limited have pledged the shares of Hubtown Limited held by them as security for the loan.

NOTE '6' OTHER LONG-TERM LIABILITIES	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
Retention Money	26,686,149	20,410,631
<b>TOTAL</b>	<b>26,686,149</b>	<b>20,410,631</b>

Particulars	Non Current		Current	
	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
NOTE '7' PROVISIONS				
Provisions for Employee Benefits				
Provisions for Gratuity	479,048	-	132,836	-
Provisions for Leave Benefit	1,027,377	919,719	21,657	19,091
<b>TOTAL</b>	<b>1,506,425</b>	<b>919,719</b>	<b>154,493</b>	<b>19,091</b>

Particulars	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
NOTE '8' TRADE PAYABLES		
Micro, Small and Medium Enterprises (Refer foot note)		
Others	120,844,047	100,748,249
<b>TOTAL</b>	<b>120,844,047</b>	<b>100,748,249</b>

Footnotes:

In the absence of necessary information with the company relating to registration status of suppliers under the Micro, Small and Medium Enterprises Development Act, 2006, the information required under the said Act, could not be compiled and disclosed.

NOTE '9' OTHER CURRENT LIABILITIES	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
Other Liabilities		
Interest accrued and due on borrowings	55,373,516	13,616,438
Overdrawn bank balances as per books of account	2,698,843	1,151,009
Advance from customers	420,511,497	219,458,635
Business Advances received from Related party	762,319,317	7,459,317
Refundable Deposit	47,200,000	42,269,200
Other payables:		
- Statutory Dues	79,723,407	10,656,690
- Other payables	34,101,835	3,925,449
<b>TOTAL</b>	<b>1,401,928,495</b>	<b>298,536,738</b>



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NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

(₹)

NOTE '10' FIXED ASSETS	GROSS BLOCK				DEPRECIATION / AMORTISATION			NET BLOCK	
	Balance as at 1st April 2015	Additions/ (Disposals)	Deduction / (Addition) / Adjustments	Balance as at 31st March 2016	Balance as at 1st April 2015	Provided during the year	Deduction / Adjustments	Balance as at 31st March 2016	Balance as at 1st April 2015
<b>Tangible Assets</b>									
Furniture and Fixtures	1,139,679	8,438	-	1,148,117	636,930	92,520	-	729,450	502,749
Air Conditioner	127,801	68,000	-	195,801	53,282	43,453	-	96,735	74,519
Computers	38,687	-	-	38,687	31,261	3,150	-	34,411	7,426
Office equipment	3,175,544	752,938	-	3,928,482	898,736	791,091	-	1,689,827	2,276,808
<b>SUB TOTAL</b>	<b>4,481,711</b>	<b>829,376</b>	<b>-</b>	<b>5,311,087</b>	<b>1,620,209</b>	<b>930,214</b>	<b>-</b>	<b>2,550,423</b>	<b>2,861,502</b>
Capital Work in Progress	17,922,339	1,713,727	-	19,636,066	-	-	-	-	-
<b>TOTAL</b>	<b>22,404,050</b>	<b>2,543,103</b>	<b>-</b>	<b>24,947,153</b>	<b>1,620,209</b>	<b>930,214</b>	<b>-</b>	<b>2,550,423</b>	<b>2,861,502</b>
<b>PREVIOUS YEAR FIGURES</b>	<b>4,560,612</b>	<b>18,346,332</b>	<b>502,894</b>	<b>22,404,050</b>	<b>1,118,884</b>	<b>1,004,219</b>	<b>502,894</b>	<b>1,620,209</b>	<b>3,441,728</b>



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NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

NOTE '11'

LOANS AND ADVANCES

	Non Current		Current	
	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
Loans and Advances				
Unsecured, considered good (refer footnote)	-	-	50,100,000	1,379,719,229
Advances recoverable in cash or kind				
Unsecured, considered good				
- to related parties	-	-	274,315,545	274,315,545
- to others	-	-	161,601,439	26,210,550
Other loans and advances:				
Advance Income Tax (Net of Provisions Nil, (P.Y. Nil))	-	-	9,074,585	41,723,387
Balances with statutory authorities	-	-	2,361,161	4,678,030
<b>TOTAL</b>	-	-	<b>497,452,730</b>	<b>1,726,647,549</b>

Footnote :- Interest charged on Loan given to others @ 12% p.a. (P.Y. 18% p.a.)

NOTE '12'

NON CURRENT INVESTMENTS

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
Investment in Compulsory Convertible Debenture (Refer footnote a) 89,89,634 Compulsory Convertible Debenture of ₹ 100 each (P.Y. Nil)	898,963,400	-
Capital Investment in Partnership Firm (Refer footnote b) M/s Rising Glory Developers	-	10,000
<b>TOTAL</b>	<b>898,963,400</b>	<b>10,000</b>

Footnotes:

- a. The Issuer Company is in the process of relating the documents and forms having the Compulsory Convertible Debentures in Ministry of Corporate Affairs (MCA).  
b. Details of Investment in Partnership Firm:

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	Ackniti 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	Malitious Developers Limited	10,000	5.34%	10,000	4.76%
7	Headland Farming Private Limited	10,000	5.33%	10,000	4.76%
8	Heddl Knowledge Private Limited	10,000	5.33%	10,000	4.76%
9	Meet 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	Shubh Siddhi Developers Pvt Ltd.	10,000	5.33%	-	-
17	Joynest Premises Private Limited	-	-	10,000	4.76%
18	Sunstream City Private Limited	10,000	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	Yandl Bulldcon Private Limited	10,000	5.33%	10,000	4.76%
	<b>TOTAL</b>	<b>150,000</b>	<b>100.00%</b>	<b>210,000</b>	<b>100.00%</b>



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NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

NOTE '13'

OTHER ASSETS

	Non Current		Current	
	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
Other Bank Balance				
Deposit Maturity more than 12 months	31,450,000	31,200,000	-	-
Margin Money Deposits	-	-	-	-
	31,450,000	31,200,000	-	-
Others:				
- Interest accrued on fixed deposits and margin money	-	529,153	661,397	65,690
- Interest accrued on unsecured loan	-	-	2,605,338	-
- Prepaid expenses	-	-	26,835	69,457
<b>TOTAL</b>	<b>31,450,000</b>	<b>31,729,153</b>	<b>3,293,570</b>	<b>135,147</b>

NOTE '14'

CURRENT INVESTMENT

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
Investment In Mutual Funds (At Cost) (Other Than Trade) Growth Option Current Year: Nil Units (P.Y. 21,167,621 Units) of UTI Treasury Advantage Fund (NAV: Current Year: Nil (P.Y. ₹1,019.4457 Per Unit))	-	21,579,230
<b>TOTAL</b>	<b>-</b>	<b>21,579,230</b>

NOTE '15'

INVENTORIES

(Valued at lower of cost and net realisable value)

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
Floor Space Index (FSI)	-	-
Incomplete Projects	1,476,122,550	702,955,487
<b>TOTAL</b>	<b>1,476,122,550</b>	<b>702,955,487</b>

NOTE '16'

CASH AND BANK BALANCES

	Non Current		Current	
	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
Balances with banks:				
- On Current accounts			1,082,995	2,927,248
Cash on hand			325,347	430,170
			1,408,342	3,357,418
Other Bank Balance:				
Deposit having maturity for more than 12 months	31,450,000	31,200,000	-	-
Margin Money Deposits	-	-	2,604,390	1,553,854
	31,450,000	31,200,000	1,604,390	1,553,854
Amount Disclosed under "Other Non-Current Asset"				
Deposit having maturity for more than 12 months	(31,450,000)	(31,200,000)	-	-
Margin Money Deposits	-	-	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>3,092,732</b>	<b>4,911,272</b>



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NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

NOTE '17'

OTHER INCOME

	Year Ended 31st March, 2016 ₹		Year Ended 31st March, 2015 ₹	
Dividend Income		25,351		6,326,710
Interest on:				
Loan	2,894,820		217,942,478	
Bank Fixed Deposit and Margin Money	3,094,179		2,978,544	
Others	-	5,988,999	35,000	220,956,022
<b>TOTAL</b>		<b>6,014,349</b>		<b>227,282,732</b>

NOTE '18'

COST OF CONSTRUCTION / DEVELOPMENT

	Year Ended 31st March, 2016 ₹	Year Ended 31st March, 2015 ₹
Construction Costs Incurred during the year		
Material and Labour costs	148,385,984	170,898,177
Approval and Consultation expenses	146,169,603	22,464,282
Other direct development expenses	38,575,533	55,488,679
<b>TOTAL</b>	<b>333,131,120</b>	<b>248,851,138</b>

NOTE '19'

CHANGES IN INVENTORIES OF WORK IN PROGRESS AND FINISHED GOODS

	Year Ended 31st March, 2016 ₹	Year Ended 31st March, 2015 ₹
Opening Inventory:		
Incomplete Projects	702,955,487	575,982,311
Closing Inventory:		
Incomplete Projects	1,476,122,550	702,955,487
<b>TOTAL</b>	<b>(773,167,062)</b>	<b>(126,973,176)</b>

NOTE '20'

EMPLOYEE BENEFIT EXPENSES

	Year Ended 31st March, 2016 ₹	Year Ended 31st March, 2015 ₹
Salaries	14,731,856	13,914,939
Contribution to Provident and Other Fund	137,035	166,294
Staff Welfare Expenses	-	-
<b>TOTAL</b>	<b>14,869,691</b>	<b>14,081,233</b>

NOTE '21'

FINANCE COST

	Year Ended 31st March, 2016 ₹	Year Ended 31st March, 2015 ₹
Interest on:		
Debentures	79,105,023	76,888,888
Other Interest	353,256,701	-
Delay payment of taxes	5,909,985	981,863
Other Borrowing Cost	438,271,709	79,870,751
	38,007	399,620
<b>TOTAL</b>	<b>438,309,716</b>	<b>80,270,371</b>

NOTE '22'

OTHER EXPENSES

	Year Ended 31st March, 2016 ₹	Year Ended 31st March, 2015 ₹
Advertisement and Selling Expenses	18,539,518	16,192,636
Other Expenses	140,143	272,956
<b>TOTAL</b>	<b>18,679,661</b>	<b>16,465,592</b>

Foot Note:

Audit Fees	75,000	75,000
Limited reviewed Fees	-	45,000
Other Certification Charges	-	15,000
Out of Pocket Expenses	-	10,852
Service Tax on Above	10,875	16,686
<b>TOTAL</b>	<b>85,875</b>	<b>162,538</b>

NOTE '23'

PRIOR PERIOD EXPENSES/ INCOMES

	Year Ended 31st March, 2016 ₹	Year Ended 31st March, 2015 ₹
Other expense - ITAT Appeal Fees	20,000	-
Employee Benefit expense - Salary	6,158	-
Finance Cost - Interest on Debenture	-	14,340,963
<b>TOTAL</b>	<b>26,158</b>	<b>14,340,963</b>



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**NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016**

**24. EARNING PER SHARE**

Particulars		As on 31 <sup>st</sup> March, 2016	As on 31 <sup>st</sup> March, 2015
Net Profit / (Loss) as per Profit & loss Account available for Equity Shareholders	₹	(2,67,65,149)	(2,07,57,608)
Weighted average number of Equity Shares			
Class - A Equity Shares	Nos	1,81,34,450	1,81,34,450
Class - B Equity Shares		20,16,050	20,16,050
Class - C Equity Shares		5,25,58,955	52,55,89,55
Earning Per Share of ₹ 10 each (Basic and Diluted)			
Class - A Equity Shares	₹	(0.21)	(0.16)
Class - B Equity Shares		(7.97)	(6.18)
Class - C Equity Shares		(0.13)	(0.10)

**25. RELATED PARTIES DISCLOSURES:**

**A. NAMES OF RELATED PARTIES AND DESCRIPTION OF RELATIONSHIPS:**

**I) HOLDING COMPANY:** Hubtown Limited

**II) FELLOW SUBSIDIARY COMPANIES**

- ABP Realty Advisors Private Limited
- Akruti Safeguard Systems Private Limited
- Citygold Education Research Limited
- Jineshwar Multitrade Private Limited
- Citygold Farming Private Limited
- Asha Multitrade Private Limited
- Citywood Builders Private Limited
- Devkrupa Build Tech Limited (Upto August 12, 2015)
- Diviniti Projects Private Limited
- Gujarat Akruti-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
- Sheshan Housing and Area Development Engineers Limited (Desubsidiarised Effective April 1, 2015)
- Twenty Five South Realty Limited
- Upvan Lake Resorts Private Limited
- UrviBuildtech Limited
- Vama Housing Limited
- Vega Developers Private Limited
- Vishal Techno Commerce Limited
- YanttiBuildcon Private Limited



**NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016**

**B. TRANSACTIONS WITH RELATED PARTIES**

1	Loans & advance Received / Recovered	Citygold Education Research Limited	-
		Heddle Knowledge Private Limited	(9,07,84,455)
			(-)
		Hubtown Limited	1,30,26,60,000 (31,50,000)
2	Loans & advance Given / Repaid	Hubtown Limited	54,78,00,000 (3,80,71,559)
3	Reimbursement of Expenses incurred by Holding Compan (HO Allocation)	Hubtown Limited	1,78,82,630 (1,76,28,188)
4	Capital Contribution in Partnership Firm	M/s Rising Glory Developers	- (10,000)
5	Balance Receivable	Citygold Farming Private Limited	15,00,00,000 (15,00,00,000)
		Citygold Education Research Limited	7,33,15,545 (7,33,15,545)
		Heddle Knowledge Private Limited	5,10,00,000 (5,10,00,000)
6	Balance Payable	Hubtown Limited	80,45,02,200 (3,17,59,570)
		M/s Rising Glory Developers.	-
			(10,000)

Footnote: Previous Year figures are given in bracket

**26. VALUE OF EXPENSES INCURRED IN FOREIGN CURRENCY**

Particulars	2015-16	2014-15
Interest paid on Debenture	7,91,05,023	9,32,29,851
<b>Total</b>	<b>7,91,05,023</b>	<b>9,32,29,851</b>



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**NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016**

**27. CONTINGENT LIABILITY**

Particulars	2015-16	2014-15
Claim against Company not acknowledge as debt on accounts of:-		
Pending with Income Tax Appealate Tribunal:		
F.Y. 2008-09	₹7,96,764/-	₹7,96,764/-
F.Y. 2009-10	₹7,94,115/-	₹7,94,115/-
Pending with Income Tax Officer [Penalty 271(1)(c)]:		
F.Y. 2008-09	Figure not ascertained	Figure not ascertained
F.Y. 2009-10	Figure not ascertained	Figure not ascertained
F.Y. 2010-11	-	Figure not ascertained
F.Y. 2011-12	Figure not ascertained	-
F.Y. 2012-13	Figure not ascertained	-
Pending with Commissioner of Income Tax (Appeals):		
F.Y. 2011-12	₹23,86,670/-	₹35,07,540/-
F.Y. 2012-13	₹40,32,830/-	-

**Note:**


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 the balance sheet date, other then stated above, as certified by the management and relied by the auditors.


28. In the opinion of the Board of Directors of the Company, all items of current assets, current liabilities and Loans & Advances continues to have realizable value of at least the amounts at which stated they are stated in the balance sheet.

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

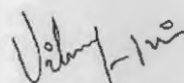
As per our attached report of even date  
**For Sanket R Shah & Associates**  
**CHARTERED ACCOUNTANTS**  
Firm Registration No: 135703W

  
**SANKET SHAH**  
Proprietor  
Membership No: 152369



Place: Mumbai  
Date:  3 SEP 2016

**FOR AND ON BEHALF OF THE BOARD**

  
**VIKRANT JAIN**  
Director  
DIN:01912696

  
**BHARAT MODY**  
Director  
DIN:00134632



**INDEPENDENT AUDITOR'S REPORT**

**TO**  
**The Members of Twenty Five South Realty Limited**  
**(Formerly Known as Hoary Realty Limited)**

**Report on the Financial Statements**

We have audited the accompanying financial statements of **Twenty Five South Realty Limited (Formerly Known as Hoary Realty 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" 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 knowledge and belief and according to the information and explanations given to us :
- i. The Company has disclosed the impact, if any, 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**

Firm Registration No.: 121773W

Chartered Accountants



**DINESH DOSHI**

Partner

Membership No.: F-9464



Place : New Jersey

Date : 27<sup>th</sup> June, 2016

**"ANNEXURE A" INDEPENDENT AUDITORS' REPORT REFERRED TO IN OUR REPORT TO THE MEMBERS OF TWENTY FIVE SOUTH REALTY LIMITED (FORMERLY KNOWN AS HOARY REALTY LIMITED) ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> 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 Company does not own any immovable properties as disclosed in Note '12' on fixed assets to the financial statement;
- (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;
- (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, Value Added Tax and Provident Fund, 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 Rs 30,764,000 relating to Tax Deducted at Source, Rs. 173,118 relating to Value Added Tax and Rs. 62,814 relating to Provident Fund;



- (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;
- (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;
- (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 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, 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 177 and 188 of the Act. The details of such related party transaction have been disclosed in the financial statements as required under accounting standard AS 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (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.: F-9464

Place : New Jersey

Date : 27<sup>th</sup> June, 2016



**"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF TWENTY FIVE SOUTH REALTY LIMITED (FORMERLY KNOWN AS HOARY REALTY 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 Twenty Five South Realty Limited (Formerly known as Hoary Realty 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

  
**DINESH DOSHI**

Partner

Membership No.: F- 9464



Place : New Jersey

Date : 27<sup>th</sup> June, 2016

**TWENTY FIVE SOUTH REALTY LIMITED**  
**FORMERLY KNOWN AS HOARY REALTY LIMITED**  
**CIN : U51100MH1996PLC100876**

Balance Sheet as at 31st March, 2016

Particulars	Note No.	As At 31 March, 2016 (₹)	As At 31 March, 2015 (₹)
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capita	3	500,000	500,000
Reserves and surplus	4	1,774,915,567	1,852,266,920
		<b>1,775,415,567</b>	<b>1,852,766,920</b>
<b>Non-current liabilities</b>			
Long-term borrowings	5	3,843,022,581	3,731,600,000
Other Long-term Liabilities	6	701,916,384	700,067,735
Long-term Provisions	7	278,912	-
		<b>4,545,217,877</b>	<b>4,431,667,735</b>
<b>Current liabilities</b>			
Short-term borrowings	8	12,641,115	-
Trade payables	9	71,715,963	19,177,604
Other current liabilities	10	2,086,168,798	388,938,317
Short term provisions	11	204,964	54,022
		<b>2,170,730,840</b>	<b>408,169,943</b>
<b>Total</b>		<b>8,491,364,284</b>	<b>6,692,604,598</b>
<b>II. ASSETS</b>			
<b>Non-current assets</b>			
<b>Fixed assets :</b>			
Tangible assets	12	5,165,595	1,620,111
Deferred tax asset (Net)	13	44,814	-
Long-term loans and advances	14	157,232,260	151,783,890
Other non current assets	15	-	9,954,306
		<b>162,442,669</b>	<b>163,358,307</b>
<b>Current assets</b>			
Inventories	16	8,140,539,510	6,348,589,508
Cash and bank balances	17	49,815,640	63,092,214
Short-term loans and advances	14	133,892,977	117,505,649
Other current assets	15	4,673,488	58,920
		<b>8,328,921,615</b>	<b>6,529,246,291</b>
<b>Total</b>		<b>8,491,364,284</b>	<b>6,692,604,598</b>

Notes 1 to 34 form part an integral part of these financial statements.

AS PER OUR REPORT OF EVEN DATE

**FOR DALAL DOSHI & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
Firm Registration No.: 121773W

**DINESH DOSHI**  
**PARTNER**  
Membership No. F-9464



Place : New Jersey  
Date: 27th June, 2016

FOR AND ON BEHALF OF THE BOARD

*Rushank Shah*

**RUSHANK SHAH**  
**DIRECTOR**  
DIN : 02960155

*Anil Arluwalia*

**ANIL ARLUWALIA**  
**DIRECTOR**  
DIN : 00597508

Place : Mumbai  
Date: 27th June, 2016

**TWENTY FIVE SOUTH REALTY LIMITED**  
**FORMERLY KNOWN AS HOARY REALTY LIMITED**  
**CIN : U51100MH1996PLC100876**

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

Particulars	Note No.	Year ended 31 March, 2016 (₹)	Year ended 31 March, 2015 (₹)
<b>I. INCOME</b>			
Other income	18	22,228,206	58,975,299
<b>Total</b>		<b>22,228,206</b>	<b>58,975,299</b>
<b>II. EXPENSES</b>			
Costs of construction / development	19	1,095,091,934	3,393,124,644
Changes in inventories of incomplete projects	20	(1,790,296,016)	(3,855,000,860)
Employee benefits expense	21	9,722,322	-
Finance costs	22	699,491,867	482,688,120
Depreciation and amortisation	23	675,567	1,607,412
Other expenses	24	84,938,699	31,473,644
<b>Total</b>		<b>99,624,373</b>	<b>53,892,960</b>
<b>Profit/(Loss) before tax</b>		<b>(77,396,167)</b>	<b>5,082,339</b>
<b>Tax expense :</b>			
Current tax		-	-
Excess / (Short) provision for taxation in respect of earlier years		-	(592,677)
Deferred tax (charge) / credit	13	44,814	-
<b>Profit/(Loss) after tax but before adjustments</b>		<b>(77,351,353)</b>	<b>4,489,662</b>
Prior period adjustments (Net)	25	-	31,710,457
<b>Profit / (Loss) for the year</b>		<b>(77,351,353)</b>	<b>(27,220,795)</b>
<b>Earning per equity share (nominal value of share : ₹ 10/- each)</b>			
Basic and Diluted	26	(1,607)	(565.51)

Notes 1 to 34 form part an integral part of these financial statements.

AS PER OUR REPORT OF EVEN DATE  
FOR DALAL DOSHI & ASSOCIATES  
**CHARTERED ACCOUNTANTS**  
Firm Registration No.- 121773W

**DINESH DOSHI**  
PARTNER  
Membership No. F-9464



Place : New Jersey  
Date:- 27th June, 2016

FOR AND ON BEHALF OF THE BOARD

**RUSHANK SHAH**  
DIRECTOR  
DIN : 02960155

**ANIL AHLUWALIA**  
DIRECTOR  
DIN : 00597508

Place : Mumbai  
Date:- 27th June, 2016

**TWENTY FIVE SOUTH REALTY LIMITED**  
**FORMERLY KNOWN AS HOARY REALTY LIMITED**  
**CIN : U51100MH1996PLC100876**

**Cash Flow Statement for the year ended 31<sup>st</sup> March, 2016**

Particulars	31 March, 2016 (₹)	31 March, 2015 (₹)
<b>I. CASH FLOWS ARISING FROM OPERATING ACTIVITIES</b>		
Net profit/(loss) before taxation and prior period items as per Statement of Profit and Loss	(77,396,167)	5,082,339
Add / (Less) :		
Finance costs	699,491,867	482,688,120
Depreciation and amortisation	675,567	1,607,412
Cost of Land transferred from block of assets	-	990,520,067
Advances and other debit balances written off	-	34,855
Prior Period Adjustment (Net)	-	(31,710,457)
Interest income	(821,735)	(792,595)
Liabilities written back to the extent no longer required	(6,000,092)	-
Excess provision written back	(10,170,139)	-
	<b>683,175,468</b>	<b>1,442,347,401</b>
<b>Operating profit before working capital changes</b>	<b>605,779,301</b>	<b>1,447,429,741</b>
Add / (Less) :		
Increase in inventories	(1,791,950,002)	(3,855,000,860)
(Increase) / Decrease in Other Current & Non current Asset	(4,707,196)	(188,183)
Decrease in Loans and advances	(46,803,326)	(1,527,810)
Increase in trade and other payables	1,062,804,262	819,455,510
Direct taxes paid	(1,579,465)	(6,454,304)
	<b>(782,235,727)</b>	<b>(3,043,715,647)</b>
<b>Net cash flow from operating activities</b>	<b>(176,456,426)</b>	<b>(1,596,285,907)</b>
<b>II. CASH FLOWS ARISING FROM INVESTING ACTIVITIES</b>		
Inflow / (Outflow) on account of :		
Interest income received	820,822	853,063
Decrease in loans given	(5,131,393)	146,559,764
Purchase of fixed assets	(4,221,051)	(1,641,017)
<b>Net cash flow from investing activities</b>	<b>(8,531,622)</b>	<b>145,771,809</b>
<b>III. CASH FLOWS ARISING FROM FINANCING ACTIVITIES</b>		
Inflow / (Outflow) on account of :		
Proceeds from Long Term Borrowing	3,742,700,000	3,231,600,000
Repayment of Long Term Borrowing	(3,161,600,000)	(1,225,000,000)
Proceeds from Short Term Borrowing	12,641,115	-
Repayment of Short Term Borrowing	-	(6,380,387)
Finance costs paid	(432,077,489)	(489,695,890)
<b>Net cash flow from financing activities</b>	<b>161,663,626</b>	<b>1,510,523,723</b>
<b>Net increase in cash and cash equivalents (I + II + III)</b>	<b>(23,324,421)</b>	<b>60,009,626</b>
Add: Balance at the beginning of the year	<b>61,938,886</b>	<b>1,929,261</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>38,614,465</b>	<b>61,938,886</b>
<b>Components of cash and cash equivalents (Refer Note 17)</b>		
Cash on hand	147,356	2,857
Balances with banks		
- in Current accounts	38,467,109	61,936,029
- in Deposits with maturity of less than three months	-	-
	<b>38,614,465</b>	<b>61,938,886</b>

Notes 1 to 34 form part an integral part of these financial statements.

Note:

The Cash Flow Statement has been prepared under indirect method as set out in Accounting Standard (AS) - 3 "Cash Flow Statements" as notified by central government under the Companies Act, 2013.

As per our report of even date

**FOR DALAL DOSHI & ASSOCIATES**

**CHARTERED ACCOUNTANTS**

Firm Registration No.- 121773W

**DINESH DOSHI**

**PARTNER**

Membership No. F-9464



Place : New Jersey

Date: 27th June, 2016

**FOR AND ON BEHALF OF THE BOARD**

*Rushank Shah*

**RUSHANK SHAH**

**DIRECTOR**

DIN : 02960155

*Anil Ahluwalia*

**ANIL AHLUWALIA**

**DIRECTOR**

DIN : 00597508



Place : Mumbai

Date: 27th June, 2016

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

NOTE '1'

A. CORPORATE INFORMATION

TWENTY FIVE SOUTH REALTY LIMITED (FORMERLY KNOWN AS HOARY REALTY LIMITED) is domiciled in India and incorporated under the provision of the Companies Act, 1956 read with the general circular 15 / 2013 dated 13 September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. The Company is engaged in real estate business of construction and development of residential and commercial premises.

B. Basis for 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 financial 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.

C. 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.

NOTE '2'

SIGNIFICANT ACCOUNTING POLICIES

A. Revenue recognition

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 buyers' commitment to make the complete payment.

1 Revenue from sale of properties /rights

i. Revenue from sale of finished properties / buildings /rights' is recognised on transfer of all significant risks and rewards of such properties/ building/ rights, as per terms of the contracts entered into with the 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 all the transfer of all significant risks and rewards.

ii. Revenue from sale of incomplete properties/ projects is recognized on the basis of percentage of completion method in accordance with the Revised Guidance Note issued by the Institute of Chartered Accountants of India (ICAI) on Accounting for Real Estate Transactions (Revised 2012) and if the following thresholds have been met:

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

Further, revenue recognized in the aforesaid manner 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 to 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.

iii. Losses expected to be incurred on projects under construction, are charged in the Statement of Profit and Loss in the period in which such the losses are known.

iv. Costs of the projects are based on the management's estimate of the cost to be incurred upto the completion of the projects and include costs of the land, Floor Space Index (FSI), materials, services and other expenses attributable to the projects. Estimates of project income, as well as project costs, are reviewed periodically.

v. The sale proceeds of the investments held in the subsidiaries, joint ventures, etc. developing real estate projects are included in real estate revenue net of the costs.

2 Interest Income :

Interest income is recognised on a time proportionate basis taking into account the amount outstanding and the rates applicable.

3 Others:

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



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

**NOTE '2' (Contd..)**

**B. Fixed Assets and depreciation/ amortisation:**

Fixed assets, both tangible and intangible are stated at cost of acquisition, less accumulated depreciation/amortisation. Cost includes inward freight, duties, taxes, and incidental expenses related to acquisition and installation of the assets.

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.

**C. 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.

**D. Inventories:**

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

**A. 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.

**B. 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.

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.

**E. Investments**

**A. 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.

**B. Current Account in Partnership Firms** represents additional contribution, share of profits and losses and excess withdrawal of funds. Additional contribution and share of profits to the extent not withdrawn is carried as 'Current Investment in Partnership Firms' under "Current/Non Current Investment" as the case may be. Excess withdrawals and share of losses are booked under "Other Current Liabilities".

**F. Employee Benefits**

**A. Short term employee benefits** are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss in the year in which the related service is rendered:

**B. Post Employment Benefits**

- i. **Defined contribution plans :** The Company's contribution to State governed Provident Fund Scheme is recognized in the year in which the related service is rendered. The Company has applied for the registration of Provident fund, which is under process.
- ii. **Defined benefit plans :** The present value of gratuity obligation (unfunded) is determined based on an actuarial valuation using the Projected Unit Method. Actuarial gains and losses arising on such valuation are recognised immediately in the Statement of Profit and Loss.
- iii. **Other long term benefits (leave entitlement)** are recognized in the manner similar to defined benefit plans.

**G. 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 recognized during the year in the statement of 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.

**H. 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.



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

**NOTE '2' (Contd..)**

**I. 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 for 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.

**J. 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.

**K. Borrowing costs:**

Interests and other borrowing costs (including front end processing fees) and interest paid on account of subvention scheme attributable to qualifying assets (viz. constructed properties) 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. Other borrowing costs are charged to the Statement of Profit and Loss.

**L. Provisions and Contingent liabilities:**

Provision are recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on management estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

**NOTE '3'**

**SHARE CAPITAL**

**Authorised share capital**

	31 March, 2016 (₹)	31 March, 2015 (₹)
95,000 (P.Y. 95,000) Ordinary Equity Shares of ₹ 10 each	950,000	950,000
50,000 (P.Y. 50,000) Class A Equity Shares of ₹ 10 each	500,000	500,000
5,000 (P.Y. 5,000) Class B Equity Shares of ₹ 10 each	50,000	50,000
50,000 (P.Y. 50,000), 10% Non Cumulative Redeemable Preference Shares of ₹ 10 each	500,000	500,000
<b>Total</b>	<b>2,000,000</b>	<b>2,000,000</b>

**Issued, subscribed and fully paid up (Refer foot notes)**

<b>Ordinary Equity Shares</b>		
37,306 (PY: 37,306) Equity Shares of ₹ 10/- each fully paid up	373,060	373,060

<b>Class A Equity Shares</b>		
10,200 (PY: 10,200) Equity Shares of ₹ 10/- each full paid up	102,000	102,000

<b>Class B Equity Shares</b>		
629 (PY: 629) Equity Shares of ₹ 10/- each full paid up	6,290	6,290

<b>Preference Shares</b>		
1,865 (PY: 1,865) 10% Non Cumulative Redeemable Preference Shares of ₹ 10/- each fully paid up	18,650	18,650
<b>Total</b>	<b>500,000</b>	<b>500,000</b>



**TWENTY FIVE SOUTH REALTY LIMITED**  
**FORMERLY KNOWN AS HOARY REALTY LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016**

**NOTE '3' (Contd..)**

**Footnotes:**

a.

Reconciliation of Number of shares outstanding at the beginning and at the end of the year		31 March, 2016 (Nos.)	31 March, 2015 (Nos.)
<b>i. Equity Share Capital:</b>			
Ordinary Equity Share			
Balance at the beginning of the year		37,306	37,306
Add : Issued during the year		-	-
Less : Bought back during the year		-	-
Balance at the end of the year	<b>Total</b>	<b>37,306</b>	<b>37,306</b>
Class 'A'			
Balance at the beginning of the year		10,200	10,200
Add : Issued during the year		-	-
Less : Bought back during the year		-	-
Balance at the end of the year	<b>Total</b>	<b>10,200</b>	<b>10,200</b>
Class 'B'			
Balance at the beginning of the year		629	629
Add : Issued during the year		-	-
Less : Bought back during the year		-	-
Balance at the end of the year	<b>Total</b>	<b>629</b>	<b>629</b>
<b>ii. Preference Share Capital:</b>			
Balance at the beginning of the year		1,865	1,865
Add : Issued during the year		-	-
Less : Bought back during the year		-	-
Balance at the end of the year	<b>Total</b>	<b>1,865</b>	<b>1,865</b>

b.

Equity Shareholders holding more than five percent shares in the company	31 March, 2016 (Nos.)	31 March, 2016 (%)	31 March, 2015 (Nos.)	31 March, 2015 (%)
<b>i. Equity Share Capital:</b>				
<u>Ordinary</u>				
Hubtown Limited	22,859	61.27%	14,745	39.52%
Distinctive Realty Private Limited	2,704	7.25%	10,818	29.00%
Kimwil Investment Holdings Limited	11,191	30.00%	11,191	30.00%
Others	552	1.48%	552	1.47%
	<b>37,306</b>	<b>100%</b>	<b>37,306</b>	<b>100%</b>
<u>Class 'A'</u>				
Kimwil Investment Holdings Limited	10,200	100.00%	10,200	100.00%
<b>Total</b>	<b>10,200</b>	<b>100%</b>	<b>10,200</b>	<b>100%</b>
<u>Class 'B'</u>				
Kimwil Investment Holdings Limited	629	100.00%	629	100.00%
<b>Total</b>	<b>629</b>	<b>100%</b>	<b>629</b>	<b>100%</b>
<b>ii. Preference Share Capital</b>				
Hubtown Limited	1,865	100.00%	1,865	100.00%
<b>Total</b>	<b>1,865</b>	<b>100%</b>	<b>1,865</b>	<b>100%</b>

c.

**Terms / rights attached to Equity Shares:**

- The ordinary equity shares have a face value of ₹10/- 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.
- Class A shareholder will have preference to dividend and additional voting rights as per shareholder agreement depending on performance milestones.
- Class B shareholder will have preference to dividend and additional voting rights as per shareholder agreement depending on performance milestones.



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

NOTE '4'

RESERVES AND SURPLUS

	31 March, 2016 (₹)	31 March, 2015 (₹)
Security Premium Account		
Balance as per last financial statements	1,866,259,694	1,866,259,694
Add / (Less) :		
Addition during the year	-	-
	1,866,259,694	1,866,259,694
Surplus in the Statement of Profit and Loss		
Balance as per last financial statements	(13,992,774)	13,228,021
Loss for the year	(77,351,353)	(27,220,795)
Net surplus/(deficit) in the statement of profit and loss	(91,344,127)	(13,992,774)
<b>Total</b>	<b>1,774,915,567</b>	<b>1,852,266,920</b>

NOTE '5'

LONG-TERM BORROWINGS

	Long Term		Current Maturities	
	31 March, 2016 (₹)	31 March, 2015 (₹)	31 March, 2016 (₹)	31 March, 2015 (₹)
57(P.Y. 57), 15% Listed, Rated Secured Cumulative, Redeemable, Non-convertible Debentures (Face value of ₹ 1 Crore each) (Refer footnote a)	570,000,000	570,000,000	-	-
Term Loan (Secured)				
From a financial institution (Refer footnote b)	3,273,022,581	3,161,600,000	469,677,419	-
	3,843,022,581	3,731,600,000	469,677,419	-
Amount disclosed under "Other Current Liability" (Refer Note 10)	-	-	(469,677,419)	-
	<b>3,843,022,581</b>	<b>3,731,600,000</b>	<b>-</b>	<b>-</b>

Footnotes:

- a. i. Debentures are to be redeemed on 29th December, 2021.  
ii. Debentures carry coupon at the rate of 15%, the debentures are to be redeemed at 25 % IRR post tax as on redemption date less coupon payments if any.  
iii. The debentures are secured against second floating charge on the receivables of the project.
- b. i. Term loan of ₹ 313.36 crore carry interest at the rate of 11.90 % pa and ₹ 60.91 crore carry interest at the rate of 15.90 % pa.  
ii. Term loans are secured against Property situated at Prabhadevi, Mumbai, and future receivables from the said project. Further 39.52 % of shares of the Company held by Promoter Company Hubtown Limited are pledged for the term loan.  
iii. The term loan is disbursed in the month of March, 2015, it has moratorium period of 18 months there after loan repayment schedule is as follows :

Particulars	Amount (₹ in crores)	Amount (₹ in crores)
April 2015 to September 2016	Nil	Nil
October 2016 to September 2017	55.50	40.50
October 2017 to September 2018	74.00	54.00
October 2018 to September 2019	92.50	67.50
October 2019 to September 2020	92.50	67.50
October 2020 to September 2021	55.50	40.50
<b>Total sanctioned amount</b>	<b>370.00</b>	<b>270.00</b>



**TWENTY FIVE SOUTH REALTY LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016**

**NOTE '6'**

**OTHER LONG TERM LIABILITIES**

Retention Money Payable  
Security Deposit

31 March, 2016 (₹)	31 March, 2015 (₹)
1,916,384	67,735
700,000,000	700,000,000
<b>Total</b> <b>701,916,384</b>	<b>700,067,735</b>

**NOTE '7'**

**LONG TERM PROVISIONS**

Provision for Gratuity  
Provision for Leave benefit

31 March, 2016 (₹)	31 March, 2015 (₹)
149,909	-
129,003	-
<b>Total</b> <b>278,912</b>	<b>-</b>

**NOTE '8'**

**SHORT TERM BORROWINGS**

Loans repayable on demand:  
- from a Company (Unsecured) (Refer footnote)

31 March, 2016 (₹)	31 March, 2015 (₹)
12,641,115	-
<b>Total</b> <b>12,641,115</b>	<b>-</b>

**Footnote:**

Unsecured loan from a company carry interest rate @ 16%

**NOTE '9'**

**TRADE PAYABLES**

Due to micro and small enterprises (Refer footnote)  
Due to others

31 March, 2016 (₹)	31 March, 2015 (₹)
-	-
71,715,963	19,177,604
<b>Total</b> <b>71,715,963</b>	<b>19,177,604</b>

**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 '10'**

**OTHER CURRENT LIABILITIES**

Current Maturities of Long Term Debt (Refer Note 5)  
Interest accrued and due on borrowings  
Interest accrued but not due on borrowings  
Advances from customers  
Employee benefit payable  
Project Advance from Related Party (Refer note 27)  
Other payables :  
Statutory dues  
Other miscellaneous

31 March, 2016 (₹)	31 March, 2015 (₹)
469,677,419	-
14,309,156	14,309,156
425,071,670	189,281,755
930,191,181	59,031,126
1,986,529	-
116,734,892	32,498,892
70,127,407	86,430,392
58,070,544	7,386,996
<b>Total</b> <b>2,086,168,798</b>	<b>388,938,317</b>



**TWENTY FIVE SOUTH REALTY LIMITED**  
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**NOTE '11'**

**SHORT TERM PROVISIONS**

**Provisions for Employee Benefits**

Provision for gratuity (Refer footnote )

Provision for leave benefit

**Other Provision**

Provision for Income Tax (Net of Advance tax ₹ Nil P.Y. ₹ 1,221,292/-)

**Total**

**31 March, 2016**

**( ₹ )**

**31 March, 2015**

**( ₹ )**

4,576

200,388

-

-

54,022

54,022

**Footnotes:**

a. An amount of ₹ 128,810/- (PY Nil) under defined contribution plan is recognised as expense in the Statement of Profit and Loss.

b. The disclosures in respect of the Defined Benefit Gratuity Plan (to the extent of information made available by the actuary) are given below:

**31 March, 2016**

**( ₹ )**

**31 March, 2015**

**( ₹ )**

**Changes in present value of obligation:**

Obligation at the beginning of the year

Current service cost

Interest cost

Actuarial(Gain)/Loss

Benefits paid

Obligation at the end of the year

112,194

42,291

154,485

**Changes in plan assets:**

Fair Value of Plan Assets at beginning of period

Adjustment to Opening Fair Value of Plan Assets

Expected Return on Plan Assets

Contributions

Benefit Paid

Actuarial gain/(loss) on plan assets

Fair Value of Plan Assets at end of period

**Value of amounts recognised in the balance sheet**

PVO at end of period

Fair Value of Plan Assets at end of period

Funded Status

Unrecognized Actuarial Gain/(Loss)

Net Asset/(Liability) recognized in the balance sheet

154,485

(154,485)

(154,485)

**Gratuity Cost recognised for the year:**

Expected Return on Plan Assets

Current service cost

Interest cost

Expected Return on Plan Assets

Actuarial gain/(loss)

Adjustment to Opening Fair value of Plan Assets

Net gratuity cost

-

112,194

-

-

(154,485)

-

154,485



TWENTY FIVE SOUTH REALTY LIMITED  
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

NOTE '12'  
FIXED ASSETS

PARTICULARS	GROSS BLOCK (AT COST)			DEPRECIATION / AMORTISATION					NET BLOCK	
	As at 31 March, 2015	Additions / Adjustments during the year	Deductions / Adjustments	As at 31 March, 2016	Upto 31 March, 2015	Provided during the year	Deductions / Adjustments	Upto 31 March, 2016	As at 31 March, 2016	As at 31 March, 2015
<b>Tangible Assets</b>										
Building	3,685,543	-	-	3,685,543	3,685,543	-	-	3,685,543	-	-
Office Equipment	917,327	212,709	-	1,130,036	14,876	196328	-	211,204	918,832	902,451
Furniture and Fixture	723,691	3,458,916	-	4,182,607	6,031	388531	-	394,562	3,788,045	717,660
Computers/Laptops	-	549,426	-	549,426	-	90708	-	90,708	458,718	-
<b>GRAND TOTAL</b>	<b>5,326,561</b>	<b>4,221,051</b>	<b>-</b>	<b>9,547,612</b>	<b>3,706,450</b>	<b>675,567</b>	<b>-</b>	<b>4,382,017</b>	<b>5,165,595</b>	<b>1,620,111</b>
<b>Previous Year</b>	<b>994,205,610</b>	<b>1,641,018</b>	<b>* 990,520,067</b>	<b>5,326,561</b>	<b>2,099,038</b>	<b>1,607,412</b>	<b>-</b>	<b>3,706,450</b>	<b>1,620,111</b>	

\* The Company has transferred its Land to inventories since the construction activity of the Company has commenced



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

**NOTE '13'**

**DERIVED TAX ASSETS**

**Deferred Tax Asset**

Fixed Assets : Impact of difference between depreciation as per the Income Tax Act, 1961 and depreciation/amortisation as per Companies Act, 2013

**Total**

31 March, 2016 (₹)	31 March, 2015 (₹)
44,814	-
<b>44,814</b>	<b>-</b>

**NOTE '14'**

**LOANS AND ADVANCES**

	<b>Long Term</b>		<b>Short Term</b>	
	31 March, 2016 (₹)	31 March, 2015 (₹)	31 March, 2016 (₹)	31 March, 2015 (₹)
Security Deposits				
Unsecured, considered good				
- to related party (Refer foot note 27)	15,039,500	15,000,000	-	-
Advances recoverable in cash or kind				
Unsecured, considered good				
- to others	-	-	52,111,919	2,025,362
Loans and Advances:				
- to related party (Refer foot note 27)	-	-	19,217,014	14,847,693
- to others	-	-	10,470,067	9,707,995
Advance Income Tax (Net of provisions ₹ 12,75,314/- ₹ PY Nil)	9,418,389	7,892,946	-	-
Service tax cenvat receivable	-	-	17,809,407	27,051,877
Prepaid Expenses	4,071,403	-	1,848,336	-
Unamortised ancillary borrowing cost	128,702,968	128,890,944	32,436,234	63,872,722
<b>Total</b>	<b>157,232,260</b>	<b>151,783,890</b>	<b>133,892,977</b>	<b>117,505,649</b>

**NOTE '15'**

**OTHER ASSETS**

	<b>Non Current</b>		<b>Current</b>	
	31 March, 2016 (₹)	31 March, 2015 (₹)	31 March, 2016 (₹)	31 March, 2015 (₹)
Non-current bank balances (Refer Note 17)	-	9,954,306	-	-
Accrued interest receivable on Inter corporate deposit	-	-	4,613,655	-
Accrued interest on fixed and margin money deposits	-	-	59,833	58,920
<b>Total</b>	<b>-</b>	<b>9,954,306</b>	<b>4,673,488</b>	<b>58,920</b>

**NOTE '16'**

**INVENTORIES**

(Valued at lower of cost or net realisable value)

	31 March, 2016 (₹)	31 March, 2015 (₹)
Stock of material at site	1,653,986	-
Incomplete projects	8,138,885,524	6,348,589,508
<b>Total</b>	<b>8,140,539,510</b>	<b>6,348,589,508</b>

**NOTE '17'**

**CASH AND BANK BALANCES**

	<b>Non Current</b>		<b>Current</b>	
	31 March, 2016 (₹)	31 March, 2015 (₹)	31 March, 2016 (₹)	31 March, 2015 (₹)
Cash and Cash equivalents:				
Cash on hand	-	-	147,356	2,857
Balances with banks:				
- in current accounts	-	-	38,467,109	61,936,029
Other Bank Balances:			38,614,465	61,938,886
Deposit with maturity of more than three months but less than twelve months	-	-	9,954,306	-
Deposit with maturity of more than twelve months	-	9,954,306	-	-
Margin money deposit	-	-	1,246,869	1,153,328
	-	9,954,306	49,815,640	63,092,214
Amount disclosed under "Other Non-Current Assets" (Refer Note 15)	-	(9,954,306)	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>49,815,640</b>	<b>63,092,214</b>



**TWENTY FIVE SOUTH REALTY LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016**

<b>NOTE '18'</b>	<b>31 March, 2016</b>	<b>31 March, 2015</b>
<b>OTHER INCOME</b>	<b>(₹)</b>	<b>(₹)</b>
Interest:		
- On Intercompany Deposits	5,126,284	58,182,704
- On Fixed Deposits	821,735	792,595
Profit on sale of current investment	109,956	-
Sundry Credit balance appropriated	6,000,092	-
Excess provision written back	10,170,139	-
<b>Total</b>	<b>22,228,206</b>	<b>58,975,299</b>

<b>NOTE '19'</b>	<b>31 March, 2016</b>	<b>31 March, 2015</b>
<b>COSTS OF CONSTRUCTION / DEVELOPMENT</b>	<b>(₹)</b>	<b>(₹)</b>
Land / Rights acquired	721,500,000	2,400,400,000
Approval & Consultancy Costs	313,787,804	1,965,373
Material and Labour Cost	59,446,234	-
Other Direct Development Cost	357,896	239,204
Cost of Land transferred from fixed assets (Refer Note 12)	-	990,520,067
<b>Total</b>	<b>1,095,091,934</b>	<b>3,393,124,644</b>

<b>NOTE '20'</b>	<b>31 March, 2016</b>	<b>31 March, 2015</b>
<b>CHANGES IN INVENTORIES OF INCOMPLETE PROJECTS</b>	<b>(₹)</b>	<b>(₹)</b>
<b>Opening Inventory :</b>		
Incomplete Projects	6,348,589,507	2,493,588,647
<b>Closing Inventory :</b>		
Incomplete Projects	8,138,885,523	6,348,589,507
<b>Total</b>	<b>(1,790,296,016)</b>	<b>(3,855,000,860)</b>

<b>NOTE '21'</b>	<b>31 March, 2016</b>	<b>31 March, 2015</b>
<b>EMPLOYEE BENEFITS EXPENSE</b>	<b>(₹)</b>	<b>(₹)</b>
Salaries, bonus, etc.	9,257,723	-
Contribution to provident and other funds	283,295	-
Staff welfare expenses	166,712	-
Other fund expenses	14,592	-
	<b>9,722,322</b>	<b>-</b>

<b>NOTE '22'</b>	<b>31 March, 2016</b>	<b>31 March, 2015</b>
<b>FINANCE COSTS</b>	<b>(₹)</b>	<b>(₹)</b>
Interest Expense:		
- On debenture	220,198,235	168,520,556
- On Fixed Loans	410,564,477	180,491,272
- On Others	21,892,014	-
Delayed payments on taxes and statutory dues	14,133,336	18,230,362
	<b>666,788,062</b>	<b>367,242,190</b>
Other Borrowing cost	32,703,805	115,445,930
<b>Total</b>	<b>699,491,867</b>	<b>482,688,120</b>

**Footnote:**

In line with Accounting Standard AS-16 Borrowing costs issued by The Institute of Chartered Accountants of India, borrowing costs of ₹ 685,358,531/- (P.Y. ₹ 464,457,758/-) have been capitalised to inventory.

<b>NOTE '23'</b>	<b>31 March, 2016</b>	<b>31 March, 2015</b>
<b>DEPRECIATION AND AMORTISATION</b>	<b>(₹)</b>	<b>(₹)</b>
Depreciation / Amortisation on tangible fixed assets	675,567	1,607,412
<b>Total</b>	<b>675,567</b>	<b>1,607,412</b>



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**TWENTY FIVE SOUTH REALTY LIMITED**  
**FORMERLY KNOWN AS HOARY REALTY LIMITED**  
**CIN : US1100MH1996PLC100876**

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

**NOTE '24'**

**OTHER EXPENSES**

	<b>31 March, 2016</b>	<b>31 March, 2015</b>
	<b>(₹)</b>	<b>(₹)</b>
Rates and Taxes	18,082,542	11,417,664
Advertisement expenses	28,236,274	146,892
Legal and Professional Fees	10,245,351	10,697,783
Donations	50,000	500,000
Travelling and conveyance	1,456,115	907,835
Brokerage	15,321,760	34,855
Repairs and Maintenance Expenses	1,988,087	3,750,901
Loss on Foreign Currency Fluctuation (Net)	210,452	409,368
Other Expenses (Refer footnote)	9,348,118	3,608,346
<b>Total</b>	<b>84,938,699</b>	<b>31,473,644</b>

**Footnote:**

Auditors Remuneration (included in other expenses) (Also includes remuneration of earlier auditor)

Audit fees	250,000	250,000
Other certification fees	85,000	80,000
Limited review fees	15,000	60,000
Service tax on above	50,429	48,204
	<b>400,429</b>	<b>438,204</b>

**NOTE '25'**

**PRIOR PERIOD ADJUSTMENTS (NET)**

	<b>31 March, 2016</b>	<b>31 March, 2015</b>
	<b>(₹)</b>	<b>(₹)</b>
Debits relating to earlier years:		
Finance and other borrowing cost	-	61,964,557
Credits relating to earlier years:		
Refund of FSI Premium Receivable	-	(30,254,100)
<b>Total</b>	<b>-</b>	<b>31,710,457</b>

**NOTE '26'**

**EARNINGS / (LOSSES) PER SHARE**

The basic earnings/(losses) per equity share is computed by dividing the net profit/(loss) attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting period. The number of shares used in computing diluted earnings/(losses) per share comprises the weighted average number of shares considered for deriving basic earnings/(losses) per share and also the weighted average number of equity shares, which may be issued on the conversion of all dilutive potential shares, unless the results would be anti dilutive. The earnings/(losses) per share is calculated as under:

<b>Particulars</b>	<b>31 March, 2016</b>	<b>31 March, 2015</b>
Net (Loss) available for equity share holders (₹)	(77,351,353)	(27,220,795)
Weighted average number of equity shares (Nos)	48,135	48,135
Basic earnings/(losses) per share (₹)	(1,607)	(566)
Diluted earnings/(losses) per share (₹)	(1,607)	(566)
Nominal value of shares (₹)	10	10



**TWENTY FIVE SOUTH REALTY LIMITED**  
**FORMERLY KNOWN AS HOARY REALTY LIMITED**  
**CIN : US1100MH1996PLC100876**

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

**NOTE 27**

**RELATED PARTY DISCLOSURE**

(i) List of related parties (as certified and confirmed by the management)

**A. Holding Company**

Hubtown Limited (from 23rd June 2015)

**B. Fellow Subsidiary Companies / Enterprises under common control**

- 1 ABP Realty Advisors Private Limited
- 2 Akruti Sageguard Systems Private Limited
- 3 Asha Multitrade Private Limited
- 4 Citywood Builders Private Limited
- 5 Citygold Education Research Limited
- 6 Citygold Farming Private Limited
- 7 Devkrupa Build Tech Limited
- 8 Divinity Projects Private Limited
- 9 Gujarat Akruti TCG Biotech Limited
- 10 Halftious Developer Limited
- 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 Jineshwar Multitrade Private Limited
- 16 Joynest Premises Private Limited
- 17 Sheshan Housing And Area Development Engineers Limited (desubsidiarised effective April 01, 2015)
- 18 Upvan Lake Resorts Private Limited
- 19 Urvi Buildtech Limited
- 20 Vama Housing Limited
- 21 Vega Developers Private Limited
- 22 Vishal Techno Commerce Limited
- 23 Yantti Buildcon Private Limited
- 24 Akruti Jay Developers (Firm)

**C. Associate Companies**

- 1 Hubtown Limited (Upto 22nd June 2015)

**D. Other Companies (Where transactions have taken place)**

- 1 Citygold Manangement Services Pvt Ltd
- 2 Distinctive Realty Private Limited

Note: Related party relationships are as identified by the Company and relied upon by the Auditor.



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**TWENTY FIVE SOUTH REALTY LIMITED**  
**FORMERLY KNOWN AS HOARY REALTY LIMITED**  
CIN: U51100MH1996PLC100876

**II) Related party transactions and balance as at year end:**

Particulars	Holding company	Fellow Subsidiary companies / Enterprises under common control	Associate	Other companies
<b>A. Transactions / Related parties</b>				
<b>I. Loans and Advances received \ recovered \ adjusted</b>				
Distinctive Realty Private Limited				(285,091,871)
<b>II. Loans and Advances given \ repaid \ recovered \ adjusted</b>				
Distinctive Realty Private Limited				353,641 (62,853,000)
<b>III. Business Advances received \ recovered \ adjusted</b>				
Hubtown Limited	350,000,000 (-)		40,750,000 (749,228,392)	
<b>IV. Business Advances given \ repaid \ recovered \ adjusted</b>				
Hubtown Limited	300,264,000 (-)		6,250,000 (716,729,500)	
<b>v. Advances received against sale of flats</b>				
Diviniti Projects Private Limited		501,060,598 (-)		
<b>VI. Land rights acquired</b>				
Hubtown Limited	326,000,000 (-)			(2,400,400,000)
<b>vii. Construction Cost</b>				
Akruti Jay Developers		9,302,679 (-)		
<b>viii. Interest paid</b>				
Distinctive Realty Private Limited				353,641 (3,762,381)
Heddie Knowledge Pvt Limited		(14,309,156)		
<b>IX. Interest received</b>				
Distinctive Realty Private Limited				1,039,065 (54,354,706)
<b>x. On behalf expenses made (including reimbursement of expenses)</b>				
Diviniti Projects Private Limited		1,687,671 (-)		
<b>xi. On behalf expenses received (including reimbursement of expenses)</b>				
Citygold Management Services Pvt Ltd				44,400 (-)
<b>B. Closing balances</b>				
<b>a. Receivable</b>				
Distinctive Realty Private Limited				19,217,014 (29,847,693)
<b>b. Balance Payable</b>				
Hubtown Limited	116,734,892 (-)		(32,498,892)	
Diviniti Projects Private Limited		502,748,269 (-)		
Heddie Knowledge Pvt Limited		14,309,156 (-)		
Citygold Management Services Pvt Ltd				44,400 (-)

Note: Figures in brackets are of the previous year



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**TWENTY FIVE SOUTH REALTY LIMITED**  
**FORMERLY KNOWN AS HOARY REALTY LIMITED**  
**CIN : U51100MH1996PLC100876**

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

**NOTE '28'**

Interest received due to temporary deployment of funds pending utilisation has been reduced from the borrowing cost of inventory valuation.

**NOTE '29'**

**Expenditure in Foreign Currency**

Particulars	31st March, 2016 (₹)	31st March, 2015 (₹)
Architect Fees	7,226,039	-
D & D consultancy charges	6,399,065	-
Review consultancy	1,310,959	-
Foreign Travelling	1,128,000	-
Interest	201,064,844	196,353,889
<b>Total</b>	<b>217,129,007</b>	<b>196,353,889</b>

**NOTE '30'**

**Disclosure of derivatives**

a. No derivative instrument were outstanding at the end of the year.

b. Uncovered risk in foreign currency for trade payables are as under :

Particulars	31st March, 2016	31st March, 2015
USD	79,075	162,095
INR	5,285,729	10,103,350

**NOTE '31'**

**Contingent Liability**

Sr. No.	Particulars	As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
1	Liability towards Property tax, Water tax and Sewerage tax	-	12,011,060
2	Workmen's liability of earstwhile, Hindoostan Spinning and Weaving Mills Limited (Refer Foot note)	10,133,115	10,386,639

**Foot Note :**

The Hindoostan Spinning and Weaving Mills Limited (HSWML), a body corporate had in the year 2002 had declared a Voluntary Retirement Scheme (VRS). The VRS liability, alongwith other assets and liabilities, vide scheme of the Board of Industrial and Financial Reconstruction (BIFR), dated 1.4.2004 was inherited by Hoary Realty Limited (Formerly known as Chaitra Realty Limited). Some of the workers didn't accept VRS and insisted on continuation of job. The Company thereupon declared closure. After going through various appellant bodies the matter was referred to the Industrial Tribunal which passed its order confirming closure. A writ petition was filed by the workers Union against the order of Industrial Tribunal. The said dispute is yet to be resolved fully.

**NOTE '32'**

In the opinion of The Board of Directors of the Company, all Items of Current Assets, 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 sheet.

**NOTE '33'**

During the year, the Company has changed it's Revenue recognition policy from project completion method to percentage completion method in accordance with the Revised Guidance Note Issued by the Institute of Chartered Accountants of India (ICAI) on Accounting for Real Estate Transactions (Revised 2012). However, there is no impact on the statement of Profit and Loss account since the company has met the threshold limit as mentioned in the accounting policy.

**NOTE '34'**

Previous year's figures have been regrouped wherever considered necessary to confirm with the current year's presentation.

**FOR DALAL DOSHI & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
**Firm Registration No.- 121773W**

**DINESH DOSHI**  
**PARTNER**  
**Membership No. F-9464**



**FOR AND ON BEHALF OF THE BOARD**

*Rushank Shah*  
**RUSHANK SHAH**  
**DIRECTOR**  
**DIN : 02960155**

*Anil Ahluwalia*  
**ANIL AHLUWALIA**  
**DIRECTOR**  
**DIN : 00597508**

**Place : New Jersey**  
**Date:- 27th June, 2016**

**Place : Mumbai**  
**Date:- 27th June, 2016**



**IN THE BOOKS OF TWENTY FIVE SOUTH REALTY LIMITED**  
**FORMERLY KNOWN AS HOARY REALTY LIMITED**  
**CIN : U51100MH1996PLC100876**

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

SCHEDULE VI GROUPING	EXPENSES		INCOME	LIABILITIES				ASSETS
	Finance Cost Interest on Loan	Costs of Const PMC fees / C/C		Trade payable Reimbursement	Other Cur Liab. Business Advance received from related party	Other Curr Liab Int Accrued and due and Due	Other Cur Liab. Other Payable	L & A - Current Loan to Related Parties
<b>Name of Company</b>								
Hubtown Limited	-	326,000,000	-	-	116,734,892	-	-	-
Heddl Knowledge Private Limited	-	-	-	-	-	14,309,156	-	-
Disitivite Realty Private Limited	353,641	-	3,039,065	-	-	-	-	19,217,014
Citygold Management Private Limited	-	-	-	44,400	-	-	-	-
Dlviniti Projects Private Limited	-	-	-	-	-	-	502,748,269	-
Akruti Jay Developers	-	9,302,679	-	-	-	-	-	-
<b>TOTAL</b>	<b>353,641</b>	<b>335,302,679</b>	<b>3,039,065</b>	<b>44,400</b>	<b>116,734,892</b>	<b>14,309,156</b>	<b>502,748,269</b>	<b>19,217,014</b>

**FOR DALAL DOSHI & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
**Firm Registration No.- 121773W**

**DINESH DOSHI**  
**PARTNER**  
**Membership No. F-9464**

**Place :New Jersey**  
**Date:- 27th June, 2016**



**FOR AND ON BEHALF OF THE BOARD**

**RUSHANK SHAH**  
**DIRECTOR**  
**DIN : 02960155**

**ANIL ABULWALLA**  
**DIRECTOR**  
**DIN : 00597508**  
**Place :Mumbai**  
**Date:- 27th June, 2016**

# *M. K. Gohel & Associates*

CHARTERED ACCOUNTANTS

## INDEPENDENT AUDITOR'S REPORT

**TO,  
THE MEMBERS OF,  
UPVAN LAKE RESORTS PRIVATE LIMITED**

### **Report on the Financial Statements**

We have audited the accompanying Financial Statements of **UPVAN LAKE RESORTS 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**

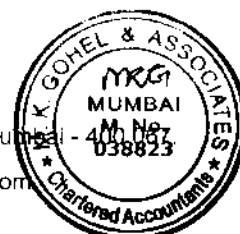
The Company's Board of Directors is responsible for the matters stated in section 134 (5) of the Companies Act, 2013 ("the act") with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company 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. 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 the Company is a Private Company, and falls within the exemption specified in paragraph 2(v) of the Companies (Auditor's Report) Order, 2015 issued by the Central Government of India in terms of subsection 11 of section 143 of the Companies Act, 2013 (18 of 2013), the matters specified in paragraphs 3 and 4 of the said order are not enclosed.
- 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 AUG 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 31<sup>st</sup> MARCH, 2016 OF UPVAN LAKE RESORTS PRIVATE LIMITED**

We have audited the internal financial controls over financial reporting of **UPVAN LAKE RESORTS 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**

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) pertains 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

*MKGohel*

**MUKESH K. GOHEL**  
PROPRIETOR  
Membership No. 038823



Place : Mumbai

Date **30 AUG 2016**

Upvan Lake Resorts Private Limited  
CIN: U55204MH2008PTC183084

**Balance Sheet As at 31st March, 2016**

Particulars	Note No.	As At 31st March, 2016 ₹	As At 31st March, 2015 ₹
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	3	120,000	120,000
Reserves and surplus	4	(2,911,642)	(2,904,030)
		<b>(2,791,642)</b>	<b>(2,784,030)</b>
<b>Non-current liabilities :</b>			
Other Long term liabilities	5	1,557,984	3,541,847
		<b>1,557,984</b>	<b>3,541,847</b>
<b>Current liabilities :</b>			
Short-term borrowings	6	80,160	49,390
Trade payables	7	3,825,570	4,343,713
Other current liabilities	8	47,362,235	45,459,352
		<b>51,267,965</b>	<b>49,852,455</b>
<b>TOTAL</b>		<b>50,034,307</b>	<b>50,610,272</b>
<b>II. ASSETS</b>			
<b>Non-current Assets</b>			
Fixed assets :	9		
Tangible assets		96,621	117,265
Capital work in progress		49,572,457	50,289,824
Non Current Investments	10	10,000	10,000
		<b>49,679,078</b>	<b>50,417,089</b>
<b>Current Assets</b>			
Short-term loans and advances	11	54,079	94,079
Cash and Bank Balances	12	301,150	99,104
		<b>355,229</b>	<b>193,183</b>
<b>TOTAL</b>		<b>50,034,307</b>	<b>50,610,272</b>

Significant Accounting Policies 1 to 2  
Notes on Financial Statements 3 to 24

As per report attached of even date

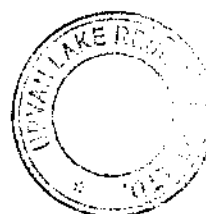
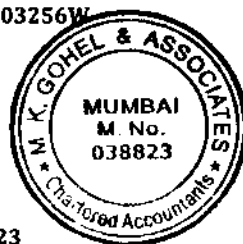
For M.K. GOHEL & ASSOCIATES

CHARTERED ACCOUNTANTS

Firm Registration No: 103256W

For and on behalf of the Board

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



*Bhavik Shah*  
**BHAVIK SHAH**  
DIRECTOR  
DIN: 07108862

*Samir Kumar Salot*  
**SAMIR KUMAR SALOT**  
DIRECTOR  
DIN: 07115916

Place: Mumbai

Date: **30 AUG 2016**

**Upvan Lake Resorts Private Limited**
**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 ₹
<b>I. INCOMES</b>			
Revenue from business operations	13	501,038	783,869
Other income	14	(691)	4,550
<b>TOTAL</b>		<b>500,347</b>	<b>788,419</b>
<b>II. EXPENSES</b>			
Cost of Construction / Development	15	371,737	1,514,974
Finance Cost	16	5,512	76,206
Other Expenses	17	130,710	76,347
Depreciation and Amortisation	9	20,644	20,644
Less: Attributable to Capital WIP (Tr. to CWIP)		(20,644)	(20,644)
<b>TOTAL</b>		<b>507,959</b>	<b>1,667,527</b>
<b>Profit before tax</b>		<b>(7,612)</b>	<b>(879,108)</b>
Tax expense :			
Current tax		-	-
Excess Provision of Income Tax for earlier periods		-	-
<b>Profit / (Loss) for the year</b>		<b>(7,612)</b>	<b>(879,108)</b>
Earning per equity share (Face Value of ₹ 10 /- each)	18		
Basic and Diluted		(0.63)	(73.26)

**Significant Accounting Policies**

Notes on Financial Statements

1 to 2

As per report attached of even date

3 to 24

**For M.K. GOHEL & ASSOCIATES**
**For and on behalf of the Board**
**CHARTERED ACCOUNTANTS**
**Firm Registration No: 103256W**

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



*Bhavik Shah*  
**BHAVIK SHAH**  
**DIRECTOR**  
**DIN: 07108862**

*Samir Kumar Salot*  
**SAMIR KUMAR SALOT**  
**DIRECTOR**  
**DIN: 07115916**

Place: Mumbai

 Date: **30 AUG 2016**

Upvan Lake Resorts Private Limited

CIN: U55204MH2008PTC183084

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

Particulars	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
<b>I Cash Flow arising from Operating Activities:</b>		
Net Loss before taxes as per Statement of Profit and Loss	(7,612)	(879,108)
Add / (Deduct) :		
Interest Expenses	130,710	76,347
Miscellaneous Expenditure written off/back	-	-
Depreciation	20,644	20,644
	151,354	96,991
Operating Profit / (Loss) before Working Capital Changes	143,742	(782,117)
Add / (Deduct) :		
(Increase) / Decrease in Loans & Advances	40,000	(40,000)
(Increase) / Decrease in Capital Work-in-Progress	717,367	(1,656,035)
Decreased in retention money	-	-
Increase / (Decrease) in Trade Payable	(518,143)	2,023,035
(Increase) / Decrease in Other Current assets	-	4,412
Increase / (Decrease) in Other liabilities and other provisions	1,902,883	1,186,195
	2,142,107	1,517,607
<b>Net Cash Flow in the course of operating activities</b>	<b>2,285,849</b>	<b>735,490</b>
<b>II Cash Flow from Investing Activities:</b>		
Inflow / (Outflow) on account of:		
Fixed Assets Acquired	-	-
Proceeds from Long Term Investments	-	(10,000)
<b>Net Cash Flow in the course of investing activities</b>	<b>-</b>	<b>(10,000)</b>
<b>III Cash Flow from Financing Activities:</b>		
Inflow / (Outflow) on account of:		
Borrowings	(1,953,093)	(807,913)
Interest Expenses	(130,710)	(76,347)
<b>Net Cash Flow in the course of Financing activities</b>	<b>(2,083,803)</b>	<b>(884,260)</b>
Net Increase / (Decrease) in Cash and Cash Equivalents (I + II + III)	202,046	(158,769)
Add: Cash and Cash Equivalents at the Beginning of the Year	99,104	257,874
Cash and Cash Equivalents at the end of the Year	301,150	99,104
<b>Reconciliation of Cash and Cash Equivalents (Refer note 12)</b>		
Cash on hand	10,720	35,575
Bank Balances - in current account	290,430	63,529
<b>Cash and Cash Equivalents at the end of the year</b>	<b>301,150</b>	<b>99,104</b>

As per attached report of even date

For M.K. GOHEL &amp; ASSOCIATES

CHARTERED ACCOUNTANTS

Firm Registration No: 103256W

MUKESH K GOHEL  
PROPRIETOR

Membership No.: 038823



Place: Mumbai

Date: 30 AUG 2016

For and on behalf of the Board

BHAVIK SHAH  
DIRECTOR  
DIN: 07108862SAMIR KUMAR SALOT  
DIRECTOR  
DIN: 07115916

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

**1. Corporate Information**

Upvan Lake Resorts Private Limited is a Private Limited Company domiciled in India, incorporated under the Companies Act, 1956. The Company is engaged into real estate business specializing in construction and development, conducting of Hotels, Consultancy, maintenance of Restaurants etc.

**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 sale of properties / rights**

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/ Income and Costs / Expenditure are generally accounted on accrual, as they 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 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.

*Shaville Shah*  
*G. G. S. S. S.*



**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. Hence, disclosures under AS-17 are not applicable.

**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. 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.

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. Impairment of Assets**

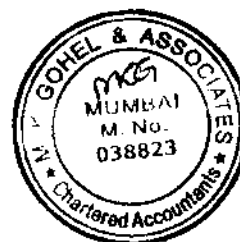
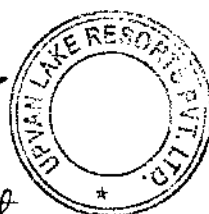
The carrying amount of assets is reviewed at each Balance Sheet date. If there is any indication of impairment based on internal/external factors, i.e. when the carrying amount of the assets exceeds the recoverable amount, an impairment loss is charged to the Profit and Loss Account in the year in which 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.

**X. Provisions, Contingent Liabilities and Contingent assets**

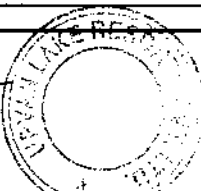
Provisions involving a substantial degree of estimation in measurement are recognised when there is present obligation as a result of past events and its probable there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the financial statement. Contingent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

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*X G. S. S. S. S.*



<b>Upvan Lake Resorts Private Limited</b> <b>CIN: U55204MH2008PTC183084</b>			
<b>NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2016</b>			
	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹	
<b>NOTE '3'</b> <b>SHARE CAPITAL</b> <b>AUTHORISED</b> 50,000 (P.Y. 50,000) Equity Shares of ₹10/- each			
	500,000	500,000	
	<b>500,000</b>	<b>500,000</b>	
<b>ISSUED, SUBSCRIBED AND PAID UP</b> 12,000 (P.Y. 12,000) Equity Shares of ₹10/- each fully paid up			
	120,000	120,000	
<b>Total</b>	<b>120,000</b>	<b>120,000</b>	
<b>3.1 Reconciliation of the number of shares outstanding at the beginning and at the end of the year</b>			
	31st March, 2016 Equity	31st March, 2015 Equity	
Number of Shares at the Beginning	12,000	12,000	
Add/(Less) :			
Issue during the year	-	-	
Buyback during the year	-	-	
Redemption during the year	-	-	
Conversion during the year	-	-	
<b>At the end of the year (Nos)</b>	<b>12,000</b>	<b>12,000</b>	
<b>3.2 Shares held by its holding company or its ultimate holding company subsidiaries or associates of the holding company or the ultimate holding company</b>			
	31st March, 2016 Equity	31st March, 2015 Equity	
<b>Holding Company of Reporting Company (HCRC)</b> Hubtown Limited with Beneficiary Owners	9,000	9,000	
<b>Total</b>	<b>9,000</b>	<b>9,000</b>	
<b>3.3 Shareholders holding more than five percent of holdings</b>			
	31st March, 2016		31st March, 2015
	Nos	% of Holdings	Nos
<b>Equity</b>			% of Holdings
Hubtown Limited with Beneficiary Owners	9000	75.00	9000
Arunkumar Mahabal Suvama	1000	8.33	1000
Vivek Sadanand Salian	1000	8.33	1000
Prasad Shashikant Kolambkar	1000	8.33	1000
<b>Total</b>	<b>12,000</b>	<b>100.00</b>	<b>12,000</b>
<b>3.5 The rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital</b>			
The company has only one 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.			
	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹	
<b>NOTE '4'</b> <b>RESERVES AND SURPLUS</b> Surplus in Profit and Loss Statement Balance as per Last Profit and Loss Statement			
	(2,904,030)	(2,024,922)	
Profit / (Loss) for the year	(7,612)	(879,108)	
<b>Total</b>	<b>(2,911,642)</b>	<b>(2,904,030)</b>	

Shivill Sha  
  
S. S. S. S. S.



Upvan Lake Resorts Private Limited  
CIN: U55204MH2008PTC183084

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

	As At 31 <sup>st</sup> March, 2016 ₹	As at 31 <sup>st</sup> March, 2015 ₹
<b>NOTE '5'</b>		
<b>OTHER LONG TERM LIABILITIES</b>		
Retention Money	657,984	641,847
Others:		
Deposit from Customer	900,000	2,900,000
<b>Total</b>	<b>1,557,984</b>	<b>3,541,847</b>
	As At 31 <sup>st</sup> March, 2016 ₹	As at 31 <sup>st</sup> March, 2015 ₹
<b>NOTE '6'</b>		
<b>SHORT TERM BORROWINGS</b>		
Unsecured Loans		
- from Shareholders [Refer footnote (a)]	-	-
- from Others [Refer footnote (b)]	80,160	49,390
<b>Total</b>	<b>80,160</b>	<b>49,390</b>
<b>Foot note :</b>		
a) Loan from shareholders are interest free and are repayable on demand.		
b) The loans from other companies are taken at an interest rate of 19.10% p.a (P.Y 19.10%)		
	As At 31 <sup>st</sup> March, 2016 ₹	As at 31 <sup>st</sup> March, 2015 ₹
<b>NOTE '7'</b>		
<b>TRADE PAYABLES</b>		
Trade Payables	3,825,570	4,343,713
<b>Total</b>	<b>3,825,570</b>	<b>4,343,713</b>
<b>Footnote :</b>		
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.		
	As At 31 <sup>st</sup> March, 2016 ₹	As at 31 <sup>st</sup> March, 2015 ₹
<b>NOTE '8'</b>		
<b>OTHER CURRENT LIABILITIES</b>		
Other payables :		
- Business Advances for project from related party.	47,264,446	45,289,446
- Statutory Dues	12,421	106,635
- Others	85,368	63,271
<b>Total</b>	<b>47,362,235</b>	<b>45,459,352</b>

*Khavita Sha*  
*S. Saket*



NOTE '9': FIXED ASSETS									
Sr. No	Fixed Assets	GROSS BLOCK			DEPRECIATION / AMORTISATION			IMPAIRMENT	NET BLOCK
		Balance as at 1st April 2015	Additions/ (Disposals)	Deduction / Adjustments	Balance as at 31st March 2016	Balance as at 1st April 2015	Provided during the year	Deduction / Adjustments	Balance as at 31st March 2016
A.	Tangible Assets								
	Plant and Machinery	13,520	-	-	13,520	8,374	514	-	4,632
	Furniture and Fixtures	271,644	-	-	271,644	159,525	20,130	-	91,989
		285,164	-	-	285,164	167,899	20,644	-	96,621
B.	Capital Work In Progress								
		50,289,824	(717,367)	-	49,572,457	-	-	-	49,572,457
		50,289,824	(717,367)	-	49,572,457	50,289,824	20,644	-	49,669,078
	TOTAL (A + B)	50,574,988	1,656,033	-	50,574,988	147,256	20,644	-	50,407,089
	PREVIOUS YEAR FIGURES	48,918,955				48,771,699			

Note: Depreciation charged on Plant & Machinery and Furniture and Fixtures is used for the purpose of Capital Work in Progress. Hence, charged to Capital WIP.



*Shavil Shah*

*Shavil Shah*

**Upvan Lake Resorts Private Limited**  
CIN: U55204MH2008PTC183084

	As at 31 <sup>st</sup> March, 2016 ₹	As at 31 <sup>st</sup> March, 2015 ₹
<b>NOTE '10'</b>		
<b>NON CURRENT INVESTMENTS</b>		
<b>Capital Investment in Partnership Firm (Refer footnote)</b>		
M/s Rising Glory Developers	10,000	10,000
<b>Total</b>	<b>10,000</b>	<b>10,000</b>

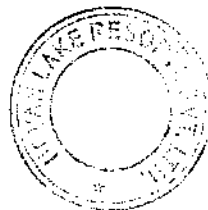
Footnote:  
Details of Investments made in capital of partnership firm:

**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	60,000	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	5.33%	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	10,000	5.33%	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%
	<b>TOTAL</b>	<b>210,000</b>	<b>100.00%</b>	<b>210,000</b>	<b>100.00%</b>

*Shavill Shd*

*Srisakshi*



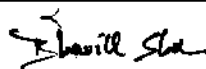
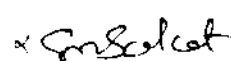
Upvan Lake Resorts Private Limited		
CIN: U55204MH2008PTC183084		
	Current	
	As at 31 <sup>st</sup> March, 2016 ₹	As at 31 <sup>st</sup> March, 2015 ₹
<b>NOTE '11'</b>		
<b>LOANS AND ADVANCES</b>		
Advances recoverable in cash or kind		
Unsecured, considered good	54,079	94,079
<b>Total</b>	<b>54,079</b>	<b>94,079</b>
	As at 31 <sup>st</sup> March, 2016 ₹	As at 31 <sup>st</sup> March, 2015 ₹
<b>NOTE '12'</b>		
<b>CASH AND BANK BALANCES</b>		
Balances with banks;		
- On Current accounts	290,430	63,529
Cash on hand	10,720	35,575
<b>Total</b>	<b>301,150</b>	<b>99,104</b>

Shavile Shah

G. S. S. S.



<b>Upvan Lake Resorts Private Limited</b> <b>CIN: U55204MH2008PTC183084</b>		
	<b>Year Ended</b> <b>31st March, 2016</b> <b>₹</b>	<b>Year Ended</b> <b>31st March, 2015</b> <b>₹</b>
<b>NOTE '13'</b> <b>REVENUE FROM OPEARTIONS</b>		
Other Operating Incomes :		
Miscellaneous Income (Royalty)	501,038	783,869
<b>Total</b>	<b>501,038</b>	<b>783,869</b>
	<b>Year Ended</b> <b>31st March, 2016</b> <b>₹</b>	<b>Year Ended</b> <b>31st March, 2015</b> <b>₹</b>
<b>NOTE '14'</b> <b>OTHER INCOME</b>		
Excess provision written back	-	4,550
Share of profit / (loss) from partnernship firm	(691)	-
<b>Total</b>	<b>(691)</b>	<b>4,550</b>
	<b>Year Ended</b> <b>31st March, 2016</b> <b>₹</b>	<b>Year Ended</b> <b>31st March, 2015</b> <b>₹</b>
<b>NOTE '15'</b> <b>COST OF CONSTRUCTION / DEVELOPMENT / OPERATIONS</b>		
Construction Costs incurred during the year		
- Cost of Land	-	660,000
- Construction Cost	(366,274)	288,105
- Other Construction expenses	20,644	1,261,977
- General Expenses	-	940,281
Less : Transferred to CWIP	717,367	(1,635,389)
<b>Total</b>	<b>371,737</b>	<b>1,514,974</b>
	<b>Year Ended</b> <b>31st March, 2016</b> <b>₹</b>	<b>Year Ended</b> <b>31st March, 2015</b> <b>₹</b>
<b>NOTE '16'</b> <b>FINANCE COST</b>		
Interest Others	-	8,050
Interest on Delayed payments of taxes	5,512	68,156
<b>Total</b>	<b>5,512</b>	<b>76,206</b>
	<b>Year Ended</b> <b>31st March, 2016</b> <b>₹</b>	<b>Year Ended</b> <b>31st March, 2015</b> <b>₹</b>
<b>NOTE '17'</b> <b>OTHER EXPENSES</b>		
Legal and Professional Fees	25,061	8,907
Other Expenses (Refer Footnote)	105,649	67,440
<b>Total</b>	<b>130,710</b>	<b>76,347</b>
<b>Footnote:</b>		
<b>Auditors Remuneration (Included in other expenses above)</b>	<b>31st March, 2016</b>	<b>31st March, 2015</b>
Audit Fees	19,500	19,500
Limited Review	-	15,000
Service tax on above	2,828	4,264
<b>Total</b>	<b>22,328</b>	<b>38,764</b>



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2016

NOTE '18'

Earning Per Share (EPS)

The following reflects the profit and share data used in the basic and diluted earning per share

	As at 31 <sup>st</sup> Mar 2016	As at 31 <sup>st</sup> Mar 2015
Profit / (Loss) after tax (₹)	(7,612)	(879,108)
Number of equity shares at the end of the year (Nos)	12,000	12,000
Earning per equity share (Nominal Value of share of ₹ 10 /- each)		
Basic and Diluted	(0.63)	(73.26)

NOTE '19'

Related Party Disclosures (As per AS-18)

A Name of the related parties and related parties relationship

I HOLDING COMPANY

Hubtown Ltd.

II FELLOW SUBSIDIARIES

- 1 ACKRUTI SAFEGUARD SYSTEMS PRIVATE LIMITED
- 2 CITYWOOD BUILDERS PRIVATE LIMITED
- 3 CITYGOLD EDUCATION RESEARCH LIMITED
- 4 JINESHWAR MULTITRADE PRIVATE LIMITED
- 5 CITYGOLD FARMING PRIVATE LIMITED
- 6 ASHA MULTITRADE PRIVATE LIMITED
- 7 DEVKRUPA BUILDTECH LIMITED
- 8 DIVINITY PROJECTS PRIVATE LIMITED
- 9 GUJARAT AKRUTI-TCG BIOTECH LIMITED
- 10 HALITIOUS DEVELOPER PRIVATE LIMITED
- 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 TWENTY FIVE SOUTH REALTY LIMITED
- 18 ABP REALTY ADVISORS PRIVATE LIMITED
- 19 URVI BUILD TECH LIMITED
- 20 VAMA HOUSING LIMITED
- 21 VEGA DEVELOPERS PRIVATE LIMITED
- 22 VISHAL TECHNO COMMERCE LIMITED
- 23 YANTTI BUILDCON PRIVATE LIMITED

II FIRM IN WHICH THE COMPANY IS A PARTNER

M/s Rising Glory Developers

B Transactions with Related Parties -

Nature of Transaction	Party	Relationship	Amount
Business Advance Received during the year	Hubtown Limited	Holding	1,975,000 (45,289,446)
Reimbursement Payable	Hubtown Limited	Holding	1,829,870 (1,829,870)
Business Advance	Hubtown Limited	Holding	47,264,446 (45,289,446)
Capital Contribution in Partnership Firm	M/s Rising Glory Developers	Firm in which the Company is a Partner	- (10,000)

Note:

- i. Figures in the bracket are relating to last year
- ii. Related parties are Identified by the Company and relied upon by the auditors.

NOTE '20'

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 '21'

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.

*Shantle Shah*  
*S. S. Shah*



Upvan Lake Resorts Private Limited  
CIN: U55204MH2008PTC183084

**NOTE '22'**

**Contingent Liabilities**

The company does not have any contingent liability as at the balance sheet date, as certified by management & relied upon by the auditors.

**NOTE '23'**

Unsecured loan includes credits on account of reversal of Statutory liability of Tax deducted at source on interest accrued / paid of ₹669,137/- for the financial year 2012-13 which is no longer outstanding and payable.

**NOTE '24'**

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

As per attached report of even date

For M.K. GOHEL & ASSOCIATES  
CHARTERED ACCOUNTANTS  
Firm Registration No: 103256W

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



For and on behalf of the board

*Bhavik Shah*  
BHAVIK SHAH  
DIRECTOR  
DIN: 07108862

*Samir Kumar Salot*  
SAMIR KUMAR SALOT  
DIRECTOR  
DIN: 07115916

Place: Mumbai

Date:

30 AUG 2016

**Upvan Lake Resorts Private Limited**  
**CIN: U55204MH2008PTC183084**

**CAPITAL WORK IN PROGRESS AS ON 31st March, 2016**

Particulars	For the year ended 31st March, 2015	Addition during the Period	For the year ended 31st March, 2016
<b>Opening Capital Work in Progress</b>	16,165,047	-	16,165,047
<b>Land Cost</b>	660,000	-	660,000
<b>Construction Cost</b>			
Civil Construction	10,937,074	-	10,937,074
Other Material	1,570,840	-	1,570,840
Cement	73,200	-	73,200
<b>Other Construction Expenses</b>	-		-
Hire Charges	204,607	-	204,607
Compensation for project	2,510,000	-	2,510,000
Project Implementation Cost	2,277,568	-	2,277,568
Security Charges	449,721	28,045	477,766
Beautification of lake	465,092	(766,056)	(300,964)
Labour Charges	1,062,577	-	1,062,577
Other Civil Work	87,304	-	87,304
<b>Approval Expenses</b>			
TMC Expenses	287,508	-	287,508
Professional Expenses	316,914	-	316,914
<b>Finance Cost</b>	-	-	-
Interest Paid	12,987,234	-	12,987,234
<b>General Expenses</b>			
Depreciation	132,794	20,644	153,438
Office Expenses	100,199	-	100,199
Printing & Stationary	1,625	-	1,625
Stamping & Stamp Duty	520	-	520
Rent Paid	-	-	-
<b>Total</b>	<b>50,289,825</b>	<b>(717,367)</b>	<b>49,572,458</b>

*Shawill Sha*

*Shawill*



**IN THE BOOKS OF UPVAN LAKE RESORTS PRIVATE LIMITED**  
**CIN: U55204MH2008PTC183084**

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

NAME OF THE GROUP COMPANIES	LIABILITIES			ASSETS
	Current Liabilities	Trade payable	Current Liabilities	Non Current Assets
SCHEDULE VI GROUPING	Other Payables	Reimbursement	Loan taken from Related Parties / Business Advance	Non Current Investments
Hubtown Limited	-	1,829,870	47,264,446	-
M/s Rising Glory Developers	-	-	-	10,000

**M.K. GOHEL & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
 Firm Registration No: 103256W

For and on behalf of the Board

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



*Bhavik Shah*  
**BHAVIK SHAH**  
**DIRECTOR**  
 DIN: 07108862

*Samir Kumar Salot*  
**SAMIR KUMAR SALOT**  
**DIRECTOR**  
 DIN: 07115916

Place: Mumbai

Date: **30 AUG 2016**

9

**INDEPENDENT AUDITOR'S REPORT**

**TO,  
THE MEMBERS OF,  
URVI BUILD TECH LIMITED**

**Report on the Financial Statements**

We have audited the accompanying Financial Statements of **URVI 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 31<sup>st</sup> MARCH, 2016 OF URVI 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 extend 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) 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 ₹ 9966/- 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;

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	Balance disputed dues payable	Forum where dispute is pending
Income Tax	143(3)	2011-12	26,219,690	26,219,690	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

*M. K. Gohel*  
**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 31<sup>st</sup> MARCH, 2016 OF URVI BUILD TECH LIMITED**

We have audited the internal financial controls over financial reporting of **URVI 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**

**URVI BUILD TECH LIMITED**  
CIN : U15400MH1996PLC101031

**Balance Sheet as at 31st March, 2016**

Particulars	Note No.	As At 31st March, 2016 ₹	As At 31st March, 2015 ₹
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share capital	3	500,000	500,000
Reserves and surplus	4	(87,400,904)	(104,170,789)
		<b>(86,900,904)</b>	<b>(103,670,789)</b>
<b>Non-current liabilities</b>			
Other Long-term Liabilities	5	9,435	9,435
		<b>9,435</b>	<b>9,435</b>
<b>Current liabilities</b>			
Short-term borrowings	6	115,703,011	121,375,511
Trade payables	7	279,935	258,120
Other current liabilities	8	1,424,534	18,675,208
		<b>117,407,480</b>	<b>140,308,839</b>
<b>Total</b>		<b>30,516,011</b>	<b>36,647,485</b>
<b>II. ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets :			
Tangible assets	9	73,020	98,736
		<b>73,020</b>	<b>98,736</b>
<b>Current assets</b>			
Inventories	10	24,429,000	24,429,000
Trade receivables	11	1,804,053	7,804,882
Cash and cash equivalents	12	855,942	2,179,937
Short term loans and advances	13	3,353,996	1,962,463
Other Current Assets	14	-	172,467
		<b>30,442,991</b>	<b>36,548,749</b>
<b>Total</b>		<b>30,516,011</b>	<b>36,647,485</b>

The accompanying notes 1 to 27 are an integral part of the financial statements.

As per our report of even date

For M. K. GOHEL & ASSOCIATES  
CHARTERED ACCOUNTANTS  
Firm Registration Number: 103255W

MUKESH K GOHEL  
PROPRIETOR  
Membership No. 038823



Mumbai  
Date: 30 AUG 2016

For and on behalf of the Board of Directors

NANCY PEREIRA  
DIRECTOR  
DIN : 00081958

KAMAL MATALIA  
DIRECTOR  
DIN : 00009695

URVI BUILD TECH LIMITED  
CIN : U15400MH1996PLC101031

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

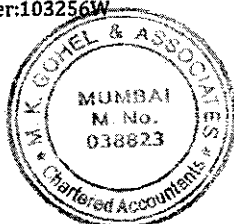
Particulars	Note No.	Year Ended 31st March, 2016 ₹	Year Ended 31st March, 2015 ₹
<b>I. INCOME</b>			
Revenue from business operations	15	-	-
Other income	16	16,999,100	879,431
<b>Total</b>		<b>16,999,100</b>	<b>879,431</b>
<b>II. EXPENSES</b>			
Changes in inventories	17	-	-
Finance costs	18	79,773	17,216,029
Depreciation and amortisation	9	25,716	20,267
Other expenses	19	123,725	849,686
<b>Total</b>		<b>229,214</b>	<b>18,085,982</b>
<b>Loss before tax</b>		<b>16,769,886</b>	<b>(17,206,551)</b>
Tax expense :			
Current tax			
Excess / (Short) provision for taxation in respect of earlier years			
Deferred tax (charge) / credit			
<b>Loss after tax but before adjustments</b>		<b>16,769,886</b>	<b>(17,206,551)</b>
Prior period adjustments (Net)			
<b>Loss for the year</b>		<b>16,769,886</b>	<b>(17,206,551)</b>
Earning per equity share of nominal value of ₹ 10/- each	21		
Basic and diluted		335.40	(344.13)

The accompanying notes 1 to 27 are an integral part of the financial statements.

As per our report of even date

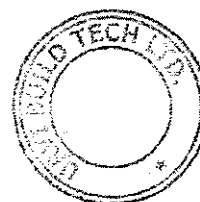
For M. K. GOHEL & ASSOCIATES  
CHARTERED ACCOUNTANTS  
Firm Registration Number:103256W

MUKESH K GOHEL  
PROPRIETOR  
Membership No. 038823



Mumbai  
Date: 30 AUG 2016

For and on behalf of the Board of Directors



NANCY PEREIRA  
DIRECTOR  
DIN: 00081958

KAMAL MATALIA  
DIRECTOR  
DIN: 00009695

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

**NOTE '1' : CORPORATE INFORMATION**

URVI BUILD TECH LTD is a Public 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, 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 sale of incomplete properties / projects is recognized on the basis of percentage of completion method, subject to the actual cost incurred being atleast 25 % of the total estimated project cost involved and receipt of atleast 10% of the total sale consideration of each sold unit. Further, revenue recognized in the aforesaid manner and related costs are both restricted to 90% until the construction activity and related formalities are substantially completed. Estimated costs relating to construction / development are charged to the profit and loss statement 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. Recognition of revenue relating to agreements entered into with the buyers, which are subject to fulfilment of obligations / conditions imposed on the Company by statutory authorities, is postponed till such obligations are substantially discharged.

**B. Others:**

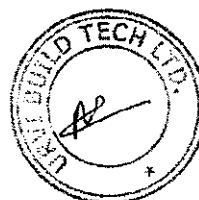
Other revenues / incomes and costs / expenditure are accounted on accrual, as they are earned or incurred.

**IV. Inventories**

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

- A. '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.
- B. '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.
- C. 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 year. 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.



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NOTE '2' (Contd.)

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

**V. 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. C. 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.

**VI. 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.

**VII. 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.

**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 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.

**IX. Taxation**

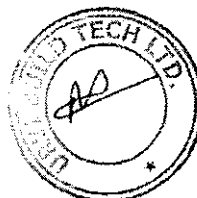
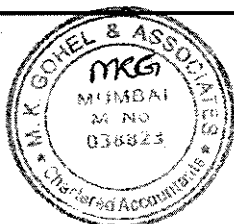
Income tax expense comprises Current Tax and Deferred Tax charge or credit. Provision for current tax is made on the basis of the assessable income at the tax rate applicable to the relevant assessment year. The deferred tax asset and deferred tax liability is calculated by applying tax rate and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets 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 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.

**X. 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 THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

NOTE '3'

SHARE CAPITAL

AUTHORISED

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

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

Total

ISSUED SUBSCRIBED AND PAID UP

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

Total

As At 31st March, 2016 ₹	As At 31st March, 2015 ₹
500,000	500,000
500,000	500,000
<b>1,000,000</b>	<b>1,000,000</b>
500,000	500,000
<b>500,000</b>	<b>500,000</b>

Footnotes:

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 of the year

Add/(Less):

Issue during the year

Buyback during the year

At the end of the year (Nos)

Total

As At 31st March, 2016 (Nos)	As At 31st March, 2015 (Nos)
50,000	50,000
-	-
-	-
<b>50,000</b>	<b>50,000</b>

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 its beneficiary owners

Total

As At 31st March, 2016 (Nos)	As At 31st March, 2015 (Nos)
50,000	50,000
<b>50,000</b>	<b>50,000</b>

3.3 Equity Shareholders holding more than five percent of holdings

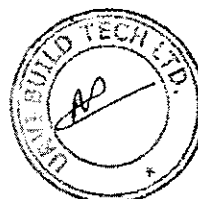
Hubtown Limited with its beneficiary owners

Total

31st March, 2016		31st March, 2015	
Nos	% of Holdings	Nos	% of Holdings
50,000	100.00%	50,000	100.00%
<b>50,000</b>	<b>100.00%</b>	<b>50,000</b>	<b>100.00%</b>

3.4 Terms / rights attached to Equity Shares :

The company has only one 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

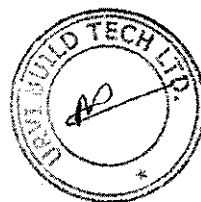
	As At 31st March, 2016 ₹	As At 31st March, 2015 ₹
<b>NOTE '4'</b>		
<b>RESERVES AND SURPLUS</b>		
Debenture Redemption Reserve		
Balance as per last financial statements	-	-
Add / (Less) :	-	-
Transferred from Profit and Loss Account	-	-
Transferred to General Reserve	-	-
General Reserves		
Balance as per last financial statements	92,500,000	92,500,000
Add / (Less) :	-	-
Transferred from Profit and Loss Account	-	-
	92,500,000	92,500,000
Surplus in statement of profit and loss		
Balance as per last financial statements	(196,670,789)	(179,464,239)
Profit for the year	16,769,886	(17,206,550)
Less: Appropriations		
Transfer to general reserve	-	-
Total appropriations	(179,900,904)	(196,670,789)
Net surplus in the statement of profit and loss	(87,400,904)	(104,170,789)
<b>Total</b>		

	As At 31st March, 2016 ₹	As At 31st March, 2015 ₹
<b>NOTE '5'</b>		
<b>OTHER LONG-TERM LIABILITIES</b>		
Retention	9,435	9,435
	9,435	9,435

	As At 31st March, 2016 ₹	As At 31st March, 2015 ₹
<b>NOTE '6'</b>		
<b>SHORT TERM BORROWINGS</b>		
Loans repayable on demand:		
- from Companies (Unsecured) (Refer footnote a)	2,500	-
- from related party (Unsecured) (Refer footnote b & Note 20)	115,700,511	121,375,511
	115,703,011	121,375,511
<b>The above amounts include :</b>		
Secured borrowings		
Unsecured borrowings	115,703,011	121,375,511
	115,703,011	121,375,511

Footnote:

- a. Loans from Companies are carrying an interest rate of NIL (C.Y.) and 15% p.a. (P.Y) and are repayable on demand.  
b. Loans from related party are interest free loans and are repayable on demand.



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

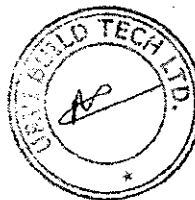
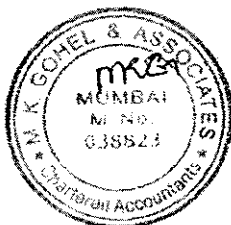
	As At 31st March, 2016 ₹	As At 31st March, 2015 ₹
<b>NOTE '7'</b>		
<b>TRADE PAYABLES</b>		
Trade Payables - Micro, Small and Medium Enterprises (Refer Footnote)	279,935	258,120
<b>Total</b>	<b>279,935</b>	<b>258,120</b>

Footnotes:

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.

	As At 31st March, 2016 ₹	As At 31st March, 2015 ₹
<b>NOTE '8'</b>		
<b>OTHER CURRENT LIABILITIES</b>		
Interest accrued and due on borrowings	-	15,299,189
Security Deposit from Customer	84,763	84,763
Advance from Customer	414,084	414,084
Other payables :		
- Statutory dues	907,599	2,861,090
- Provisions for Expenses	-	-
- Other miscellaneous	18,088	16,082
<b>Total</b>	<b>1,424,534</b>	<b>18,675,208</b>



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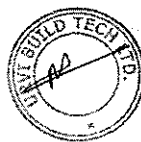
URVI BUILD TECH LIMITED  
CIN : U15409MH1996PLC101031

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

NOTE '9'

FIXED ASSETS :

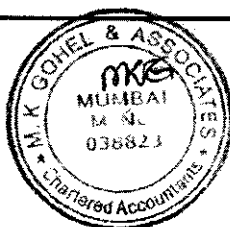
FIXED ASSETS										
PARTICULARS	GROSS BLOCK (AT COST)				DEPRECIATION/AMORTISATION				NET BLOCK	
	As at 31st March, 2015	Additions/ Adjustments during the year	Deductions/ Adjustments	As at 31st March, 2016	Upto 31st March, 2015	Provided during the year	Deductions/ Adjustments	Upto 31st March, 2016	As at 31st March, 2016	As at 31st March, 2015
Tangible Assets										
P & Machinery	157,044	-	-	157,044	94,765	13,182	-	107,947	49,097	62,279
Furniture	126,569	-	-	126,569	90,112	12,535	-	102,647	23,922	36,457
GRAND TOTAL	283,613	-	-	283,613	184,877	25,716	-	210,593	73,020	98,736
Previous Year	283,613	-	-	283,613	164,610	20,267	-	184,878	98,736	119,003



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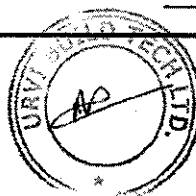
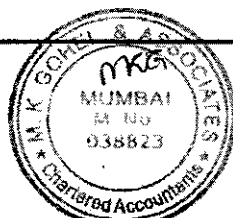
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

	As At 31st March, 2016 ₹	As At 31st March, 2015 ₹
<b>NOTE '10'</b>		
<b>INVENTORIES</b>		
(Valued at lower of cost or net realisable value)		
Finished properties	24,429,000	24,429,000
	<u>24,429,000</u>	<u>24,429,000</u>
	As At 31st March, 2016 ₹	As At 31st March, 2015 ₹
<b>NOTE '11'</b>		
<b>TRADE RECEIVABLES</b>		
Trade receivables (Unsecured considered good)		
Outstanding for a period more than six months	1,804,053	7,804,882
Other receivables	-	-
<b>Total</b>	<u>1,804,053</u>	<u>7,804,882</u>
	As At 31st March, 2016 ₹	As At 31st March, 2015 ₹
<b>NOTE '12'</b>		
<b>CASH AND CASH EQUIVALENTS</b>		
Cash and cash equivalents:		
Cash on hand	11,263	10,539
Balances with banks:		
- On current accounts	844,679	2,169,398
<b>Total</b>	<u>855,942</u>	<u>2,179,937</u>
	As At 31st March, 2016 ₹	As At 31st March, 2015 ₹
<b>NOTE '13'</b>		
<b>SHORT TERM LOANS AND ADVANCES</b>		
Security Deposits	225,006	25,000
Advances recoverable in cash or kind (Unsecured, considered good)		
- to related parties	2,994,428	1,903,961
- to others	13,550	13,550
Less: Provision for doubtful advances	-	-
	<u>3,007,978</u>	<u>1,917,511</u>
Advance Income Tax [Net of Provision for tax C.Y. ₹ 4,60,177/- (P.Y. ₹ 4,60,177/-)]	119,952	19,952
service tax-cenvat credit	1,060	-
<b>Total</b>	<u>3,353,996</u>	<u>1,962,463</u>
	As At 31st March, 2016 ₹	As At 31st March, 2015 ₹
<b>NOTE '14'</b>		
<b>OTHER CURRENT ASSETS</b>		
Accrued Interest on Loan	-	172,467
<b>Total</b>	<u>-</u>	<u>172,467</u>



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

	Year Ended 31st March, 2016 ₹	Year Ended 31st March, 2015 ₹
<b>NOTE '15'</b>		
<b>REVENUE FROM OPERATION</b>		
Revenue from sale of properties, rights etc.	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
	Year Ended 31st March, 2016 ₹	Year Ended 31st March, 2015 ₹
<b>NOTE '16'</b>		
<b>OTHER INCOME</b>		
Interest:		
- On Loans	-	-
Liabilities written back to the extent no longer required	16,999,100	191,630
Miscellaneous income	-	687,801
<b>Total</b>	<b>16,999,100</b>	<b>879,431</b>
	Year Ended 31st March, 2016 ₹	Year Ended 31st March, 2015 ₹
<b>NOTE '17'</b>		
<b>CHANGES IN INVENTORIES OF INCOMPLETE PROJECTS, FINISHED PROPERTIES AND FSI</b>		
Opening Inventory :		
Incomplete Projects	24,429,000	24,429,000
Closing Inventory :		
Incomplete Projects	24,429,000	24,429,000
	<b>-</b>	<b>-</b>
	Year Ended 31st March, 2016 ₹	Year Ended 31st March, 2015 ₹
<b>NOTE '18'</b>		
<b>FINANCE COSTS</b>		
Interest on Loans	-	16,999,099
Delayed payments on taxes and statutory dues	79,773	216,930
<b>Total</b>	<b>79,773</b>	<b>17,216,029</b>
	Year Ended 31st March, 2016 ₹	Year Ended 31st March, 2015 ₹
<b>NOTE '19'</b>		
<b>OTHER EXPENSES</b>		
Rates and Taxes	-	694,425
Professional Fees	40,319	34,728
Auditors Remuneration (Refer footnote)	17,175	33,708
Debit Balance Written off	-	4,615
Other expenses	66,231	82,210
<b>Total</b>	<b>123,725</b>	<b>849,686</b>
<b>Footnote:</b>		
<b>Auditor's Remuneration (included in other expenses)</b>		
Audit fees	15,000	15,000
Limited Review Fees	-	15,000
Tax Audit Fees	-	-
Service Tax on above	2,175	3,708
<b>Total</b>	<b>17,175</b>	<b>33,708</b>



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**URVI BUILD TECH LIMITED**  
CIN : U15400MH1996PLC101031

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

**NOTE '20'**

**RELATED PARTIES DISCLOSURES**

RELATED PARTIES UNDER COMPANIES ACT, 2013 AND AS- 18 - MARCH 31, 2016

**A. Holding Company**

- 1 Hubtown Limited

**B. Fellow Subsidiaries**

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

**C Other Companies**

- 1 Citygold Management Services Private Limited

**D Related Party Transaction for the year ended March 31**

**Nature of Transactions**

**Short term Borrowing Repaid/ Given / Adjusted**

Hubtown Limited

5,900,000  
(1,100,000)

Devkrupa Build Tech Limited

1,090,467  
(2,093,355)

**Short term Borrowing Taken / Adjusted**

Hubtown Limited

225,000  
(115,000,000)

Devkrupa Build Tech Limited

(54,807)

**Interest Income**

Devkrupa Build Tech Limited

(369,419)

**Interest Expense**

Devkrupa Build Tech Limited

**Balances Outstanding**

**Payable**

Hubtown Limited

115,700,511  
(121,375,511)

Devkrupa Build Tech Limited

**Receivable**

Devkrupa Build Tech Limited

2,994,428

**Footnotes:**

i. Figures in bracket pertains to previous year.

ii. Related parties are identified by the Company and relied upon by the auditors.



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

	As At 31st March, 2016	As At 31st March, 2015
<b>NOTE '21'</b>		
<b>EARNING PER SHARE (EPS)</b>		
The following reflects the profit and share data used in the basic and diluted earning per share		
(Profit/Loss) after tax (₹)	16,769,886	(17,206,551)
Number of equity shares outstanding at the end of the year (Nos)	50,000	50,000
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	335.40	(344.13)

**NOTE '22'**  
**CONTINGENT LIABILITY**

Particular	As At 31st March, 2016	As At 31st March, 2015
Claim Against company not acknowledge as debt on accounts of:- Income tax matters under appeals for :		
Income tax matters under Appeal with CIT for F.Y. 2011-12	26,119,690	26,219,690

**Note:**

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.

**NOTE '23'**

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

**NOTE '24'**

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 '25'**

Trade payables, loans and advances are subjected to confirmation, reconciliation and adjustment and are considered payable/realizable as the case maybe.

**NOTE '26'**

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

**NOTE '27'**

**PRIOR PERIOD ADJUSTMENTS**

Debit related to earlier years:  
Repairs and Maintenance Expenses  
Other Income

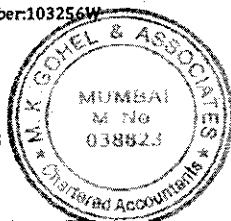
	31st March, 2016	31st March, 2015
	₹	₹
	16,999,100	-
	<u>16,999,100</u>	<u>-</u>

For M. K. GOHEL & ASSOCIATES

CHARTERED ACCOUNTANTS

Firm Registration Number:103256W

MUKESH K GOHEL  
PROPRIETOR  
Membership No. 038823



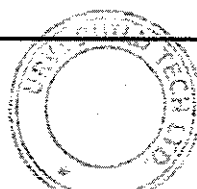
Mumbai  
Date:

30 AUG 2016

For and on behalf of the Board of Directors

NANCY PEREIRA  
DIRECTOR  
DIN : 00081958

KAMAL MATALIA  
DIRECTOR  
DIN : 00009695



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

Particulars	Year Ended 31st March, 2016 ₹	Year Ended 31st March, 2015 ₹
<b>Cash flows arising from operating activities</b>		
Net loss before taxation and prior period items as per statement of profit and loss	16,769,886	(17,206,551)
Add / (Less) :		
Depreciation and amortisation	25,716	20,267
Interest and Finance Cost	79,773	17,216,029
Provisions no longer required	-	(191,630)
Interest income	-	-
	<b>105,489</b>	<b>17,044,666</b>
<b>Operating profit before working capital changes</b>	<b>16,875,376</b>	<b>(161,885)</b>
Add / (Less) :		
(Increase) / Decrease in Inventories	-	-
(Increase) / Decrease in trade receivables	6,000,829	1,287,657
(Increase) / Decrease in other receivables	(1,291,533)	(1,903,961)
Increase / (Decrease) in trade and other payables	(1,929,670)	187,420
Direct taxes paid	(100,000)	110,292
	<b>2,679,626</b>	<b>(318,592)</b>
<b>Net cash flow from operating activities</b>	<b>19,555,002</b>	<b>(480,477)</b>
<b>Cash flows arising from investing activities</b>		
Inflow / (Outflow) on account of :		
Interest income received	172,467	19,163
<b>Net cash flow from investing activities</b>	<b>172,467</b>	<b>19,163</b>
<b>Cash flows arising from financing activities</b>		
Inflow / (Outflow) on account of :		
Repayment of Long-term borrowings	-	12,648,376
Proceeds from short-term borrowings	(5,672,500)	-
Finance costs paid	(15,378,962)	(13,626,387)
<b>Net cash flow from financing activities</b>	<b>(21,051,462)</b>	<b>(978,011)</b>
<b>Net increase in cash and cash equivalents (I + II + III)</b>	<b>(1,323,993)</b>	<b>(1,439,325)</b>
<b>Add: Balance at the beginning of the year</b>	<b>2,179,937</b>	<b>3,619,261</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>855,944</b>	<b>2,179,936</b>
<b>Components of cash and cash equivalents (Refer note 12)</b>		
Cash and cash equivalents:		
Cash on hand	11,263	10,539
Balances with banks		
- On Current accounts	844,679	2,169,398
- Deposits with maturity of less than three months	-	-
	<b>855,943</b>	<b>2,179,937</b>

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

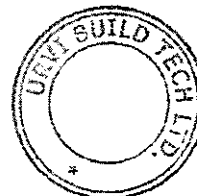
For M. K. GOHEL & ASSOCIATES  
CHARTERED ACCOUNTANTS  
Firm Registration Number:103256W

MUKESH K GOHEL  
PROPRIETOR  
Membership No. 038823



Mumbai Date: **30 AUG 2016**

For and on behalf of the Board of Directors



NANCY PEREIRA  
DIRECTOR  
DIN : 00081958


KAMAL MATALIA  
DIRECTOR  
DIN : 00009695

IN THE BOOKS OF URVI BUILD TECH LIMITED							
CIN : U15400MH1996PLC101031							
Inter Group Transactions During the year 2015-16 And The Balances As On 31st March 2016							
NAME OF THE GROUP COMPANIES	Relation As on	INCOME	ASSETS		LIABILITIES		
SCHEDULE VI GROUPING		Other Income	L&A - Current	Other Cur. Asset	ST-Borrowing	Other Cur. Liab	Equities & Liab.
31 March, 2015		Interest on Loan	Loan given to related Parties	Accrued Interest on Loan.	Loan from Related Parties	Interes Acc and Due	ESC/ PSC/ Capital In JVs & Firms
Hubtown Limited	Parent				115,700,511.00		
<del>Subsidiaries</del>							
DEVKRUPA BUILD TECH LIMITED	Subsidiary	-	2,994,428	0			
TOTAL		-	2,994,428	-	115,700,511	-	-

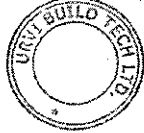
  

For M. K. GOHEL & ASSOCIATES  
 CHARTERED ACCOUNTANTS  
 Firm Registration Number: 102236W & ASSOCIATES

*Mukesh*  
**MUKESH K GOHEL**  
 PROPRIETOR  
 Membership No. 038823



For and on behalf of the Board of Directors



*Nancy*  
**NANCY PEREIRA**  
 DIRECTOR  
 DIN : 00081958

*Kamal*  
**KAMAL MATAIA**  
 DIRECTOR  
 DIN : 00009695

Mumbai 30 AUG 2016

**INDEPENDENT AUDITOR'S REPORT**

**TO**  
**The Members of Vama Housing Limited**

**Report On the Financial Statements**

We have audited the accompanying financial statements of **Vama Housing 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.

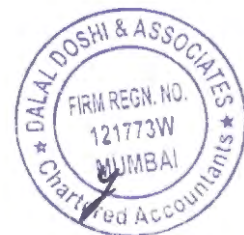
**Management's Responsibility for the Financial Statements**

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.



- (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 has been no delay in transferring amounts, 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 : 16<sup>th</sup> June, 2016

**"ANNEXURE A" INDEPENDENT AUDITORS' REPORT REFERRED TO IN OUR REPORT TO THE MEMBERS OF VAMA HOUSING LIMITED ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> 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 (Investment Property);
- (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 nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed;
- (c) The title deeds of immovable properties, as disclosed in Note [8] on Non-Current Investments to the financial statements, 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;
- (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, Sales 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. 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 ₹ 97,500/-, relating to Wealth Tax.
- (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 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. 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. Therefore, 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 DALAL DOSHI & ASSOCIATES**

Firm Registration No.: 121773W

Chartered Accountants



**VIRAL DOSHI**

Partner

Membership No.: 105330



Place : Mumbai

Date : 16<sup>th</sup> June, 2016

**"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF VAMA HOUSING 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 Vama Housing 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

Firm Registration No.: 121773W

Chartered Accountants



**VIRAL DOSHI**

Partner

Membership No.: 105330



Place: Mumbai

Date : 16<sup>th</sup> June, 2016

**Vama Housing Limited**

CIN: U45200MH1995PLC085167

**Balance Sheet As at 31<sup>st</sup> March, 2016**

Particulars	Note No.	As At 31st March, 2016 ₹	As At 31st March, 2015 ₹
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	2	500,000	500,000
Reserves and surplus	3	(30,069,170)	(29,541,128)
		<b>(29,569,170)</b>	<b>(29,041,128)</b>
<b>Current liabilities :</b>			
Short-term borrowings	4	43,770,000	43,710,000
Other current liabilities	5	88,170	47,249
Short Term Provisions	6	97,500	97,500
		<b>43,955,670</b>	<b>43,854,749</b>
<b>TOTAL</b>		<b>14,386,500</b>	<b>14,813,621</b>
<b>II. ASSETS</b>			
<b>Non-current assets</b>			
<b>Fixed Assets:</b>			
Tangible assets	7	-	-
Non-current investments	8	12,971,537	13,232,368
		<b>12,971,537</b>	<b>13,232,368</b>
<b>Current assets</b>			
Cash and Bank Balances	9	331,794	357,972
Short-term loans and advances	10	1,083,169	1,223,281
		<b>1,414,963</b>	<b>1,581,253</b>
<b>TOTAL</b>		<b>14,386,500</b>	<b>14,813,621</b>

**Significant Accounting Policies**

1

**Notes on Financial Statements**

2 to 21

As per attached report of even date.

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

**FOR AND ON BEHALF OF THE BOARD**
**VIRAL DOSHI**

PARTNER

Membership No.: 105330


**SAMIRKUMAR SALOT**

DIRECTOR

DIN: 07115916


**VIKRANT JAIN**

DIRECTOR

DIN: 01912696

Place : Mumbai

Date: 16th June, 2016

Vama Housing Limited  
CIN: U45200MH1995PLC085167

**Statement of Profit and Loss for the year ended 31<sup>st</sup> March, 2016**

Particulars	Note No.	Year Ended 31st March, 2016 ₹	Year Ended 31st March, 2015 ₹
<b>I. INCOMES</b>			
Revenue from Operation		-	-
Other Income	11	13,000	-
<b>TOTAL</b>		<b>13,000</b>	<b>-</b>
<b>II. EXPENSES</b>			
Finance Cost	12	5,850	69
Depreciation and Amortisation	13	260,831	309,269
Other Expenses	14	273,751	278,459
<b>TOTAL</b>		<b>540,432</b>	<b>587,797</b>
<b>Profit / (Loss) before tax</b>		<b>(527,432)</b>	<b>(587,797)</b>
Tax expense :			
Current tax / Deferred tax		-	-
Excess / (Short) Provision of Taxes of earlier years		(610)	-
Excess/ (Short) Provision for Wealth Tax		-	(97,500)
<b>Profit / (Loss) after tax but</b>		<b>(528,042)</b>	<b>(685,297)</b>
Prior Period Adjustments (Net)	19	-	389,888
<b>Profit / (Loss) for the year</b>		<b>(528,042)</b>	<b>(295,409)</b>
Earning per equity share (Face Value of ₹ 10 /- each)	20		
Basic and Diluted		(10.56)	(5.91)
<b>Significant Accounting Policies</b>	1		
<b>Notes on Financial Statements</b>	2 to 21		

As per attached report of even date.  
**For DALAL DOSHI & ASSOCIATES**  
FIRM REGISTRATION No.:121773W  
CHARTERED ACCOUNTANTS

  
**VIRAL DOSHI**  
PARTNER  
Membership No.: 105330



Place : Mumbai  
Date: 16th June, 2016

**FOR AND ON BEHALF OF THE BOARD**

  
**SAMIRKUMAR SALOT**  
DIRECTOR  
DIN: 07115916




  
**VIKRANT JAIN**  
DIRECTOR  
DIN: 01912696

Cash Flow Statement for the year ended 31<sup>st</sup> March, 2016

	31st March, 2016		31st March, 2015	
	Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)
<b>I. Cash flows arising from operating activities</b>				
Net Loss before tax as per Statement of Profit and Loss		(527,432)		(587,797)
Add / (Less) :				
Depreciation and Amortisation	260,831		309,269	
Prior period Adjustments	(610)		389,888	
		260,221		699,157
Operating Profit / (Loss) Before Working Capital Changes		(267,211)		111,360
Add / (Less) :				
Increase / (Decrease) in Other Liabilities	40,921		29,833	
Direct Taxes paid	140,112		(40,000)	
		181,033		(10,167)
Net Cash flow in the course of Operating Activities		(86,178)		101,193
<b>II. Cash flows arising from Investing activities</b>				
Inflow / (Outflow) on account of :				
Sale of Investments	-		1,200,000	
Net Cash flow in the course of Investing Activities		-		1,200,000
<b>III. Cash flows arising from Financing activities</b>				
Inflow / (Outflow) on account of :				
Increase / (Decrease) in Unsecured Loans	60,000		(1,040,000)	
Net Cash flow in the course of Financing Activities		60,000		(1,040,000)
Net Increase in cash and cash Equivalents ( I + II + III )		(26,178)		261,193
Add: Balance at the beginning of the year		357,972		96,779
Cash and Cash Equivalents at the end of the year		331,794		357,972
<b>Reconciliation of Cash and Cash Equivalents (Refer Note 9)</b>				
Cash on Hand		21,330		21,330
Bank Balances in Current Accounts		310,464		336,642
Cash and Cash Equivalents at the end of the year		331,794		357,972

As per attached report of even date


For DALAL DOSHI & ASSOCIATES  
FIRM REGISTRATION No.:121773W  
Chartered Accountants

  
**VIRAL DOSHI**  
PARTNER  
Membership No. 105330



Place: Mumbai  
Date: 16th June, 2016

For and on behalf of the board

  
**SAMIRKUMAR SALOT**  
DIRECTOR  
DIN: 07115916



  
**VIKRANT JAIN**  
DIRECTOR  
DIN: 01912696

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES**

**A. Corporate Information**

Vama Housing Limited is unlisted Public Limited Company domiciled in India, incorporated under the Companies Act, 1956. The Company is engaged into real estate business specializing in construction and development of Infotech Parks, Cyber Parks, Business Parks, SEZ as well as sale and lease of commercial, industrial and residential properties and other similar works.

**B. 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**

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. Interest**

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

**IV. Tangible Assets and Depreciation / Amortisation**

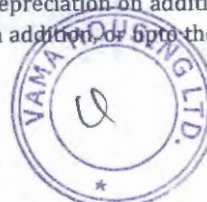
A. Tangible Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation / amortisation and accumulated impairment losses, if any.

B. Tangible Assets disclosed under 'Non Current Assets' as 'Investment Properties', are stated at cost of acquisition or construction less accumulated depreciation / amortisation and accumulated impairment losses, if any.

C. 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.



*Sanjay*



**V 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.

**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.

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.

**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.



*Signature*



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

NOTE '2'

SHARE CAPITAL

AUTHORISED

50,000 (P.Y. 50,000) 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 <sup>st</sup> March, 2016 ₹	As at 31 <sup>st</sup> March, 2015 ₹
500,000	500,000
<b>500,000</b>	<b>500,000</b>
500,000	500,000
<b>500,000</b>	<b>500,000</b>

2.1 Reconciliation of the number of shares outstanding at the beginning and at the end of 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

Number of shares at the end of the reporting year

No. of Equity Shares As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
50,000	50,000
-	-
-	-
-	-
-	-
<b>50,000</b>	<b>50,000</b>

2.2 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 [Holding Company]

31 <sup>st</sup> March, 2016 (Nos)	31 <sup>st</sup> March, 2015 (Nos)
50,000	50,000
<b>50,000</b>	<b>50,000</b>

2.3 Shareholders holding more than five percent of holdings:

Equity Shares

Hubtown Limited with Beneficiary Owners

Total

31st March, 2016		31st March, 2015	
Nos	% of Holdings	Nos	% of Holdings
50,000	100%	50,000	100%
<b>50,000</b>	<b>100%</b>	<b>50,000</b>	<b>100%</b>

2.4 Terms / Right attached to Ordinary 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.

NOTE '3'

RESERVES AND SURPLUS

Surplus in Profit and Loss Statement

Opening Balance

Add/(Loss) : Profit / (Loss) for the year

TOTAL

As at 31 <sup>st</sup> March, 2016 ₹	As at 31 <sup>st</sup> March, 2015 ₹
(29,541,128)	(29,245,719)
(528,042)	(295,409)
<b>(30,069,170)</b>	<b>(29,541,128)</b>



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

NOTE '4'

SHORT TERM BORROWINGS

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
Unsecured Loans		
- from related party (Refer Note 15)	43,770,000	43,710,000
<b>TOTAL</b>	<b>43,770,000</b>	<b>43,710,000</b>

NOTE '5'

OTHER CURRENT LIABILITIES

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
Other payables :		
- Statutory Dues	6,789	-
- Others	81,381	47,249
<b>TOTAL</b>	<b>88,170</b>	<b>47,249</b>

NOTE '6'

SHORT TERM PROVISIONS

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
Provision for Wealth Tax	97,500	97,500
<b>TOTAL</b>	<b>97,500</b>	<b>97,500</b>

NOTE '8'

NON CURRENT INVESTMENTS (Unquoted)

(Trade, unless otherwise specified)

A) Investment Property (At cost/ less Accumulated Depreciation)

Gross Cost	19,699,788	19,699,788
Less :		
Opening Accumulated Depreciation	6,467,420	6,158,151
Provided During the Year	260,831	309,269
Closing balance	12,971,537	13,232,368
<b>TOTAL</b>	<b>12,971,537</b>	<b>13,232,368</b>

NOTE '9'

CASH AND BANK BALANCES

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
Balances with banks;		
- On Current accounts	310,464	336,642
Cash in hand	21,330	21,330
<b>TOTAL</b>	<b>331,794</b>	<b>357,972</b>

NOTE '10'

SHORT TERM LOANS AND ADVANCES

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
Other loans and advances:		
Income Tax Paid / Taxes Deducted At Source	1,083,169	1,223,281
<b>TOTAL</b>	<b>1,083,169</b>	<b>1,223,281</b>



Vama Housing Limited  
CIN: U45200MH1995PLC085167

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

Note '7': FIXED ASSETS

(₹)

Sr.No	Fixed Assets	GROSS BLOCK			DEPRECIATION / AMORTISATION				IMPAIRMENT Provided during the year	NET BLOCK	
		Balance as at 1 April, 2015	Additions/ (Disposals)	Deduction / Adjustments	Balance as at 31 March, 2016	Balance as at 1 April, 2015	Provided during the year	Deduction / Adjustments	Balance as at 31 March, 2016	Balance as at 31 March, 2016	Balance as at 31 March, 2015
	Office equipment	142,113	-	-	142,113	142,113	-	-	142,113	-	-
	<b>TOTAL</b>	<b>142,113</b>	<b>-</b>	<b>-</b>	<b>142,113</b>	<b>142,113</b>	<b>-</b>	<b>-</b>	<b>142,113</b>	<b>-</b>	<b>-</b>
	<b>PREVIOUS YEAR FIGURES</b>	<b>142,113</b>	<b>-</b>	<b>-</b>	<b>142,113</b>	<b>93,675</b>	<b>48,438</b>	<b>-</b>	<b>142,113</b>	<b>-</b>	<b>-</b>



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

NOTE '11'  
OTHER INCOME

Year Ended 31 <sup>st</sup> March, 2016 ₹	Year Ended 31 <sup>st</sup> March, 2015 ₹
Other Income	
- Interest on Income Tax refund	
<b>TOTAL</b>	
13,000	-
<b>13,000</b>	<b>-</b>

NOTE '12'  
FINANCE COST

Year Ended 31 <sup>st</sup> March, 2016 ₹	Year Ended 31 <sup>st</sup> March, 2015 ₹
Interest on delayed payment of taxes	
<b>TOTAL</b>	
5,850	69
<b>5,850</b>	<b>69</b>

NOTE '13'  
DEPRECIATION & AMORTIZATION

Year Ended 31 <sup>st</sup> March, 2016 ₹	Year Ended 31 <sup>st</sup> March, 2015 ₹
Depreciation on Tangible Assets	
Depreciation on Investment Property	
<b>TOTAL</b>	
-	48,438
260,831	260,831
<b>260,831</b>	<b>309,269</b>

NOTE '14'  
OTHER EXPENSES

Year Ended 31 <sup>st</sup> March, 2016 ₹	Year Ended 31 <sup>st</sup> March, 2015 ₹
Repairs and Society Maintenance Charges	
Legal and Professional Fees	
Other Expenses	
<b>TOTAL</b>	
220,826	220,000
32,929	17,397
19,996	41,062
<b>273,751</b>	<b>278,459</b>

Footnote:

Auditors Remuneration (included in other expenses)

Audit fees	15,000	15,000
Limited review fees	-	15,000
Service tax on above	2,175	3,708
<b>TOTAL</b>	<b>17,175</b>	<b>33,708</b>



*SmSakal*



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

15. Related Party Disclosures

A. Name of the related parties and related parties 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 Citywood Builders
- 6 Devkrupa Build Tech Limited
- 7 Diviniti Projects Private Limited
- 8 Gujarat Akruti-Tcg Biotech Limited
- 9 Halitious Developer Limited
- 10 Headland Farming Private Limited
- 11 Heddle Knowledge Private Limited
- 12 Heet Builders Private Limited
- 13 India Development And Construction Venture Capital Private Limited
- 14 Joynest Premises Private Limited
- 15 Sheshan Housing And Area Development Engineers Limited (Desubsidiarised Effective April 1 2015)
- 16 Twenty Five South Realty Limited
- 17 Upvan Lake Resorts Private Limited
- 18 Urvi Buildtech Limited
- 19 Vega Developers Private Limited
- 20 Vishal Techno Commerce Limited
- 21 Yantti Buildcon Private Limited

B. Related party transactions and balance as of year end:

In (₹)

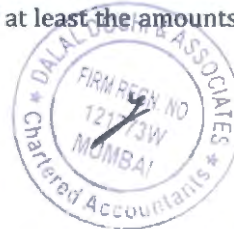
Sr. No.	Nature of Transactions	Hubtown Limited (Holding Company)
1	Loans and Advances repaid/ Given/ Adjusted	- (1,200,000)
2	Loans and Advances received/ taken/ Adjusted	60,000 (160,000)
3	Balance Outstanding: Payable	43,770,000 (43,710,000)

Note:

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

16. In the opinion of the Board of Directors of the Company, all items of Current / Non-Current Assets, Current / Non-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.

*S. S. S. S.*



**17. Contingent Liabilities**

The Company does not have any contingent liability as at balance sheet date, as certified by management and relied upon by the auditors.

18. 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 extend does not see the stated erosion of the net worth as an impediment to its status as a going concern

**19. Prior Period Incomes / (Expenses)**

Particulars	31st March, 2016	31st March, 2015
Lease Rental Income	-	400,000
Professional Fees	-	(10,112)
<b>Total</b>	<b>-</b>	<b>389,888</b>

**20. Earning Per Share (EPS)**

The following reflects the profit and share data used in the basic and diluted earning per share

	As at 31st March, 2016	As at 31st March, 2015
Profit / (Loss) after tax (₹)	(528,042)	(295,409)
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	(10.56)	(5.91)

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

**FOR AND ON BEHALF OF THE BOARD**

  
**VIRAL DOSHI**  
PARTNER  
Membership No.: 105330



  
**SAMIRKUMAR SALOT**  
DIRECTOR  
DIN: 07115916

Place : Mumbai  
Date: 16th June, 2016



  
**VIKRANT JAIN**  
DIRECTOR  
DIN: 01912696


VAMA HOUSING LIMITED  
CIN: U45200MH1995PLC085167

Inter Group Transactions During April 2015 To March 2016 And The Balances As On 31st March, 2016

NAME OF THE GROUP COMPANIES SCHEDULE VI GROUPING	LIABILITIES	
	Short Term Borrowings	Share Capital
	Unsecured Loans	Equity Share Capital
Hubtown Limited	43,770,000	500,000

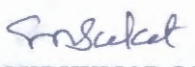
For DALAL DOSHI & ASSOCIATES  
FIRM REGISTRATION No.:121773W  
CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD

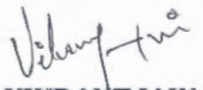
  
VIRAL DOSHI  
PARTNER  
Membership No. 105330



Place : Mumbai  
Date: 16th June, 2016

  
SAMIRKUMAR SALOT  
DIRECTOR  
DIN: 07115916



  
VIKRANT JAIN  
DIRECTOR  
DIN: 01912696



**Pankaaaj Pande**

B. Com., F.C.A.

## **P M Pande And Co** **Chartered Accountants**

Bldg. No. 3, 4th Floor, Office No. 4R, Navjivan Society,  
Lamington Road, Mumbai - 400 008. Tel. : 2309 2250  
Email : pankaajpande@hotmail.com

### **INDEPENDENT AUDITORS' REPORT**

TO THE MEMBERS OF VEGA DEVELOPERS PRIVATE LIMITED  
**Report on the Financial Statements**

We have audited the accompanying financial statements VEGA DEVELOPERS PRIVATE LIMITED (the "Company"), which comprises of the Balance Sheet as of March 31, 2016 and Statement of Profit and Loss account and the Cash Flow Statement for the year then ended, and a summary of 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 standalone 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 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, 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 profit and loss account and cash flow for the year ended on that date.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet and 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 standalone 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" and
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts that were required to be transferred to the Investor Education and Protection Fund by the Company during the year.

For P M PANDE AND CO  
Chartered Accountants  
FRN No. 107289W

PANKAJ PANDE  
Proprietor  
M. No. 040694  
Place : Mumbai  
Dated: 30 AUG 2016



## **ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**

Referred to in paragraph 1 on Report on Other Legal and Regulatory Requirements in our report of even date to the members VEGA DEVELOPERS PVT LTD on the financial statement for the year ended on March 31, 2016, we report that:

- (i) a) The company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.  
  
b) The management at reasonable intervals has verified the fixed assets . We Have been informed that no material discrepancies on such verification have been noticed.
- (ii) a) As per the records maintained, the management has conducted verification of inventory at reasonable intervals.  
  
b) In our view the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and nature of business.  
  
c) In our view , the company has maintained proper records of inventory. No discrepancy has been noticed on physical verification of stocks as compared to the books record
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii) (a) and 3(iii) (b) of the Order are not applicable
- (iv) In our opinion and according to the information and explanation give to us, the company has complied with section 185 and section 186 of the companies Act 2013 in respect of corporate guarantee given in connection with the loan taken by the others from bank or financial institutions and investment in other related party.
- (v) The Company has not accepted any deposits from public in terms of the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013. We are informed that no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or Court or any other tribunal. Accordingly, the Company has complied with the provisions of section 73 to 76 of the Companies Act, 2013.
- (vi) Central Government has not prescribed/specified the maintenance of cost records under sub-section (l) of section 148 of the Companies Act, 2013, hence clause (vi) of Paragraph 3is not applicable to the company.
- (vii) (a) According to the information and explanations given to us,the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, service tax and any other statutory dues with the appropriate authorities.



(b) According to the information and explanations given to us, there are no dues of income-tax, service tax, wealth tax, which have not been deposited on account of any dispute.

- (viii) Based on our audit procedures and on the information and explanation give to us by the management, the company has not borrowed any amount from financial institutions or bank or Government issued debentures till 31<sup>st</sup> March 2016. Hence clause (viii) of Paragraph 3 is not applicable to the company.
- (ix) In our opinion and according to the information and explanation give to us, the company has not raised money by way of public issue/ follow-on offer (including debt instruments). The company has obtained housing loan during the year and have been applied for the purpose for which they were obtained.
- (x) To the best of our knowledge and belief, and according to the information and explanations given to us, no fraud by the company or any fraud on the Company by its officers/ employees was noticed or reported during the course of our audit.
- (xi) To the best of our knowledge and belief, and according to the information and explanations given to us the company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act.
- (xii) According to the record of the Company and the information and explanations given to us the company, the company is not the Nidhi Company, hence the clause (xii) of Paragraph 3 is not applicable to the company.
- (xiii) To the best of our knowledge and belief, and according to the information and explanations given to us, the company has complied with Section 188 and 177 of Companies Act, 2013 where applicable in respect of all transactions with the related parties and the details have been disclosed in the Financial Statements etc. as required by the accounting standards and Companies Act, 2013.
- (xiv) According to the record of the Company and the information and explanations given to us the company, the company has not made preferential allotment / private placement of shares during the year under review and the requirement of Section 42 of the Companies Act, 2013. Hence the clause (xiv) of Paragraph 3 is not applicable to the company.
- (xv) According to the record of the Company and the information and explanations given to us the company, the company has not entered into any non-cash transactions with directors or persons connected with him hence the clause (xv) of Paragraph 3 is 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.

For P M PANDE AND CO  
Chartered Accountants  
FRN No. 107289W

PAKAJ PANDE  
Place: Mumbai  
Dated: 30 AUG 2016





**Pankaj Pande**

B. Com., F.C.A

## **P M Pande And Co** **Chartered Accountants**

Bldg. No. 3, 4th Floor, Office No. 4R, Navjivan Society,  
Lamington Road, Mumbai - 400 008. Tel. : 2309 2250  
Email : pankajpande@hotmail.com

### **ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT**

#### **Report on the Internal Financial Controls under Clause (f) 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 M/s. VEGA DEVELOPERS 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 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

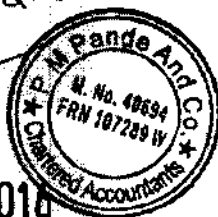
#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 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 P M PANDE AND CO  
Chartered Accountants  
FRN No. 107289W

*Pankaj Pande*  
PANKAAJ PANDE  
Proprietor  
M. No. 40694  
Place: Mumbai

Dated: 30 AUG 2016



**VEGA DEVELOPERS PRIVATE LIMITED**  
CIN: U45200MH2006PTC159794

**Balance Sheet as at 31st March, 2016**

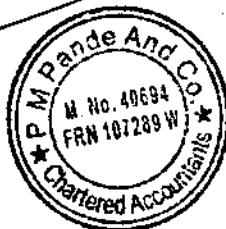
Particulars	Note No	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholder's Funds</b>			
Share Capital	1	30,000,000	30,000,000
Reserves and Surplus	2	(982,411)	(924,357)
<b>Current Liabilities</b>			
Short-term borrowings	3	232,496	232,496
Trade payables	4	52,435,951	52,536,463
Other current liabilities	5	111,835,177	111,275,081
<b>Total</b>		<b>193,521,213</b>	<b>193,119,683</b>
<b>II. ASSETS</b>			
<b>Non Current Assets</b>			
Non Current Investments	6	10,000	10,000
<b>Current assets</b>			
Inventories	7	164,752,190	164,522,584
Cash and bank balances	8	604,091	437,099
Short-term loans and advances	9	28,154,932	28,150,000
<b>Total</b>		<b>193,521,213</b>	<b>193,119,683</b>

Significant Accounting Policies  
Notes on Financial Statements  
As per our report of even date

Anexure I  
1 to 19

**FOR P. M. PANDE & Co.**  
FIRM REGISTRATION NO. 107289 W  
CHARTERED ACCOUNTANTS

**PANKAJ PANDE**  
PROPRIETOR  
Membership No. 40694



**For and on behalf of the Board**



**KETAN SHAH**  
DIRECTOR  
DIN: 00546842

**KHILEN SHAH**  
DIRECTOR  
DIN: 03134932

Place: Mumbai  
Date:

**30 AUG 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 ₹
<b>I. INCOMES</b>			
Revenue from business operations		-	-
Other Income		-	-
<b>Total</b>		<b>-</b>	<b>-</b>
<b>II. EXPENSES</b>			
Cost of materials consumed	10	141,606	838,720
Changes in inventories of finished goods work-in-progress	11	(229,606)	(970,720)
Employee benefit expense	12	88,000	132,000
Finance cost	13	-	56,886
Other expenses	14	58,054	126,335
<b>Total</b>		<b>58,054</b>	<b>183,221</b>
<b>Profit / (Loss) before tax</b>		<b>(58,054)</b>	<b>(183,221)</b>
Tax expense:			
- Current tax		-	-
- Deferred tax		-	-
<b>Profit / (Loss) for the year</b>		<b>(58,054)</b>	<b>(183,221)</b>
Earning per equity share (Face Value of ₹ 100 /- each)	17		
Basic and Diluted		<b>(0.19)</b>	<b>(0.77)</b>

Significant Accounting Policies  
Notes on Financial Statements  
As per our report of even date

Anexure I  
1 to 19

FOR P. M. PANDE & Co.  
FIRM REGISTRATION NO. 107289 W  
CHARTERED ACCOUNTANTS

For and on behalf of the Board

*Pankaj Pande*

PANKAAJ PANDE  
PROPRIETOR  
Membership No. 40694

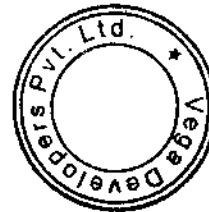


Place: Mumbai

Date: 30 AUG 2016

*Ketan Shah*

KETAN SHAH  
DIRECTOR  
DIN: 00546842



*Khilen Shah*

KHILEN SHAH  
DIRECTOR  
DIN: 03134932

CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2016

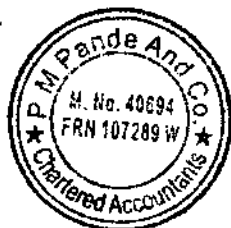
Particulars	As at 31st March, 2016 Amount ₹	As at 31st March, 2015 Amount ₹
<b>I. Cash flows arising from operating activities</b>		
Net Profit before tax as per Profit and Loss Account	(58,054)	(183,221)
Add / (Less) :		
Interest and Finance Charges	-	56,886
Operating Profit Before Working Capital Changes	(58,054)	(126,335)
Add / (Less) :		
(Increase) / Decrease in Inventories	(229,606)	(970,720)
(Increase) / Decrease in Trade and Other Receivables	(4,932)	60,000
Increase / (Decrease) in Trade Payables & Other Payables	(100,512)	25,463
Increase/ (Decrease) in other Current Liabilities	560,096	820,406
Direct Taxes Paid	-	-
Net Cash flow in the course of Operating Activities	225,046	(64,851)
	166,992	(191,186)
<b>II. Cash flows arising from Investing activities</b>		
Inflow / (Outflow) on account of :		
Increase/ (Decrease) in Proceeds from Long Term Investments	-	-10000
Net Cash flow in the course of Investing Activities	-	(10,000)
<b>III. Cash flows arising from Financing activities</b>		
Inflow / (Outflow) on account of :		
Increase in Unsecured Loans	-	232,496.00
Interest and Finance Charges Paid	-	(56,886)
Net Cash flow in the course of Financing Activities	-	175,610
Net Increase in cash and cash Equivalents ( I + II + III )	166,992	(25,576)
Add: Balance at the beginning of the year	437,099	462,675
Cash and Cash Equivalents at the end of the year	604,091	437,099
Reconciliation of Cash and Bank Balances given in Note -8 is as follows :-		
Cash on hand	419,114	410,103
Bank balance	184,977	26,996
Cash and Cash Equivalents at the end of the year	604,091	437,099

AS PER OUR REPORT ANNEXED

FOR P. M. PANDE & Co.  
FIRM REGISTRATION NO. 107289 W  
CHARTERED ACCOUNTANTS

Pankaj Pande

PANKAAJ PANDE  
PROPRIETOR  
Membership No. 40694



Place: Mumbai

Date: 30 AUG 2016

For and on behalf of the board



KETAN SHAH  
DIRECTOR  
DIN: 00546842

KHILEN SHAH  
DIRECTOR  
DIN: 03134932

**VEGA DEVELOPERS PRIVATE LIMITED**

CIN: U45200MH2006PTC159794

**ANNEXURE I****CORPORATE INFORMATION**

Vega Developers Private Limited is a Private Limited Company domiciled in India, incorporated under the Companies Act, 1956. The Company is engaged in the real estate business of construction and development of residential and commercial premises.

**SIGNIFICANT ACCOUNTING POLICIES****1. 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.

**2. 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.

**3. 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.

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

**4. INVENTORIES**

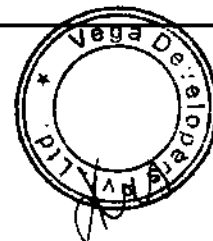
A. All inventories are stated at Cost or Net Realizable Value, whichever is lower.

B. '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 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.

C. 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.

**5. 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.



#### **6. BORROWING COSTS**

Interests and other borrowing costs (including front end processing fees) 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. Other borrowing costs are charged to the Profit and Loss Account.

#### **7. SEGMENT REPORTING**

The Company has a single segment namely "construction and development of residential and commercial premises.". 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.

#### **8. TAXATION**

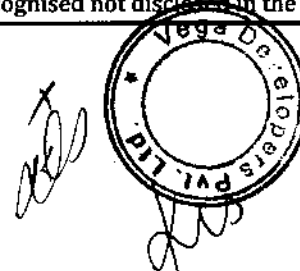
Income tax expense comprises Current Tax and Deferred Tax charge or credit. Provision for current tax is made on the basis of the assessable income at the tax rate applicable to the relevant assessment year. The deferred tax asset and deferred tax liability is calculated by applying tax rate and laws 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 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.

#### **9. 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.

A handwritten signature is written over a circular stamp. The stamp contains the text "Vega Developers Pvt. Ltd." around its perimeter.

**Notes to Accounts Forming Part of Financial Statement for the year ended as on 31st March 2016**

**NOTE '1'**  
**SHARE CAPITAL**

**A. AUTHORISED CAPITAL**

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
300,000 Equity Shares of Rs. 100/- each	30,000,000	30,000,000
(March 31, 2014: 300,000 Equity Shares of Rs. 100/- each)		
<b>Total</b>	<b>30,000,000</b>	<b>30,000,000</b>

**B. ISSUED, SUBSCRIBED & PAID UP**

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
300,000 Equity Shares of Rs. 100/- each	30,000,000	30,000,000
(March 31, 2014 : 300,000 Equity Shares of Rs. 100/- each)		
<b>Total</b>	<b>30,000,000</b>	<b>30,000,000</b>

**C. 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 of the year	300,000	300,000
Add/(Less) :		
Issue during the year	-	0
Buyback during the year	-	-
Redemption during the year	-	-
Conversion during the year	-	-
<b>At the end of the year (Nos)</b>	<b>300,000</b>	<b>300,000</b>

**D. 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
<b>Holding Company of Reporting Company (HCRC)</b>		
Hubtown Limited with Beneficiary Owners	300,000	300,000
<b>Total</b>	<b>300,000</b>	<b>300,000</b>

**E. Shareholders holding more than five percent of holdings**

	31st March, 2016		31st March, 2015	
	Nos	% of Holdings	Nos	% of Holdings
Hubtown Limited with Beneficiary Owners	300,000	100	300,000	100
<b>Total</b>	<b>300,000</b>	<b>100</b>	<b>300,000</b>	<b>100</b>

**F. The rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital**

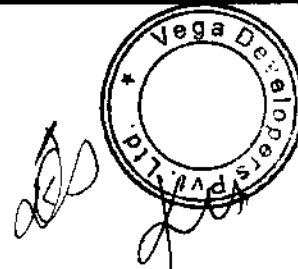
The company has only one class of equity shares having a face value of Rs 100 per share. Each holder of equity share is entitled to one vote per share.

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

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
<b>NOTE '2'</b>		
<b>RESERVES &amp; SURPLUS</b>		
<b>Surplus in the statement of profit and Loss</b>		
Balance as per last Balance Sheet	(924,357)	(741,136)
Loss for the year	(58,054)	(183,221)
<b>Balance at the end of the year</b>	<b>(982,411)</b>	<b>(924,357)</b>



	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
<b>NOTE '3'</b>		
<b>SHORT TERM BORROWINGS</b>		
<b>Unsecured Borrowings:</b>		
- from Others (Refer Footnote)	232,496	232,496
<b>Total</b>	<b>232,496</b>	<b>232,496</b>
<b>Footnote:</b>		
Loan from others is at an interest rate of 19.5% and are repayable on demand.		
	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
<b>NOTE '4'</b>		
<b>TRADE PAYABLES</b>		
Micro, Small and Medium Enterprises (Refer Footnote)	-	-
Others	52,435,951	52,536,463
<b>Total</b>	<b>52,435,951</b>	<b>52,536,463</b>
<b>Footnote:</b>		
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.		
	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
<b>NOTE '5'</b>		
<b>OTHER CURRENT LIABILITIES</b>		
Statutory dues	142,038	151,383
Business Advance Received for project from related party	105,623,698	105,023,698
Other payable	6,069,441	6,100,000
<b>Total</b>	<b>111,835,177</b>	<b>111,275,081</b>

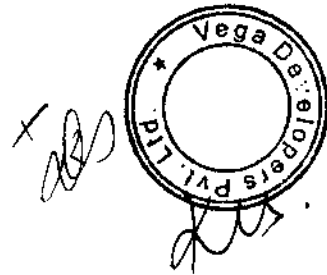


	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
<b>NOTE '6'</b>		
<b>NON CURRENT INVESTMENTS</b>		
<b>Capital Investment in Partnership Firm (Refer footnote)</b>		
M/s Rising Glory Developers	10,000	10,000
<b>Total</b>	<b>10,000</b>	<b>10,000</b>

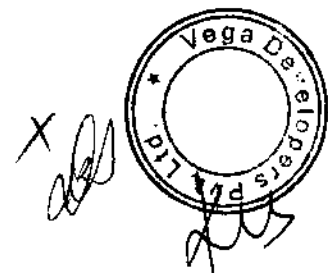
Footnote:  
Details of Investments made in capital of partnership firm:

**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	60,000	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	5.33%	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	10,000	5.33%	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%
	<b>TOTAL</b>	<b>210,000</b>	<b>100.00%</b>	<b>210,000</b>	<b>100.00%</b>



	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
<b>NOTE '7'</b>		
<b>INVENTORIES</b>		
Incomplete Projects (Valued at lower of cost or net realisable value)	164,752,190	164,522,584
<b>Total</b>	<b>164,752,190</b>	<b>164,522,584</b>
	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
<b>NOTE '8'</b>		
<b>CASH AND BANK BALANCES</b>		
Balances with Bank		
- In current Accounts	184,977	26,996
Cash on Hand	419,114	410,103
<b>Total</b>	<b>604,091</b>	<b>437,099</b>
	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
<b>NOTE '9'</b>		
<b>SHORT TERM LOANS AND ADVANCES</b>		
(Unsecured, considered good)		
Advances / Deposits recoverable in cash or in kind or for value to be received	28,154,212	28,150,000
Security Deposit	720	-
<b>Total</b>	<b>28,154,932</b>	<b>28,150,000</b>



**NOTE '10'**

**COST OF CONSTRUCTION / DEVELOPMENT**

Construction Cost incurred during the year:

Approval and consultation expenses

**Total**

Year ended 31st March 2016 ₹	Year ended 31st March 2015 ₹
141,606	838,720
<b>141,606</b>	<b>838,720</b>

**NOTE '11'**

**CHANGES IN INVENTORIES OF FINISHED GOODS WORK-IN-PROGRESS**

Opening Inventory

- Incomplete Projects

Less : Closing Inventory

- Incomplete Projects

**Total**

Year Ended 31st March, 2016 ₹	Year Ended 31st March, 2015 ₹
164,522,584	163,551,864
164,752,190	164,522,584
<b>(229,606)</b>	<b>(970,720)</b>

**NOTE '12'**

**EMPLOYEE BENEFIT EXPENSE**

Salaries

**Total**

Year Ended 31st March, 2016 ₹	Year Ended 31st March, 2015 ₹
88,000	132,000
<b>88,000</b>	<b>132,000</b>

**NOTE '13'**

**FINANCE COST**

Interest on Unsecured Loan

Interest on Delayed payment

**Total**

Year Ended 31st March, 2016 ₹	Year Ended 31st March, 2015 ₹
-	36,107
-	20,779
-	<b>56,886</b>

**NOTE '14'**

**OTHER EXPENSES**

Professional Fees

Stampduty Expenses

Filing Fees

Other Expenses ( Refer Fotnote)

**Total**

Year Ended 31st March, 2016 ₹	Year Ended 31st March, 2015 ₹
7,550	6,733
-	840
139	189
50,365	118,573
<b>58,054</b>	<b>126,335</b>

**Footnote :**

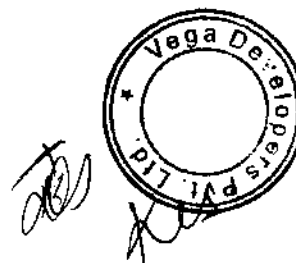
Auditors Remuneration (included in other expenses above)

- Audit Fees

- Limited Review

**Total**

25,000	25,000
7,500	7,500
<b>32,500</b>	<b>32,500</b>



**NOTE '15'**  
**RELATED PARTY DISCLOSURES**

**a) Names of Related parties and Description of Relationships**

**HOLDING COMPANY**  
Hubtown Limited

**FELLOW SUBSIDIARY COMPANIES**

ABP REALTY ADVISORS PRIVATE LIMITED  
ACKRUTI SAFEGUARD SYSTEMS PRIVATE LIMITED  
CITYGOLD EDUCATION RESEARCH LIMITED  
JINESHWAR MULTITRADE PRIVATE LIMITED  
CITYGOLD FARMING PRIVATE LIMITED  
ASHA MULTITRADE 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  
JOYNESST PREMISES PRIVATE LIMITED  
SHESHAN HOUSING AND AREA DEVELOPMENT ENGINEERS LIMITED (desubsidiarised effective April 1, 2015)  
TWENTY FIVE SOUTH REALTY LIMITED  
UPVAN LAKE RESORTS PRIVATE LIMITED  
URVI BUILDTECH LIMITED  
VAMA HOUSING LIMITED  
VISHAL TECHNO COMMERCE LIMITED  
YANTTI BUILDCON PRIVATE LIMITED

**FIRM IN WHICH THE COMPANY IS A PARTNER**  
M/s Rising Glory Developers

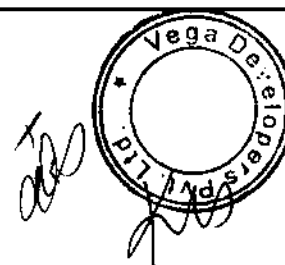
**b) Transactions with related parties**

Nature of Transactions	Year ended 31st March, 2016 ₹	Year ended 31st March, 2015 ₹
<b>Loans and Advances Received / Recovered / Taken</b> Hubtown Limited	600,000	1,225,000
<b>Equity Share Issued</b> Hubtown Limited	-	-
<b>Capital Contribution in Partnership Firm</b> M/s Rising Glory Developers	10,000	10,000
<b>Balance outstanding Payable</b> Hubtown Limited	105,623,698	105,023,698
<b>Balance outstanding Receivable</b> M/s Rising Glory Developers	10,000	10,000

**Note: Related party relationships are as identified by the Company and relied upon by the Auditors**

**NOTE '16'**

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 realizable value of at least the amounts at which stated they are stated in the balance sheet.



**NOTE '17'**  
**EARNING PER SHARE**

Particulars	31st March, 2016	31st March, 2015
Net Loss as per Statement of Profit and loss available for Equity Shareholders before / after extraordinary item (₹)	(58,054)	(183,221)
Weighted average number of equity shares outstanding at the end of the year (Nos.)	300,000	300,000
Earning per equity share (Nominal Value per share ₹100/-each)		
Earning before/ after extraordinary item :		
Basic and diluted (₹)	(0.19)	(0.61)

**NOTE '18'**  
**CONTINGENT LIABILITIES**

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

**NOTE '19'**

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

**AS PER OUR REPORT ANNEXED**

**FOR P. M. PANDE & Co.**  
**FIRM REGISTRATION NO. 107289 W**  
**CHARTERED ACCOUNTANTS**

**For and on behalf of the Board**

*Pantaoj Pande*

**FOR P. M. PANDE & Co.**  
**PROPRIETOR**  
**Membership No**



*X Ketan Shah*

**KETAN SHAH**  
**DIRECTOR**  
**DIN: 00546842**

*Khilen Shah*

**KHILEN SHAH**  
**DIRECTOR**  
**DIN: 03134932**

Place: Mumbai

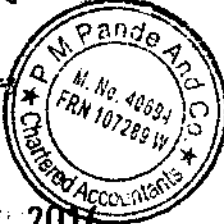
Date: **30 AUG 2016**

**VEGA DEVELOPERS PRIVATE LIMITED**  
CIN: U45200MH2006PTC159794

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

NAME OF THE GROUP COMPANIES		Liability	Asset
SCHEDULE VI GROUPING	Other current liabilities	Equities	Non Current Asset
Line item	Business Advance from related party	ESC	Non Current Investment
Hubtown Limited	105,623,698	30,000,000	-
<u>Firm in which company is a Partner</u>			
Rising Glory Developers	-	-	10,000
TOTAL	105,623,698	30,000,000	10,000

FOR P. M. PANDE & Co.  
FIRM REGISTRATION NO. 107289 W  
CHARTERED ACCOUNTANTS

*Pankaj Pande*  
**PANKAJ PANDE**  
PROPRIETOR  
Membership No. 

Place: MUMBAI  
Date: **30 AUG 2016**

For and on behalf of the Board



*Ketan Shah*  
**KETAN SHAH**  
DIRECTOR  
DIN: 00546842  
*Kheena Shah*  
**KHEENA SHAH**  
DIRECTOR  
DIN: 03134932

**VEGA DEVELOPERS PRIVATE LIMITED**  
**CIN: U45200MH2006PTC159794**

**WORK IN PROGRESS as on 31st March ,2016**

**(in ₹)**

<b>PARTICULARS</b>	<b>As at 31-3-2015</b>	<b>Addition during the Year</b>	<b>As at 31-3-2016</b>
Work in Progress (Kalina)	117,429,769	114,757	117,544,526
Work in Progress (Santacruz)	29,587,501	4,634	29,592,135
Work in Progress (Vile Parle)	17,505,313	110,215	17,615,528
<b>Total</b>	<b>164,522,584</b>	<b>229,606</b>	<b>164,752,190</b>



**INDEPENDENT AUDITOR'S REPORT**

**TO**  
**The Members of Vishal Techno Commerce Limited**

**Report on the financial statements**

We have audited the accompanying financial statements of **Vishal Techno Commerce 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" 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 knowledge and belief and according to the information and 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 has been no delay in transferring amounts, 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 : 20<sup>th</sup> May, 2016

**"ANNEXURE A" INDEPENDENT AUDITORS REPORT REFERRED TO IN OUR REPORT TO THE MEMBERS OF VISHAL TECHNO COMMERCE LIMITED ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> 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) We have not verified the deeds of immovable property disclosed in Note on Investment property to the financial statements. As per information and explanation given to us the original title deeds of the immovable property have been destroyed in fire occurred at the registered office of the company in Year 2011-12;
- (ii) The Company does not hold any inventory. 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) 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 provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, and other material statutory dues, as applicable with appropriate authorities except Tax Deducted at Source for Rs. 2,981/- and Wealth Tax Rs. 3,32,360/- outstanding as at Balance Sheet date, 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 explanations 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 the following:

Statute and nature of dues	Section	Financial Year	Disputed dues	Forum where dispute is pending
Income Tax Act, 1961	221	2010-2011	99,00,370/-	Commissioner of Income tax (appeals)
Income Tax Act, 1961	143(3)	2011-2012	84,95,590/-	Commissioner of Income tax (appeals)

- (viii) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government as at the balance sheet date.
- (ix) In our opinion, and according to the information and explanations given to us, the moneys raised by way of 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 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. 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 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 DALAL DOSHI & ASSOCIATES**

Firm Registration No.: 121773W

Chartered Accountants



**DINESH DOSHI**

Partner

Membership No.: 9464



Place : Mumbai

Date : 20<sup>th</sup> May, 2016

**"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF VISHAL TECHNO COMMERCE 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 Vishal Techno 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 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 : 20<sup>th</sup> May, 2016

Balance Sheet As at 31<sup>st</sup> March, 2016

Particulars	Note No.	As At 31 <sup>st</sup> March, 2016 ₹	As At 31 <sup>st</sup> March, 2015 ₹
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	2	500,000	500,000
Reserves and surplus	3	210,084,977	211,372,993
		<b>210,584,977</b>	<b>211,872,993</b>
<b>Non-current liabilities :</b>			
Long Term Borrowing	4	1,500,000,000	-
Other Long term liabilities	5	1,096,394	1,096,394
		<b>1,501,096,394</b>	<b>1,096,394</b>
<b>Current liabilities :</b>			
Short-term borrowings	6	306,518,278	305,541,767
Trade payables	7	493,937	493,937
Other current liabilities	8	17,216,668	2,908,042
Short term provisions	9	504,958	365,398
		<b>324,733,841</b>	<b>309,309,144</b>
<b>TOTAL</b>		<b>2,036,415,212</b>	<b>522,278,531</b>
<b>II. ASSETS</b>			
<b>Non-current Assets</b>			
Fixed assets :			
Tangible assets	10	29,780	58,628
Non-current investments	11	3,436,288	3,502,654
Deferred tax asset (net)	12	35,976	28,409
Long terms loans and advances	13	1,615,433,735	250,150,000
		<b>1,618,935,779</b>	<b>253,739,691</b>
<b>Current Assets</b>			
Cash and bank balances	14	123,142,860	297,350
Short-term loans and advances	15	293,251,052	268,241,490
Other Current Asset	16	1,085,521	-
		<b>417,479,433</b>	<b>268,538,840</b>
<b>TOTAL</b>		<b>2,036,415,212</b>	<b>522,278,531</b>

Significant Accounting Policies

1

Notes on Financial Statements

2 to 27

As per attached report of even date

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

FOR AND ON BEHALF OF THE BOARD

DINESH DOSHI  
PARTNER  
Membership No.: 9464



*Maya Vaidya*

MAYA VAIDYA  
DIRECTOR  
DIN: 00028447

*Nancy Pereira*

NANCY PEREIRA  
DIRECTOR  
DIN: 00081958

Place : Mumbai  
Date : 20th May, 2016

**VISHAL TECHNO COMMERCE LIMITED**

CIN: U45200MH1986PLC041348

**Statement of Profit and Loss for the year ended 31<sup>st</sup> March, 2016**

Particulars	Note No.	Year Ended 31 <sup>st</sup> March, 2016 ₹	Year Ended 31 <sup>st</sup> March, 2015 ₹
<b>I. INCOMES</b>			
Revenue From Operations	17	923,497	-
Other income	18	180,026	430,000
<b>TOTAL</b>		<b>1,103,523</b>	<b>430,000</b>
<b>II. EXPENSES</b>			
Finance Cost	19	972,672	130,750
Depreciation and Amortisation	20	95,214	101,623
Other Expenses	21	552,769	284,869
<b>TOTAL</b>		<b>1,620,655</b>	<b>517,242</b>
<b>Profit/(Loss) before tax</b>		<b>(517,132)</b>	<b>(87,242)</b>
Tax expense :			
Current tax		-	-
Deferred tax Charge/ (Credit)		7,567	4,554
Excess/(Short) provision for Wealth tax		7,000	-
Excess/(Short) provision of Tax of the earlier year		(785,451)	-
<b>Profit / (Loss) for the Year</b>		<b>(1,288,016)</b>	<b>(82,688)</b>
<b>Earning Per Share (EPS)</b>	22		
Basic and Diluted		(25.76)	(1.65)

Significant Accounting Policies

1

Notes on Financial Statements

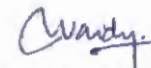
2 to 27

As per attached report of even date

**For DALAL DOSHI & ASSOCIATES**
**FOR AND ON BEHALF OF THE BOARD**

FIRM REGISTRATION No.:121773W

CHARTERED ACCOUNTANTS


**MAYA VAIDYA**

DIRECTOR

DIN: 00028447


**NANCY PEREIRA**

DIRECTOR

DIN: 00081958


**DINESH DOSHI**

PARTNER

Membership No.: 9464



Place : Mumbai

Date : 20th May, 2016

CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2016

	31 <sup>st</sup> March. 2016 ( ₹ )		31 <sup>st</sup> March. 2015 ( ₹ )	
	Amount	Amount	Amount	Amount
<b>I. Cash flows arising from operating activities</b>		(517,132)		(87,242)
Net Profit before tax as per Statement of profit and loss				
Add / (Less) :				
Interest and Finance Charges	934,636		118,346	
Depreciation and Amortisation	95,214		101,623	
Sundry Balances W/off	-		80,000	
Provisions no longer Required	-		(430,000)	
Interest Income	(180,026)		-	
		849,824		(130,031)
Operating Profit Before Working Capital Changes		332,692		(217,273)
Add / (Less) :				
(Increase) / Decrease in long term Loans and Advances	(1,300,000,000)		(178,720,000)	
(Increase) / Decrease in Other Current Assets	(66,207,233)		-	
Increase / (Decrease) in Trade Payables	-		269,548	
Increase / (Decrease) in Short Term provision	139,560		(426,250)	
(Increase) / Decrease in Short Term Loans and Advances	(25,009,561)		(504,477)	
Increase / (Decrease) in other current liabilities	13,638,425		(138,369)	
Increase / (Decrease) in Long Term Trade Payables	-		(84,290)	
Wealth Tax Paid	7,000		-	
Direct Taxes Paid	(785,451)		-	
		(1,378,217,260)		(179,603,838)
Net Cash flow in the course of Operating Activities		(1,377,884,568)		(179,821,111)
<b>II. Cash flows arising from Investing activities</b>				
Inflow / (Outflow) on account of :				
Interest Income received	18,002		-	
Sale of Investment	-		3,737,700	
		18,002		3,737,700
Net Cash flow in the course of Investing Activities				
<b>III. Cash flows arising from Financing activities</b>				
Inflow / (Outflow) on account of :				
Increase in Borrowing	1,500,000,000		-	
Increase in Unsecured Loans	976,511		176,352,485	
Interest and Finance Charges Paid	(264,435)		(118,346)	
Increase in investment - Fixed deposit	(61,962,329)		-	
		1,438,749,747		176,234,139
Net Cash flow in the course of Financing Activities				
Net Increase in cash and cash Equivalents ( I + II + III )		60,883,181		150,728
Add: Balance at the beginning of the year		297,350		146,622
Cash and Cash Equivalents at the end of the year		61,180,531		297,350
Reconciliation of Cash and Cash Equivalents (Refer note 14)				
Cash on hand	15,753		28,013	
Bank Balances - in current account	61,164,778		269,337	
Less: Margin Money balances			-	
Cash and Cash Equivalents at the end of the year		61,180,531		297,350

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 : 20th May, 2016

FOR AND ON BEHALF OF THE BOARD

MAYA VAIDYA  
DIRECTOR  
DIN: 00028447

NANCY PEREIRA  
DIRECTOR  
DIN: 00081958



**Note 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES**

**A. Corporate Information**

VISHAL TECHNO COMMERCE LIMITED is an unlisted Public Limited Company domiciled in India, incorporated under the Companies Act, 1956. The Company is engaged into real estate business specializing in construction and development of Infotech Parks, Cyber Parks, Business Parks, SEZ, lease of commercial, industrial and residential properties, solar power energy generation and distribution and financing activities.

**B. 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**

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 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:**

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

**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. Tangible Assets disclosed under 'Non Current investments' as 'Investment properties,' are stated at cost of acquisition or construction less accumulated depreciation/ amortisation and accumulated impairment losses, if any.

c. 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 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.

**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. Hence, disclosures under AS-17 are not applicable.

**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.

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.

**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 not disclosed in the financial statements.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2016

	As at 31 <sup>st</sup> March, 2016 ₹	As at 31 <sup>st</sup> March, 2015 ₹
<b>NOTE '2'</b>		
<b>SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
1,000,000 (P.Y. 1,000,000) Equity Shares of ₹ 10 each	10,000,000	10,000,000
	<u>10,000,000</u>	<u>10,000,000</u>
<b>ISSUED, SUBSCRIBED AND PAID UP</b>		
50,000 (P.Y. 50,000) Equity Shares of ₹ 10 each fully paid up	500,000	500,000
<b>TOTAL</b>	<u>500,000</u>	<u>500,000</u>

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

	No. of equity shares	
	As at 31st March, 2016	As at 31st March, 2015
Number of Shares at the Beginning	50,000	50,000
Add/(Less) :		
Issue during the year	-	-
Buyback during the year	-	-
Redemption during the year	-	-
Conversion during the year	-	-
<b>At the end of the year (Nos)</b>	<u>50,000</u>	<u>50,000</u>

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

	No. of equity shares	
	As at 31st March, 2016	As at 31st March, 2015
<b>Holding Company</b>		
Hubtown Limited with Beneficiary Owners	50,000	50,000
<b>TOTAL</b>	<u>50,000</u>	<u>50,000</u>

2.3 Shareholders holding more than five percent of holdings:

	31st March, 2016		31st March, 2015	
	Nos	% of Holdings	Nos	% of Holdings
<b>Equity</b>				
Hubtown Limited with Beneficiary Owners	50,000	100	50,000	100
<b>Equity Total</b>	<u>50,000</u>	<u>100</u>	<u>50,000</u>	<u>100</u>

2.4 Terms / Right attached to Ordinary 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.

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
<b>NOTE '3'</b>		
<b>RESERVES AND SURPLUS</b>		
Surplus in Profit and Loss Statement	211,372,993	211,455,681
Balance as per Last Profit and Loss Statement	(1,288,016)	(82,688)
Profit / (Loss) for the year	<u>210,084,977</u>	<u>211,372,993</u>
<b>TOTAL</b>		



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2016

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
<b>NOTE '4'</b>		
<b>LONG TERM BORROWING</b>		
Loan from Financial Institutions (Refer Footnote - a)	1,500,000,000	-
<b>TOTAL</b>	<b>1,500,000,000</b>	<b>-</b>

Footnote

a. Secured loan from financial institute carry interest rate of 21%. Repayable in quarterly installment starting from 30th September 2019. Mortgage of land and structures on project located in Andheri (East), Matunga, Kelavali, Ghodivali, Raigad, Mulund, Khalapur and Majiwade; first charge by way of over the receivable and escrow account collection from above project. Irrevocable and unconditional Personal Guarantee(s) of Mr. Hemant Shah and Vyomesh Shah. Corporate guarantee of Heet Builder Private Limited and Citygold Education Research Limited. Pledge of shares of Heet Builder Private Limited, Citygold Education Research Limited held by Hubtown Limited. Pledge of 70,00,000 shares of Hubtown Limited.

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
<b>NOTE '5'</b>		
<b>OTHER LONG TERM LIABILITIES</b>		
Retention Money Payable	1,096,394	1,096,394
<b>TOTAL</b>	<b>1,096,394</b>	<b>1,096,394</b>

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
<b>NOTE '6'</b>		
<b>SHORT TERM BORROWINGS</b>		
Unsecured Loans:		
- from related parties	305,749,282	304,879,282
- from Other Companies	768,996	662,485
<b>TOTAL</b>	<b>306,518,278</b>	<b>305,541,767</b>

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
<b>NOTE '7'</b>		
<b>TRADE PAYABLES</b>		
Trade Payables (Refer Footnote)	493,937	493,937
<b>TOTAL</b>	<b>493,937</b>	<b>493,937</b>

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.

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
<b>NOTE '8'</b>		
<b>OTHER CURRENT LIABILITIES</b>		
Interest accrued but not due on borrowings	776,712	106,511
Refundable Deposits	2,960,000	-
Other payables :		
- Statutory Dues	8,043,393	22,886
- Others	5,436,563	2,778,645
<b>TOTAL</b>	<b>17,216,668</b>	<b>2,908,042</b>

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
<b>NOTE '9'</b>		
<b>SHORT TERM PROVISIONS</b>		
Provision for Income tax (Net of provision ₹ 148,85,220; P.Y. ₹ 148,98,072)	178,208	31,648
Provision for Wealth tax	326,750	333,750
<b>TOTAL</b>	<b>504,958</b>	<b>365,398</b>



## NOTE '10' : FIXED ASSETS

( in ₹ )

	Fixed Assets	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK	
		Balance as at 1 April 2015	Additions/ (Disposals)	Deduction / Adjustments	Balance as at 31 March 2016	Balance as at 1 April 2015	Provided during the year	Deduction / Adjustments	Balance as at 31 March 2016	Balance as at 31 March 2016	Balance as at 31 March 2015
	<u>Tangible Assets</u>										
1	Furniture and Fixtures	288,238	-	-	288,238	229,610	28,848	-	258,458	29,780	58,628
2	Office equipment	17,250	-	-	17,250	17,250	-	-	17,250	-	-
<b>TOTAL</b>		<b>305,488</b>	<b>-</b>	<b>-</b>	<b>305,488</b>	<b>246,860</b>	<b>28,848</b>	<b>-</b>	<b>275,708</b>	<b>29,780</b>	<b>58,628</b>
<b>PREVIOUS YEAR FIGURE</b>		<b>305,488</b>	<b>-</b>	<b>-</b>	<b>305,488</b>	<b>211,603</b>	<b>35,257</b>	<b>-</b>	<b>246,860</b>	<b>58,628</b>	<b>93,885</b>

Note: Depreciation is provided on Straight Line Method. Also refer Note 1 (B) (IV) (c).



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2016

## NOTE '11'

## NON CURRENT INVESTMENTS

(Trade, unless otherwise specified)

## A) Investment Property (At cost/ less Accumulated Depreciation)

	As at 31 <sup>st</sup> March, 2016 ₹	As at 31 <sup>st</sup> March, 2015 ₹
Gross Cost	5,927,638	5,927,638
Less:		
Opening Accumulated Depreciation	2,425,709	2,359,343
Provided During the Year	66,366	66,366
<b>Total</b>	<b>2,492,075</b>	<b>2,425,709</b>
<b>Closing Balance</b>	<b>3,435,563</b>	<b>3,501,929</b>

## B) Investment in Equity Shares :

## Other companies - (unquoted)

i. 25 (P.Y 25 ) Equity shares of ₹ 29/- each

Shamrao Vithal Co-operative Bank Limited

Sub total

	725	725
	725	725

Total

	3,436,288	3,502,654
--	-----------	-----------

Aggregate amount of Unquoted Investment

725 725

Aggregate provision for diminution in value of investments

- -

## NOTE '12'

## DEFERRED TAX ASSETS (NET)

On account of depreciation

As at 31 <sup>st</sup> March, 2015 ₹	Charge / (Credit) during the year ₹	As at 31 <sup>st</sup> March, 2016 ₹
28,409	7,567	35,976
(23,855)	(4,554)	(28,409)
<b>28,409</b>	<b>7,567</b>	<b>35,976</b>
<b>(23,855)</b>	<b>(4,554)</b>	<b>(28,409)</b>

Net Deferred Assets

Note: Previous Year Figures are given in brackets.

## NOTE '13'

## LONG TERM LOANS AND ADVANCES

Advance towards Properties

(Unsecured, considered good)

Loan to related parties

Ancilliary cost of borrowing

Security Deposits:

Unsecured, considered good

TOTAL

As at 31 <sup>st</sup> March, 2016 ₹	As at 31 <sup>st</sup> March, 2015 ₹
250,000,000	250,000,000
1,300,000,000	-
65,283,735	-
150,000	150,000
<b>1,615,433,735</b>	<b>250,150,000</b>



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2016

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
<b>NOTE '14'</b>		
<b>CASH AND BANK BALANCES</b>		
Cash on hand	15,753	28,012
Balances with banks:		
Current accounts	61,164,778	269,338
Other Bank Balances		
Deposit with maturity of more than three months but less than twelve months (refer footnote)	61,962,329	-
	<b>123,142,860</b>	<b>297,350</b>
<b>Footnote:</b>		
Balance with bank fixed deposit are kept for guarantee / other facilities.		
	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
<b>NOTE '15'</b>		
<b>SHORT-TERM LOANS AND ADVANCES</b>		
Unamortized ancillary cost of arranging the borrowing	26,142,143	-
Advances recoverable in cash or kind (Unsecured considered good)	240,936,385	241,448,077
Other loans and advances:		
Advance Income Tax	26,172,524	26,793,413
<b>TOTAL</b>	<b>293,251,052</b>	<b>268,241,490</b>
	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
<b>NOTE '16'</b>		
<b>OTHER CURRENT ASSETS</b>		
Accrued Interest	1,085,521	-
<b>TOTAL</b>	<b>1,085,521</b>	<b>-</b>



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2016

	Year Ended 31 <sup>st</sup> March, 2016 ₹	Year Ended 31 <sup>st</sup> March, 2015 ₹
<b>NOTE '17'</b>		
<b>REVENUE FROM OPERATIONS</b>		
Other operating revenue :		
- Income from investments in fellow subsidiary developing real estate projects	923,497	-
<b>TOTAL</b>	<b>923,497</b>	<b>-</b>

**Footnotes:**

a. The above income consists of interest charged to fellow subsidiary account of investments made in the nature of loans and advances.

	Year Ended 31 <sup>st</sup> March, 2016 ₹	Year Ended 31 <sup>st</sup> March, 2015 ₹
<b>NOTE '18'</b>		
<b>OTHER INCOME</b>		
Interest income		
- Fixed Deposit	180,026	-
Provisions no longer Required	-	430,000
<b>TOTAL</b>	<b>180,026</b>	<b>430,000</b>

	Year Ended 31 <sup>st</sup> March, 2016 ₹	Year Ended 31 <sup>st</sup> March, 2015 ₹
<b>NOTE '19'</b>		
<b>FINANCE COST</b>		
Interest:		
- Interest Others	863,013	118,346
- Interest on delay payments of taxes	38,036	12,404
Other Borrowing Cost	71,623	-
<b>Total</b>	<b>972,672</b>	<b>130,750</b>

	Year Ended 31 <sup>st</sup> March, 2016 ₹	Year Ended 31 <sup>st</sup> March, 2015 ₹
<b>NOTE '20'</b>		
<b>DEPRECIATION</b>		
Depreciation on tangible fixed assets	28,848	35,257
Depreciation on Investment Property	66,366	66,366
	<b>95,214</b>	<b>101,623</b>

	Year Ended 31 <sup>st</sup> March, 2016 ₹	Year Ended 31 <sup>st</sup> March, 2015 ₹
<b>NOTE '21'</b>		
<b>OTHER EXPENSES</b>		
Repairs and Maintenance	275,827	82,500
Rates & Taxes	2,500	36,250
Professional Fees	34,042	20,464
Sundry Balances W/off	-	80,000
Other Expenses (Refer footnote )	240,400	65,655
<b>TOTAL</b>	<b>552,769</b>	<b>284,869</b>

Footnote (Included in other expenses above)

Audit fees	20,000	20,000
Limited review fees	-	15,000
Service tax on above	2,900	4,326
	<b>22,900</b>	<b>39,326</b>



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2016

22 Earning Per Share (EPS)

The following reflects the profit and share data used in the basic and diluted earning per share

	As at 31 <sup>st</sup> Mar 2016	As at 31 <sup>st</sup> Mar 2015
Profit / (Loss) after tax (₹)	(1,288,016)	(82,688)
Number of equity shares 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	(25.76)	(1.65)

23 Related Party Disclosures

Name of the related parties and related parties relationship

I. HOLDING COMPANY

Hubtown Limited

II. FELLOW SUBSIDIARIES

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

Transactions with Related Parties -

Nature of Transactions	Holding Company/Fellow Subsidiary (₹)
Loans received / recovered / Adjusted Hubtown Limited	1,670,000 (241,890,000)
Loans repaid / given / Adjusted Hubtown Limited	800,000 (66,200,000)
Interest Received Heet Builders Private Limited	923,497 (-)
Payments made on our behalf Heet Builders Private Limited	1,030,500 (326,408)
Balance outstanding Payable Hubtown Limited	305,449,282 (304,879,282)
Heet Builders Private Limited	1,356,908 (326,408)
Receivable Heet Builders Private Limited	1,300,923,497 (-)

Note:

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



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

24 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.

25 Contingent Liabilities

A. Contingent liability with regards disputed dues with statutory authorities :

Particulars	As at	As at
	31st March, 2016	31st March, 2015
A. Claims against company not acknowledge as debt on account of:-		
<b>Income tax matter under appeals with the Commissioner of Income Tax (Appeal) :</b>		
Financial year 2010-2011 Under Section 221 of Income Tax Act, 1961	9,900,370	9,900,370
Financial year 2011-2012 Under Section 143(3) of Income Tax, 1961	8,495,590	8,495,590
<b>TOTAL</b>	<b>18,395,960</b>	<b>18,395,960</b>

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.

B. On account of Corporate guarantees issued by the Company to ECL Finance Limited on behalf of Heet	100,000,000	1,410,000,000
Bulders Private Limited : Outstanding Loan amount		
<b>Total</b>	<b>100,000,000</b>	<b>1,410,000,000</b>


26 There was a massive fire at registered office of the company, one of the operating stakeholders of the company on December 23, 2011. The same has resulted in substantial destruction of records of the company. Though the company has managed to recover/resurrect most of its destroyed records, on the date of the balance sheet, it was still in the process of recovering its balance records.

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

As per attached report of even date

For and on behalf of the board

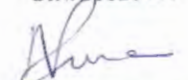
For DALAL DOSHI & ASSOCIATES  
FIRM REGISTRATION No.:121773W  
CHARTERED ACCOUNTANTS

  
**DINESH DOSHI**  
PARTNER  
Membership No.: 9464





**MAYA VAIDYA**  
DIRECTOR  
DIN: 00028447



**NANCY PEREIRA**  
DIRECTOR  
DIN: 00081958

Place : Mumbai  
Date : 20th May, 2016

IN THE BOOKS OF VISHAL TECHNO COMMERCE LIMITED

CIN: U45200MH1986PLC041348

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

NAME OF THE GROUP COMPANIES	ST - Borrowing	LONG TERM LOANS AND ADVANCES	OTHER CURRENT ASSETS	OTHER CURRENT LIABILITIES	Equities
SCHEDULE VI GROUPING					
Line item	Loan taken from Related Parties	Loan to related parties	Accrued Int	Loan From Related party	ESC/ PSC/ Capital in JVs & Firms
Hubtown Limited	305,749,282	-	-	-	500,000
Heet Builders Private Limited	-	1,300,000,000	923,497	1,356,908	-

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

DINESH DOSHI  
PARTNER  
Membership No.: 9464



Place : Mumbai  
Date : 20th May, 2016

FOR AND ON BEHALF OF THE BOARD

*Waidy*  
MAYA VAIDYA  
DIRECTOR  
DIN: 00028447



*Shun*  
NANCY PEREIRA  
DIRECTOR  
DIN: 00081958

**INDEPENDENT AUDITOR'S REPORT**

**TO,  
THE MEMBERS OF,  
YANTI BUILDCON PRIVATE LIMITED**

**Report on the Financial Statements**

We have audited the accompanying Financial Statements of **YANTI BUILDCON 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. 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 the Company is a Private Company, and falls within the exemption specified in paragraph 2(v) of the Companies (Auditor's Report) Order, 2015 issued by the Central Government of India in terms of subsection 11 of section 143 of the Companies Act, 2013 (18 of 2013), the matters specified in paragraphs 3 and 4 of the said order are not enclosed.
- 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 : 20/05/2016



**"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 31<sup>st</sup> MARCH, 2016 OF YANTI BUILDCON PRIVATE LIMITED**

We have audited the internal financial controls over financial reporting of **YANTI BUILDCON 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**

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 : 20/05/2016

**Yantti Buildcon Private Limited****CIN: U45201KA2009PTC052006****Balance Sheet As at 31<sup>st</sup> March, 2016**

Particulars	Note No.	As At 31st March, 2016 ₹	As At 31st March, 2015 ₹
<b>I. EQUITY AND LIABILITIES</b>			
Shareholders' funds			
Share capital	3	5,00,000	5,00,000
Reserves and surplus	4	(37,75,846)	(32,73,451)
Non- Current Liabilities			
Other Long Term Liabilities	5	34,235	34,235
Current liabilities :			
Short-term borrowings	6	65,67,291	62,67,291
Trade payables	7	14,55,48,011	14,56,88,888
Other current liabilities	8	41,91,21,495	41,28,46,182
<b>TOTAL</b>		<b>56,79,95,186</b>	<b>56,20,63,145</b>
<b>II. ASSETS</b>			
Non-current Assets			
Tangible assets	9	2,92,000	3,27,649
Non Current Investments	10	10,000	10,000
Current Assets			
Inventories	11	56,69,55,869	56,08,59,063
Short-term loans and advances	12	3,22,187	4,80,688
Cash and Bank Balance	13	4,15,130	3,85,745
<b>TOTAL</b>		<b>56,79,95,186</b>	<b>56,20,63,145</b>

Significant Accounting Policies  
Notes on Financial Statements

1 to 2  
3 to 28

As per attached report of even date  
For M. K. GOHEL & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN: 103256W

*M. K. Gohel*  
**MUKESH K. GOHEL**  
PROPRIETOR  
M.No.: 038823



Place: Mumbai  
Date: 20th May, 2016

For and on behalf of the Board of Directors

*COL. R. S. MALIK*  
**COL. R. S. MALIK (RETD.)**  
DIRECTOR  
DIN: 00031167



**HEMANT GULATI**  
DIRECTOR  
DIN: 00408734

**Yantti Buildcon Private Limited**

CIN: U45201KA2009PTC052006

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

Particulars	Note No.	31st March 2016 ₹	31st March 2015 ₹
<b>I. INCOMES</b>			
Other income	14	(691)	46,156
<b>TOTAL</b>		<b>(691)</b>	<b>46,156</b>
<b>II. EXPENSES</b>			
Cost of Construction / Development	15	39,10,468	60,09,646
Changes in inventories of Work in Progress and finished goods	16	(60,96,806)	(1,38,46,550)
Employee benefit expenses	17	6,02,861	28,06,339
Finance Cost	18	18,307	26,87,541
Depreciation and Amortisation	20	35,649	35,552
Other Expenses	19	20,31,224	43,41,815
<b>TOTAL</b>		<b>5,01,703</b>	<b>20,34,343</b>
<b>Loss before tax</b>		<b>(5,02,394)</b>	<b>(19,88,187)</b>
Tax expense :			
Current tax		-	-
Deferred tax		-	-
<b>Loss for the year before Prior period adjustments</b>		<b>(5,02,394)</b>	<b>(19,88,187)</b>
Prior Period adjustments	23	-	900
<b>Profit / (Loss) for the period</b>		<b>(5,02,394)</b>	<b>(19,87,287)</b>
Earning per equity share (Nominal Value of share of ₹ 10 /- each)			
Basic and Diluted	21	(10.05)	(39.75)

Significant Accounting Policies 1 to 2  
Notes on Financial Statements 3 to 28  
As per attached report of even date

For M.K. GOHEL & ASSOCIATES  
**CHARTERED ACCOUNTANTS**  
FRN: 103256W

*M.K. Gohel*  
**MUKESH K. GOHEL**  
PROPRIETOR  
M.No.: 038823



For and on behalf of the Board of Directors

*R. S. Malik*  
**COL. R. S. MALIK (RETD.)**  
DIRECTOR  
DIN: 00031167



**HEMANT GULATI**  
DIRECTOR  
DIN: 00408734

Place: Mumbai  
Date: 20th May, 2016

Yantti Buildcon Private Limited

CIN: U45201KA2009PTC052006

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

Particulars	2015 - 2016 ₹	2014 - 2015 ₹
<b>I Cash Flow arising from Operating Activities:</b>		
Net Profit before taxes as per profit and loss account	(502,394)	(1,987,287)
Add / (Deduct) :		
Interest Expenses	18,307	2,687,541
Depreciation	35,649	35,552
Interest Income	53,956	2,723,093
Operating Profit / (Loss) before Working Capital Changes	(448,438)	735,806
Add / (Deduct) :		
(Increase) / Decrease in Inventories	(6,096,806)	(13,846,550)
(Increase) / Decrease in Loans and Advances	158,501	811,502
Increase / (Decrease) in Trade Payables and other liabilities	6,134,436	12,935,656
Net Cash Flow in the course of operating activities	196,131 (252,307)	(99,392) 636,414
<b>II Cash Flow from Investing Activities:</b>		
Inflow / (Outflow) on account of:		
Interest Income	-	-
Proceeds from Long Term Investments	-	(10,000)
Net Cash Flow in the course of Investing activities	-	(10,000)
<b>III Cash Flow from Financing Activities:</b>		
Inflow / (Outflow) on account of:		
Unsecured Loans Borrowed (net)	300,000	322,972
Interest Expenses	(18,307)	(1,249,742)
Net Cash Flow in the course of Financing activities	281,693	(926,770)
Net Increase / (Decrease) in Cash and Cash Equivalents (I + II + III)	29,385	(300,356)
Add: Cash and Cash Equivalents at the Beginning of the Year	385,745	686,101
Cash and Cash Equivalents at the end of the Year	415,130	385,745
<b>Reconciliation of cash and cash equivalent (Refer note 13)</b>		
Cash on hand	171,722	26,722
Balances with banks in current account	243,408	359,023
	415,130	385,745

As per attached report of even date

For M.K. GOHEL &amp; ASSOCIATES

CHARTERED ACCOUNTANTS

FRN: 103256W

MUKESH K. GOHEL  
PROPRIETOR  
M.No.: 038823



Place: Mumbai  
Date: 20th May, 2016



For and on behalf of the Board

*[Signature]*  
COL. R. S. MALIK (RETD.)  
DIRECTOR  
DIN: 00031167

HEMANT GULATI  
DIRECTOR  
DIN: 00408734

**1. Corporate Information**

Yantti Buildcon Private Limited is an Private Limited Company domiciled in India, incorporated under the Companies Act, 1956. The Company is engaged into real estate business specializing in construction and development of Infotech Parks, Cyber Parks, Business Parks, SEZ as well as sale and lease of commercial, industrial properties and other similar 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, 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/ 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.

**C. Others**

Revenue from Other 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. Inventory**

**A. Incomplete Projects** 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.

**B. Finished Properties** are stated at Cost or Net Realizable Value, whichever is lower.

Cost included in inventory include cost incurred upto the completion of the projects 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. 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.

**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.

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. 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.

**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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**Yantti Buildcon Private Limited**

CIN: U45201KA2009PTC052006

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016****NOTE '3'****SHARE CAPITAL****AUTHORISED**

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

As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
500,000	500,000
<b>500,000</b>	<b>500,000</b>

**ISSUED, SUBSCRIBED AND PAID UP**

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

500,000	500,000
<b>500,000</b>	<b>500,000</b>

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

Number of Shares at the Beginning

31st March, 2016 (Nos)	31st March, 2015 (Nos)
50,000	50,000

Add/(Less) :

Issue during the year

-

-

Buyback during the year

-

-

Conversion during the year

-

-

**At the end of the reporting year (Nos)****Total**

<b>50,000</b>	<b>50,000</b>
---------------	---------------

**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 holders

31st March, 2016 (Nos)	31st March, 2015 (Nos)
50,000	50,000

**Total**

<b>50,000</b>	<b>50,000</b>
---------------	---------------

**3.3 Equity Shareholders holding more than five percent of holdings**

Hubtown Limited with beneficiary holders

**Total****31st March, 2016**

Nos of Holdings

50,000	100%
<b>50,000</b>	<b>100%</b>

**31st March, 2015**

Nos % of Holdings

50,000	100%
<b>50,000</b>	<b>100%</b>

**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.



**Yantti Buildcon Private Limited**

CIN: U45201KA2009PTC052006

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016****NOTE '4'****RESERVES AND SURPLUS**

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
Surplus in Profit and Loss Statement		
Balance as per Last Profit and Loss Statement	(3,273,451)	(1,286,164)
Profit / (Loss) for the year	(502,394)	(1,987,287)
<b>Total</b>	<b>(3,775,846)</b>	<b>(3,273,451)</b>

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

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
Others:		
Deposit		
Retention Money	34,235	34,235
<b>Total</b>	<b>34,235</b>	<b>34,235</b>

**NOTE '6'****SHORT TERM BORROWINGS**

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
Unsecured Loans		
- from body corporate (Refer footnote a)	6,547,291	6,247,291
- from directors (Refer footnote b)	20,000	20,000
<b>Total</b>	<b>6,567,291</b>	<b>6,267,291</b>

**Footnote**

- a) Unsecured loan from body corporate carries interest @ - (P.Y. 19.10%) and are repayable on demand  
b) Loan from director are interest free and repayable on demand

**NOTE '7'****TRADE PAYABLES**

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
Micro, Small and Medium Enterprises (Refer footnote)	-	-
Trade Payables	145,548,011	145,688,888
	<b>145,548,011</b>	<b>145,688,888</b>

**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**

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
Interest accrued and due on borrowings	1,057,964	1,057,964
Other payables:		
- Statutory Dues	9,608,597	9,503,718
- Business advances from related party	408,093,956	402,019,304
- Others payables	360,978	265,196
	<b>419,121,495</b>	<b>412,846,182</b>



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CIN: U45201KA2009PTC052006

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ASSETS	GROSS BLOCK			DEPRECIATION / AMORTIZATION				NET BLOCK		
	Gross Block As on 01-Apr-15	Addition During the Period	Deduction During the Period	Gross Block As on 31-Mar-16	As On 01-Apr-15	Depreciation For the Period	Deduction / Adjustment	Upto 31-Mar-16	Net Block As on 31-Mar-16	Net Block As on 01-Apr-15
<b>LAND</b> Free hold land	292,000	-	-	292,000	-	-	-	-	292,000	292,000
<b>COMPUTER &amp; PRINTERS</b> Laptop	97,882	-	-	97,882	62,233	35,649	-	97,882	-	35,649
<b>TOTAL</b>	389,882	-	-	389,882	62,233	35,649	-	97,882	292,000	327,649
<b>PREVIOUS YEAR FIGURES</b>	389,882	-	-	389,882	26,681	35,552	-	62,233	327,649	-



**Yantti Buildcon Private Limited**

**CIN: U45201KA2009PTC052006**

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

**NOTE '10'**

**NON CURRENT INVESTMENTS**

**Capital Investment in Partnership Firm (Refer footnote)**

**M/s Rising Glory Developers**

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
	10,000	10,000
<b>Total</b>	<b>10,000</b>	<b>10,000</b>

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, 2016	31st March, 2015	31st March, 2015
		Capital Contribution	Profit Sharing Ratio	Capital Contribution	Profit Sharing Ratio
1	Hubtown Limited	60,000	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	5.33%	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	Joyneest Premises Private Limited	-	-	10,000	4.76%
18	Sunstream City Private Limited	10,000	5.33%	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%
		<b>210,000</b>	<b>100%</b>	<b>210,000</b>	<b>100%</b>



**NOTE '11'**

**INVENTORIES**

(Valued at lower of cost and net realisable value)

Stock at site

Incomplete Projects

Per Balance Sheet

As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
566,955,869	560,859,063
<u>566,955,869</u>	<u>560,859,063</u>

**NOTE '12'**

**SHORT TERM LOANS AND ADVANCES**

Advances recoverable in cash or kind (Unsecured, considered good)

Others

Other loans and advances:

Advance Income Tax (Net of Provisions ₹ 49000/-, PY ₹ 49000/-)

Prepaid Expenses

Loans to Employees

Other receivable

**Total**

As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
154,488	154,488
129,275	129,275
-	160,425
16,500	16,500
21,924	20,000
<u>322,187</u>	<u>480,688</u>

**NOTE '13'**

**CASH AND BANK BALANCES**

Balances with banks;

On Current accounts

Cash on hand

**Total**

As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
243,408	359,023
171,722	26,722
<u>415,130</u>	<u>385,745</u>



**Yantti Buildcon Private Limited****CIN: U45201KA2009PTC052006****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016****NOTE '14'**  
**OTHER INCOME**

	Year Ended 31st March, 2016 ₹	Year Ended 31st March, 2015 ₹
Provisions No Longer Required	-	46,156
Share of profit / (loss) from partership firm	(691)	-
<b>Total</b>	<b>(691)</b>	<b>46,156</b>

**NOTE '15'****COST OF CONSTRUCTION / DEVELOPMENT**

	Year Ended 31st March, 2016 ₹	Year Ended 31st March, 2015 ₹
Construction Costs incurred during the year		
- Land Cost	3,440,086	4,940,137
- Other Direct Civil Cost	470,382	1,069,509
<b>Total</b>	<b>3,910,468</b>	<b>6,009,646</b>

**NOTE '16'****CHANGES IN INVENTORIES OF INCOMPLETE PROJECTS,  
FINISHED PROPERTIES AND FSI**

	Year Ended 31st March, 2016 ₹	Year Ended 31st March, 2015 ₹
<b>Opening Inventory :</b>		
Incomplete Projects	560,859,063	547,012,513
<b>Closing Inventory :</b>		
Incomplete Projects	566,955,869	560,859,063
<b>Total</b>	<b>(6,096,806)</b>	<b>(13,846,550)</b>



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**Yantti Buildcon Private Limited****CIN: U45201KA2009PTC052006****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016****NOTE '17'****EMPLOYEE COST**

	Year Ended 31st March, 2016 ₹	Year Ended 31st March, 2015 ₹
Salary, Bonus, etc.	526,263	2,653,081
Staff Welfare Expenses	76,598	153,258
<b>Total</b>	<b>602,861</b>	<b>2,806,339</b>

**NOTE '18'****FINANCE COST**

	Year Ended 31st March, 2016 ₹	Year Ended 31st March, 2015 ₹
Interest:		
- Interest on borrowings	-	1,175,516
- Interest on delayed payment of taxes	18,307	1,512,025
<b>Total</b>	<b>18,307</b>	<b>2,687,541</b>

**NOTE '19'****OTHER EXPENSES**

	Year Ended 31st March, 2016 ₹	Year Ended 31st March, 2015 ₹
Rent	160,425	330,080
Rates and Taxes	58,522	58,522
Repairs & Maintenance	53,724	-
Bank Charges	724	3,466,447
Legal and Professional Fees	134,531	58,686
Traveling and Conveyance Charges	76,024	-
Other Expenses (Refer Footnote)	1,547,274	428,080
<b>Total</b>	<b>2,031,224</b>	<b>4,341,815</b>

**Footnote:**

Audit Fees	20,000	20,000
Limited Review	-	15,000
Service Tax on above	2,900	4,326
	<b>22,900</b>	<b>39,326</b>

**NOTE '20'****Depreciation and Amortisation**

	Year Ended 31st March, 2016 ₹	Year Ended 31st March, 2015 ₹
Depreciation		
Computers/Laptops Clearing Account	35,649	35,552
	<b>35,649</b>	<b>35,552</b>



**Yantti Buildcon Private Limited**

**CIN: U45201KA2009PTC052006**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2016**

**21 Earning Per Share (EPS)**

The following reflects the profit and share data used in the basic and diluted earning per share

	As at 31st March, 2016	As at 31st March, 2015
Profit / (Loss) after tax (₹)	(502,394)	(1,987,287)
Number of equity shares outstanding at the end of the year (Nos)	50,000	50,000
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	(10.05)	(39.75)

**22 Related Party Disclosures (As per AS - 18)**

Name of the related parties and related parties relationship  
Holding Company : Hubtown Limited

**I. FELLOW SUBSIDIARIES**

ACKRUTI SAFEGUARD SYSTEMS PRIVATE LIMITED  
CITYWOOD BUILDERS PRIVATE LIMITED  
CITYGOLD EDUCATION RESEARCH LIMITED  
JINESHWAR MULTITRADE PRIVATE LIMITED  
CITYGOLD FARMING PRIVATE LIMITED  
ASHA MULTITRADE PRIVATE LIMITED  
DEVKRUPA BUILDTech LIMITED  
DIVINITI PROJECTS PRIVATE LIMITED  
GUJARAT AKRUTI-TCG BIOTECH LIMITED  
HALITIOUS DEVELOPER PRIVATE 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 (desubsidiarised effective 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  
ABP REALTY ADVISORS PRIVATE LIMITED  
GALLANT INFOTECH PRIVATE LIMITED

**II. FIRM IN WHICH THE COMPANY IS A PARTNER**

M/s Rising Glory Developers

**Note: Related party relationships are as identified by the Company and relied upon by the Auditors**



**Yantti Buildcon Private Limited**  
**CIN: U45201KA2009PTC052006**

**II. Transaction with Related Parties -**

A.	Nature of Transactions	Name of Party	Amount
1)	Business Loans and advances taken/ recovered / adjusted	Hubtown Limited	₹ 4,701,600 (9,535,000)
2)	Reimbursement Expenses paid	Hubtown Limited	- (2,826,936)
3)	Capital Contribution in Partnership Firm	M/s Rising Glory Developers	10,000 (10,000)
<b>B.</b>	<b>Balance outstanding</b>		
1)	Business Loans and advances	Hubtown Limited	408,093,956 (402,019,304)
2)	Balance Receivables	M/s Rising Glory Developers	10,000 (10,000)

Figures of P.Y. are shown in the brackets.

23 Prior Period Adjustment	31st March, 2016	31st March, 2015
Credits relating to earlier year		
Excess TDS Deducted	0	900

**24 Contingent Liabilities**

The company does not have any contingent liability as at the balance sheet date certified by the management and relied upon by the auditors, as otherwise mentioned below:

Statute and nature of dues	Financial Year	Disputed Dues	Forum where dispute is pending
Income Tax Under section 143 (3)	2011-12	4,069,952	Commissioner of Income Tax (appeals)

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.



X



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

26 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 extend does not see the stated erosion of the net worth as an impediment to its status as a going concern.

27 In the opinion of the Board of Directors of the Company, all items of Current Assets, Current Liabilities and Loans

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

As per attached report of even date

**For M. K. GOHEL & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
**FRN: 103256W**

*MK Gohel*  
**MUKESH K. GOHEL**  
**PROPRIETOR**  
**M.No.: 038823**



**Place: Mumbai**  
**Date: 20th May, 2016**

**For and on behalf of the board**

*[Signature]*  
**COL. R. S. MALIK (RETD.)**  
**DIRECTOR**  
**DIN: 00031167**



**HEMANT GULATI**  
**DIRECTOR**  
**DIN:00408734**

Yantti Buildcon Private Limited

CIN: U45201KA2009PTC052006

Inter company transactions as on 31 March, 2016

NAME OF THE GROUP COMPANIES		LIABILITIES	
SCHEDULE VI GROUPING	Other current liabilities	Other current liabilities	Trade Payables
Line Item	Other Payables	Business advances for project	Reimbursement of Expenses
Hubtown Limited	-	38,17,92,167	2,63,00,189
<b>Firm in which company is a Partner</b>			
Rising Glory Developers	10,000	-	-
<b>TOTAL</b>	<b>10,000</b>	<b>38,17,92,167</b>	<b>2,63,00,189</b>

As per attached report of even date

For M. K. GOHEL & ASSOCIATES

CHARTERED ACCOUNTANTS

FRN: 103256W

*M.K. Gohel*  
MUKESH K. GOHEL  
PROPRIETOR  
M.No.: 038823



Place: Mumbai  
Date: 20th May, 2016

For and on behalf of the Board of Directors

*R.S. Malik*  
COL. R.S. MALIK (RETD.)

DIRECTOR  
DIN: 00031167



HEMANT GULATI  
DIRECTOR  
DIN: 00408734