



DBRL/BSE/AMAL

Date: September 17, 2014

To

BSE Limited,
Listing Dept,
P.J.Towers,
Dalal Street,
Mumbai 400 001

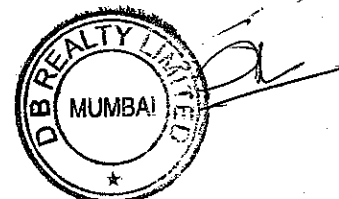
Dear Sirs,

Sub: Application under Clause 24(f) of the Listing Agreement for the proposed Scheme of Amalgamation and Arrangement between Gokuldham Real Estate Development Company Private Limited, a subsidiary company with D B Realty Limited (Holding Company) and their respective shareholders

In terms of circulars No.CIR/CFD/DIL/8/2013 dated February 4, 2013 and CIR/CFD/DIL/8/2013 dated May 21, 2013, of SEBI and the Clause 24(f) of the listing agreement, we submit the documents as detailed in the enclosed list for seeking approval under Clause 24 (f) of the Listing Agreement for the proposed scheme of Amalgamation and Arrangement between Gokuldham Real Estate Development Company Private Limited (Transferor Company) a subsidiary company of D B Realty Limited with D B Realty Limited (Transferee Company) and their respective shareholders.

The Board of Directors of the Company has at its meeting held on 11th February 2014 and 24th May, 2014 decided to amalgamate one of subsidiaries viz. Gokuldham Real Estate Development Company Private Limited with D B Realty Limited with effect from 1st April, 2013, subject to all necessary approvals from the various concerned authorities including the shareholders and the Hon. High Court, Bombay. In this regard, the documents submitted herewith are as under:

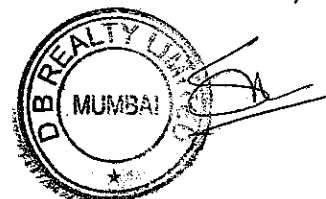
1. Application under Clause 24(f) of the Listing Agreement with all annexures
2. Intimation in respect of the above given to the both BSE and NSE vide our letters dated 11th February, 2014 and 24th May, 2014 respectively. (Acknowledgement Copies attached)
3. Certified copies of Resolutions passed by both the Board of Directors of the Transferor Company, Gokuldham Real Estate Development Company Pvt Ltd at its meeting held on 7th February, 2014 and D B Realty Limited at its meetings held on 11th February, 2014 and 24th May, 2014. (Annexures 1C and 1A & 1B)
4. Certified Copy of the draft Scheme of Amalgamation (Annexure 2)
5. Certified Copy of the Resolution passed by the Board of Directors at its meeting held on 11th February, 2014 appointing the designated stock exchange for the purposes of coordinating with SEBI (Annexure 10)
6. Valuation Report of Independent Chartered Accountant M/s.SSPA & Co, Chartered Accountants, on the valuation of shares of the Transferor Company (Annexure 3)



DB REALTY LIMITED

Regd. Office : DB House, Gen. A. K. Vaidya Marg, Goregaon (East), Mumbai - 400 063. • Tel.: 91-22-4077 8600 • Fax: 91-22-2841 5550 / 2842 1667
E-mail: info@dbg.co.in • Website: www.dbrealty.co.in CIN: L70200MH2007PLC166818

7. Fairness Opinion given by Merchant Banker, M/s.Ashika Capital Limited on the Valuation Report (Annexure 5)
 8. Report of the Audit Committee recommending the Scheme of Amalgamation dated 11th February, 2014 and 24th May, 2014 (Annexures 4A and 4B)
 9. Pre Shareholding Pattern of the Transferee Company namely D B Realty Limited as per Clause 35 of the Listing Agreement as on 30th June, 2014 filed with the BSE and NSE (Annexure 6A), as on 31st March, 2013 as per Clause 35 (Annexure 6D) and also Post Amalgamation after the proposed issue of Preference Shares to the Minority Shareholders of the Transferor Company (Annexures 6B)
 10. Pre Shareholding Pattern of the Transferor Company as on 31st March, 2013 and 30th June, 2014 (Annexure 6E & 6C)
 11. Audited Financials of the Transferee Company for the last 3 years 2013-14, 2012-13 and 2011-12 (Annexure 7A) and the Transferor company, Gokuldham Real Estate Development Company Pvt Ltd (Annexure 7B)
 12. Copy of the Compliance Report under Clause 49 of D B Realty Ltd as on 30th June 2014 filed with BSE and NSE (Annexure 8)
 13. Complaints Report: The Company shall file the same within 7 days after the expiry of 21 days
 14. Compliance Report as per requirements of Part A of the Circular CIR/CFD/DIL/5/2013 dated February 4, 2013 read with Circular CIR/CFD/DIL/8/2013 dated May 21, 2013. (Annexure 9)
 15. Brief Particulars of the Transferee and Transferor Companies (Annexure 11)
 16. Net Worth Certificate of the Transferee Company (Pre and Post Scheme) (Annexure 12)
 17. Evolution of Share Capital of the Transferor and Transferee Companies (Annexure 13A, 13A(1) and 13B)
 18. Rationale of the Scheme and the Proposal for issue of Redeemable Preference Shares, by the Transferee Company, to the Minority Shareholders of the Transferor Company
- Please refer to Paras 2.1 and 12 of the draft scheme of Amalgamation (Annexure 2)
19. Confirmation / undertaking by the Managing Director (Annexure 14)
 20. Auditors Certificate regarding the compliance of Accounting treatment (Annexure 15)
 21. Annual Reports of the Transferee and Transferor Companies for the financial year 2013-14 (Annexure 16 A and 16 B)



DB REALTY LIMITED



22. Pay Order No.035268/14 dated 15th September, 2014 for Rs.1,02,360/- net of TDS of Rs.10,000/- in favour of BSE Limited issued by Oriental Bank of Commerce towards Processing fees.

We are submitting one additional set of documents in Serial Nos.4, 6 to 12 and 14 above (hard copy) and shall send a soft copy by e mail immediately.

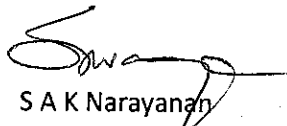
We are also simultaneously displaying the draft Scheme together with the other documents and the application on the Company's Website www.dbrealty.co.in.

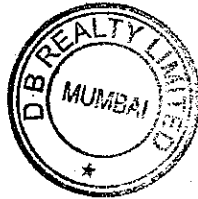
We request you to kindly process the application and after review issue your Observation letter at the earliest to enable us to seek all the necessary approvals for the same and file the applications / petitions with the Hon. High Court of Bombay.

We shall be glad to furnish any additional information / clarifications in this regard.

Thanking you,

Yours faithfully,
For D B Realty Limited


S A K Narayanan
Company Secretary



Encl: as above

DB REALTY LIMITED

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Documents required to be submitted for approval under Clause 24(f) of the Listing Agreement, for the Scheme of Amalgamation / Arrangement (including reduction in capital, arrangement with creditors, etc) proposed to be filed under sections 391, 394 and 101 of the Companies Act, 1956

Sr. No.	Documents to be submitted alongwith application under Clause 24(f) of the Listing Agreement	Annexure No.	PAGE NO.	
1.	Certified true copy of the resolution passed by the Board of Directors of the company of Transferor Company and Transferee Company	1A,1B & 1C	1	7
2.	Certified copy of the draft Scheme of Amalgamation / Arrangement, etc. proposed to be filed before the High Court.	2	8	30
3.	Valuation report from Independent Chartered Accountant as applicable as per Para 4 of SEBI Circular no. CIR/CFD/DIL/8/2013 dated May 21, 2013.	3	31	38
4.	Report from the Audit Committee recommending the draft scheme taking into consideration, inter alia, the valuation report at sr. no. 3 above	4A & 4B	39	45
5.	Fairness opinion by Merchant Banker	5	46	50
6.	Shareholding pattern of all the companies pre and post Amalgamation / Arrangement as per Clause 35 of the Listing Agreement.	6A,6B, 6C,6D& 6E	51	71
7.	Audited financials of the transferee/resulting and transferor/demerged companies for the last 3 financial years (financials not being more than 6 months old) as per Annexure I	7A & 7B	72	73
8.	Compliance Report as per clause 49 of the listing agreement per Annexure II	8	74	-
9.	Complaint report as per Annexure III . (To be submitted within 7 days of expiry of 21 days from the date of filing of Draft Scheme).	Will be filed in due course		
10.	Compliance report with the requirements specified in Part-A of the circular CIR/CFD/DIL/5/2013 dated February 4, 2013 as per Annexure IV	9	75	76
11.	If as per the company, approval from the shareholders through postal ballot and e-voting, as required under Para 5.16(a), is not applicable then as required under Para 5.16 (b), submit the following: a) An undertaking certified by the auditor clearly stating the reasons for non applicability of Para 5.16(a). b) Certified copy of Board of Director's resolution approving the aforesaid auditor certificate.	N.A N.A		
12.	Name of the Designated Stock Exchange (DSE) for the purpose of coordinating with SEBI. Certified true copy of the resolution passed by the Board of Directors, in case BSE is DSE.	BSE 10	77	-
13.	Brief details of the transferee/resulting and transferor/demerged companies as per format enclosed at Annexure V .	11	78	80
14.	Networth certificate (excluding Revaluation Reserve) together with related workings pre and post scheme for the transferee and / or resulting company.	12	81	83
15.	Capital evolution details of the transferee/resulting and transferor/demerged companies as per format enclosed at Annexure VI .	13A & 13B	84	86
16.	Confirmation by the Managing Director/ Company Secretary as per format enclosed as Annexure VII .	14	87	88

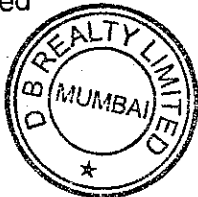


DB REALTY LIMITED

17.	Statutory Auditor's Certificate confirming the compliance of the accounting treatment as specified in the Clause 24(i) of the listing agreement, as per the format enclosed as Annexure VIII .	15	89	113
18.	Annual Reports of the transferee/resulting and transferor/demerged companies for the last financial year.	16A & 16B		
19.	Processing fee (non-refundable) payable will be as below, favoring 'BSE Limited' Rs.1,00,000/- plus Service Tax as applicable, where one entities/companies are Merged or one new company formed due to De-merger Rs. 2,00,000/- plus Service Tax as applicable, where more than one entity/company is Merged or more than one new company formed due to De-merger.			
20.	Name & Designation of the Contact Person : Mr. S.A.K Narayanan, Vice President & Company Secretary Telephone Nos. (landline & mobile) Landline : 40778670 Mobile :9870688382 Email ID. 'sak.narayanan@dbg.co.in'			

For D B Realty Limited

Managing Director



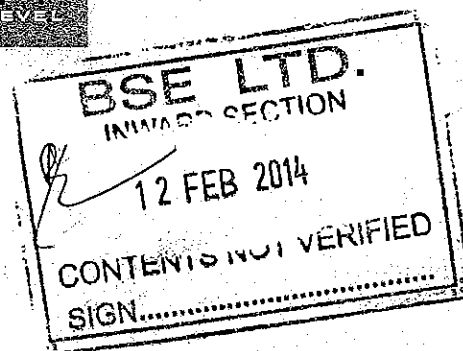
(SHAHID BALWA)

DB REALTY LIMITED

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E-mail: info@dbg.co.in • Website: www.dbrealty.co.in CIN: L70200MH2007PLC166818

Date: 11th February, 2014

Ref: SEC/2013-2014



To

The Manager,	The Manager,
Dept of Corporate Services	National Stock Exchange of India Limited
The Bombay Stock Exchange Limited,	Exchange Plaza, Bandra Kurla Complex
P J Towers, Dalal Street	Bandra (East),
Mumbai 400001	Mumbai 400051
SCRIP CODE: 533160 SCRIP ID: DBREALTY	SCRIP SYMBOL: DBREALTY SERIES: EQ
FAX No. 022-2272 2037/39	FAX No. 022-26598237/38

Dear Sirs,

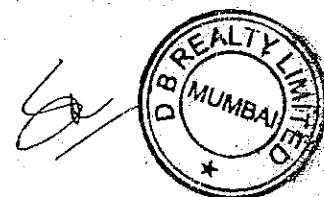
Sub: Proceedings of the Meeting of the Board of Directors held on February, 11, 2014

This is to inform you that the Board of Directors of the Company at its Meeting held on February 11, 2014

- Approved a Scheme of Amalgamation of two of its subsidiaries viz. Gokuldharm Real Estate Development Company Private Limited, a company in which D B Realty Ltd (the Company) holds 74.998% of the paid up capital and Real Gem Buildtech Private Limited, a wholly owned subsidiary with the Company. The appointed dates are 01st April, 2013 for Gokuldharm Real Estate Development Company Private Limited and 01st April, 2014 for Real Gem Buildtech Private Limited.
- Has taken on record the recommendation of the Audit Committee and the Valuation Report of the Equity Shares of Gokuldharm Real Estate Development Company Private Limited submitted by the Independent valuer M/s.SSPA & Co, Chartered Accountants and the Fairness Opinion given by M/s.Ashika Capital Limited, a Category 1 Merchant Banker on the swap ratio of the said Equity Shares with the Preference Shares of D B Realty Ltd.
- The said Scheme of Amalgamation envisages issue of 8% Redeemable Preference Shares with a tenure of 5 years to existing shareholder(s) of Gokuldharm Real Estate Development Company Private Limited in the swap ratio of 574 Redeemable Preference Shares of Rs. 10/- each for 1 equity share of Rs. 100/- each held in Gokuldharm Real Estate Development Company Private Limited.

The Scheme of Amalgamation is subject to the requisite approvals of the shareholders/creditors of the respective companies and also the Hon.High Court of Bombay and other statutory / regulatory authorities.

- Approved and taken on record the unaudited Financial Results both Standalone and Consolidated of the Company for the third quarter and nine months ended December 31, 2013.



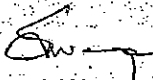
D B REALTY LIMITED

Regd. Office : DB House, Gen. A. K. Vaidya Marg, Goregaon (East), Mumbai - 400 063. • Tel: 91-22-4077 8609 • Fax: 91-22-2841 5555 / 2842 1567
E-mail: info@dbg.co.in • Website: www.dbrealty.co.in



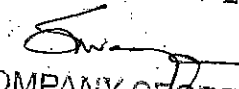
A Press release in this regard is attached for your information and record.

Yours truly,
For D B Realty Limited,


S A K Narayanan
Company Secretary



Encl: Press Release and Unaudited Financial Results with Limited Review Report of the Auditors

CERTIFIED TRUE COPY
FOR D B REALTY LIMITED

COMPANY SECRETARY

D B REALTY LIMITED

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E-mail: info@dbg.co.in • Website: www.dbrealty.co.in



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24th May, 2014

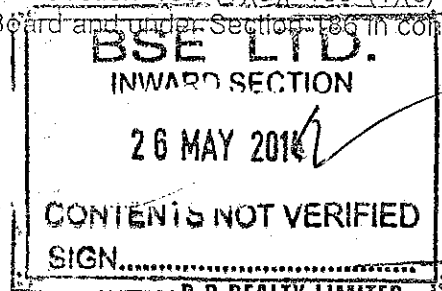
The General Manager, Listing Department, BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	The Vice President, Listing Department, National Stock Exchange of India Ltd. "Exchange Plaza", Bandra – Kurla Complex, Bandra (E), Mumbai – 400 051
Scrip Code : 533160	Scrip Symbol : DBREALTY
Fax No.: 022 – 2272 2037/ 39	Fax No.: 022 – 26598237/38

Dear Sirs,

Sub: Proceedings of the Meeting of the Board of Directors held on 24th May, 2014

This is to inform that at the meeting of the Board of Directors of the Company held on 24th May, 2014, the Board of Directors has

- Approved the audited Financial results for the year ended 31st March, 2014.
- Decided that the Amalgamation of its wholly owned subsidiary viz. Real Gem Buildtech Private Limited w.e.f. 1st April, 2014 as was decided in the last Board meeting held on 11th February, 2014, be not proceeded with now and appointed date for the proposed amalgamation be revised to a future date as may be considered and approved by the Board at a later date; another proposal for amalgamation of the subsidiary Company, in which Company holds 75% stake, viz. Gokuldharm Real Estate Development Company Private Limited with appointed date from 1st April, 2013 shall be proceeded, on the same terms as per the valuation report and the draft scheme, subject to necessary approvals.
- Considered and approved a proposal of Marine Drive Hospitality & Realty Private Limited, (formerly D B Hospitality Pvt Ltd) wherein the Company holds investments in Preference Shares for reorganization of its capital structure, subject to necessary approvals resulting in reduction of the number of Preference Shares viz. Redeemable Optionally Convertible Preference Shares and Compulsorily Redeemable Preference Shares, since the economic interest of the Company remains unchanged.
- Approved a proposal for obtaining the consent of the members for passing resolutions under Section 180 (1)(a), 180 (1)(c) in connection with Borrowing Powers of the Board and under Section 185 in connection with granting of Loans,





providing guarantees / securities and investments of the Companies Act, 2013, through Postal Ballot and e voting.

The Company has received a Summons from the Special Court of CBI, 2G spectrum cases in connection with a charge filed under PMLA by the Joint Director (ED), which is being attended to.

The press release and the Financial results are enclosed for your information ,record and publication.

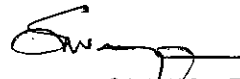
Thanking you,

Yours faithfully,
For D B Realty Limited


N.M. Gattu
C.F.O



CERTIFIED TRUE COPY
FOR D B REALTY LIMITED


COMPANY SECRETARY

D B REALTY LIMITED

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E-mail: info@dbg.co.in • Website: www.dbrealty.co.in
PIN: 1702001/000070/0468040

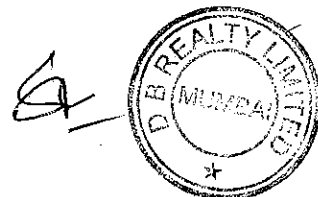
EXTRACT OF THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF D B REALTY LIMITED AT ITS MEETING HELD ON 11TH FEBRUARY 2014 AT THE REGISTERED OFFICE AT MUMBAI

RESOLVED THAT-

Pursuant to the provisions of Section 391 to 394 and other applicable provisions, if any, of the Companies Act, 1956, and subject to the requisite approval of the shareholders of the Company and the sanction of the High Court of Judicature at Bombay or such other competent authority, as may be applicable, consent of the Board be and is hereby accorded for the amalgamation of Gokuldharm Real Estate Development Company Private Limited (a Subsidiary Company) with the Company with effect from 1st April 2013 (Appointed Date)

RESOLVED FURTHER :

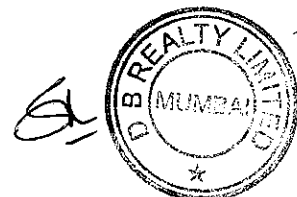
- a) That draft Scheme placed before the Board and initialed by the Chairman of the meeting for the purposes of identification be and is hereby approved;
- b) That the valuation report submitted by M/s SSPA & Co., Chartered Accountants, a firm of valuers placed before the Board be and is hereby approved and taken on record and based on the valuation report submitted by M/s SSPA & Co. chartered Accountants, being valuer appointed for the purpose, upon the Scheme of amalgamation coming into effect for the purpose of merger of Gokuldharm Real Estate Development Company Private Limited in to the Company, the Company do issue and allot
 - (i) 71,750,000 fully paid up Preference shares of Rs 10/- each in lieu of 125,000 Equity Shares held by Konark Realtech Private Limited in Gokuldharm Real Estate Development Company Private Limited
 - (ii) 2870 fully paid up Preference shares of Rs 10/-each to Conwood Construction & Developers Private Limited and



(iii) 2870 fully paid up Preference shares of Rs 10/-each to Mr. K. M. Goenka, Mr. Vinod K. Goenka, Mr. Vinod K. Goenka (Karta (H.U.F), Mr. Pramod K. Goenka, Ms. Sunita Goenka and Ms. Shanita Jain – Partners, K.G. Enterprises in lieu of 5 Equity Shares held by them in Gokuldham Real Estate Development Company Private Limited for the purpose;

c) Mr Vinod Goenka, Chairman & Managing Director, Mr. Shahid Balwa, Vice Chairman & Managing Director of the Company, Mr. Jayavardhan Goenka and Mr. Salim Balwa Directors of the Company and Mr. S.A.K. Narayanan, Company Secretary and Mr. Jignesh Shah, Authorised Person of the Company be and are hereby authorised severally to take all the necessary steps for:-

1. Filing Scheme with the concerned Stock Exchanges for approval in terms of the provisions of the Listing Agreement;
2. Seeking regulatory approval consents/permissions as may be required for implementation of the said schemes;
3. Filing of applications with the High court of Judicature at Bombay or such other competent authority and holding meeting of the shareholders of the Company and if, required of the Creditors as may be directed by the Court to give effect to the Scheme;
4. Filing Application/Petition for confirmation of the Scheme by the High Court of Judicature at Bombay or such other competent authority;
5. For the above purposes to engage advocates and if considered necessary, also engage services of counsel(s), declare and file all pleadings, reports, and sign and issue public advertisements and notices;
6. Obtaining approval from such other authorities and parties including the shareholders, as may be considered necessary to the Scheme;



7. To settle any question or difficulty that may arise with regard to the implementation of the above Scheme, and to give effect to the above resolution;
8. To make alterations/changes to the Scheme as may be expedient or necessary;
9. To sign all applications, petitions, documents, relating to the Scheme, and
10. To do all acts and things as may be considered and expedient in relation thereto.

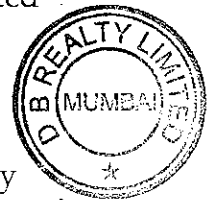
RESOLVED FURTHER that common seal of the Company be affixed to the relevant documents wherever deemed necessary in the presence of any one of Mr. Vinod Goenka (C.M.D), Mr. Shahid Balwa (V.C.M.D), Mr. Jayvardhan Goenka, Mr. Salim Balwa, Directors and any one of Mr. Asif Balwa, Mr. Vipul Bansal, Mr. Rajiv Agarwal, Mr. S.A.K. Narayanan and Mr. Jignesh Shah Authorised persons in terms of the provisions of the Articles of the Company".

For D B Realty Limited



Company Secretary

(S.A.K. Narayanan)



Mumbai, dated February, 11 2014



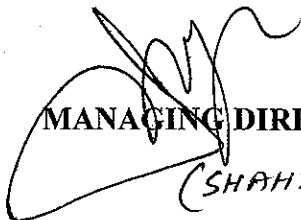
CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF D B REALTY LIMITED AT ITS MEETING HELD ON 24TH MAY, 2014 AT THE REGISTERED OFFICE OF THE COMPANY

"RESOLVED THAT the proposal of amalgamation of Real Gem Buildtech Private Limited (RGB), a wholly owned Subsidiary Company with the Company with effect from 1st April, 2014 (Appointed date) which was passed in the Board meeting on 11th February, be deferred to a future date, due to non-receipt of necessary approvals relating to its project be and shall considered and approved at a later date ;

RESOLVED FURTHER THAT the proposal of amalgamation of Gokuldham Real Estate Development Company Private Limited, (GREDCPL), Subsidiary Company with the Company with effect from the Appointed date i.e. 1st April, 2013 shall be proceeded and Company shall take all such actions and steps as may be required from time to time to give effect to the resolution including resolving any questions as may arise."

CERTIFIED TRUE COPY

FOR D B REALTY LIMITED


MANAGING DIRECTOR
(SHAHID DALWA)



CIN : L70200MH2007PLC166818

D B REALTY LIMITED

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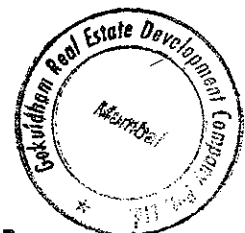
CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE LIMITED AT ITS MEEITNG HELD ON 7TH FEBRUARY 2014 AT DB HOUSE, GEN. A. K. VAIDYA MARG, GOREGAON (EAST), MUMBAI 400 063

"RESOLVED THAT pursuant to the provisions of Section 391 to 394 and other applicable provisions, if any, of the Companies Act, 1956, and subject to the requisite approval of the shareholders of the Company and the sanction of the High Court of Judicature at Bombay or such other competent authority, as may be applicable, consent of the Board be and is hereby accorded for the amalgamation of Gokuldhham Real Estate Development Company Private Limited, the Transferor Company and DB Realty Limited the Transferee Company with effect from 1st April 2013 (Appointed Date).

RESOLVED FURTHER THAT:

- a) the draft Scheme placed before the Board and initialed by the Chairman of the meeting for the purpose of identification be and is hereby approved;
- b) the valuation report submitted by M/s. SSPA & Co., Chartered Accountants, a firm of valuers placed before the Board be and is hereby approved and taken on record;
- c) based on the valuation report submitted by M/s. SSPA & Co., Chartered Accountants, being valuer appointed for the purpose, upon the scheme of amalgamation coming into effect: -
 - (i) for the purpose of merger of Gokuldhham Real Estate Development Company Private Limited into DB Realty Ltd. , DB Realty Ltd. do issue and allot to the shareholders of Gokuldhham Real Esate Development Company Privae Limited 574 (Five Hundred Seventy Four) 8% Redeemable Preference Shares of Rs. 10/- each fully paid up against 1 (one) equity share of Rs. 100/- fully paid up of Gokuldhham Real Estate Development Company Private Limited for the purpose:
- d) Mr. Vinod Goenka, Managing Director, Mr. Salim Balwa, Managing Director, Mr. Shonit Dalmia, Whole Time Director and Mr N. P. Bajaj, Director of the Company and Mr. Ratilal K. Bharadva, Company Secretary be and are hereby authorised severally to take all the necessary steps for :

my



GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE LIMITED

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E-mail: info@dbg.co.in • Website: www.dbrealty.co.in

- 1) Filing Scheme with the concerned Stock Exchanges for approval in terms of the provisions of the Listing Agreement, if applicable;
- 2) Seeking regulatory approval consents/permissions as may be required for implementation of the said Scheme;
- 3) Filing Application with the High Court of Judicature at Bombay or such other competent authority and holding meeting of the shareholders of the Company and if, required of the Creditors as may be directed by the Court to give effect to the Scheme;
- 4) Filing Application / Petition for confirmation of the Scheme by the High Court of Judicature at Bombay or such other competent authority;
- 5) For the above purposes to engage advocates and if considered necessary, also engage services of counsel(s), declare and file all pleadings, reports, and sign and issue public advertisements and notices;
- 6) Obtaining approval from such other authorities and parties including the shareholders, term loan lenders, financial institutions as may be considered necessary, to the Scheme ;
- 7) To settle any question or difficulty that may arise with regard to the implementation of the above Scheme, and to give effect to the above resolution;
- 8) To make alterations/changes to the Scheme as may be expedient or necessary;
- 9) To sign all applications, petitions, documents, relating to the Scheme, and
- 10) To do all acts and things as may be considered and expedient in relation thereto.

RESOLVED FURTHER THAT the common seal of the Company be affixed to the relevant documents wherever deemed necessary in the presence of any one of the following Directors viz:

Mr. Vinod Goenka, Managing Director,

Mr. Salim Balwa, Managing Director

Mr. Shonit Dalmia, whole Time director

Mr. N.P. Bajaj, Director and

Mr. Ratilal K. Bharadva, Company Secretary

in terms of the provisions of the Articles of Association of the Company".

NDN

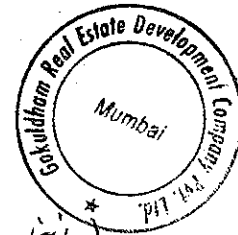


"RESOLVED FURTHER THAT a certified true copy of this resolution be forwarded to all such authorities as may be necessary and such authorities may be requested to act thereon unless this resolution is amended or rescinded by the Company."

For Gokuldharm Real Estate Development Company Private Limited

N - 7 L 20

Director



(Narayan P. Bajaj)

Mumbai,

Dated 7th February, 2014

**SCHEME OF AMALGAMATION
OF
GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE LIMITED
..... Amalgamating Company
WITH
DB REALTY LIMITED
.....Amalgamated Company
AND
THEIR RESPECTIVE SHAREHOLDERS**

For Gokuldharm Real Estate Development Company Pvt. Ltd.

Director

FOR D B REALTY LIMITED

Swag
COMPANY SECRETARY

**CERTIFIED TRUE COPY
FOR D B REALTY LIMITED**

Swag
COMPANY SECRETARY

**SCHEME OF AMALGAMATION
OF
GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE
LIMITED
..... Amalgamating Company
WITH
DB REALTY LIMITED
.....Amalgamated Company
AND
THEIR RESPECTIVE SHAREHOLDERS**

1. PRELIMINARY

- 1.1 This Scheme of Amalgamation is presented for Amalgamation of Gokuldharm Real Estate Development Company Private Limited, (hereinafter referred to as "the Amalgamating/ Transferor Company"), with DB Realty Limited (hereinafter referred to as "the Amalgamated/ Transferee Company").
- 1.2 Amalgamating Company is engaged in the business of real estate development and construction.
- 1.3 Amalgamated Company is engaged in real estate development focusing on residential, commercial, retail and other projects.

2 PURPOSES OF AMALGAMATION

- 2.1 The Amalgamation of Amalgamating and Amalgamated Company will result in various benefits including:
 - 2.1.1 Nature of business carried on by the Amalgamating Company (viz. Transferor Company), is similar to the Amalgamated Company, which is also it's holding company.
 - 2.1.2 Achieving economies of scale.
 - 2.1.3 Lesser regulatory / procedural compliances.
 - 2.1.4 Integrate, rationalize and streamline the management structure of the merged business.
 - 2.1.5 Pooling of the human talents in terms of manpower, management, administration and marketing which would result in savings of costs.
 - 2.1.6 Amalgamation of the Company would eliminate duplication of work, administrative services, and will result in cost savings.
 - 2.1.7 Cost saving in fees/ duties payable on statutory and procedural compliance.
 - 2.1.8 Facilitate inter transfer of resources and costs and optimum utilization of Assets.
 - 2.1.9 Synchronizing of efforts to achieve uniform corporate policy.

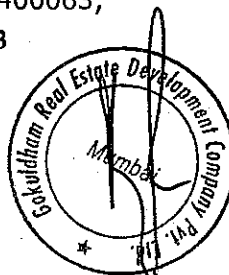


2.1.10 To reflect the consolidated net worth of these Company in one balance sheet.

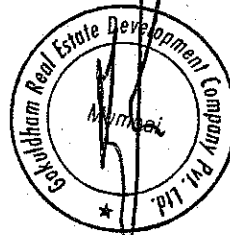
3 DEFINITIONS

In this Scheme, unless repugnant to the context or meaning thereof, the following expressions shall have the following meanings:

- 3.1 **"Act"** means the Companies Act, 1956, or the Companies Act, 2013 as in force from time to time. As on the date of approval of this Scheme by the respective Board of Directors of the Amalgamating Company and the Amalgamated Company, Sections 391 and 394 of the Companies Act, 1956 continue to be in force with the corresponding provisions of the Companies Act, 2013 not having been notified. References in this Scheme to particular provisions of the Act are references to particular provisions of the Companies Act, 1956 unless stated otherwise. Upon such provisions standing re-enacted by enforcement of provisions of the Companies Act, 2013, such references shall unless a different intention appears be construed as references to the provisions so re-enacted.
- 3.2 **"Appointed Date"**: For the purpose of this Scheme and for Income Tax Act, 1961, "Appointed Date" means 1st April 2013
- 3.3 **"Effective Date"** means the date on which authenticated / certified copies of the Order of the High Court of Judicature at Bombay sanctioning the Scheme has been filed with the Registrar of Companies, Mumbai, Maharashtra.
- 3.4 **"High Court"** shall mean the High Court of Judicature at Bombay. In the event of the National Company Law Tribunal (hereinafter referred to as **"the Tribunal"**) being constituted by the Central Government by a Notification in the Official Gazette and the proceedings initiated under Sections 391 to 394 of the Companies Act, 1956 relating to these scheme being transferred to the Tribunal, the words "High Court" shall deem to mean and include the Tribunal, as the context may require.
- 3.5 **"Amalgamated Company" or "the Transferee Company"** means DB Realty Limited, a Public company incorporated on 8th January 2007 under the Act in Maharashtra, having its registered office at DB House, General A.K Vaidya Marg, Goregaon East, Mumbai 400063;
- 3.6 **"Amalgamating Company" or "the Transferor Company"** means Gokuldham Real Estate Development Company Private Limited, a Private Company incorporated on 25th February 2004 under the Act in Maharashtra, having its registered office at DB House, General A.K Vaidya Marg, Goregaon East, Mumbai 400063;



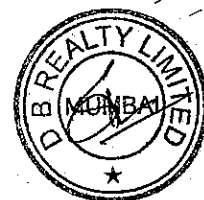
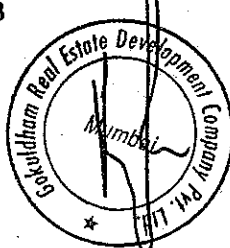
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- 3.7 **"Record Date"** means the date, after the effective date, to be fixed by the Board of Directors of the Amalgamated Company for the purpose of issue of shares of the Amalgamated Company to the shareholders of the Amalgamating Company in terms of this Scheme;
- 3.8 **"Scheme of Amalgamation"** or **"this Scheme"** or **"the Scheme"** means this Scheme of Amalgamation of Amalgamating Company with Amalgamated Company in its present form or as may be modified from time to time or as may be approved or directed by the High Court of Judicature at Bombay;
- 3.9 **"Stock Exchanges"** means BSE Limited and the National Stock Exchange of India Limited, where the equity shares of the Amalgamated Company are listed;
- 3.10 **"Governmental Authority"** means any applicable central, state or local government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, bureau or instrumentality thereof or arbitration or arbitral body having jurisdiction over the territory of India;
- 3.11 **"Undertaking"** shall mean and include all the undertaking and businesses of Amalgamating Company as a going concern comprising of:
- 3.11.1 All the assets, undertakings and the entire businesses and all the assets, properties, whether movable or immovable, tangible and intangible, corporeal or incorporeal, intellectual property, whether in possession or reversion, present or contingent, fixed assets, capital work-in-progress including expenses incurred to be capitalized and advances for assets, inventories, stock in trade, debtors, current assets, domain names, software, investments, loans and advances, powers, authorities, allotments, approvals and consents, licenses, domain name, tenancy rights, tenancy, licenses, municipal permissions in relation to the offices and/ or residential properties for the employees, permits, quotas, subsidies and incentives, registrations (including SEZ registration), contracts, engagements, arrangements, rights, titles, interests, benefits and advantages of whatsoever nature and where so ever situated belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Amalgamating Company, including but without being limited to all product patents, process patents, trademarks, copy rights, and other industrial,



commercial and intellectual properties, trade names, and other commercial rights of any nature whatsoever including any applications filed for securing of any such intellectual property whether in India or abroad, rights and licenses in respect thereof, privileges, liberties, easements, advantages, benefits, leases, ownership flats, authorizations, right to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity and electronic, email, internet, leased line connections and installations, and other services, reserves, provisions, funds, benefits of all agreements and all other interests belonging to or in the ownership, power or possession or in the control of or vested in or granted in favour of or enjoyed by the Amalgamating Company. Additionally, all plants, machinery, vehicles whether motor vehicles or otherwise, equipments, including without limitation, measuring devices, ships, boats and other such vessels, whether used for surveying or otherwise, furniture, fixtures, whether used in the buildings, ships, boats, vessels, or otherwise as owned, leased or in possession of the Amalgamating Company (hereinafter collectively referred to as "**Assets**").

3.11.2 All debts, liabilities, borrowings, bills payable, interest accrued, contingent liabilities and all other liabilities, duties, undertakings, contractual obligations, guarantees given and obligations of the Amalgamating Company of every kind, nature and description whatsoever and howsoever (hereinafter referred to as "**Liabilities**").

3.11.3 Without prejudice to the generality of Sub-clauses 3.11.1 and 3.11.2 above the undertaking of Amalgamating Company shall include all Amalgamating Company Assets including claims or obligation, certifications/permissions of whatsoever nature directly or indirectly pertaining to the business of export of the past, present or future products, including those relating to employees and Technical Know-how agreement, if any, or otherwise with any person/ institution/ company or any association anywhere in the world, enactments, lease-hold rights and, systems of any kind whatsoever, rights and benefits of all agreements and other interests including rights and benefits under various schemes of different Taxation and other Laws which may belong to or be available to Amalgamating Company, rights and powers of every kind, nature and description of whatsoever probabilities, liberties, and approval of, whatsoever nature and wherever situated, belonging to or in ownership, power or possession or control or entitlement of



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Amalgamating Company without being limited to buildings and structures, offices, residential and other premises, capital work in progress, furniture, fixtures, office equipment, appliances, accessories, power lines, depots, deposits, all assets, cash balances with banks, contingent rights or benefits, receivables, earnest moneys, advances or deposits paid by Amalgamating Company, financial assets, hire purchase contracts and assets, if any, marketing tie-ups or marketing networks or marketing rights, benefit of any security arrangements or under any guarantees, reversions, exemptions, incentives, deferrals, tenancies in relation to the offices and/or residential properties for the employees or other persons, all records, files, papers, computer programmed, manuals, data, catalogues, sales and advertising materials, lists and other details of present and former customers and suppliers, customer credit information, customer and supplier pricing information and other records, benefits of assets or properties or other interest held in trust, registrations and all other interests of whatsoever nature.

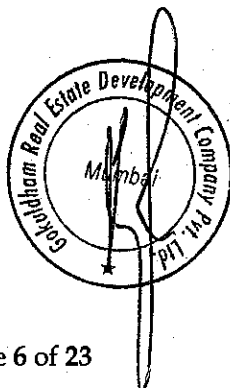
- 3.12 The words importing the singular include the plural; words importing any gender include every gender.
- 3.13 Any word or expression used and not defined in the Scheme but defined in the Act shall have meaning respectively assigned to them in the Act.

4 OPERATIVE DATE – EFFECTIVE DATE

The Scheme, though operative from the Appointed Date, shall become effective from the Effective Date. Reference in this Scheme to the date of "coming into effect of this Scheme" shall mean the Effective Date.

5 SHARE CAPITAL

- 5.1 The authorized, issued, subscribed and paid-up share capital of the Amalgamating Company as per the audited accounts as on 31st March 2013 is as under:



Particulars	Rupees
CAPITAL:	
<u>Authorised:</u>	
5,00,000 Equity Shares of Rs. 100/- each.	50,000,000
4,000,000 0.1 % Redeemable cumulative Preference shares of Rs. 100/- each	400,000,000
<u>Issued, Subscribed and Paid -up:</u>	
5,00,000 Equity Shares of Rs. 100/- each fully paid -up	50,000,000

Subsequent to the balance sheet date there is no change in the capital structure of the Amalgamating Company. The Amalgamating Company is subsidiary of the Amalgamated Company. The Amalgamated Company holds 374,990 (74.998%) Equity shares in the Amalgamating Company.

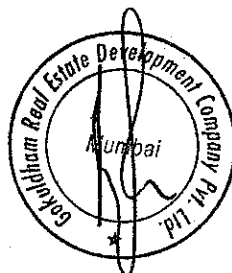
- 5.2 The authorized, issued, subscribed and paid-up share capital of the Amalgamated Company as on 31st Mach 2013, is as under:

Particulars	Rupees
CAPITAL:	
<u>Authorised:</u>	
29,85,00,000 Equity Shares of Rs. 10/- each	300,00,00,000/-
15,00,000 Preference shares of Rs 10/- each	
<u>Issued, Subscribed and Paid -up:</u>	
243,258,782 Equity Shares of Rs. 10/- each	243,25,87,820/-

Subsequent to the balance sheet date there is no change in the capital structure of the Amalgamated Company

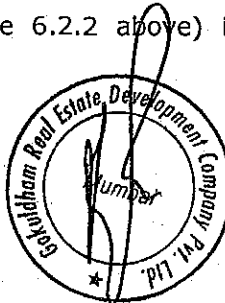
6 TRANSFER AND VESTING OF UNDERTAKING

- 6.1 On and from the Appointed Date and subject to the provisions of the Scheme in relation to the mode of transfer and vesting, the entire business and whole of the Undertaking of the Amalgamating Company as



going concern shall be transferred to and vested in or be deemed to be transferred to and vested in the Amalgamated Company in such a manner that:

- 6.1.1 all the Assets of the Amalgamating Company immediately before the amalgamation becomes the property of the Amalgamated Company by virtue of the amalgamation;
- 6.1.2 all the Liabilities of the Amalgamating Company immediately before the amalgamation become the liabilities of the amalgamated company by virtue of the amalgamation;
- 6.2 Without limiting the generality of the foregoing, on and from the Appointed Date and subject to the provisions of the Scheme in relation to the mode of transfer and vesting, the Undertaking of the Amalgamating Company as a going concern shall be transferred to and vested in or be deemed to be transferred to and vested in the Amalgamated Company in the following manner:
 - 6.2.1 With effect from the Appointed Date the whole of the businesses and the undertaking of the Amalgamating Company and all the Assets of the Amalgamating Company, except for such of the Assets as specified in Clause 6.2.2 and Clause 6.2.3, of whatsoever nature and where so ever situated, shall, under the provisions of Sections 391 and 394 and all other applicable provisions, if any, of the Act, without any further act or deed be transferred to and vested in and deemed to be transferred to and vested in the Amalgamated Company as a going concern so as to become, as from the Appointed Date, the Assets and Liabilities of the Amalgamated Company and to vest in all the right, title and interest therein in the Amalgamated Company.
 - 6.2.2 With effect from the Appointed Date, all the moveable Assets including plant & machinery, furniture & fixtures, office equipments, vehicles, computers, air conditioner, electric installation, fire extinguisher, inventories, cash in hand of the Amalgamating Company, capable of transfer by physical delivery or by endorsement and/ or delivery shall be so delivered or endorsed and/ or delivered as the case may be to the Amalgamated Company to the end and intent that the property therein passes to the Amalgamated Company, on such delivery or endorsement and/ or delivery in pursuance of the provisions of Sections 391 - 394 and other applicable provisions of the Act.
 - 6.2.3 In respect of the movable properties of the Amalgamating Company (other than those specified in Clause 6.2.2 above) including sundry

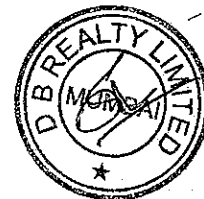
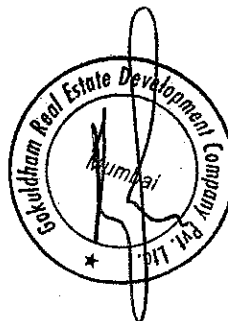


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debtors, receivables, bills, credits, loans and advances, recoverable in cash or in kind or for value to be received, bank balances and deposits with government, semi-government authorities, local and other authorities and bodies or with any company or other person, the Amalgamated Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, give notice in such form as it may deem fit and proper, to each of such person, debtor or depositor, as the case may be, that pursuant to the High Court having sanctioned the Scheme, such debt, loan, advance, bank balance, or deposit be paid or made good or held on account of the Amalgamating Company as the person entitled thereto to the end and intent that the right of the Amalgamated Company to recover or realize all such debts (including the debts payable by such person or depositor to the Amalgamating/Transferor Company stands transferred and assigned to the Amalgamated/Transferee Company and that appropriate entries should be passed in its books to record the aforesaid change.

6.2.4 The Amalgamated Company may, at any time after coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation/ notice in favour of any other party to any contract or arrangement to which the Amalgamating Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Amalgamated Company shall under the provisions of the Scheme be deemed to be authorised to execute any such writings on behalf of the Amalgamating Company and to implement or carry out all such formalities or compliance referred to above on the part of the Amalgamating Company to be carried out or performed.

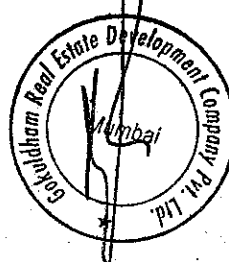
6.2.5 With effect from the Appointed Date, all debts, Liabilities, duties, obligations of every kind, nature and description of the Amalgamating Company shall, under the provisions of sections 391 and 394 of the Act without any further act or deed be transferred to or be deemed to be transferred to the Amalgamated Company so as to become as from the Appointed Date the debts, Liabilities, duties, obligations of the Amalgamated Company and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities,



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duties and obligations have arisen, in order to give effect to the provisions of this Clause.

- 6.3 If and to the extent there are inter-corporate loans, deposits, receivables or balances between the Amalgamating Company and the Amalgamated Company, the obligations in respect thereof shall, on and from the Appointed Date, come to an end and suitable effect shall be given in the books of accounts and records of the Amalgamated Company if required, for such adjustments of debts or liabilities, as the case may be. For removal of doubts, it is hereby clarified that from the Appointed Date, there would be no accrual of interest or other charges in respect of any such inter-corporate loans, deposits, receivables or balances between the Amalgamating Company and the Amalgamated Company.
- 6.4 The transfer and/ or vesting of the properties as aforesaid shall be subject to the existing charges, hypothecation and mortgages, if any, over or in respect of all the aforesaid Assets or any part thereof of the Amalgamating Company.
- 6.4.1 Provided however, that any reference in any security documents or arrangements, to which an Amalgamating Company is a party, to the Assets of the Amalgamating Company which it has offered or agreed to be offered as security for any financial assistance or obligations, to any secured creditors of the Amalgamating Company, shall be construed as reference only to the Assets of the Amalgamating Company as are vested in the Amalgamated Company by virtue of the aforesaid Clause, to the end and intent that such security, mortgage and charge shall not extend or be deemed to extend, to any of the Assets or to any of the other units or divisions of the Amalgamated Company, unless specifically agreed to in writing by the Amalgamated Company with such secured creditors.
- 6.4.2 Provided that the Scheme shall not operate to enlarge the security of any loan, deposit or facility created by or available to the Amalgamating Company which shall vest in the Amalgamated Company by virtue of the Scheme and the Amalgamated Company shall not be obliged to create any further or additional security thereof after the Scheme has become effective or otherwise.
- 6.5 With effect from the Effective Date, the Amalgamated Company shall commence and carry on and shall be authorized to carry on the business carried on by the Amalgamating Company in addition to the business of the Amalgamated Company.

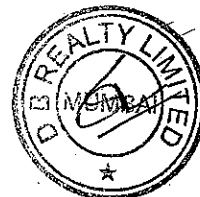
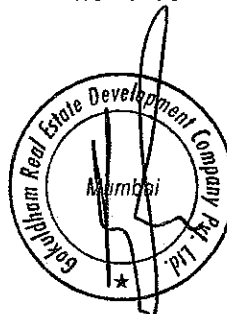


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- 6.6 All statutory licenses, approvals, consents, permits, registration (including SEZ registration) and membership of the Amalgamating Company, of any governmental or regulatory agencies including Reserve Bank of India, any trade associations, chambers of commerce or any charitable or other trusts as trustee or beneficiary shall be transferred to and vested in and become the licenses, approvals, consents, permits and registration and membership of the Amalgamated Company and the Amalgamated Company shall continue to enjoy the benefits, rights and be liable for all obligations and liabilities as are available to or binding upon the Amalgamating Company in whose favour such licences, etc. have been issued or granted and the name of the Amalgamating Company shall be deemed to have been substituted by the name of the Amalgamated Company.
- 6.7 The transfer and/ or vesting of all the Assets and Liabilities of the Amalgamating Company to the Amalgamated Company and the continuance of all the contracts or proceedings by or against the Amalgamated Company shall not affect any contract or proceedings relating to the Assets or the Liabilities, tenancy rights, licenses already concluded by the Amalgamating Company on or after the Appointed Date.

7 BUSINESS AND PROPERTY OF THE AMALGAMATING COMPANY TO BE HELD IN TRUST FOR THE AMALGAMATED COMPANY

For the period beginning on and from the Appointed Date and ending on the Effective Date:

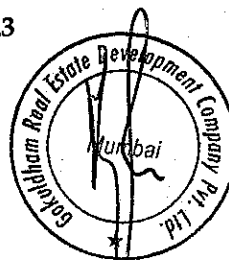
- 7.1 The Amalgamating Company shall carry on and be deemed to have carried on all its business and activities and shall be deemed to have held and possessed of and shall continue to hold and stand possessed of all the Assets, properties and Liabilities for and on account of and in trust for the Amalgamated Company. The Amalgamating Company hereby undertake to hold the Assets, properties and Liabilities with utmost prudence until the Effective Date.
- 7.2 All the profits or income accruing or arising to the Amalgamating Company and all costs, charges, expenditure, taxes or losses arising or incurred by the Amalgamating Company shall, for all purposes, be treated and be deemed to be and accrue as the profits, income, costs, charges, expenditure, taxes or losses as the case may be of the Amalgamated Company.



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- 7.3 The Amalgamating Company shall carry on their business and activities until the Effective Date with reasonable diligence, and business prudence and shall not, without the prior written consent of the Board of Directors of the Amalgamated Company, alienate, charge, mortgage, encumber or otherwise deal with or dispose off the Assets or any part thereof, except in the ordinary course of business or pursuant to any pre-existing obligation undertaken by the Amalgamating Company. Provided however, the Amalgamating Company shall in the ordinary course of business be entitled to borrow in the form of loans if deemed necessary by it and further consent for this purpose will not be required of the Amalgamated Company in that behalf.
- 7.4 The Amalgamating Company shall not vary the terms and conditions of the employment of its employees except in the ordinary course of business.
- 7.5 The Amalgamating Company shall not, without the prior written consent of the Board of Directors of the Amalgamated Company, undertake any new business or a substantial expansion of their existing business.
- 7.6 The Amalgamating Company shall be entitled, pending sanction of the Scheme, to apply to the Central Government, State Government and all other concerned agencies, departments and authorities (Statutory or otherwise) as are necessary under any law for such consents, approvals and sanctions, which the Amalgamating Company may require to carry on the business of the Amalgamated Company.
- 7.7 Neither the Amalgamating Company nor the Amalgamated Company shall make any change in their capital structure (paid-up capital), other than changes pursuant to any prior commitments, obligations or arrangements or acts and deeds already made except by mutual consent of the Board of Directors of the Amalgamated Company and the Amalgamating Company.

8 LEGAL PROCEEDINGS

- 8.1 All suits, actions, appeal, writ petitions, revisions or other proceedings of whatever nature (hereinafter called "the Proceedings") by or against the Amalgamating Company pending and/or arising on or before the Effective Date shall not abate, not be discontinued or not be in any way prejudicially affected by reason of the transfer of the business of the Amalgamating Company pursuant to this Scheme but the Proceedings be continued, prosecuted and enforced by or against the Amalgamated



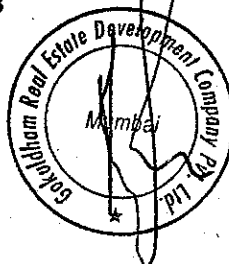
Company as effectually and in the same manner and to the same extent as it would be or might have been continued, prosecuted and enforced by or against the Amalgamating Company as if the Scheme had not been made. On and from the Effective Date, the Amalgamated Company shall and may initiate any Proceedings which were earlier in the name of the Amalgamating Company.

- 8.2 On and from the Appointed Date but on or before the Effective Date, if any Proceedings are taken against the Amalgamating Company, the same shall be defended by the Amalgamating Company for and on behalf of the Amalgamated Company.

9 CONTRACTS, DEEDS AND OTHER INSTRUMENTS

The Transfer and vesting of the properties and liabilities under Clause 6 above and the continuance of the proceedings mentioned in Clause 8 above shall not in any manner affect the transaction or proceedings already concluded by or against the Amalgamating Company:

- 9.1 On or before the Appointed Date and that the Amalgamated Company accepts on behalf of itself all acts, deeds, bonds, agreements and other instruments of whatever nature done and executed by the Amalgamating Company.
- 9.2 After the Appointed Date but before the Effective Date and that the Amalgamated Company accepts on behalf of itself all acts, deeds, bonds, agreements and other instruments of whatever nature done and executed by the Amalgamating Company.
- 9.3 Upon the coming into effect of this Scheme and subject to the provisions of this Scheme all contracts, deeds, bonds, agreements, arrangements and other instruments of whatsoever nature to which the Amalgamating Company is a party or to the benefit of which the Amalgamating Company may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect against or in favor of the Amalgamated Company as the case may be and may be enforced as fully and effectually as if, instead of the Amalgamating Company, the Amalgamated Company had been a party or beneficiary thereto. The Amalgamated Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any multipartite agreements, arrangements, confirmations or novations to which the Amalgamating Company will, if necessary, also be

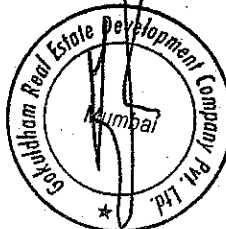


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a party in order to give formal effect to the provisions of this Clause, if so required or becomes necessary.

10 TREATMENT OF TAXES

- 10.1 Any tax liabilities under the Income Tax Act, 1961, Wealth Tax Act, 1957, Customs Act, 1962, Central Excise Act, 1944, Maharashtra Value Added Tax Act, 2002, Central Sales Tax Act, 1956, any other state Sales Tax / Value Added Tax laws, Service Tax, stamp laws or other applicable laws/ regulations (hereinafter in this Clause referred to as "**Tax Laws**") dealing with taxes/ duties/ levies allocable or related to the business of the Amalgamating Company to the extent not provided for or covered by tax provision in the Accounts made as on the date immediately preceding the Appointed Date shall be transferred to Amalgamated Company.
- 10.2 All taxes (including income tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.) paid or payable by the Amalgamating Company in respect of the operations and/or the profits of the business on and from the Appointed Date, shall be on account of the Amalgamated Company and, insofar as it relates to the tax payment (including without limitation income tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Amalgamating Company in respect of the profits or activities or operation of the business on and from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Amalgamated Company, and, shall, in all proceedings, be dealt with accordingly.
- 10.3 Any refund under the Tax Laws due to Amalgamating Company consequent to the assessments made on Amalgamating Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Amalgamated Company.
- 10.4 Without prejudice to the generality of the above, all benefits including under the income tax, sales tax, excise duty, customs duty, service tax, VAT, etc., to which the Amalgamating Company is entitled to in terms of the applicable Tax Laws of the Union and State Governments, shall be available to and vest in the Amalgamated Company.
- 10.5 The Amalgamation as contemplated in this Scheme would be completed in a manner so as to comply with the conditions relating to 'amalgamation' as specified under section 2(1B) of the Income Tax Act,



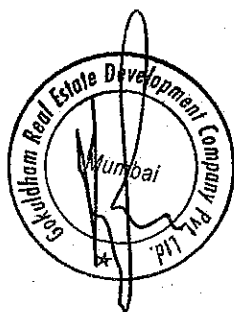
1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said section at the later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said section of the Income Tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with section 2(1B) of the Income Tax Act, 1961. Such modification will however not affect the other parts of the Scheme.

11 SAVING OF CONCLUDED TRANSACTIONS

The transfer of all the Assets and Liabilities and the licenses and permits and membership etc. under Clause 6 above and the continuance of proceedings by or against the Amalgamated Company under Clause 8 above shall not affect any transaction or proceedings already concluded by the Amalgamating Company on or before the Appointed Date, and after the Appointed Date till the Effective Date, to the end and intent that the Amalgamated Company accepts and adopts all acts, deeds and things done and executed by the Amalgamating Company in respect thereto as done and executed on behalf of itself.

12 ISSUE OF SHARES

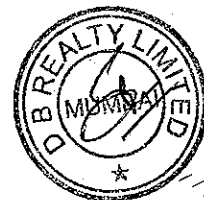
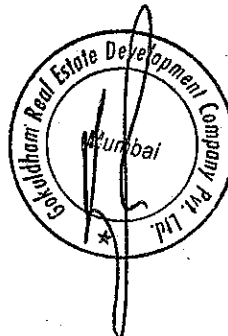
- 12.1 Upon coming into effect of this Scheme and in consideration of the transfer and vesting of the Undertaking of the Amalgamating Company in the Amalgamated Company, in terms of this scheme, the Amalgamated Company shall without any further application or deed, be required to issue and allot to the equity shareholders of the Amalgamating Company whose names appear in the register of members of the Amalgamating Company as on the Record Date, 574 (Five Hundred Seventy Four only) fully paid-up Preference share of the face value of Rs.10/- each in the Amalgamated Company, (hereinafter referred to as the "**New Preference Shares**") for every 1 (One only) fully paid-up equity share of the face value of Re. 100/- each held in the Amalgamating Company, based on the fair valuation done by the valuer of the Amalgamating Company on terms and conditions set out in Schedule-A annexed hereto.
- 12.2 The total number of New Preference Shares of Amalgamated Company to be issued and allotted to members of Amalgamating Company, shall be credited as fully paid up and shall be issued on the following terms:



- 23
- 12.2.1 The New Preference Shares to be issued and allotted in terms hereof will be subject to the Memorandum and Articles of Association of the Amalgamated Company and other provisions of this Scheme.
- 12.2.2 In respect of the fractional entitlement for the New Preference Shares, if any, to which the equity shareholders of Amalgamating Company may be entitled, the same shall be rounded off to the next number.
- 12.2.3 No allotment shall be made in respect of the Equity Shares of the Amalgamating Company held by the Amalgamated Company and the same shall be cancelled. Accordingly 374,990 equity shares of Amalgamating Company held by the Amalgamated Company shall be cancelled. Similarly any other cross holdings as on Effective date shall also be cancelled.
- 12.2.4 Upon the New Preference Shares being issued and allotted, as aforesaid, the Share Certificates in respect of the equity shares held in the Amalgamating Company shall be deemed to have been automatically cancelled and of no effect and the Amalgamated Company instead of requiring surrender of such Certificates may directly issue and dispatch fresh Certificates in respect of the New Preference Shares issued and allotted by the Amalgamated Company.
- 12.2.5 The Amalgamated Company will make an application for approval, if applicable or filings to Foreign Investment Promotion Board / Reserve Bank of India / authorized dealer or appropriate authority, if required, for its approval under the provisions of the Foreign Exchange Management Act 1999 for the issue and allotment of equity shares in the Amalgamated Company to the non-resident shareholder of the Amalgamating Company in accordance with the provisions of the Scheme.
- 12.2.6 The New Preference Shares being issued and allotted, as aforesaid, may subsequently, be listed on the BSE Ltd. and/or on the National Stock Exchange of India Ltd., subject to necessary approval.

13 CANCELLATION OF SHARES

- 13.1 374,990 equity shares of the Amalgamating Company held by the Amalgamated Company shall stand cancelled and no new shares will be allotted in lieu of such cancellation.



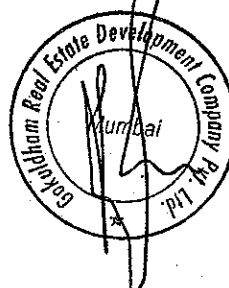
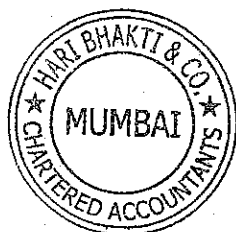
14 STAFF, WORKMEN AND EMPLOYEES OF THE AMALGAMATING COMPANY

- 14.1 All staff, workmen and employees, if any of the Amalgamating Company in permanent service on the Effective Date shall become the staff, workmen and employees of the Amalgamated Company on such date without any break or interruption in service and on the terms and conditions not in any way less favourable to them than those subsisting with reference to the Amalgamating Company as the case may be on the said date.
- 14.2 It is expressly provided that as far as the Provident Fund, Gratuity Fund, Superannuation Fund or any other Special Fund or Schemes created or existing for the benefit of the staff, workmen and employees of the Amalgamating Company are concerned, upon the Scheme becoming effective, the Amalgamated Company shall stand substituted for the Amalgamating Company for all purposes whatsoever related to the administration or operation of such schemes or Funds or in relation to the obligation to make contributions to the said Funds in accordance with provisions of such schemes and Funds as per the terms provided in the respective Trust Deeds/ other documents. It is the end and intent that all the rights, duties, powers and obligations of the Amalgamating Company in relation to such Funds/ Schemes shall become those of the Amalgamated Company. It is clarified that the services of the staff, workmen and employees of the Amalgamating Company will be treated as having been continuous for the purpose of the aforesaid Funds or provisions.
- 14.3 The Amalgamating Company shall not vary the terms and conditions of the employment of its employees except in the ordinary course of business.

15 ACCOUNTING

Upon the Scheme becoming effective, the Amalgamated Company shall account for the amalgamation as under:

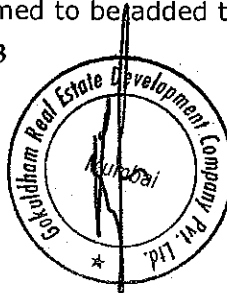
- 15.1 The Amalgamated Company shall account for the Amalgamation of Amalgamating Company as per the Accounting Standard 14 - Accounting for Amalgamations (AS14) as stated in the Company (Accounting Standards) Rules, 2006 and any amendments thereto.



- 25
- 15.2 The Amalgamated Company shall record all Assets and Liabilities recorded in the Books of Accounts of Amalgamating Company, which are transferred to and vested in the Amalgamated Company pursuant to this Scheme at the book values thereof at the close of business of the day immediately preceding the Appointed Date.
- 15.3 The Amalgamated Company shall credit to its Share Capital Account in its books of account, the aggregate face value of the New Shares issued and allotted to the members of the Amalgamating Company.
- 15.4 The difference between the value of investments carried in the books of the Amalgamated Company in addition to purchase consideration paid by issue of new preference share for equity shares held by other shareholders (other than amalgamated company) and the "Net Asset Value" of the Amalgamating Company, shall be treated as goodwill or capital reserve as the case may be, in the books of the Amalgamated Company, and dealt with in accordance with the Accounting Standard AS-14 issued by the Institute of Chartered Accountants of India. The Amalgamation of Amalgamating Company with the Amalgamated Company in terms of this Scheme shall take place with effect from the Appointed Date and shall be in accordance with the provisions of Section 2(1B) of the Income Tax Act, 1961.
- 15.5 On the Scheme of Amalgamation coming into effect, loans or other obligations due between the Amalgamating Company and the Amalgamated Company, if any, would stand discharged.
- 15.6 The investments in the share capital of Amalgamating Company appearing in the books of accounts of Amalgamated Company will stand cancelled.
- 15.7 The Amalgamating Company or the Amalgamated Company (by the Board of Directors) may alter or modify the accounting treatment specified in the Scheme, in consultation with the auditors, as they may deem fit and consider necessary, to settle any question/difficulty arising out of the Scheme, to comply with the relevant laws (including but not limited to the Income Tax Act, 1961) and applicable accounting standards.

16 ALTERATION OF THE MEMORANDUM OF ASSOCIATION OF THE AMALGAMATED COMPANY

- 16.1 Upon coming into effect of the Scheme, the Authorized Capital of the Amalgamating Company shall be deemed to be added to the Authorized



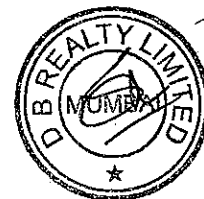
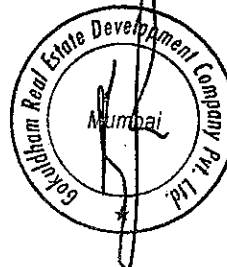
Capital of the Amalgamated Company without any further act, deed or procedure, formalities or payment of any stamp duty and registration fees, after reclassifying as follows:

Existing Authorised Share Capital of Amalgamating Company	
Particulars	Amount (Rs.)
500,000 Equity Shares of Re.100/- (Rupee hundred only) each	50,000,000
4,000,000 0.1 % Redeemable cumulative Preference shares of Re. 100/- (Rupee hundred only) each	400,000,000
Reclassified Authorised Share Capital of Amalgamating Company to be added to the Authorised Share capital of Amalgamated Company	
5,000,000 Equity Shares of Rs.10/- (Rupees Ten only) each	50,000,000
40,000,000 0.1% Redeemable cumulative Preference Shares of Rs.10/- each (Rupees Ten only) each	400,000,000

- 16.2 Subsequent to merger of Authorised share capital of Amalgamating Company with Amalgamated Company, the Authorised share Capital of Amalgamated Company shall be re-classified as follows:-

Particulars	Amount (Rs.)
27,00,00,000 Equity Shares of Re.10/- (Rupee Ten only) each	2700,000,000
75,000,000 Redeemable Preference shares of Re. 10/- (Rupee hundred only) each	750,000,000
Total	3450,000,000

- 16.3 Upon coming into effect of the Scheme, Clause V of the Memorandum of Association of the Amalgamated Company shall, without any further act, deed or instrument, be substituted and corrected accordingly on the appointed date by giving effect to the aforesaid alteration. It is clarified that the approval of the members of Amalgamated Company to the Scheme shall be deemed to be their consent/ approval also to the



alteration of the Memorandum of Association and Articles of Association of Amalgamated Company as required under Section 17 and other applicable provisions of the Act. The Amalgamated Company will just file requisite forms, if applicable.

17 VALIDITY OF EXISTING RESOLUTIONS, ETC.

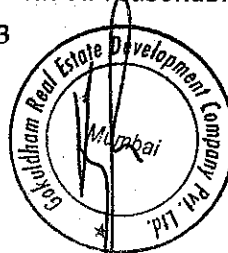
Upon the coming into effect of this Scheme, the resolutions, if any, of the Amalgamating Company, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Amalgamated Company and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then the said limits shall be added to the limits, if any, under like resolutions passed by the Amalgamated Company and shall constitute the aggregate of the said limits in the Amalgamated Company.

18 BOARD OF DIRECTORS OF THE AMALGAMATING COMPANY

The Board of Directors (or any committee/ sub-committee thereof) of the Amalgamating Company, upon the Scheme becoming effective, shall without any further act, instrument and deed stand dissolved. All the Directors of the Amalgamating Company shall cease to be Directors of the Amalgamating Company on coming into effect of this Scheme. However, if any such Director is a Director of the Amalgamated Company he would continue to hold his office in the Amalgamated Company.

19 APPLICATIONS TO THE HON'BLE HIGH COURT OF BOMBAY

- a. The Amalgamating Company and the Amalgamated Company shall, with all reasonable dispatch, make applications to the High Court of Judicature at Bombay under Section 391 of the Act seeking orders for dispensing with or convening, holding and conducting of the meetings of the members and/or creditors of the Amalgamating Company and the Amalgamated Company as may be directed by the High Court of Judicature at Bombay.
- b. On the Scheme being agreed to by the requisite majorities of the members and/or creditors of the Amalgamated Company and the Amalgamating Company as directed by the High Court of Judicature at Bombay, the Amalgamated Company and the Amalgamating Company shall, with all reasonable dispatch, apply



to the High Court of Judicature at Bombay for sanctioning the Scheme of Amalgamation under Sections 391 and 394 of the Act, and for such other order or orders, as the said High Court may deem fit for carrying this Scheme into effect and for dissolution of the Amalgamating Company without winding-up.

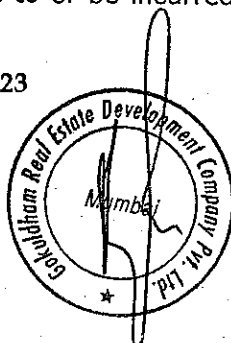
20 SCHEME CONDITIONAL ON APPROVAL/SANCTIONS

This Scheme is specifically conditional upon and subject to:

- a. The sanction or approval under any law or of the Central Government or any other Agency, Department or Authorities concerned being obtained and granted in respect of any of the matters in respect of which such sanction or approval is required.
- b. The approval of, and agreement to the Scheme by the requisite majority of members of the Amalgamating Company and the Amalgamated Company as may be directed by the High Court of Judicature at Bombay on the applications made for directions under Section 391 of the Act for dispensing/calling meetings and necessary resolutions being passed under the Act for the purpose.
- c. The sanctions of the High Court of Judicature at Bombay being obtained by the Amalgamating Company and the Amalgamated Company under Sections 391 and 394 and other applicable provisions of the Act.
- d. The authenticated /certified copies of order of the High Court of Judicature at Bombay under sections 391 to 394 of the Act sanctioning the Scheme being filed with the Registrar of Companies, Mumbai, Maharashtra.

21 EFFECT OF NON-APPROVALS

In the event of any of the approvals or conditions enumerated in clause 20 above not being obtained or complied or for any reasons this Scheme cannot be implemented then the Board of Directors of the Amalgamating Company and the Amalgamated Company shall waive such conditions as they consider appropriate to give effect appropriately and, as far as possible, to this Scheme and failing such agreement or in case this Scheme is not sanctioned by the High Court of Judicature at Bombay, then the Scheme shall become null and void and in that event no rights and liabilities whatsoever shall accrue to or be incurred inter se between



29
the Amalgamating Company and the Amalgamated Company or their shareholders or creditors or any other person.

22 DISSOLUTION OF AMALGAMATING COMPANY

On the Scheme coming into effect, the Amalgamating Company shall, without any further act or deed, stand dissolved without winding up.

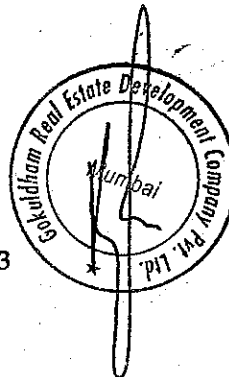
23 MODIFICATION OR AMENDMENT TO THE SCHEME

Subject to approval by the High Court, the Amalgamating Company and the Amalgamated Company through its respective Board of Directors/ its authorized officers are hereby empowered and authorized to assent from time to time to any modifications or amendments of this Scheme or to any conditions or limitations which the High Court of Judicature at Bombay or any other statutory authorities may impose and to settle all doubts or difficulties that may arise for carrying out the Scheme and to do and execute all acts, deeds, matters and things as may be necessary for putting the Scheme into effect. The power of the Board to modify the scheme shall be subject to final approval of the Court.

24 COSTS, CHARGES & EXPENSES

Except for the event mentioned in Clause 21 above, all costs, charges and expenses of the Amalgamating Company and the Amalgamated Company in relation to or in connection with this Scheme and for carrying out and implementing/ completing the terms and provision of the Scheme and/ or incidental to the completion of the amalgamation of the undertaking of the Amalgamating Company in pursuance of this Scheme shall, except as specifically provided herein, be borne and paid solely by the Amalgamated Company.

In the event mentioned in Clause 21 above, each party shall bear their respective costs, charges and expenses in connection with the Scheme. If the cost cannot be identified, the same shall be shared equally between the Amalgamating Company and the Amalgamated Company.

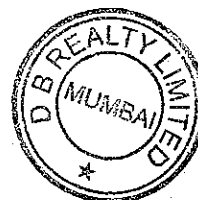
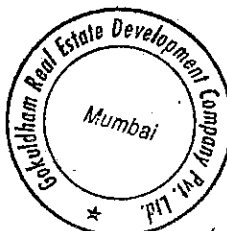


SCHEDULE-A**TERMS AND CONDITIONS OF ALLOTMENT OF PREFERENCE SHARES TO
THE SHAREHOLDERS OF AMALGAMATING COMPANY**

Issuer	DB Realty Limited
Instrument	8% Redeemable Preference shares to be issued
Face Value	Rs 10/-
Coupon Rate	8% per annum
Redemption	To be redeemed at par at the end of 5 years
	DB Realty Limited will have an option to redeem the Preference Shares at any time after the end of 1 year from the date of allotment. If DB Realty Limited exercises its option, it will pay the amount of the face value of the Preference Shares and also dividend declared, if any, up to the date on which it exercises the call option. In case DB Realty Limited exercises the call option, its liability to the preference shareholders shall stand extinguished from the date of dispatch of the cheques / pay order for the redemption amount, along with dividend, if any.



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For Gokuldham Real Estate Development Company Pvt. Ltd.

Director

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(Salim Balwa)

FOR DB REALTY LIMITED  
COMPANY SECRETARY  
(S.K. Narayanan)

**SSPA & CO.***Chartered Accountants*

1st Floor, "Arjun", Plot No. 6A,  
V. P. Road, Andheri (W),  
Mumbai-400 058. INDIA.

Tel. : 91 (22) 2670 4376

2670 3682

Fax : 91 (22) 2670 3916

Website : www.sspa.in

**STRICTLY PRIVATE & CONFIDENTIAL**

February 11, 2014

To,

**The Board of Directors**  
**D B Realty Limited**  
DB House,  
General A.K Vaidya Marg,  
Goregaon (East)  
Mumbai – 400 063

**The Board of Directors**  
**Gokuldharm Real Estate Development Company**  
**Private Limited**  
DB House,  
General A.K Vaidya Marg,  
Goregaon (East), Mumbai – 400 063

**Re: Recommendation of fair share exchange ratio for the purpose of proposed amalgamation of Gokuldharm Real Estate Development Company Private Limited into D B Realty Limited**

Dear Sir,

As requested by the Management of Gokuldharm Real Estate Development Company Private Limited and D B Realty Limited (hereinafter collectively referred to as the "Management"), we have carried out fair valuation of equity shares of Gokuldharm Real Estate Development Company Private Limited (hereinafter referred to as "Gokuldharm") to recommend fair share exchange ratio for the proposed amalgamation of Gokuldharm into D B Realty Limited (hereinafter collectively referred to as the "Companies").

**1. PURPOSE OF VALUATION**

- 1.1 We have been informed that the management of the Companies is considering a proposal for the amalgamation of Gokuldharm into D B Realty Limited (hereinafter referred to as "DB Realty") pursuant to the provisions of Sections 391 to 394 and other applicable provisions of the Companies Act, 1956 (hereinafter referred to as "Scheme"). Subject to necessary approvals, Gokuldharm would be merged into DB Realty, with effect from Appointed Date of 01 Apr 2013. We have been informed that



the Management of DB Realty proposes to issue Redeemable Preference Shares ('RPS') to the shareholders of Gokuldhham in consideration for the amalgamation.

Brief terms and conditions of the RPS are as under:

- Face value of Rs. 10 each fully paid up
- Coupon rate of 8%
- Tenure of 5 Years

- 1.2 In this connection, SSPA & Co., Chartered Accountants has been appointed to carry out the valuation of Gokuldhham to recommend the fair share exchange ratio.

## **2 BRIEF BACKGROUND OF D B REALTY LIMITED**

- 2.1 DB Realty was incorporated as a public limited company on 8 Jan 2007 having its registered office in Mumbai, Maharashtra.
- 2.2 DB Realty is a real estate development company focusing on residential, commercial and other project such as mass housing and cluster redevelopment, in and around Mumbai. The Company's expanding portfolio consists of 25 projects under various stages of planning and construction. We have been informed that the Company has a notable and consistent track record of growth, customer satisfaction and innovation.
- 2.3 The equity shares of the Company are listed on the National Stock Exchange of India Limited and BSE Limited.

## **3 BRIEF BACKGROUND OF GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE LIMITED**

- 3.1 Gokuldhham was incorporated as a private limited company on 13 Feb 2004 having its registered office at Mumbai, Maharashtra.
- 3.2 Gokuldhham is engaged in the business of real estate development and construction. At present, it has undertaken development and construction of residential project on the land situated at Village Dindoshi, Goregaon East known as DB Woods ('Project'). The project is expected to be completed by 30 Sep 2014.
- 3.3 DB Realty holds ~75% equity stake in the Company and balance stake is held by Konark Realtech Private Limited ('Konark').
- 3.4 The shares of the Company are not listed on any stock exchanges.



**4 EXCLUSIONS AND LIMITATIONS**

- 4.1 Valuation is not a precise science and the conclusions arrived at in many cases will, of necessity, be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single value. While SSPA & Co has provided an assessment of the value based on the information available, application of certain formulae and within the scope and constraints of our engagement, others may place a different value to the same.
- 4.2 Our report is subject to the scope limitations detailed hereinafter. As such the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein and in the context of the purpose for which it is made.
- 4.3 In the course of the valuation, we were provided with both written and verbal information. We have not carried out a due diligence or audit of the information provided for the purpose of this engagement. Public information, estimates, industry and statistical information relied in this report have been obtained from the sources considered to be reliable. However, we have not independently verified such information and make no representation as to the accuracy or completeness of such information from or provided by such sources. Our conclusions are based on the assumptions, forecasts and other information given by/on behalf of the Companies. We assume no responsibility for any errors in the above information furnished by the Companies and consequential impact on the present exercise.
- 4.4 Our recommendation is based on the estimates of future financial performance as estimated by the Management of the Companies, which represents their view of reasonable expectation at the point of time when they were prepared, but such information and estimates are not offered as assurances that the particular level of income or profit will be achieved or events will occur as predicted. Actual results achieved during the period covered by the prospective financial statements may vary from those contained in the statement and the variation may be material. The fact that we have considered the projections / estimates in this exercise of valuation should not be construed or taken as our being associated with or a party to such projections.



- 4.5 Our work does not constitute an audit or certification of the historical financial statements / prospective results including the working results of the Companies referred to in this report. Accordingly, we are unable to and do not express an opinion on the fairness or accuracy of any financial information referred to in this report. Valuation analysis and results are specific to the purpose of valuation and the valuation date mentioned in the report is as per agreed terms of our engagement. It may not be valid for any other purpose or as at any other date. Also, it may not be valid if done on behalf of any other entity.
- 4.6 A valuation of this nature involves consideration of various factors including those impacted by prevailing market trends in general and industry trends in particular. This report is issued on the understanding that the management of the Companies have drawn our attention to all the matters, which they are aware of concerning the financial position of the Companies and any other matter, which may have an impact on our opinion, on the fair value of the shares including any significant changes that have taken place or are likely to take place in the financial position of the Companies, subsequent to the Appointed Date for the proposed amalgamation. We have no responsibility to update this report for events and circumstances occurring after the date of this report.
- 4.7 No investigation on the Companies' claim to title of assets has been made for the purpose of this valuation and their claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature.
- 4.8 Any person/ party intending to provide finance / invest in the shares / business of the Companies shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision.
- 4.9 Our report is not, nor should it be construed as our opining or certifying the compliance of the proposed amalgamation with the provisions of any law including companies, taxation and capital market related laws or as regards any legal implications or issues arising from such proposed amalgamation.



- 4.10 This Report is prepared only in connection with the proposed amalgamation exclusively for the use of the Companies and for submission to any regulatory/statutory authority as may be required under any law. The Report should not be copied or reproduced without obtaining our prior written approval for any purpose other than the purpose for which it is prepared.
- 4.11 SSPA & Co., nor its partners, managers, employees makes any representation or warranty, express or implied, as to the accuracy, reasonableness or completeness of the information, based on which the valuation is carried out. All such parties expressly disclaim any and all liability for, or based on or relating to any such information contained in the valuation.

## **5 SOURCES OF INFORMATION**

For the purpose of the valuation exercise, we have relied upon the following sources of information provided by the management:

- (a) Audited financial Statements of Gokuldham for the financial year ended 31 Mar 2013.
- (b) Management certified estimated Income Statement and Cash Flow Statement of Gokuldham for 6 months period ended 30 Sep 2013 and 12 months ending 30 Sep 2014.
- (c) Draft Scheme of Amalgamation u/s 391 to 394 and other applicable provisions of the Companies Act, 1956.
- (d) Other relevant details regarding Gokuldham such as past and present activities, future plans and prospects, other relevant information and data including information in the public domain.
- (e) Such other information and explanations as we required and which have been provided by the management of the Companies.





**6 VALUATION APPROACH**

- 6.1 There are various methods commonly adopted for valuation of shares. These are the Net Assets Method, the Discounted Cash Flow Method, the Market Price Method etc. Each method proceeds on different fundamental assumptions, which have greater or lesser relevance, and at times even no relevance to a given situation. Thus, the methods to be adopted for a particular valuation must be judiciously chosen.
- 6.2 As informed by the management, in consideration for the amalgamation, RPS of DB Realty are proposed to be allotted to the equity shareholders of Gokuldham. As stated earlier, equity shares of Gokuldham are not listed on any stock exchanges. Therefore, Market Price Method has not been considered for the purpose of valuation.
- 6.3 The present valuation exercise is for Gokuldham, which is engaged in realty business and therefore, we have thought fit to use the Net Assets Method for arriving at the fair value of shares of Gokuldham. However, in Net Assets Method, fair value of the project has been arrived at using Discounted Cash Flow method using Free Cash Flow to Equity Model.

**7 NET ASSETS METHOD**

- 7.1 In case of the 'Net Assets' method, the value per share is determined by dividing the net assets of the company by the number of shares. Valuation of net assets is calculated with reference to the historical cost of the assets owned by the company. The book value of the assets and liabilities (other than the assets & liabilities pertaining to Project) on the appointed date is considered to arrive at the Net Assets Value.

- 7.2 As explained in Para 6.3 above, to arrive at the Fair value of the Project, we have considered the Discounted Cash Flow method using the Free Cash Flows to Equity Model.

The Discounted Cash Flow Method values the business by discounting its free cash flows to equity for the forecasted period. The free cash flows to equity represent the cash available after meeting all financial obligations, including debt payments, and after covering capital expenditure, taxes and working capital needs. The free cash



flows to equity are discounted by using the Cost of Equity (COE). COE represents the rate of return on investment that is required by the company's ordinary shareholders. The present value of the free cash flows to equity of the forecasted period indicates the value of the project.

- 7.3 The project value arrived above is added to the Book value of Asset & Liabilities (other than Assets & Liabilities relating to project) to arrive at the Adjusted Net Asset Value.
- 7.4 The adjusted Net Asset Value so arrived at is divided by the number of equity shares to arrive at the value per equity share.

## 8 RECOMMENDATION OF FAIR EXCHANGE RATIO

- 8.1 The share exchange ratio has been arrived on the basis of a valuation of the shares of the Gokuldham based on the methodologies explained herein earlier and various qualitative factors relevant to Gokuldham and the business dynamics and growth potential of Gokuldham, having regard to information base, management representations and perceptions, key underlying assumptions and limitations.
- 8.2 In the ultimate analysis, valuation will have to involve the exercise of judicious discretion and judgment taking into account all the relevant factors. There will always be several factors, e.g. present and prospective competition, yield on comparable securities and market sentiments etc. which are not evident from the face of the balance sheets but which will strongly influence the worth of a share. This concept is also recognized in judicial decisions. For example, Viscount Simon Bd in Gold Coast Selection Trust Ltd. vs. Humphrey reported in 30 TC 209 (House of Lords) and quoted with approval by the Supreme Court of India in the case reported in 176 ITR 417 as under:

*"If the asset takes the form of fully paid shares, the valuation will take into account not only the terms of the agreement but a number of other factors, such as prospective yield, marketability, the general outlook for the type of business of the company which has allotted the shares, the result of a contemporary prospectus offering similar shares for subscription, the capital position of the company, so forth. There may also be an element of value in the fact that the holding of the shares gives*



*control of the company. If the asset is difficult to value, but is nonetheless of a money value, the best valuation possible must be made. Valuation is an art, not an exact science. Mathematical certainty is not demanded, nor indeed is it possible."*

- 8.3 In the light of the above and on a consideration of all the relevant factors and circumstances as discussed and outlined hereinabove referred to earlier in this report, in our opinion, a fair ratio of exchange in the event of amalgamation of Gokuldharm into DB Realty would be as under:

**574 (Five Seven Four) Redeemable Preference Shares of DB Realty of INR 10 each fully paid up for every 1 (One) equity shares of Gokuldharm of INR 100 each fully paid up.**

Thanking you,

Yours faithfully,

SSPA & CO. 

**SSPA & CO.**

**Chartered Accountants**

Firm registration number: 128851W

Place: Mumbai

**Report of the Audit Committee of D B Realty Limited ("Company") recommending the draft Scheme of Amalgamation between Gokuldharm Real Estate Development Company Limited (a Subsidiary Company), Real Gem Buildtech Private Limited ( a wholly owned Subsidiary Company) and the Company**

**Members Present**

|                   |                                   |
|-------------------|-----------------------------------|
| Mr. Mahesh Gandhi | Chairman (Independent Director)   |
| Mr. Janak Desai   | Member (Independent Director)     |
| Mr. Shahid Balwa  | Member (Non Independent Director) |

**In Attendance**

|                     |                          |
|---------------------|--------------------------|
| Mr. Asif Balwa      | Group Director (Finance) |
| Mr. N.M.Gattu       | Chief Finance Officer    |
| Mr. S A K Narayanan | Company Secretary        |

**1. Background:**

**1.1** A meeting of the Audit Committee of the Company was held on 11<sup>th</sup> February, 2014 to consider and recommend the proposed amalgamation of (1) Gokuldharm Real Estate Development Company Private Limited, (GRED) a subsidiary Company in which the Company holds 74.98% of the Equity Capital and (2) Real Gem Buildtech Private Limited (RGB), a wholly owned subsidiary of the Company proposed to be implemented in terms of Scheme of Amalgamation ("Scheme") to be entered into between the Company and the respective Shareholders and Creditors under Section 391 – 394 read with Section 100 and other applicable provisions Of the Companies Act, 1956, as applicable as on date.

**1.2** GRED is a Public Company limited by shares incorporated in the year 2004 as a Private Limited Company which became subsequently a deemed public Company by virtue of Section 3(1)(iv) (c) of the Companies Act, 1956 and the proviso to Section 2 (71) of the Companies Act, 2013 being a Subsidiary of the Company. The Shareholders of GRED are as appearing in the in the table below:

| Sr No | Name of the Shareholder                          | No of Equity Shares of Rs.10 each Paid up held | % to the total No of Shares |
|-------|--------------------------------------------------|------------------------------------------------|-----------------------------|
| 1     | D B Realty Limited                               | 3,74,990                                       | 74.998                      |
| 2     | Konark Realtech Private Limited                  | 1,25,000                                       | 25.000                      |
| 3     | Conwood Construction & Developers Pvt Ltd        | 5                                              | 0.001                       |
| 4     | K.M.Goenka and others, Partners, K.G.Enterprises | 5                                              | 0.001                       |
|       | <b>Total</b>                                     | <b>5,00,000</b>                                | <b>100.00</b>               |

**1.3** RGB is a Public Company limited by shares incorporated in the year 2009 as a Private Limited Company which subsequently became a deemed public Company by virtue of Section 3(1)(iv)(c) of the Companies Act, 1956 and the proviso to Section 2 (71) of the Companies Act, 2013 being a



**D B REALTY LIMITED**

**Regd. Office :** DB House, Gen. A. K. Vaidya Marg, Goregaon (East), Mumbai - 400 063. • Tel.: 91-22-4077 8600 • Fax: 91-22-2841 5550 / 2842 1667

E-mail: info@dbg.co.in • Website: www.dbrealty.co.in

**CIN : L70200MH2007PLC166818**

Wholly Owned Subsidiary of the Company. The entire Equity Share Capital of RGB consisting of 10,000 (Ten Thousand) Equity Shares of Rs. 10 (Rupees Ten only) each fully paid up is held as on date by the Company (9998 – Nine Thousand Nine Hundred Ninety Eight - shares) and two of its nominees (1 – One- Share each) with the beneficial ownership of the shares held by the two Nominees vesting in the Company.

- 1.4 This Report of the Audit Committee is made in order to comply with the requirements under the Circular CIR/CFD/DIL/5/2013 dated February 4, 2013 read with Circular CIR/CFD/DIL/8/2013 dated May 21, 2013 (which provides clarifications with respect to aforementioned circular) both issued by Securities and Exchange Board of India (SEBI). As per SEBI Circulars. It is mandatory for the Audit Committee of a listed Company to recommend the Scheme of Arrangement, taking into consideration inter alia the Valuation Report issued by an Independent Chartered Accountant in the case of valuation of Shares of a partly owned Subsidiary Company.

## 2. Proposed Scheme

- 2.1 The Audit Committee noted the rationale and benefits of the Scheme which are as under:  
The proposed amalgamation will help the Company with the following benefits:

- i. Nature of business carried on by the Amalgamating Company (viz. Transferor Company), is similar to the Amalgamated Company, which is also it's holding company.
- ii. Achieving economies of scale.
- iii. Lesser regulatory / procedural compliances.
- iv. Integrate, rationalize and streamline the management structure of the merged business.
- v. Pooling of the human talents in terms of manpower, management, administration and marketing which would result in savings of costs.
- vi. Amalgamation of the Company would eliminate duplication of work, administrative services, and will result in cost savings.
- vii. Cost saving in fees/ duties payable on statutory and procedural compliance.
- viii. Facilitate inter transfer of resources and costs and optimum utilization of Assets.
- ix. Synchronizing of efforts to achieve uniform corporate policy.
- x. To reflect the consolidated net worth of the Company in one balance sheet.

- 2.2 The audit committee noted that the salient features of the scheme are:

- a) The appointed date for the amalgamation of GRED is proposed to be April 1, 2013.
- b) The appointed date for the amalgamation of RGB is proposed to be April 1, 2014.
- c) All Assets & Liabilities of GRED and RGB shall stand transferred to and becomes Assets & Liabilities of the company.
- d) All Equity Shares of GRED & RGB held by the company will be cancelled.
- e) All shareholders of GRED except the Company will receive 574 (Five Hundred and Seventy Four) 8% Redeemable preference shares of Rs.10 each of the Company for every One Equity Share of Rs.100 each fully paid up as per the share exchange ratio based on the valuation of the said shares by Independent Chartered Accountants and approved by the Board of Directors of GRED. The said 8% Redeemable Preference Shares will have a tenure of 5 (five) years from the date of issue. The Company shall have the option to redeem the said



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Preference Shares after expiry of one year from the date of issue and the said Preference Shares shall be listed after the issue, on the Stock Exchanges where the Company's Equity Shares are listed

- f) Upon effectiveness of the scheme, GRED & RGB shall stand dissolved without winding up.
- g) Upon effectiveness of the scheme the authorised share capital of the Company shall automatically increase without any further act, instrument or deed on the part of the Company, by the authorised capital of GRED & RGB.

**2.3** The Company and GRED jointly appointed SSPA & Co, Chartered Accountants, an independent valuer for the purpose of preparing the Valuation Report containing the Share Exchange Ratio. The Company also appointed Ashika Capital Limited, an independent Merchant Banker for providing a "Fairness Opinion" on the Valuation Report. Draft Valuation Report along with other documents had previously been sent to Ashika Capital Limited, for providing a "Fairness Opinion" on the Valuation Report.

**2.4** In the meeting of the Audit Committee Mr. Parag Dave, Partner, SSPA & CO, Chartered Accountants made presentation on the Valuation and the "Fairness Opinion". The Chairman and independent director had discussion in relation to the methodology adopted by the Independent Chartered Accountants in preparing the Valuation Report and arriving at the Share Exchange Ratio. The Chairman and the Independent Director also discussed the "Fairness Opinion" and sought clarification.

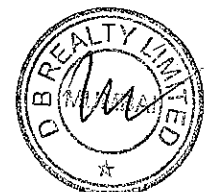
**2.5** The Valuation Report and the Fairness Opinion prepared by SSPA & Co, the Independent Chartered Accountants and Ashika & Capital Limited, the Merchant Banker were placed before the Audit Committee.

**2.6** The Audit Committee reviewed the Valuation Report in detail and noted that the Valuation Report has recommended a fair exchange ratio in the event of amalgamation of Gokuldharm Real Estate Development Company Private Limited into D B Realty Limited as under:

**"574 (Five Hundred Seventy Four) Redeemable Preference Shares of Rs.10 each of D B Realty Limited for every 1 (One) Equity Share of Gokuldharm Real Estate Development Company Private Limited of Rs.100 each fully paid up."**

**2.7** The following documents were placed before the Audit Committee

- a) A draft of the scheme duly initialed by Company Secretary of the Company for the purpose of identification.
- b) The Valuation Report dated 11<sup>th</sup> February, 2014 prepared by SSPA & CO, Chartered Accountants, Independent Valuers describing the methodology adapted by them in arriving at the Share Exchange Ratio.
- c) Fairness Opinion dated 11<sup>th</sup> February, 2014 prepared by Ashika Capital Limited an Independent Merchant Banker providing the Fairness Opinion on the Share Exchange Ratio



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CIN : L70200MH2007PLC16681C

recommended in the Valuation Report prepared by SSPA & Co, Chartered Accountants, Independent valuers.

- d) Draft Certificate dated 11.02.2014 obtained from the Statutory Auditors of the Company namely Haribhakti & Co, Chartered Accountants on the accounting treatment prescribed in the scheme.

### 3. Considerations and Recommendation of the Audit Committee

- 3.1 The Audit Committee has reviewed the abovementioned documents and noted that the Valuation Report recommended a fair exchange ratio of 574 (Five Hundred and Seventy Four) Redeemable Preference Shares of the Company of the face value of Rs. 10 (Rupees Ten only) each (credited as fully paid up) for every 1 (One) Equity Share of the face value Of Rs. 100 (Rupees One Hundred Only) each of GRED held by the member of GRED other than the Company in the event of amalgamation of GRED into D B Realty Ltd, as contemplated in the draft Scheme. Further, the Fairness Opinion confirmed that the Share Exchange Ratio in the Valuation Report is fair to the shareholders of the Company.
- 3.2 After considering the Valuation Report and the Fairness Opinion, appraisal of the methodology and basis followed in the Valuation Report and going through the working in detail, the Audit Committee is satisfied with the valuation and finds that the Share Exchange Ratio is fair and reasonable. Further, the Audit Committee is of the opinion that there is no adverse effect to the Public Shareholders of the Company pursuant to the Scheme. The Audit Committee also confirms its concurrence with the rationale for the Scheme.
- 3.3 After discussions and consideration of the abovementioned proposal and based on the information, observation and documents placed before it, including the Valuation Report, the Audit Committee, at its meeting held on Feb 11, 2014, unanimously approved the Scheme and passed the following resolution:-

"RESOLVED THAT the Audit Committee do hereby approve and accept the Valuation Report prepared and submitted by SSAP & Co, Chartered Accountants and Fairness Opinion prepared and submitted by Ashika Capital Limited and the same be recommended to the Board of Directors of the Company for its consideration and approval."

"RESOLVED FURTHER THAT subject to the necessary approvals of all the concerned Authorities, and the High Court of Bombay, of the proposed Scheme of Amalgamation of Gokuldham Real Estate Development Company Private Limited (GRED) into D B Realty Limited, the share exchange ratio of 574(Five Hundred and seventy four ) 8% Redeemable Preference Shares of the Company of the face value of Rs. 10/- (Rupees Ten Only) each credited as fully paid-up for every 1 (One) Equity Share of the face value of Rs. 100/- (Rupees Hundred Only) each fully paid up held by such Member in GRED , other than the Company be and is hereby approved and the same be recommended to the Board of Directors of the Company for its consideration and approval. The said 8% Redeemable Preference Shares shall be redeemed by the Company at the end of 5 (Five) years from the date of issue and the Company shall have the option to redeem after expiry of 1 (One) year from the date of issue."



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"RESOLVED FURTHER THAT the Equity Shares held by the Company in GRED and Real Gem Buildtech Private Limited (RGB) another wholly owned subsidiary of the Company proposed to be amalgamated into D B Realty Limited as per the Scheme of Amalgamation be cancelled."

"RESOLVED FURTHER THAT the Amalgamation of GRED & RGB with the Company under Sections 391 - 394, read with Section 100 and other applicable provisions of the Companies Act, 1956 as detailed in the draft Schemes placed before the Audit Committee and initialled by the Company Secretary be and is hereby approved and recommended to be placed for consideration before the Board of Directors of the Company."

By Order of the Audit Committee  
For and On behalf of  
D B Realty Limited



Mahesh M. Gandhi  
Chairman, Audit Committee

Place : Mumbai  
Date : 11.04.2014



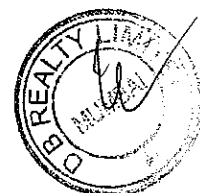
**Report of the Audit Committee of D B Realty Limited ("Company") held on 24<sup>th</sup> May, 2014 recommending the draft Scheme of Amalgamation between Gokuldham Real Estate Development Company Private Limited (a Subsidiary Company) and the Company**

**1. Background:**

- 1.1 A meeting of the Audit Committee of the Company was held on 11<sup>th</sup> February, 2014 to consider and recommend the proposed amalgamation of (1) Gokuldham Real Estate Development Company Private Limited (GRED), a subsidiary Company in which the Company holds 74.98% of the Equity Capital and (2) Real Gem Buildtech Private Limited (RGB), a wholly owned subsidiary of the Company proposed to be implemented in terms of a Scheme of Amalgamation ("Scheme") to be entered into between the Company and the respective Shareholders under Section 391 – 394 read with Section 100 and other applicable provisions Of the Companies Act, 1956, as applicable as on date.

Thereafter, a meeting of the Audit Committee was held on 24<sup>th</sup> May, 2014 and the committee reviewed the progress. The committee was informed by the Consultants that earlier proposal to amalgamate the two subsidiaries namely GRED and RGB has not been proceeded with, since a consolidated draft scheme for both the companies was prepared earlier and there has been a change in the management opinion that the proposed merger of the wholly owned subsidiary, RGB be deferred and taken up at a later date, as may be decided by the Board of Directors, the reason being that the approvals for the revised technical plans of RGB have not been received. The revised proposal is to go ahead only with the amalgamation of Gokuldham Real Estate Development Company Private Limited, with effect from 1<sup>st</sup> April, 2013, being the appointed date with no changes with regard to that scheme, as per the Independent Valuer's Report and Fairness opinion Report placed at the last meeting. The committee on review and discussion with the consultants noted the proposal to drop the merger of the wholly owned subsidiary, RGB, for the time being and agreed to recommend to the Board of Directors to go ahead only for amalgamation of GRED as per earlier draft scheme of amalgamation of GRED with the Company.

- 1.2 The Audit Committee noted that as far as the Scheme of amalgamation of GRED with D B Realty Limited is concerned, there has been no change in the rationale, scheme, Valuation and Fair exchange ratio of the shares as already discussed in the Audit Committee meeting held on 11<sup>th</sup> February, 2014 and hence they continue to be valid and effective.
- 1.3 The Audit Committee therefore opines and recommends to the Board of Directors implementation of the Scheme of Amalgamation of Gokuldham Real Estate Development Company Private Limited with D B Realty Limited, subject to the necessary approvals from the shareholders and the concerned authorities and the Hon. High Court of Judicature, Bombay in terms of its recommendation made on 11th February, 2014 after deferring the proposal to merge the other wholly owned subsidiary viz. Real Gem Buildtech Private Limited at a later date as may be determined in the future.



**DB REALTY LIMITED**

2. The committee then passed the following resolutions:

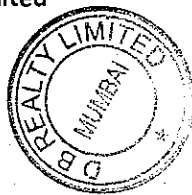
"RESOLVED THAT the proposal of amalgamation of Real Gem Buildtech Private Limited, a wholly owned subsidiary of the Company with the Company discussed in an earlier meeting on 11<sup>th</sup> February, 2014 be deferred to a future date after examination of the new proposal to be placed before the committee.

RESOLVED FURTHER THAT the Audit Committee do hereby recommend to the Board of Directors subject to the necessary approvals of all the shareholders and the concerned Authorities, and the Hon. High Court of Bombay, of the proposed Scheme of Amalgamation of Gokuldharm Real Estate Development Company Private Limited (GRED) into D B Realty Limited, as approved in the meeting held on 11<sup>th</sup> February, 2014 and to go ahead and implement the same with appointed date as on 1<sup>ST</sup> April 2013 in terms of the draft Scheme for the Amalgamation of the said Gokuldharm Real Estate Development Company Private Limited with the Company.

RESOLVED FURTHER THAT the Report of the Audit Committee submitted earlier in accordance with the proceedings of the Committee held on 11<sup>th</sup> February, 2014 shall be valid and effective except for the recommendation of the merger of the wholly owned subsidiary, M/s. Real Gem Buildtech Private Limited which has been deferred."

By Order of the Audit Committee  
For and on behalf of D B Realty Limited

*M. M. Gandhi*  
Mahesh M. Gandhi  
Chairman, Audit Committee



Place: Mumbai  
Date: 24.05.2014

**DB REALTY LIMITED**

**STRICTLY PRIVATE & CONFIDENTIAL**

February 11, 2014

To

**The Board of Directors,**

**D B Realty Limited,**

DB House,

General A K Vaidya Marg,

Goregaon (East),

Mumbai-400 063.

**Sub: Issue of Fairness Opinion Certificate on the valuation carried out by M/s. SSPA & Co., Chartered Accountants**

**Ref: Proposed amalgamation of Gokuldham Real Estate Development Company Private Limited into D B Realty Limited**

Dear Sir(s),

This has reference to the request made by the management of D B Realty Limited (hereinafter referred to as "**DBRL**"), in connection with fairness opinion on the valuation exercise carried out by M/s. SSPA & Co., Chartered Accountant (hereinafter referred to as "**the Valuer**") for the proposed amalgamation of Gokuldham Real Estate Development Company Private Limited (hereinafter referred to as "**GREDCPL**") into D B Realty Limited to recommend the entitlement/exchange ratio of shares with effect from the Appointed Date i.e. April 01, 2013.

**1) PURPOSE OF VALUATION**

1.1 The management of the Companies is considering a proposal for the amalgamation of Gokuldham Real Estate Development Company Private Limited into D B Realty Limited pursuant to the provisions of Sections 391 to 394 of the Companies Act, 1956. Subject to necessary approvals, GREDCPL would be amalgamated into DBRL.

The Management of DBRL proposes to issue Redeemable Preference Shares ('RPS') to the Shareholders of GREDCPL in consideration for the amalgamation. Brief terms and conditions of the RPS are as under:

**Corporate Office:**

1008, 10th Floor, Raheja Centre  
214, Nariman Point, Mumbai-400 021  
Tel.: +91 22 6611 1700  
Fax: +91 22 6611 1710  
E-mail: mbd@ashikagroup.com

**Registered Office:**

Trinity, 226/1, A. J. C. Bose Road  
7th Floor, Kolkata 700 020  
Tel.: +91 33 4010 2500  
Fax: +91 33 2289 1555  
E-mail: ashika@ashikagroup.com

- Face value of ₹ 10/- each fully paid up
- Coupon rate of 8%
- Tenure of 5 years

1.3 In this regard, M/s. SSPA & Co., Chartered Accountants were appointed to carry out the valuation with a view to recommend a ratio of the entitlement/exchange of shares in the event of amalgamation of GREDCPL into DBRL.

1.4 The information contained herein and our certificate is confidential. It is intended only for the sole use of captioned purpose including for the purpose of obtaining requisite approvals as per the Listing Agreement Clauses.

## 2) SOURCES OF INFORMATION

For the purpose of fairness opinion, we have relied upon the following sources of information provided by the management of the Companies:

- (a) Audited Financial Statements of GREDCPL for the year ended March 31, 2013.
- (b) Management Certified estimated Income Statement and Cash Flow Statement of GREDCPL for 6 months period ended September 30, 2013 and 12 months ending September 30, 2014.
- (c) Draft Scheme of Amalgamation u/s 391 to 394 and other applicable provisions of the Companies Act, 1956.
- (d) Valuation report dated February 11, 2014 prepared by M/s SSPA & Co., Chartered Accountants.
- (e) Any other such information/explanations as and when required and which have been provided by the Management of the Companies.

## 3) EXCLUSIONS AND LIMITATIONS

3.1 Conclusions reached by us are dependent on the information provided to us being complete & accurate in all material respects. Our scope of work does not enable us to accept responsibility for the accuracy and completeness of the information provided to us. The scope of our assignment did not involve us performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any financial or

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analytical information used during the course of our work. We have not performed any audit, review or examinations of any of the historical or prospective information used and, therefore, do not express any opinion with regard to the same. In addition, we do not take any responsibility for any changes in the information used for any reason, which may occur subsequent to the date of our certificate.

3.2 This certificate is prepared with a limited purpose/scope as identified/stated earlier and will be confidential being for use only to whom it is issued. It must not be copied, disclosed or circulated in any correspondence or discussions with any person, except to whom it is issued and to those who are involved in this transaction and for various approvals for this transaction.

#### 4) VALUATION METHODOLOGY ADOPTED BY THE VALUER

4.1 There are various methods commonly adopted for valuation of shares. These are the Net Assets Method, the Discounted Cash Flow Method, the Market Price Method, etc. Each method proceeds on different fundamental assumptions, which have greater or lesser relevance, and at times even no relevance to a given situation. Thus, the methods to be adopted for a particular valuation must be judiciously chosen.

4.2 As informed by the management of DBRL, in consideration for the amalgamation, RPS of DBRL are proposed to be allotted to the equity shareholders of GREDCPL. RPS of DBRL are not listed on any of the stock exchanges. As stated earlier, equity shares of GREDCPL are also not listed on any stock exchanges. Therefore, Market Price Method has not been considered for the purpose of valuation.

4.3 The present valuation exercise is for GREDCPL, which is engaged in realty business and therefore, the Valuer has chosen the Net Assets Method for arriving at the fair value of shares of GREDCPL. However, in Net Assets Method, fair value of the project has been arrived at using Discounted Cash Flow method using Free Cash Flow to Equity Model.

#### 5) NET ASSETS METHOD

5.1 In case of the 'Net Assets' method, the value per share is determined by dividing the net assets of the company by the number of shares. Valuation of net assets is calculated

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with reference to the historical cost of the assets owned by the company. The book value of the assets and liabilities (other than the assets & liabilities pertaining to Project) on the appointed date is considered to arrive at the Net Assets Value.

5.2 As explained in Para 4.3 above, to arrive at the Fair value of the Project, the Valuer has considered the Discounted Cash Flow method using the Free Cash Flows to Equity Model. The Discounted Cash Flow Method values the business by discounting its free cash flows to equity for the forecasted period. The free cash flows to equity represent the cash available after meeting all financial obligations, including debt payments, and after covering capital expenditure, taxes and working capital needs. The free cash flows to equity are discounted by using the Cost of Equity (COE). COE represents the rate of return on investment that is required by the company's ordinary shareholders. The present value of the free cash flows to equity of the forecasted period indicates the value of the project.

5.3 The project value arrived above is added to the Book value of Asset & Liabilities (other than Assets & Liabilities relating to project) to arrive at the Adjusted Net Asset Value.

5.4 The adjusted Net Asset Value so arrived at is divided by the number of equity shares to arrive at the value per equity share.

## 6) CONCLUSION

6.1 We have reviewed the methodology as mentioned above adopted by the Valuer for arriving at the fair valuation of the equity shares of GREDCPL and also reviewed the working and underlining assumptions adopted to arrive at the values under each of the above approaches, for the purposes of recommending a ratio of entitlement/exchange.

6.2 On the basis of the foregoing points, we are of the opinion that the valuation made by M/s. SSPA & Co., Chartered Accountants is fair and reasonable for the proposed Share Exchange Ratio for the proposed amalgamation of GREDCPL into DBRL is as under:



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**ASHIKA CAPITAL LTD**

SEBI Authorised Merchant Banker

SEBI Registration No.: INM 000010536

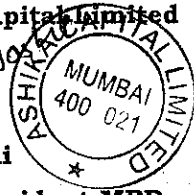
574 (Five Hundred and Seventy Four) Redeemable Preference Shares of D B Realty Limited of ₹ 10/- each fully paid up for every 1 (One) Equity Share of Gokuldham Real Estate Development Company Private Limited of ₹ 100/- each fully paid up.

Thanking you,

For **Ashika Capital Limited**

*Nimisha Joshi*  
**Nimisha Joshi**

**Asst. Vice President-MBD**



**Place: Mumbai**

**Corporate Office:**

1008, 10th Floor, Raheja Centre  
214, Nariman Point, Mumbai-400 021  
Tel.: +91 22 6611 1700  
Fax: +91 22 6611 1710  
E-mail: mbd@ashikagroup.com

**Registered Office:**

Trinity, 226/1, A. J. C. Bose Road  
7th Floor, Kolkata 700 020  
Tel.: +91 33 4010 2500  
Fax: +91 33 2289 1555  
E-mail: ashika@ashikagroup.com

**(I)(a) Statement showing Shareholding Pattern**

Name of the Company : D B Realty Limited

Scrip Code, Name of the scrip, class of security : DBREALTY

As on Date : 30-Jun-2014

| Partly paid-up shares                                                                                 | No. of partly paid-up shares  | As a % of total no. of partly paid-up Shares                                                                                                                                                                                                                                                                                                                        | As a % of total no. of shares of the company                                                         |
|-------------------------------------------------------------------------------------------------------|-------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|
| Held by promoter/promoter group                                                                       | 0                             | 0                                                                                                                                                                                                                                                                                                                                                                   | 0                                                                                                    |
| Held by public                                                                                        | 0                             | 0                                                                                                                                                                                                                                                                                                                                                                   | 0                                                                                                    |
| <b>Total</b>                                                                                          | <b>0</b>                      | <b>0</b>                                                                                                                                                                                                                                                                                                                                                            | <b>0</b>                                                                                             |
| Outstanding convertible securities                                                                    | No. of outstanding securities | As a % of total no. of outstanding convertible securities                                                                                                                                                                                                                                                                                                           | As a % of total no. of shares of the company, assuming full conversion of the convertible securities |
| Held by promoter/promoter group                                                                       | 0                             | 0                                                                                                                                                                                                                                                                                                                                                                   | 0                                                                                                    |
| Held by public                                                                                        | 0                             | 0                                                                                                                                                                                                                                                                                                                                                                   | 0                                                                                                    |
| <b>Total</b>                                                                                          | <b>0</b>                      | <b>0</b>                                                                                                                                                                                                                                                                                                                                                            | <b>0</b>                                                                                             |
| Warrants                                                                                              | No. of warrants               | As a % of total no. of warrants                                                                                                                                                                                                                                                                                                                                     | As a % of total no. of shares of the company, assuming full conversion of Warrants                   |
| Held by promoter/promoter group                                                                       | 0                             | 0                                                                                                                                                                                                                                                                                                                                                                   | 0                                                                                                    |
| Held by public                                                                                        | 0                             | 0                                                                                                                                                                                                                                                                                                                                                                   | 0                                                                                                    |
| <b>Total</b>                                                                                          | <b>0</b>                      | <b>0</b>                                                                                                                                                                                                                                                                                                                                                            | <b>0</b>                                                                                             |
| Total paid-up capital of the company, assuming full conversion of warrants and convertible securities | 243258782                     | Rs. 2432587820 (Rupees Two Hundred Forty Three Crores Twenty Five Lakhs Eighty Seven Thousand Eight Hundred and Twenty Only) divided into 24,32,58,782 (Twenty Four Crores Thirty Two Lakhs Fifty Eight Thousand Seven Hundred Eighty Two) Equity Shares of Rs. 10 each fully paid up (Note: There are no partly paid shares or outstanding securities or warrants) |                                                                                                      |

**CERTIFIED TRUE COPY  
FOR D B REALTY LIMITED**

*[Signature]*  
**COMPANY SECRETARY**

**DB REALTY LIMITED**

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**(I)(a) Statement showing Shareholding Pattern**

| Sr. no. | Category of shareholder<br>(II)                                      | Number of shareholders<br>(III) | Total number of shares<br>(IV) | Number of shares held in dematerialized form<br>(V) | Total shareholding as a percentage of total number of shares |                                     | Shares Pledged or otherwise encumbered                   |
|---------|----------------------------------------------------------------------|---------------------------------|--------------------------------|-----------------------------------------------------|--------------------------------------------------------------|-------------------------------------|----------------------------------------------------------|
| (I)     |                                                                      |                                 |                                |                                                     | As a percentage of (A+B) <sup>1</sup><br>(VI)                | As a percentage of (A+B+C)<br>(VII) | Number of shares<br>(VIII)<br>(IX) = (VIII) / (IV) * 100 |
| (A)     | Promoter and Promoter Group <sup>2</sup>                             |                                 |                                |                                                     |                                                              |                                     |                                                          |
| (1)     | Indian                                                               |                                 |                                |                                                     |                                                              |                                     |                                                          |
| (a)     | Individuals/Hindu Undivided Family                                   | 4                               | 24769718                       | 24769718                                            | 10.18                                                        | 10.18                               | 13632108                                                 |
| (b)     | Central Government/State Government(s)                               | 0                               | 0                              | 0                                                   | 0.00                                                         | 0.00                                | 0                                                        |
| (c)     | Bodies Corporate                                                     | 3                               | 104564838                      | 104564838                                           | 42.99                                                        | 42.99                               | 104564838                                                |
| (d)     | Financial Institutions/Banks                                         | 0                               | 0                              | 0                                                   | 0.00                                                         | 0.00                                | 0                                                        |
| (e)     | Any Other (Total)                                                    | 14                              | 20073159                       | 20073159                                            | 8.25                                                         | 8.25                                | 2779715                                                  |
| (e1)    | Director                                                             | 1                               | 74340                          | 74340                                               | 0.03                                                         | 0.03                                | 0                                                        |
| (e2)    | Relatives of Promoters/ Directors                                    | 13                              | 19998819                       | 19998819                                            | 8.22                                                         | 8.22                                | 2779715                                                  |
|         | Sub-Total (A)(1)                                                     | 21                              | 149407715                      | 149407715                                           | 61.42                                                        | 61.42                               | 120976661                                                |
| (2)     | Foreign                                                              |                                 |                                |                                                     |                                                              |                                     |                                                          |
| (a)     | Individuals (Non-Resident Individuals/Foreign Individuals)           | 0                               | 0                              | 0                                                   | 0.00                                                         | 0.00                                | 0                                                        |
| (b)     | Bodies Corporate                                                     | 0                               | 0                              | 0                                                   | 0.00                                                         | 0.00                                | 0                                                        |
| (c)     | Institutions                                                         | 0                               | 0                              | 0                                                   | 0.00                                                         | 0.00                                | 0                                                        |
| (d)     | Qualified Foreign Investor                                           | 0                               | 0                              | 0                                                   | 0.00                                                         | 0.00                                | 0                                                        |
| (e)     | Any Other (Total)                                                    | 0                               | 0                              | 0                                                   | 0.00                                                         | 0.00                                | 0                                                        |
|         | Sub-Total (A)(2)                                                     | 0                               | 0                              | 0                                                   | 0.00                                                         | 0.00                                | 0                                                        |
|         | Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2) | 21                              | 149407715                      | 149407715                                           | 61.42                                                        | 61.42                               | 120976661                                                |
| (B)     | Public shareholding <sup>3</sup>                                     |                                 |                                |                                                     |                                                              |                                     |                                                          |
| (1)     | Institutions                                                         |                                 |                                |                                                     |                                                              |                                     |                                                          |
| (a)     | Mutual Funds/UTI                                                     | 1                               | 1623                           | 1623                                                | 0.00                                                         | 0.00                                | N.A.                                                     |
| (b)     | Financial Institutions/Banks                                         | 5                               | 1530637                        | 1530637                                             | 0.63                                                         | 0.63                                | N.A.                                                     |
| (c)     | Central Government/State Government(s)                               | 0                               | 0                              | 0                                                   | 0.00                                                         | 0.00                                | N.A.                                                     |

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|      |                                                                                                 |       |           |           |        |        |           |       |
|------|-------------------------------------------------------------------------------------------------|-------|-----------|-----------|--------|--------|-----------|-------|
| (d)  | Venture Capital Funds                                                                           | 1     | 1490538   | 1490538   | 0.61   | 0.61   | N.A.      | N.A.  |
| (e)  | Insurance Companies                                                                             | 0     | 0         | 0         | 0.00   | 0.00   | N.A.      | N.A.  |
| (f)  | Foreign Institutional Investors                                                                 | 34    | 21271784  | 21271784  | 8.74   | 8.74   | N.A.      | N.A.  |
| (g)  | Foreign Venture Capital Investors                                                               | 0     | 0         | 0         | 0.00   | 0.00   | N.A.      | N.A.  |
| (h)  | Qualified Foreign Investor                                                                      | 0     | 0         | 0         | 0.00   | 0.00   | N.A.      | N.A.  |
| (i)  | Any Other (Total)                                                                               | 0     | 0         | 0         | 0.00   | 0.00   | N.A.      | N.A.  |
|      | Sub-Total (B)(1)                                                                                | 41    | 24294582  | 24294582  | 9.99   | 9.99   | N.A.      | N.A.  |
| (2)  | Non-institutions                                                                                |       |           |           |        |        |           |       |
| (a)  | Bodies Corporate                                                                                | 571   | 16067089  | 16067089  | 6.60   | 6.60   | N.A.      | N.A.  |
| (b)  | Individuals - i. Individual Shareholders Holding Nominal Share Capital Up To >Rs. 1 Lakh.       | 17518 | 5420805   | 5420804   | 2.23   | 2.23   | N.A.      | N.A.  |
|      | Individuals - ii. Individual Shareholders Holding Nominal Share Capital In Excess Of Rs. 1 Lakh | 137   | 9204443   | 9204443   | 3.78   | 3.78   | N.A.      | N.A.  |
| (c)  | Qualified Foreign Investor                                                                      | 0     | 0         | 0         | 0.00   | 0.00   | N.A.      | N.A.  |
| (d)  | Any Other (Total)                                                                               | 550   | 38864148  | 38864148  | 15.98  | 15.98  | N.A.      | N.A.  |
| (d1) | Clearing Members                                                                                | 312   | 1112978   | 1112978   | 0.46   | 0.46   | N.A.      | N.A.  |
| (d2) | Directors/ Relatives                                                                            | 0     | 0         | 0         | 0.00   | 0.00   | N.A.      | N.A.  |
| (d3) | Foreign Companies                                                                               | 3     | 35604853  | 35604853  | 14.64  | 14.64  | N.A.      | N.A.  |
| (d4) | Non Resident Indians (Non Repat)                                                                | 47    | 54559     | 54559     | 0.02   | 0.02   | N.A.      | N.A.  |
| (d5) | Non Resident Indians (Repat)                                                                    | 187   | 1934258   | 1934258   | 0.80   | 0.80   | N.A.      | N.A.  |
| (d6) | Trusts                                                                                          | 1     | 157500    | 157500    | 0.06   | 0.06   | N.A.      | N.A.  |
|      | Sub-Total (B)(2)                                                                                | 18776 | 69556485  | 69556484  | 28.59  | 28.59  | N.A.      | N.A.  |
|      | Total Public Shareholding (B) = (B)(1)+(B)(2)                                                   | 18817 | 93851067  | 93851066  | 38.58  | 38.58  | N.A.      | N.A.  |
|      | TOTAL (A)+(B)                                                                                   | 18838 | 243258782 | 243258781 | 100.00 | 100.00 | 120976661 | 49.73 |
| (C)  | Shares held by Custodians and against which Depository Receipts have been issued                | 0     | 0         | 0         | N.A.   | 0.00   | N.A.      | N.A.  |
| C1   | Promoter and Promoter Group                                                                     | 0     | 0         | 0         | N.A.   | 0.00   | N.A.      | N.A.  |
| C2   | Public                                                                                          | 0     | 0         | 0         | N.A.   | 0.00   | N.A.      | N.A.  |
|      | GRAND TOTAL (A)+(B)+(C)                                                                         | 18838 | 243258782 | 243258781 | N.A.   | 100.00 | 120976661 | 49.73 |

<sup>1</sup>For determining public shareholding for the purpose of Clause 40A.

<sup>2</sup>For definitions of "Promoter" and "Promoter Group", refer to Clause 40A.

<sup>3</sup>For definitions of "Public Shareholding", refer to Clause 40A.



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**(I)(b) Statement showing Shareholding of persons belonging to the category "Promoter and Promoter Group"**

| Sr. No. | Name of the shareholder<br>(I)                   | PAN of the Shareholder<br>(III) | Total Shares held |                                                 | Shares pledged or otherwise encumbered |                                                    |                                                                         | Details of warrants             |                                                          | Details of convertible securities             |                                                                          | Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital<br>(XIII) |
|---------|--------------------------------------------------|---------------------------------|-------------------|-------------------------------------------------|----------------------------------------|----------------------------------------------------|-------------------------------------------------------------------------|---------------------------------|----------------------------------------------------------|-----------------------------------------------|--------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|
|         |                                                  |                                 | Number<br>(IV)    | as a % of grand total<br>(A) + (B) + (C)<br>(V) | Number<br>(VI)                         | as a percentage<br>(VII) =<br>(VI) /<br>(IV) * 100 | as a % of grand total<br>(A) + (B) + (C) of sub-clause (I)(a)<br>(VIII) | Number of warrants held<br>(XI) | As a % total number of warrants of the same class<br>(X) | Number of convertible securities held<br>(XI) | As a % total number of convertible securities of the same class<br>(XII) |                                                                                                                                                      |
| 1       | Vinod Goenka                                     | AEUPG7032A                      | 13632108          | 5.60                                            | 13632108                               | 100.00                                             | 5.60                                                                    | 0                               | 0.00                                                     | 0                                             | 0.00                                                                     | 5.60                                                                                                                                                 |
| 2       | Vinod Goenka HUF                                 | AACHV2614M                      | 9405502           | 3.87                                            | 0                                      | 0.00                                               | 0.00                                                                    | 0                               | 0.00                                                     | 0                                             | 0.00                                                                     | 3.87                                                                                                                                                 |
| 3       | Vinod Goenka                                     | AEUPG7032A                      | 1632108           | 0.67                                            | 0                                      | 0.00                                               | 0.00                                                                    | 0                               | 0.00                                                     | 0                                             | 0.00                                                                     | 0.67                                                                                                                                                 |
| 4       | Vinod Goenka                                     | AEUPG7032A                      | 100000            | 0.04                                            | 0                                      | 0.00                                               | 0.00                                                                    | 0                               | 0.00                                                     | 0                                             | 0.00                                                                     | 0.04                                                                                                                                                 |
| 5       | Aseela Goenka,<br>Sunita Goenka,<br>Alok Agarwal | AABTG7907K                      | 12000000          | 4.93                                            | 0                                      | 0.00                                               | 0.00                                                                    | 0                               | 0.00                                                     | 0                                             | 0.00                                                                     | 4.93                                                                                                                                                 |
| 6       | Aseela Vinod Goenka                              | AAGPG0297D                      | 2779715           | 1.14                                            | 2779715                                | 100.00                                             | 1.14                                                                    | 0                               | 0.00                                                     | 0                                             | 0.00                                                                     | 1.14                                                                                                                                                 |
| 7       | Aseela Vinod Goenka                              | AAGPG0297D                      | 2740177           | 1.13                                            | 0                                      | 0.00                                               | 0.00                                                                    | 0                               | 0.00                                                     | 0                                             | 0.00                                                                     | 1.13                                                                                                                                                 |
| 8       | Aseela Vinod Goenka                              | AAGPG0297D                      | 992850            | 0.41                                            | 0                                      | 0.00                                               | 0.00                                                                    | 0                               | 0.00                                                     | 0                                             | 0.00                                                                     | 0.41                                                                                                                                                 |
| 9       | Karim Gulamali Morani                            | ABAPM4701D                      | 399643            | 0.16                                            | 0                                      | 0.00                                               | 0.00                                                                    | 0                               | 0.00                                                     | 0                                             | 0.00                                                                     | 0.16                                                                                                                                                 |



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|    |                                  |            |           |       |           |        |       |   |      |   |      |       |
|----|----------------------------------|------------|-----------|-------|-----------|--------|-------|---|------|---|------|-------|
| 10 | Mohammed Gulamali Morani         | AADPM1264F | 380612    | 0.16  | 0         | 0.00   | 0.00  | 0 | 0.00 | 0 | 0.00 | 0.16  |
| 11 | Ali Gulamali Morani              | ABAPM4586G | 171276    | 0.07  | 0         | 0.00   | 0.00  | 0 | 0.00 | 0 | 0.00 | 0.07  |
| 12 | Shabana Balwa                    | AEGPB5464H | 153090    | 0.06  | 0         | 0.00   | 0.00  | 0 | 0.00 | 0 | 0.00 | 0.06  |
| 13 | Mohammad Salim Balwa             | AOJPB0731Q | 85886     | 0.04  | 0         | 0.00   | 0.00  | 0 | 0.00 | 0 | 0.00 | 0.04  |
| 14 | Wahida Asif Balwa                | AAEPB3443L | 74445     | 0.03  | 0         | 0.00   | 0.00  | 0 | 0.00 | 0 | 0.00 | 0.03  |
| 15 | Usman Balwa                      | AACP0313M  | 74445     | 0.03  | 0         | 0.00   | 0.00  | 0 | 0.00 | 0 | 0.00 | 0.03  |
| 16 | Ishaq Balwa                      | AACP0309D  | 74340     | 0.03  | 0         | 0.00   | 0.00  | 0 | 0.00 | 0 | 0.00 | 0.03  |
| 17 | Mohammed Balwa                   | AACP0308C  | 72340     | 0.03  | 0         | 0.00   | 0.00  | 0 | 0.00 | 0 | 0.00 | 0.03  |
| 18 | Salim Balwa                      | AABPB2668J | 74340     | 0.03  | 0         | 0.00   | 0.00  | 0 | 0.00 | 0 | 0.00 | 0.03  |
| 19 | Neelkamal Tower Construction LLP | AAIFN1649N | 53997818  | 22.20 | 53997818  | 100.00 | 22.20 | 0 | 0.00 | 0 | 0.00 | 22.20 |
| 20 | Neelkamal Tower Construction LLP | AAIFN1649N | 39117020  | 16.08 | 39117020  | 100.00 | 16.08 | 0 | 0.00 | 0 | 0.00 | 16.08 |
| 21 | Neelkamal Tower Construction LLP | AAIFN1649N | 11450000  | 4.71  | 11450000  | 100.00 | 4.71  | 0 | 0.00 | 0 | 0.00 | 4.71  |
|    | TOTAL                            |            | 149407715 | 61.42 | 120976661 | 80.97  | 49.73 | 0 | 0.00 | 0 | 0.00 | 61.42 |

N.B. Sr. Nos. 19 to 21 includes 2,93,55,963 shares taken on loan basis from other persons falling under Promoter and Promoter Group category viz. Sanjana Goenka 1,36,32,108 shares, Vinod Goenka HUF 23,66,889 shares, Aseela V. Goenka 81,12,216 shares and V S Erectors and Builders Pvt. Ltd. 52,44,750 shares taken in the year 2008 and 2009 to meet the security requirements for facility availed from ICICI Bank UK PLC.



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**D(c) Statement showing Shareholding of persons belonging to the category "Public" and holding more than 1% of the total number of shares**

| Sr. No. | Name of the shareholder               | PAN of the Shareholder | Number of shares | Shares as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above} | Details of warrants     |                                                   | Details of convertible securities     |                                                                  | Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted |
|---------|---------------------------------------|------------------------|------------------|------------------------------------------------------------------------------------------------------------------------------|-------------------------|---------------------------------------------------|---------------------------------------|------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------|
|         |                                       |                        |                  |                                                                                                                              | Number of warrants held | As a % total number of warrants of the same class | Number of convertible securities held | % w.r.t total number of convertible securities of the same class |                                                                                                                              |
| 1       | Walkinson Investments Limited         | AAACW9013A             | 14587500         | 6.00                                                                                                                         | 0                       | 0.00                                              | 0                                     | 0.00                                                             | 6.00                                                                                                                         |
| 2       | Bollywood Mauritius Holdings          | AAECB1278N             | 11167891         | 4.59                                                                                                                         | 0                       | 0.00                                              | 0                                     | 0.00                                                             | 4.59                                                                                                                         |
| 3       | IIRF Holdings VI Limited              | AACCI1714J             | 9849462          | 4.05                                                                                                                         | 0                       | 0.00                                              | 0                                     | 0.00                                                             | 4.05                                                                                                                         |
| 4       | Nomura Singapore Limited              | AADCN2750N             | 5564582          | 2.29                                                                                                                         | 0                       | 0.00                                              | 0                                     | 0.00                                                             | 2.29                                                                                                                         |
| 5       | Alpine Global Premier Properties Fund | AABAA2921Q             | 3373128          | 1.39                                                                                                                         | 0                       | 0.00                                              | 0                                     | 0.00                                                             | 1.39                                                                                                                         |
| 6       | Jhunjhunwala Rekha Rakesh             | AAEPJ2191B             | 2500000          | 1.03                                                                                                                         | 0                       | 0.00                                              | 0                                     | 0.00                                                             | 1.03                                                                                                                         |
|         | <b>TOTAL</b>                          |                        | <b>47042563</b>  | <b>19.34</b>                                                                                                                 | <b>0</b>                | <b>0.00</b>                                       | <b>0</b>                              | <b>0.00</b>                                                      | <b>19.35</b>                                                                                                                 |



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**D(c) Statement showing Shareholding of persons belonging to the category "Public" and holding more than 5% of the total number of shares**

| Sr. No. | Name of the shareholder       | PAN of the Shareholder | Number of shares | Shares as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (D)(a) above} | Details of warrants     |                                                   | Details of convertible securities     |                                                                  | Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted |
|---------|-------------------------------|------------------------|------------------|------------------------------------------------------------------------------------------------------------------------------|-------------------------|---------------------------------------------------|---------------------------------------|------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------|
|         |                               |                        |                  |                                                                                                                              | Number of warrants held | As a % total number of warrants of the same class | Number of convertible securities held | % w.r.t total number of convertible securities of the same class |                                                                                                                              |
| 1       | Walkinson Investments Limited | AAACW9013A             | 14587500         | 6.00                                                                                                                         | 0                       | 0.00                                              | 0                                     | 0.00                                                             | 6.00                                                                                                                         |
|         | <b>TOTAL</b>                  |                        | 14587500         | 6.00                                                                                                                         | 0                       | 0.00                                              | 0                                     | 0.00                                                             | 6.00                                                                                                                         |

**D(d) Statement showing details of locked-in shares**

| Sr. No. | Name of the shareholder | PAN of the Shareholder | Number of locked-in shares | Locked-in shares as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (D)(a) above} |
|---------|-------------------------|------------------------|----------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
| 1       | Nil                     |                        | 0                          | 0.00                                                                                                                                   |
|         | <b>TOTAL</b>            |                        | 0                          | 0.00                                                                                                                                   |

**D(e) Statement showing details of Depository Receipts (DRs)**

| Sr. No. | Type of outstanding DR (ADRs, GDRs, SDRs, etc.) | Number of outstanding DRs | Number of shares underlying outstanding DRs | Shares underlying outstanding DRs as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (D)(a) above} |
|---------|-------------------------------------------------|---------------------------|---------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|
|         | <b>TOTAL</b>                                    | 0                         | 0                                           | 0.00                                                                                                                                                    |



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(II)(b) Statement showing holding of Depository Receipts (DRs), where underlying shares held by 'promoter/promoter group' are in excess of 1% of the total number of shares

| Sr. No. | Name of the DR Holder | Type of outstanding DR (ADRs, GDRs, SDRs, etc.) | Number of shares underlying outstanding DRs | Shares underlying outstanding DRs as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above} |
|---------|-----------------------|-------------------------------------------------|---------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|
|         |                       | TOTAL                                           | 0                                           | 0.00                                                                                                                                                    |

(III) (a) Statement showing the voting pattern of shareholders, if more than one class of shares/securities is issued by the issuer.

| Sr. no. | Category of shareholder                                               | Number of Voting Rights held in each class of securities |              |             |   | Total Voting Rights (III+IV+V) | Total Voting Rights i.e. (VI)  |                                   |
|---------|-----------------------------------------------------------------------|----------------------------------------------------------|--------------|-------------|---|--------------------------------|--------------------------------|-----------------------------------|
|         |                                                                       | Class X (III)                                            | Class Y (IV) | Class Z (V) |   |                                | As a percentage of (A+B) (VII) | As a percentage of (A+B+C) (VIII) |
| (I)     | (II)                                                                  |                                                          |              |             |   |                                |                                |                                   |
| (A)     | Promoter and Promoter Group <sup>2</sup>                              |                                                          |              |             |   |                                |                                |                                   |
| (1)     | Indian                                                                |                                                          |              |             |   |                                |                                |                                   |
| (a)     | Individuals/Hindu Undivided Family                                    | 0                                                        | 0            | 0           | 0 | 0                              | 0.00                           | 0.00                              |
| (b)     | Central Government/State Government(s)                                | 0                                                        | 0            | 0           | 0 | 0                              | 0.00                           | 0.00                              |
| (c)     | Bodies Corporate                                                      | 0                                                        | 0            | 0           | 0 | 0                              | 0.00                           | 0.00                              |
| (d)     | Financial Institutions/Banks                                          | 0                                                        | 0            | 0           | 0 | 0                              | 0.00                           | 0.00                              |
| (e)     | Any Other (Total)                                                     | 0                                                        | 0            | 0           | 0 | 0                              | 0.00                           | 0.00                              |
|         | Sub-Total (A)(1)                                                      | 0                                                        | 0            | 0           | 0 | 0                              | 0.00                           | 0.00                              |
| (2)     | Foreign                                                               |                                                          |              |             |   |                                |                                |                                   |
| (a)     | Individuals (Non-Resident Individuals/Foreign Individuals)            | 0                                                        | 0            | 0           | 0 | 0                              | 0.00                           | 0.00                              |
| (b)     | Bodies Corporate                                                      | 0                                                        | 0            | 0           | 0 | 0                              | 0.00                           | 0.00                              |
| (c)     | Institutions                                                          | 0                                                        | 0            | 0           | 0 | 0                              | 0.00                           | 0.00                              |
| (d)     | Qualified Foreign Investor                                            | 0                                                        | 0            | 0           | 0 | 0                              | 0.00                           | 0.00                              |
| (e)     | Any Other (Total)                                                     | 0                                                        | 0            | 0           | 0 | 0                              | 0.00                           | 0.00                              |
|         | Sub-Total (A)(2)                                                      | 0                                                        | 0            | 0           | 0 | 0                              | 0.00                           | 0.00                              |
|         | Total Shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2) | 0                                                        | 0            | 0           | 0 | 0                              | 0.00                           | 0.00                              |

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| (B) Public shareholding |                                                                                                 |  |  |  |  |
|-------------------------|-------------------------------------------------------------------------------------------------|--|--|--|--|
| (1) Institutions        |                                                                                                 |  |  |  |  |
| (a)                     | Mutual Funds/UTI                                                                                |  |  |  |  |
| (b)                     | Financial Institutions/Banks                                                                    |  |  |  |  |
| (c)                     | Central Government/State Government(s)                                                          |  |  |  |  |
| (d)                     | Venture Capital Funds                                                                           |  |  |  |  |
| (e)                     | Insurance Companies                                                                             |  |  |  |  |
| (f)                     | Foreign Institutional Investors                                                                 |  |  |  |  |
| (g)                     | Foreign Venture Capital Investors                                                               |  |  |  |  |
| (h)                     | Qualified Foreign Investor                                                                      |  |  |  |  |
|                         | Any Other (Total)                                                                               |  |  |  |  |
|                         | <b>Sub-Total (B)(1)</b>                                                                         |  |  |  |  |
| (2) Non-institutions    |                                                                                                 |  |  |  |  |
| (a)                     | Bodies Corporate                                                                                |  |  |  |  |
| (b)                     | Individuals - i. Individual Shareholders Holding Nominal Share Capital Up To >Rs. 1 Lakh.       |  |  |  |  |
|                         | Individuals - ii. Individual Shareholders Holding Nominal Share Capital In Excess Of Rs. 1 Lakh |  |  |  |  |
| (c)                     | Qualified Foreign Investor                                                                      |  |  |  |  |
| (d)                     | Any Other (Total)                                                                               |  |  |  |  |
|                         | <b>Sub-Total (B)(2)</b>                                                                         |  |  |  |  |
|                         | <b>Total Public Shareholding (B) = (B)(1)+(B)(2)</b>                                            |  |  |  |  |
|                         | <b>TOTAL (A)+(B)</b>                                                                            |  |  |  |  |
| (C)                     | Shares held by Custodians and against which Depository Receipts have been issued                |  |  |  |  |
| C1                      | Promoter and Promoter Group                                                                     |  |  |  |  |
| C2                      | Public                                                                                          |  |  |  |  |
|                         | <b>GRAND TOTAL (A)+(B)+(C)</b>                                                                  |  |  |  |  |

**DB REALTY LIMITED**

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E-mail: info@dbg.co.in • Website: www.dbcrealty.co.in CIN: L70200MH2007PLC156818



## Post- Amalgamation Shareholding Pattern of D B Realty Limited

## Equity Shares

| Category                  | No. of Equity Shares | %          |
|---------------------------|----------------------|------------|
| Promoter & Promoter Group | 149407715            | 61.42      |
| Public                    | 93851067             | 38.58      |
| <b>Total</b>              | <b>243258782</b>     | <b>100</b> |

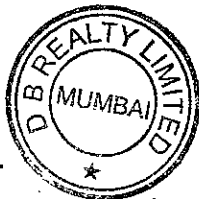
## Preference Shares to be issued and allotted on completion of necessary approvals

| Category                                                | No. of Preference Shares | %          |
|---------------------------------------------------------|--------------------------|------------|
| <b>Promoters &amp; Promoter Group</b>                   |                          |            |
| --Conwood Construction & Developers Pvt. Ltd,           | 2870                     | 0.005      |
| --K.M.Goenka/V.K.Goenka/V.K.Goenka- Karta H.U.F,        | 2870                     | 0.005      |
| Pramod K. Goenka, Sunita Bali, Shanita Jain- Partners , |                          |            |
| K.G. Enterprises                                        |                          |            |
| <b>Others</b>                                           | 71750000                 | 99.99      |
| --Konark Realtech Pvt. Ltd.                             |                          |            |
| <b>Total</b>                                            | <b>71755740</b>          | <b>100</b> |

CERTIFIED TO BE TRUE

D B Realty Limited

Managing Director



(SHAHID BALWA)

DB REALTY LIMITED



Annexure 6C

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**Pre- Amalgamation Shareholding Pattern of Gokuldham Real Estate Development Company Private Limited as on 30.06.2014**

**Promoter & Promoter Group**

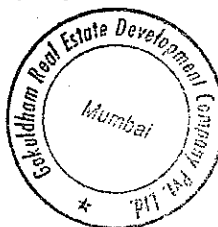
| Sr No | Name of the Shareholder                          | No of Equity Shares of Rs.10 each Paid up held | % to the total No of Shares |
|-------|--------------------------------------------------|------------------------------------------------|-----------------------------|
| 1     | D B Realty Limited                               | 3,74,990                                       | 74.998                      |
| 2     | Konark Realtech Private Limited                  | 1,25,000                                       | 25.000                      |
| 3     | Conwood Construction & Developers Pvt Ltd        | 5                                              | 0.001                       |
| 4     | K.M.Goenka and others, Partners, K.G.Enterprises | 5                                              | 0.001                       |
|       | Total                                            | 5,00,000                                       | 100.00                      |

**Post Amalgamation Shareholding Pattern of Gokuldham Real Estate Development Company Private Limited- Nil**

**CERTIFIED TO BE TRUE**

**Gokuldham Real Estate Development Company Private Limited**

N - P  
Director (NARAYAN P. BAJAJ)



**GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE LIMITED**

**Regd. Office :** DB House, Gen. A. K. Vaidya Marg, Goregaon (East), Mumbai - 400 063. • Tel.: 91-22-4077 8600 • Fax: 91-22-2841 5550 / 2842 1667

E-mail: info@dbg.co.in • Website: www.dbrealty.co.in

**CIN : U45201MH2004PTC144704**

**(I)(a) Statement showing Shareholding Pattern**

Name of the Company : D B Realty Limited

Scrip Code, Name of the scrip, class of security : DBREALTY

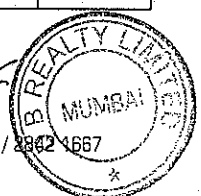
As on Date : 31-Mar-2013

| Partly paid-up shares                                                                                 | No. of partly paid-up shares  | As a % of total no. of partly paid-up Shares                                                                                                                                                                                                                                                                                                                 | As a % of total no. of shares of the company                                                         |
|-------------------------------------------------------------------------------------------------------|-------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|
| Held by promoter/promoter group                                                                       | 0                             | 0                                                                                                                                                                                                                                                                                                                                                            | 0                                                                                                    |
| Held by public                                                                                        | 0                             | 0                                                                                                                                                                                                                                                                                                                                                            | 0                                                                                                    |
| <b>Total</b>                                                                                          | 0                             | 0                                                                                                                                                                                                                                                                                                                                                            | 0                                                                                                    |
| Outstanding convertible securities                                                                    | No. of outstanding securities | As a % of total no. of outstanding convertible securities                                                                                                                                                                                                                                                                                                    | As a % of total no. of shares of the company, assuming full conversion of the convertible securities |
| Held by promoter/promoter group                                                                       | 0                             | 0                                                                                                                                                                                                                                                                                                                                                            | 0                                                                                                    |
| Held by public                                                                                        | 0                             | 0                                                                                                                                                                                                                                                                                                                                                            | 0                                                                                                    |
| <b>Total</b>                                                                                          | 0                             | 0                                                                                                                                                                                                                                                                                                                                                            | 0                                                                                                    |
| Warrants                                                                                              | No. of warrants               | As a % of total no. of warrants                                                                                                                                                                                                                                                                                                                              | As a % of total no. of shares of the company, assuming full conversion of Warrants                   |
| Held by promoter/promoter group                                                                       | 0                             | 0                                                                                                                                                                                                                                                                                                                                                            | 0                                                                                                    |
| Held by public                                                                                        | 0                             | 0                                                                                                                                                                                                                                                                                                                                                            | 0                                                                                                    |
| <b>Total</b>                                                                                          | 0                             | 0                                                                                                                                                                                                                                                                                                                                                            | 0                                                                                                    |
| Total paid-up capital of the company, assuming full conversion of warrants and convertible securities | 243258782                     | Rs.2432587820 (Rupees Two Hundred Forty Three Crores Twenty Five Lakhs Eighty Seven Thousand Eight Hundred and Twenty only divided into Twenty Four Crores Thirty Two Lakhs Fifty Eight Thousand Seven Hundred and Eighty Two Equity Shares of Rs.10 each fully paid up. The Company does not have partly paid shares or outstanding Securities or warrants. |                                                                                                      |

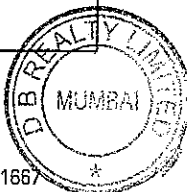
**(I)(a) Statement showing Shareholding Pattern**

| Sr. no. | Category of shareholder                  | Number of shareholders | Total number of shares | Number of shares held in dematerialized form | Total shareholding as a percentage of total number of shares |                                  | Shares Pledged or otherwise encumbered |                                            |
|---------|------------------------------------------|------------------------|------------------------|----------------------------------------------|--------------------------------------------------------------|----------------------------------|----------------------------------------|--------------------------------------------|
|         |                                          |                        |                        |                                              | As a percentage of (A+B) <sup>1</sup> (VI)                   | As a percentage of (A+B+C) (VII) | Number of shares (VIII)                | As a percentage (IX) = (VIII) / (IV) * 100 |
| (A)     | Promoter and Promoter Group <sup>2</sup> |                        |                        |                                              |                                                              |                                  |                                        |                                            |
| (1)     | Indian                                   |                        |                        |                                              |                                                              |                                  |                                        |                                            |
| (a)     | Individuals/Hindu Undivided Family       | 6                      | 24894191               | 24894191                                     | 10.23                                                        | 10.23                            | 13632108                               | 54.76                                      |

**D B REALTY LIMITED**

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|      |                                                                                           |           |                  |                  |              |              |                  |              |
|------|-------------------------------------------------------------------------------------------|-----------|------------------|------------------|--------------|--------------|------------------|--------------|
| (b)  | Central Government/State Government(s)                                                    | 0         | 0                | 0                | 0.00         | 0.00         | 0                | 0            |
| (c)  | Bodies Corporate                                                                          | 2         | 104564838        | 104564838        | 42.99        | 42.99        | 104564838        | 100.00       |
| (d)  | Financial Institutions/Banks                                                              | 0         | 0                | 0                | 0.00         | 0.00         | 0                | 0            |
| (e)  | Any Other (Total)                                                                         | 14        | 19376969         | 19376969         | 7.97         | 7.97         | 2779715          | 14.35        |
| (el) | RELATIVES OF PROMOTERS/ DIRECTORS                                                         | 14        | 19376969         | 19376969         | 7.97         | 7.97         | 2779715          | 14.35        |
|      | <b>Sub-Total (A)(1)</b>                                                                   | <b>22</b> | <b>148835998</b> | <b>148835998</b> | <b>61.18</b> | <b>61.18</b> | <b>120976661</b> | <b>81.28</b> |
| (2)  | <b>Foreign</b>                                                                            |           |                  |                  |              |              |                  |              |
| (a)  | Individuals (Non-Resident Individuals/Foreign Individuals)                                | 0         | 0                | 0                | 0.00         | 0.00         | 0                | 0.00         |
| (b)  | Bodies Corporate                                                                          | 0         | 0                | 0                | 0.00         | 0.00         | 0                | 0.00         |
| (c)  | Institutions                                                                              | 0         | 0                | 0                | 0.00         | 0.00         | 0                | 0.00         |
| (d)  | Qualified Foreign Investor                                                                | 0         | 0                | 0                | 0.00         | 0.00         | 0                | 0.00         |
| (e)  | Any Other (Total)                                                                         | 0         | 0                | 0                | 0.00         | 0.00         | 0                | 0.00         |
|      | <b>Sub-Total (A)(2)</b>                                                                   | <b>0</b>  | <b>0</b>         | <b>0</b>         | <b>0.00</b>  | <b>0.00</b>  | <b>0</b>         | <b>0.00</b>  |
|      | <b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b>               | <b>22</b> | <b>148835998</b> | <b>148835998</b> | <b>61.18</b> | <b>61.18</b> | <b>120976661</b> | <b>81.28</b> |
| (B)  | <b>Public shareholding<sup>3</sup></b>                                                    |           |                  |                  |              |              |                  |              |
| (1)  | <b>Institutions</b>                                                                       |           |                  |                  |              |              |                  |              |
| (a)  | Mutual Funds/UTI                                                                          | 1         | 2372             | 2372             | 0.00         | 0.00         | N.A.             | N.A.         |
| (b)  | Financial Institutions/Banks                                                              | 6         | 1694871          | 1694871          | 0.70         | 0.70         | N.A.             | N.A.         |
| (c)  | Central Government/State Government(s)                                                    | 0         | 0                | 0                | 0.00         | 0.00         | N.A.             | N.A.         |
| (d)  | Venture Capital Funds                                                                     | 1         | 1490538          | 1490538          | 0.61         | 0.61         | N.A.             | N.A.         |
| (e)  | Insurance Companies                                                                       | 0         | 0                | 0                | 0.00         | 0.00         | N.A.             | N.A.         |
| (f)  | Foreign Institutional Investors                                                           | 40        | 11945701         | 11945701         | 4.91         | 4.91         | N.A.             | N.A.         |
| (g)  | Foreign Venture Capital Investors                                                         | 0         | 0                | 0                | 0.00         | 0.00         | N.A.             | N.A.         |
| (h)  | Qualified Foreign Investor                                                                | 0         | 0                | 0                | 0.00         | 0.00         | N.A.             | N.A.         |
| (i)  | Any Other (Total)                                                                         | 0         | 0                | 0                | 0.00         | 0.00         | N.A.             | N.A.         |
|      | <b>Sub-Total (B)(1)</b>                                                                   | <b>48</b> | <b>15133482</b>  | <b>15133482</b>  | <b>6.22</b>  | <b>6.22</b>  | <b>N.A.</b>      | <b>N.A.</b>  |
| (2)  | <b>Non-institutions</b>                                                                   |           |                  |                  |              |              |                  |              |
| (a)  | Bodies Corporate                                                                          | 715       | 24345934         | 24345934         | 10.01        | 10.01        | N.A.             | N.A.         |
| (b)  | Individuals - i. Individual Shareholders Holding Nominal Share Capital Up To >Rs. 1 Lakh. | 20868     | 6910001          | 6910000          | 2.84         | 2.84         | N.A.             | N.A.         |

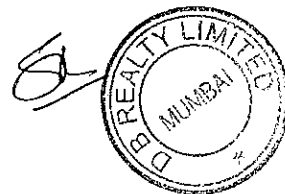


|      |                                                                                                             |              |                  |                  |               |               |                  |              |
|------|-------------------------------------------------------------------------------------------------------------|--------------|------------------|------------------|---------------|---------------|------------------|--------------|
|      | Individuals - ii.<br>Individual Shareholders<br>Holding Nominal Share<br>Capital In Excess Of<br>Rs. 1 Lakh | 174          | 10209579         | 10209579         | 4.20          | 4.20          | N.A.             | N.A.         |
| (c)  | Qualified Foreign<br>Investor                                                                               | 0            | 0                | 0                | 0.00          | 0.00          | N.A.             | N.A.         |
| (d)  | Any Other (Total)                                                                                           | 561          | 37823788         | 37823788         | 15.55         | 15.55         | N.A.             | N.A.         |
| (d1) | Clearing Member                                                                                             | 286          | 1378536          | 1378536          | 0.57          | 0.57          | N.A.             | N.A.         |
| (d2) | Directors/Relatives                                                                                         | 0            | 0                | 0                | 0.00          | 0.00          | N.A.             | N.A.         |
| (d3) | Foreign Companies                                                                                           | 3            | 35604853         | 35604853         | 14.64         | 14.64         | N.A.             | N.A.         |
| (d4) | Non-Resident<br>Indians(Non Repat)                                                                          | 55           | 56447            | 56447            | 0.02          | 0.02          | N.A.             | N.A.         |
| (d5) | Non-Resident<br>Indians(Repat)                                                                              | 215          | 613952           | 613952           | 0.25          | 0.25          | N.A.             | N.A.         |
| (d6) | Trusts                                                                                                      | 2            | 170000           | 170000           | 0.07          | 0.07          | N.A.             | N.A.         |
|      | <b>Sub-Total (B)(2)</b>                                                                                     | <b>22318</b> | <b>79289302</b>  | <b>79289301</b>  | <b>32.59</b>  | <b>32.59</b>  | <b>N.A.</b>      | <b>N.A.</b>  |
|      | <b>Total Public<br/>Shareholding (B)=<br/>(B)(1)+(B)(2)</b>                                                 | <b>22366</b> | <b>94422784</b>  | <b>94422783</b>  | <b>38.82</b>  | <b>38.82</b>  | <b>N.A.</b>      | <b>N.A.</b>  |
|      | <b>TOTAL (A)+(B)</b>                                                                                        | <b>22388</b> | <b>243258782</b> | <b>243258781</b> | <b>100.00</b> | <b>100.00</b> | <b>120976661</b> | <b>49.73</b> |
| (C)  | Shares held by<br>Custodians and against<br>which Depository<br>Receipts have been<br>issued                | 0            | 0                | 0                | N.A.          | 0.00          | N.A.             | N.A.         |
| C1   | Promoter and Promoter<br>Group                                                                              | 0            | 0                | 0                | N.A.          | 0.00          | N.A.             | N.A.         |
| C2   | Public                                                                                                      | 0            | 0                | 0                | N.A.          | 0.00          | N.A.             | N.A.         |
|      | <b>GRAND TOTAL<br/>(A)+(B)+(C)</b>                                                                          | <b>22388</b> | <b>243258782</b> | <b>243258781</b> | <b>N.A.</b>   | <b>100.00</b> | <b>120976661</b> | <b>49.73</b> |

<sup>1</sup>For determining public shareholding for the purpose of Clause 40A.

<sup>2</sup>For definitions of "Promoter" and "Promoter Group", refer to Clause 40A.

<sup>3</sup>For definitions of "Public Shareholding", refer to Clause 40A.

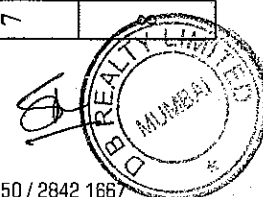


For D B REALTY LIMITED

*S. A. K. NARAYAN*  
 COMPANY SECRETARY (S. A. K. NARAYAN)

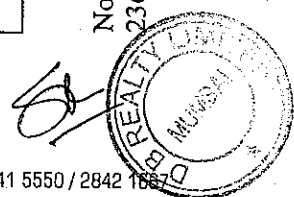
**(D)(b) Statement showing Shareholding of persons belonging to the category "Promoter and Promoter Group"**

| Sr. No. | Name of the shareholder<br>(II)  | PAN of the Shareholder<br>(III) | Total Shares held |                                              | Shares pledged or otherwise encumbered |                                                    |                                                                   | Details of warrants             |                                                          | Details of convertible securities             |                                                                          | Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital<br>(XIII) |
|---------|----------------------------------|---------------------------------|-------------------|----------------------------------------------|----------------------------------------|----------------------------------------------------|-------------------------------------------------------------------|---------------------------------|----------------------------------------------------------|-----------------------------------------------|--------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|
|         |                                  |                                 | Number<br>(IV)    | as a % of grand total (A) + (B) + (C)<br>(V) | Number<br>(VI)                         | as a percentage (VII) = (VI) / (IV) * 100<br>(VII) | as a % of grand total (A) + (B) + (C) of sub-clause (D)(a) (VIII) | Number of warrants held<br>(XI) | As a % total number of warrants of the same class<br>(X) | Number of convertible securities held<br>(XI) | As a % total number of convertible securities of the same class<br>(XII) |                                                                                                                                                      |
| 1       | Neelkamal Tower Construction LLP | AAIFN1649N                      | 53997818          | 22.20                                        | 53997818                               | 100.00                                             | 22.20                                                             | 0                               | 0                                                        | 0                                             | 0                                                                        | 22.20                                                                                                                                                |
| 2       | Neelkamal Tower Construction LLP | AAIFN1649N                      | 50567020          | 20.79                                        | 50567020                               | 100.00                                             | 20.79                                                             | 0                               | 0                                                        | 0                                             | 0                                                                        | 20.79                                                                                                                                                |
| 3       | Vinod Goenka, Aseela Goenka      | AEUPG7032A                      | 13632108          | 5.60                                         | 13632108                               | 100.00                                             | 5.60                                                              | 0                               | 0                                                        | 0                                             | 0                                                                        | 5.60                                                                                                                                                 |
| 4       | Vinod Goenka HUF                 | AACHV2614M                      | 9405502           | 3.87                                         | 0                                      | 0.00                                               | 0.00                                                              | 0                               | 0                                                        | 0                                             | 0                                                                        | 3.87                                                                                                                                                 |
| 5       | Vinod Goenka                     | AEUPG7032A                      | 1632108           | 0.67                                         | 0                                      | 0.00                                               | 0.00                                                              | 0                               | 0                                                        | 0                                             | 0                                                                        | 0.67                                                                                                                                                 |
| 6       | Vinod Goenka, Aseela Goenka      | AEUPG7032A                      | 100000            | 0.04                                         | 0                                      | 0.00                                               | 0.00                                                              | 0                               | 0                                                        | 0                                             | 0                                                                        | 0.04                                                                                                                                                 |
| 7       | Aseela Goenka, Sunita Goenka     | AABTG7907K                      | 12000000          | 4.93                                         | 0                                      | 0.00                                               | 0.00                                                              | 0                               | 0                                                        | 0                                             | 0                                                                        | 4.93                                                                                                                                                 |
|         | Aseela Goenka, Vinod Goenka      | AAGPG0297D                      | 2779715           | 1.14                                         | 2779715                                | 100.00                                             | 1.14                                                              | 0                               | 0                                                        | 0                                             | 0                                                                        | 1.14                                                                                                                                                 |



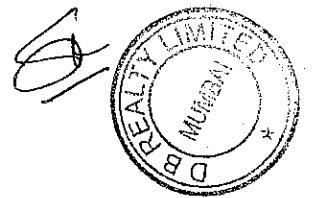
|    |                             |            |                  |              |                  |              |              |          |             |          |             |          |              |
|----|-----------------------------|------------|------------------|--------------|------------------|--------------|--------------|----------|-------------|----------|-------------|----------|--------------|
| 9  | Aseela Vinod Goenka         | AAGPG0297D | 2740177          | 1.13         | 0                | 0.00         | 0.00         | 0        | 0           | 0        | 0           | 0        | 1.13         |
| 10 | Aseela Goenka, Vinod Goenka | AAGPG0297D | 315000           | 0.13         | 0                | 0.00         | 0.00         | 0        | 0           | 0        | 0           | 0        | 0.13         |
| 11 | Karim Gulamali Morani       | ABAPM4701D | 399643           | 0.16         | 0                | 0.00         | 0.00         | 0        | 0           | 0        | 0           | 0        | 0.16         |
| 12 | Mohammed Gulamali Morani    | AADPM1264F | 380612           | 0.16         | 0                | 0.00         | 0.00         | 0        | 0           | 0        | 0           | 0        | 0.16         |
| 13 | Ali Gulamali Morani         | ABAPM4586G | 171276           | 0.07         | 0                | 0.00         | 0.00         | 0        | 0           | 0        | 0           | 0        | 0.07         |
| 14 | Shabana Balwa               | AEGPB5464H | 153090           | 0.06         | 0                | 0.00         | 0.00         | 0        | 0           | 0        | 0           | 0        | 0.06         |
| 15 | Walida Balwa, Asif Balwa    | AAEPB3443L | 78445            | 0.03         | 0                | 0.00         | 0.00         | 0        | 0           | 0        | 0           | 0        | 0.03         |
| 16 | Ishaq Balwa                 | AACPB0309D | 74340            | 0.03         | 0                | 0.00         | 0.00         | 0        | 0           | 0        | 0           | 0        | 0.03         |
| 17 | Mohammed Balwa              | AACPB0308C | 74340            | 0.03         | 0                | 0.00         | 0.00         | 0        | 0           | 0        | 0           | 0        | 0.03         |
| 18 | Salim Balwa                 | AABPB2668J | 74340            | 0.03         | 0                | 0.00         | 0.00         | 0        | 0           | 0        | 0           | 0        | 0.03         |
| 19 | Salim Usman Balwa           | AABPB2668J | 50133            | 0.02         | 0                | 0.00         | 0.00         | 0        | 0           | 0        | 0           | 0        | 0.02         |
| 20 | Mohammad Salim Balwa        | AOJPB0731Q | 85886            | 0.04         | 0                | 0.00         | 0.00         | 0        | 0           | 0        | 0           | 0        | 0.04         |
| 21 | Sabina Salim Balwa          | AACPB0312L | 50000            | 0.02         | 0                | 0.00         | 0.00         | 0        | 0           | 0        | 0           | 0        | 0.02         |
| 22 | Usman Balwa                 | AACPB0313M | 74445            | 0.03         | 0                | 0.00         | 0.00         | 0        | 0           | 0        | 0           | 0        | 0.03         |
|    | <b>TOTAL</b>                |            | <b>148835998</b> | <b>61.18</b> | <b>120976661</b> | <b>81.28</b> | <b>49.73</b> | <b>0</b> | <b>0.00</b> | <b>0</b> | <b>0.00</b> | <b>0</b> | <b>61.18</b> |

Note: The shares of Neelkamal Tower-Construction LLP includes shares borrowed from others viz.(1)Sanjana-Goenka 13632108,(2)Vinod Goenka HUF 2366889, (3)Aseela Goenka 8112216 and (4)V.S.Erectors & Builders Pvt Ltd 5244750 shares.



**D(c) Statement showing Shareholding of persons belonging to the category "Public" and holding more than 1% of the total number of shares**

| Sr. No. | Name of the shareholder                        | PAN of the Shareholder | Number of shares | Shares as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above} | Details of warrants     |                                                   | Details of convertible securities     |                                                                  | Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted |
|---------|------------------------------------------------|------------------------|------------------|------------------------------------------------------------------------------------------------------------------------------|-------------------------|---------------------------------------------------|---------------------------------------|------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------|
|         |                                                |                        |                  |                                                                                                                              | Number of warrants held | As a % total number of warrants of the same class | Number of convertible securities held | % w.r.t total number of convertible securities of the same class |                                                                                                                              |
| 1       | Walkinson Investments Ltd                      | AAACW9013A             | 14587500         | 6.00                                                                                                                         | 0                       | 0                                                 | 0                                     | 0                                                                | 6                                                                                                                            |
| 2       | Bollywood Mauritius Holdings                   | AAECB1278N             | 11167891         | 4.59                                                                                                                         | 0                       | 0                                                 | 0                                     | 0                                                                | 4.59                                                                                                                         |
| 3       | IIRF Holdings VI Ltd                           | AACCI1714J             | 9849462          | 4.05                                                                                                                         | 0                       | 0                                                 | 0                                     | 0                                                                | 4.05                                                                                                                         |
| 4       | Samruddhi Equities And Securities Services Ltd | AABCB6529P             | 4350000          | 1.79                                                                                                                         | 0                       | 0                                                 | 0                                     | 0                                                                | 1.79                                                                                                                         |
| 5       | Mavi Investment Fund Ltd                       | AAECM5148A             | 4040738          | 1.66                                                                                                                         | 0                       | 0                                                 | 0                                     | 0                                                                | 1.66                                                                                                                         |
|         | TOTAL                                          |                        | 43995591         | 18.09                                                                                                                        | 0                       | 0.00                                              | 0                                     | 0.00                                                             | 18.09                                                                                                                        |





**(I)(c) Statement showing Shareholding of persons belonging to the category "Public" and holding more than 5% of the total number of shares**

| Sr. No. | Name of the shareholder   | PAN of the Shareholder | Number of shares | Shares as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above} | Details of warrants     |                                                   | Details of convertible securities     |                                                                  | Total shares (Including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted |
|---------|---------------------------|------------------------|------------------|------------------------------------------------------------------------------------------------------------------------------|-------------------------|---------------------------------------------------|---------------------------------------|------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------|
|         |                           |                        |                  |                                                                                                                              | Number of warrants held | As a % total number of warrants of the same class | Number of convertible securities held | % w.r.t total number of convertible securities of the same class |                                                                                                                              |
| 1       | Walkinson Investments Ltd | AAACW9013A             | 14587500         | 6.00                                                                                                                         | 0                       | 0.00                                              | 0                                     | 0.00                                                             | 6.00                                                                                                                         |
|         | TOTAL                     |                        | 14587500         | 6.00                                                                                                                         | 0                       | 0.00                                              | 0                                     | 0.00                                                             | 6.00                                                                                                                         |

**(I)(d) Statement showing details of locked-in shares**

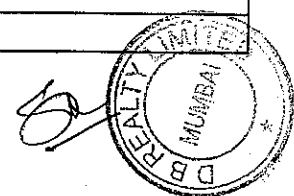
| Sr. No. | Name of the shareholder | PAN of the Shareholder | Number of locked-in shares | Locked-in shares as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above} |
|---------|-------------------------|------------------------|----------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
| 1       | Aseela Goenka           | AAGPG0297D             | 315000                     | 0.13                                                                                                                                   |
|         | TOTAL                   |                        | 315000                     | 0.13                                                                                                                                   |

**(II)(a) Statement showing details of Depository Receipts (DRs)**

| Sr. No. | Type of outstanding DR (ADRs, GDRs, SDRs, etc.) | Number of outstanding DRs | Number of shares underlying outstanding DRs | Shares underlying outstanding DRs as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above} |
|---------|-------------------------------------------------|---------------------------|---------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|
|         | TOTAL                                           | 0                         | 0                                           | 0.00                                                                                                                                                    |

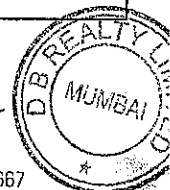
**(II)(b) Statement showing holding of Depository Receipts (DRs), where underlying shares held by 'promoter/promoter group' are in excess of 1% of the total number of shares**

| Sr. No. | Name of the DR Holder | Type of outstanding DR (ADRs, GDRs, SDRs, etc.) | Number of shares underlying outstanding DRs | Shares underlying outstanding DRs as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above} |
|---------|-----------------------|-------------------------------------------------|---------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|
|         |                       | TOTAL                                           | 0                                           | 0.00                                                                                                                                                    |



**(III) (a) Statement showing the voting pattern of shareholders, if more than one class of shares/securities is issued by the issuer.**

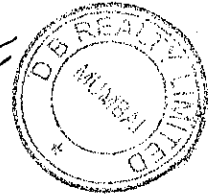
| Sr.<br>no. | Category of<br>shareholder                                                                      | Number of Voting Rights<br>held in each class of<br>securities |                 |                | Total Voting<br>Rights<br>(III+IV+V)<br><br>(VI) | Total Voting Rights i.e. (VI)           |                                            |
|------------|-------------------------------------------------------------------------------------------------|----------------------------------------------------------------|-----------------|----------------|--------------------------------------------------|-----------------------------------------|--------------------------------------------|
|            |                                                                                                 | Class X<br>(III)                                               | Class Y<br>(IV) | Class Z<br>(V) |                                                  | As a<br>percentage of<br>(A+B)<br>(VII) | As a<br>percentage of<br>(A+B+C)<br>(VIII) |
| (A)        | <b>Promoter and Promoter Group<sup>2</sup></b>                                                  |                                                                |                 |                |                                                  |                                         |                                            |
| (1)        | <b>Indian</b>                                                                                   |                                                                |                 |                |                                                  |                                         |                                            |
| (a)        | Individuals/Hindu Undivided Family                                                              | 0                                                              | 0               | 0              | 0                                                | 0.00                                    | 0.00                                       |
| (b)        | Central Government/State<br>Government(s)                                                       | 0                                                              | 0               | 0              | 0                                                | 0.00                                    | 0.00                                       |
| (c)        | Bodies Corporate                                                                                | 0                                                              | 0               | 0              | 0                                                | 0.00                                    | 0.00                                       |
| (d)        | Financial Institutions/Banks                                                                    | 0                                                              | 0               | 0              | 0                                                | 0.00                                    | 0.00                                       |
| (e)        | Any Other (Total)                                                                               | 0                                                              | 0               | 0              | 0                                                | 0.00                                    | 0.00                                       |
|            | <b>Sub-Total (A)(1)</b>                                                                         | 0                                                              | 0               | 0              | 0                                                | 0.00                                    | 0.00                                       |
| (2)        | <b>Foreign</b>                                                                                  |                                                                |                 |                |                                                  |                                         |                                            |
| (a)        | Individuals (Non-Resident<br>Individuals/Foreign Individuals)                                   | 0                                                              | 0               | 0              | 0                                                | 0.00                                    | 0.00                                       |
| (b)        | Bodies Corporate                                                                                | 0                                                              | 0               | 0              | 0                                                | 0.00                                    | 0.00                                       |
| (c)        | Institutions                                                                                    | 0                                                              | 0               | 0              | 0                                                | 0.00                                    | 0.00                                       |
| (d)        | Qualified Foreign Investor                                                                      | 0                                                              | 0               | 0              | 0                                                | 0.00                                    | 0.00                                       |
| (e)        | Any Other (Total)                                                                               | 0                                                              | 0               | 0              | 0                                                | 0.00                                    | 0.00                                       |
|            | <b>Sub-Total (A)(2)</b>                                                                         | 0                                                              | 0               | 0              | 0                                                | 0.00                                    | 0.00                                       |
|            | <b>Total Shareholding of Promoter<br/>and Promoter Group (A)=<br/>(A)(1)+(A)(2)</b>             | 0                                                              | 0               | 0              | 0                                                | 0.00                                    | 0.00                                       |
| (B)        | <b>Public shareholding</b>                                                                      |                                                                |                 |                |                                                  |                                         |                                            |
| (1)        | <b>Institutions</b>                                                                             |                                                                |                 |                |                                                  |                                         |                                            |
| (a)        | Mutual Funds/UTI                                                                                | 0                                                              | 0               | 0              | 0                                                | 0.00                                    | 0.00                                       |
| (b)        | Financial Institutions/Banks                                                                    | 0                                                              | 0               | 0              | 0                                                | 0.00                                    | 0.00                                       |
| (c)        | Central Government/State<br>Government(s)                                                       | 0                                                              | 0               | 0              | 0                                                | 0.00                                    | 0.00                                       |
| (d)        | Venture Capital Funds                                                                           | 0                                                              | 0               | 0              | 0                                                | 0.00                                    | 0.00                                       |
| (e)        | Insurance Companies                                                                             | 0                                                              | 0               | 0              | 0                                                | 0.00                                    | 0.00                                       |
| (f)        | Foreign Institutional Investors                                                                 | 0                                                              | 0               | 0              | 0                                                | 0.00                                    | 0.00                                       |
| (g)        | Foreign Venture Capital Investors                                                               | 0                                                              | 0               | 0              | 0                                                | 0.00                                    | 0.00                                       |
| (h)        | Qualified Foreign Investor                                                                      | 0                                                              | 0               | 0              | 0                                                | 0.00                                    | 0.00                                       |
| (h)        | Any Other (Total)                                                                               | 0                                                              | 0               | 0              | 0                                                | 0.00                                    | 0.00                                       |
|            | <b>Sub-Total (B)(1)</b>                                                                         | 0                                                              | 0               | 0              | 0                                                | 0.00                                    | 0.00                                       |
| (2)        | <b>Non-institutions</b>                                                                         |                                                                |                 |                |                                                  |                                         |                                            |
| (a)        | Bodies Corporate                                                                                | 0                                                              | 0               | 0              | 0                                                | 0.00                                    | 0.00                                       |
| (b)        | Individuals - i. Individual<br>Shareholders Holding Nominal Share<br>Capital Up To >Rs. 1 Lakh. | 0                                                              | 0               | 0              | 0                                                | 0.00                                    | 0.00                                       |



|     |                                                                                                 |   |   |   |   |      |      |
|-----|-------------------------------------------------------------------------------------------------|---|---|---|---|------|------|
|     | Individuals - ii. Individual Shareholders Holding Nominal Share Capital In Excess Of Rs. 1 Lakh | 0 | 0 | 0 | 0 | 0.00 | 0.00 |
| (c) | Qualified Foreign Investor                                                                      | 0 | 0 | 0 | 0 | 0.00 | 0.00 |
| (d) | Any Other (Total)                                                                               | 0 | 0 | 0 | 0 | 0.00 | 0.00 |
|     | <b>Sub-Total (B)(2)</b>                                                                         | 0 | 0 | 0 | 0 | 0.00 | 0.00 |
|     | <b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>                                             | 0 | 0 | 0 | 0 | 0.00 | 0.00 |
|     | <b>TOTAL (A)+(B)</b>                                                                            | 0 | 0 | 0 | 0 | 0.00 | 0.00 |
| (C) | Shares held by Custodians and against which Depository Receipts have been issued                | 0 | 0 | 0 | 0 | 0.00 | 0.00 |
| C1  | Promoter and Promoter Group                                                                     | 0 | 0 | 0 | 0 | 0    | 0    |
| C2  | Public                                                                                          | 0 | 0 | 0 | 0 | 0    | 0    |
|     | <b>GRAND TOTAL (A)+(B)+(C)</b>                                                                  | 0 | 0 | 0 | 0 | 0.00 | 0.00 |

**CERTIFIED TRUE COPY**  
**FOR D B REALTY LIMITED**

*[Signature]*  
**COMPANY SECRETARY**





**Shareholding Pattern of Gokuldham Real Estate Development Company Private Limited  
as on 31.03.2013**

| Sr No | Name of the Shareholder                          | No of Equity Shares of Rs.10 each Paid up held | % to the total No of Shares |
|-------|--------------------------------------------------|------------------------------------------------|-----------------------------|
| 1     | D B Realty Limited                               | 3,74,990                                       | 74.998                      |
| 2     | Konark Realtech Private Limited                  | 1,25,000                                       | 25.000                      |
| 3     | Conwood Construction & Developers Pvt Ltd        | 5                                              | 0.001                       |
| 4     | K.M.Goenka and others, Partners, K.G.Enterprises | 5                                              | 0.001                       |
|       | <b>Total</b>                                     | <b>5,00,000</b>                                | <b>100.00</b>               |

**CERTIFIED TO BE TRUE**

**Gokuldham Real Estate Development Company Private Limited**

Director

N - 7470  
(NARAYAN P BAJAJ)



**GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE LIMITED**

**Regd. Office :** DB House, Gen. A. K. Vaidya Marg, Goregaon (East), Mumbai - 400 063. • Tel.: 91-22-4077 8600 • Fax: 91-22-2841 5550 / 2842 1667

E-mail: info@dbg.co.in • Website: www.dbrealty.co.in

**CIN : U45201MH2004PTC144704**

The financial details ~~and capital evolution~~ of the transferee/resulting and transferor/demerged companies for the previous 3 years as per the audited statement of Accounts:

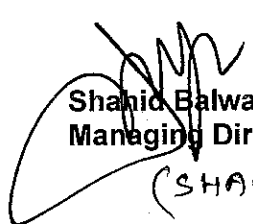
Name of the Company: **D B Realty Limited**

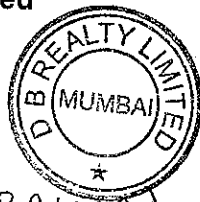
(Rs. in Crores)

|                           | As per last Audited Financial year | 1 years prior to the last Audited Financial Year | 2 years prior to the last Audited Financial Year |
|---------------------------|------------------------------------|--------------------------------------------------|--------------------------------------------------|
|                           | 2013-14                            | 2012-13                                          | 2011-12                                          |
| Equity Paid up Capital    | 243.26                             | 243.26                                           | 243.26                                           |
| Reserves and surplus      | 3131.83                            | 3172.95                                          | 3172.65                                          |
| Carry forward losses      | *-41.12                            | * 0.30                                           | *63.19                                           |
| Net Worth                 | 3375.09                            | 3416.20                                          | 3415.90                                          |
| Miscellaneous Expenditure | 0.31                               | 1.04                                             | 0.89                                             |
| Secured Loans             | 141.55                             | 103.47                                           | 0.96                                             |
| Unsecured Loans           | 89.65                              | 100.87                                           | 73.34                                            |
| Fixed Assets              | 31.73                              | 34.74                                            | 35.60                                            |
| Income from Operations    | -                                  | 43.00                                            | -                                                |
| Total Income              | 19.57                              | 52.43                                            | 126.32                                           |
| Total Expenditure         | 53.27                              | 55.59                                            | 67.66                                            |
| Profit before Tax         | (33.70)                            | (3.15)                                           | 58.66                                            |
| Profit after Tax          | (39.87)                            | 0.30                                             | 63.19                                            |
| Cash profit               | (36.96)                            | 3.73                                             | 70.38                                            |
| EPS                       | (1.69)                             | 0.01                                             | 2.60                                             |
| Book value                | 138.74                             | 140.44                                           | 140.42                                           |

\* included in the surplus and hence forms part of Reserves and Surplus.

For D B Realty Limited

  
**Shahid Balwa**  
 Managing Director  
 (SHAHID BALWA)



**DB REALTY LIMITED**

Regd. Office : DB House, Gen. A. K. Vaidya Marg, Goregaon (East), Mumbai - 400 063. • Tel.: 91-22-4077 8600 • Fax: 91-22-2841 5550 / 2842 1667  
 E-mail: info@dbg.co.in • Website: www.dbrealty.co.in CIN: L70200MH2007PLC166818

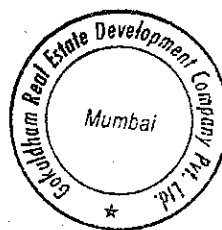
Name of the Company: Gokuldharm Real Estate Development Company Pvt. Ltd.

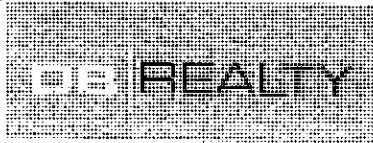
(Rs. in Crores)

|                           | As per last Audited Financial year | 1 years prior to the last Audited Financial Year | 2 year prior to the last Audited Financial Year |
|---------------------------|------------------------------------|--------------------------------------------------|-------------------------------------------------|
|                           | 2013-14                            | 2012-13                                          | 2011-12                                         |
| Equity Paid up Capital    | 5.0                                | 5.0                                              | 5.00                                            |
| Reserves and surplus      | 147.19                             | 120.98                                           | 118.02                                          |
| Carry forward losses      | -                                  | -                                                | -                                               |
| Net Worth                 | 152.19                             | 125.98                                           | 123.02                                          |
| Miscellaneous Expenditure | -                                  | -                                                | -                                               |
| Secured Loans             | 1.06                               | 17.20                                            | -                                               |
| Unsecured Loans           | -                                  | -                                                | -                                               |
| Fixed Assets              | 0.16                               | 0.21                                             | 0.18                                            |
| Income from Operations    | 128.34                             | 120.18                                           | 180.61                                          |
| Total Income              | 138.55                             | 130.32                                           | 195.79                                          |
| Total Expenditure         | 96.93                              | 124.84                                           | 135.18                                          |
| Profit before Tax         | 41.62                              | 5.48                                             | 60.62                                           |
| Profit after Tax          | 26.22                              | 2.96                                             | 39.84                                           |
| Cash profit               | 26.22                              | 2.97                                             | 39.91                                           |
| EPS                       | 524.32                             | 59.13                                            | 796.82                                          |
| Book value                | 3043.89                            | 2519.56                                          | 2460.43                                         |

For Gokuldharm Real Estate Development Company Pvt. Ltd.

N-7 km  
Director (NARAYAN P. BATAT)





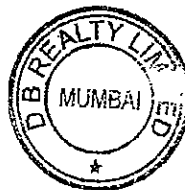
Name of the Company : D B Realty Limited

Quarter ending on : 30-Jun-2014

| Particulars                                                              | Clause of Listing agreement | Compliance Status Yes/No | Remarks |
|--------------------------------------------------------------------------|-----------------------------|--------------------------|---------|
| <b>I. Board of Directors</b>                                             | 49 I                        | -                        | -       |
| (A) Composition of Board                                                 | 49 I A                      | Yes                      | -       |
| (B) Non-executive Director's Compensation and disclosures                | 49 I B                      | Yes                      | -       |
| (C) Other provisions as to Board and Committees                          | 49 I C                      | Yes                      | -       |
| (D) Code of Conduct                                                      | 49 I D                      | Yes                      | -       |
| <b>II. Audit Committee</b>                                               | 49 II                       | -                        | -       |
| (A) Qualified and Independent Audit Committee                            | 49 II A                     | Yes                      | -       |
| (B) Meeting of Audit Committee                                           | 49 II B                     | Yes                      | -       |
| (C) Powers of Audit Committee                                            | 49 II C                     | Yes                      | -       |
| (D) Role of Audit Committee                                              | 49 II D                     | Yes                      | -       |
| (E) Review of Information by Audit Committee                             | 49 II E                     | Yes                      | -       |
| <b>III. (I) Subsidiary Companies</b>                                     | 49 III                      | Yes                      | -       |
| <b>IV. Disclosures</b>                                                   | 49 IV                       | -                        | -       |
| (A) Basis of related party transactions                                  | 49 IV A                     | Yes                      | -       |
| (B) Disclosure of Accounting treatment                                   | 49 IV B                     | Yes                      | -       |
| (C) Board disclosures                                                    | 49 IV C                     | Yes                      | -       |
| (D) Proceeds from public issues, rights issues, preferential issues etc. | 49 IV D                     | Yes                      | -       |
| (E) Remuneration of Directors                                            | 49 IV E                     | Yes                      | -       |
| (F) Management                                                           | 49 IV F                     | Yes                      | -       |
| (G) Shareholders                                                         | 49 IV G                     | Yes                      | -       |
| <b>V. (V) CEO/CFO Certification</b>                                      | 49 V                        | Yes                      | -       |
| <b>VI. (I) Report on Corporate Governance</b>                            | 49 VI                       | Yes                      | -       |
| <b>VII. (I) Compliance</b>                                               | 49 VII                      | Yes                      | -       |

For D B Realty Limited

Managing Director (SHAHID BALWA)



CERTIFIED TRUE COPY  
FOR D B REALTY LIMITED

COMPANY SECRETARY

**DB REALTY LIMITED**

Regd. Office : DB House, Gen. A. K. Vaidya Marg, Goregaon (East), Mumbai - 400 063. • Tel.: 91-22-4077 8600 • Fax: 91-22-2841 5550 / 2842 1667  
E-mail: info@dbg.co.in • Website: www.dbreality.co.in CIN: L70200MH2007PLC166818

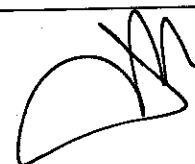
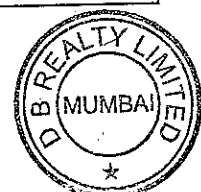
# ANNEXURE 9

Compliance report with the requirements specified in Part-A of the circular CIR/CFD/DIL/5/2013 dated February 4, 2013 read with circular no. CIR/CFD/DIL/8/2013 dated May 21, 2013

**Sub: Application under Clause 24(f) of the listing agreement for the proposed scheme of Amalgamation of Gokuldharm Real Estate Development Company Private Limited with D B Realty Limited**

In connection with the above application, we hereby confirm that we satisfy all the conditions as stipulated in the aforesaid SEBI circular, as given hereunder:

| Sr. No.                                                     | Requirements as per CIR/CFD/DIL/5/2013 dated February 4, 2013 read with circular no. CIR/CFD/DIL/8/2013 dated May 21, 2013                                                                                                                                                                                                   | Whether Complied or not & How                                                                                                                      |
|-------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.                                                          | Listed companies shall choose one of the stock exchanges having nation-wide trading terminals as the designated stock exchange for the purpose of coordinating with SEBI.                                                                                                                                                    | Complied<br>BSE Limited is selected as the Designated Stock Exchange for the purpose of coordinating with SEBI                                     |
| <b>Compliance as per Part A, Annexure I to the Circular</b> |                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                    |
| 2.                                                          | Documents to be submitted:                                                                                                                                                                                                                                                                                                   |                                                                                                                                                    |
| 2.a                                                         | Draft Scheme of arrangement/ amalgamation/ merger/ reconstruction/ reduction of capital, etc.                                                                                                                                                                                                                                | Yes, Submitted (Annexure 2)                                                                                                                        |
| 2.b                                                         | Valuation Report from Independent Chartered Accountant                                                                                                                                                                                                                                                                       | Yes, Submitted (Annexure 3)                                                                                                                        |
| 2.c                                                         | Report from the Audit Committee recommending the Draft Scheme                                                                                                                                                                                                                                                                | Yes, Submitted (Annexure 4A & 4B)                                                                                                                  |
| 2.d                                                         | Fairness opinion by merchant banker                                                                                                                                                                                                                                                                                          | Yes, Submitted (Annexure 5)                                                                                                                        |
| 2.e                                                         | Pre and post amalgamation shareholding pattern of unlisted company                                                                                                                                                                                                                                                           | Unlisted Company is the Transferor Company and hence post amalgamation, it will be wound up with dissolution (Annexure 6 C)                        |
| 2.f                                                         | Audited financials of last 3 years (financials not being more than 6 months old) of unlisted company;                                                                                                                                                                                                                        | Yes, Submitted for the financial year 31 <sup>st</sup> March, 2014, 31 <sup>st</sup> March, 2013 & 31 <sup>st</sup> March, 2012 (Annexure 7A & 7B) |
| 2.g                                                         | Compliance with Clause 49 of Listing Agreement                                                                                                                                                                                                                                                                               | Yes (Annexure 8)                                                                                                                                   |
| 2.h                                                         | Complaints Report                                                                                                                                                                                                                                                                                                            | to be submitted                                                                                                                                    |
| 3.                                                          | The equity shares sought to be listed are proposed to be allotted by the unlisted Issuer (transferee entity) to the holders of securities of a listed entity (transferor entity) pursuant to a scheme of reconstruction or amalgamation (Scheme) sanctioned by a High Court under Section 391-394 of the Companies Act, 1956 | Not applicable                                                                                                                                     |

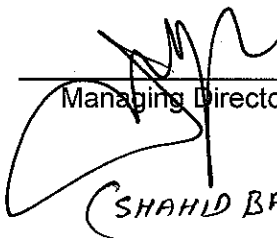



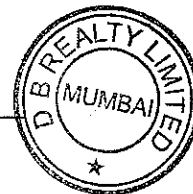
**DB REALTY LIMITED**



|    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                |
|----|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| 4. | At least 25% of the post scheme paid up share capital of the transferee entity shall comprise of shares allotted to the public holders in the transferor entity.                                                                                                                                                                                                                                                                                                                                                                                               | Not applicable |
| 5. | The transferee entity will not issue/reissue any shares, not covered under the Draft scheme.                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Yes            |
| 6. | As on date of application there are no outstanding warrants/ instruments/ agreements which give right to any person to take the equity shares in the transferee entity at any future date. If there are such instruments stipulated in the Draft scheme, the percentage referred to in point (4) above, shall be computed after giving effect to the consequent increase of capital on account of compulsory conversions outstanding as well as on the assumption that the options outstanding, if any, to subscribe for additional capital will be exercised. | Yes            |
| 7. | The shares of the transferee entity issued in lieu of the locked-in shares of the transferor entity are subjected to the lock-in for the remaining period.                                                                                                                                                                                                                                                                                                                                                                                                     | Not applicable |

Date: 15/09/2014

  
 Managing Director  
 (SHAHID BALWA)



**DB REALTY LIMITED**

**Regd. Office :** DB House, Gen. A. K. Vaidya Marg, Goregaon (East), Mumbai - 400 063. • Tel.: 91-22-4077 8600 • Fax: 91-22-2841 5550 / 2842 1667  
 E-mail: info@dbg.co.in • Website: www.dbrealty.co.in CIN: L70200MH2007PLC166818

**CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF D B REALTY LIMITED AT ITS MEETING HELD ON 11<sup>TH</sup> FEBRUARY, 2014 AT THE REGISTERED OFFICE OF THE COMPANY**

---

**TO SELECT BSE (INDIA) LTD ("BSE") AS DESIGNATED STOCK EXCHANGE**

It was decided by the Board that for the purpose of proposed amalgamation of Gokuldharm Real Estate Development Company Private Limited and Real Gem Buildtech Pvt. Ltd. with the Company and in terms of circular number CIR/CFD/DIL/5/2013 dated February 4, 2013 read with the circular number CIR/CFD/DIL/8/2013 dated May 21, 2013 issued by the SEBI read with Clause 24(f) of the Listing Agreement, the BSE (India) Ltd. ("BSE") be and is hereby selected as Designated Stock Exchange. The Board after discussion passed the following resolution unanimously:

**"RESOLVED THAT** the BSE (India) Ltd. ("BSE") be and is hereby selected as the "Designated Stock Exchange("DSE") for the purpose of making necessary filings with the Securities and Exchange Board of India ("SEBI") in terms of circular number CIR/CFD/DIL/5/2013 dated February 4, 2013 read with the circular number CIR/CFD/DIL/8/2013 dated May, 21, 2013 issued by the SEBI read with Clause 24(f) of the Listing Agreement executed by the Company with the NSE and BSE Limited ("BSE"), for the proposed amalgamation of Gokuldharm Real Estate Development Company Private Limited and Real Gem Buildtech Pvt. Ltd. with the Company, in terms of the Scheme of Amalgamation ("Scheme") under the provisions of Section 391-394, read, with Section 100 and other applicable provisions of the Companies Act, 1956;

**RESOLVED FURTHER THAT** Mr. Vinod Goenka, Chairman & Managing Director, Mr. Shahid Balwa, Vice Chairman & Managing Director Mr. S.A.K. Narayanan, Company Secretary and Mr. Jignesh Shah, Authorised Person of the Company be and are hereby severally authorised to sign all the applications, disclosures, filings, undertakings, and other documents as may be required to be filed with the BSE and to do all necessary acts and deeds and to represent the Company before the NSE, BSE Limited or SEBI as may be required in connection with the Scheme;

**RESOLVED FURTHER** that the copies of the foregoing resolutions certified to be true copies by any one of the above mentioned authorised person be furnished to all concerned as may be necessary and they may be requested to act thereon."

**Certified True Copy**

**D B Realty Limited**

**Managing Director**

(SHAHID BALWA)



**D B REALTY LIMITED**

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## Brief particulars of the transferee/resulting and transferor/demerged companies

| Particulars                                                                            | Transferee/ Resulting Company                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Transferor/ Demerged Company                                                                                                            |
|----------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|
| Name of the company                                                                    | D B Realty Limited ( hereinafter referred to as "DBRL")                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Gokuldharm Real Estate Development Company Private Limited ( hereinafter referred to as "GREDCPL")                                      |
| Date of Incorporation & details of name changes, if any                                | <p>DBRL was originally incorporated on 8<sup>th</sup> January, 2007 under the name 'D B Realty Limited' as Public Limited Company.</p> <p>Subsequently, the name of the Company was changed from 'D B Realty Limited' to 'D B Realty Private Limited' in the year 2007 pursuant to necessary resolution passed under Section 21 of the Companies Act, 1956 and a fresh Certificate of Incorporation consequent upon change of name issued on 9<sup>th</sup> July, 2007.</p> <p>Finally, the name of the Company was changed from 'D B Realty Private Limited' to 'D B Realty Limited' in the year 2009 pursuant to necessary resolution passed under Section 21 of the Companies Act, 1956 and a fresh Certificate of Incorporation consequent upon change of name issued on 23<sup>rd</sup> September, 2009</p> | GREDCPL was incorporated on 25 <sup>th</sup> February, 2004 under the name 'Gokuldharm Real Estate Development Company Private Limited' |
| Registered Office                                                                      | DB House, Gen. A.K. Vaidya Marg, Goregaon ( East), Mumbai- 400063                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | DB House, Gen. A.K. Vaidya Marg, Goregaon ( East), Mumbai- 400063                                                                       |
| Brief particulars of the scheme                                                        | <p>The Scheme of Amalgamation provides for the amalgamation of GRED with the Company and shall take place with effect from the appointed date ( mentioned below). Pursuant to the scheme, GRED will be dissolved without winding up and shares of the Company held by GRED will stand cancelled</p> <p>On obtaining all necessary approvals of the Scheme, DBRL will issue and allot to the minority shareholders of GRED 574 8% Redeemable Preference Shares of Rs. 10/- each fully paid up for every shares held by them in Transferor Company</p>                                                                                                                                                                                                                                                             |                                                                                                                                         |
| Rationale for the scheme                                                               | The rationale of Scheme is to achieve economies of scale, lesser regulatory and procedural compliances and to eliminate duplication of work, administrative services                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                         |
| Date of resolution passed by the Board of Director of the company approving the scheme | 11.02.2014<br>24.05.2014                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 07.02.2014                                                                                                                              |
| Date of meeting of the Audit Committee in                                              | 11.02.2014<br>24.05.2014                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 07.02.2014                                                                                                                              |


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E-mail: info@dbg.co.in • Website: www.dbrealty.co.in

CIN: L70200MH2007PLC166818

|                                                                                                              |                                                                                                                                                                                                                                         |                                                        |
|--------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|
| which the draft scheme has been approved                                                                     |                                                                                                                                                                                                                                         |                                                        |
| Appointed Date                                                                                               | April 1, 2013                                                                                                                                                                                                                           | April 1, 2013                                          |
| Name of Exchanges where securities of the company are listed                                                 | National Stock Exchange of India Limited and the BSE Limited                                                                                                                                                                            | Unlisted                                               |
| Nature of Business                                                                                           | Real Estate Development & Construction                                                                                                                                                                                                  | Real Estate Development & Construction                 |
| Capital before the scheme( as of 31 <sup>st</sup> December, 2013)                                            | Rs.243,25,87,820/-<br>(divided into 243,258,782 Equity Shares of Rs.10/- each)                                                                                                                                                          | Rs.5,00,00,000 (5,00,000 equity share of Rs.10/- each) |
| No. of shares to be issued                                                                                   | 71755740 8% Redeemable Preference shares to be issued to the minority shareholders of Gokuldham Real Estate Development Company Private Limited ( Transferor Company) by D B Realty Limited ( Transferee Company)                       |                                                        |
| Cancellation of shares on account of cross holding, if any                                                   | Shares held by the Transferor Company in Transferee Company shall be cancelled                                                                                                                                                          |                                                        |
| Capital after the scheme                                                                                     | Equity: Rs.2,43,25,87,820/-<br>Preference: Rs:71,75,57,400/-                                                                                                                                                                            | Nil                                                    |
| Net Worth                                                                                                    | Rs. in crores)                                                                                                                                                                                                                          | (Rs. in crores)                                        |
| Pre<br>Post                                                                                                  | Rs. 3416.20 (As on 31/03/2013)<br>Rs. 3407.76                                                                                                                                                                                           | Rs. 120.97 (As on 31.03.2013)<br>Nil                   |
| Valuation by independent Chartered Accountant - Name of the valuer/valuer firm and Regn no.                  | M/s. SSPA & Co., Chartered Accountants<br>Firm's Registration No.128851W                                                                                                                                                                |                                                        |
| Methods of valuation and value per share arrived under each method with weight given to each method, if any. | As per Valuation Report of M/s. SSPA & Co., Chartered Accountants dated 11th February, 2014 for valuation of Equity shares of Gokuldham Real Estate Development Company Private Limited, Transferor Company                             |                                                        |
| Fair value per shares                                                                                        | As per Valuation Report of M/s. SSPA & Co., Chartered Accountants dated 11th February, 2014 for valuation of Equity shares of Gokuldham Real Estate Development Company Private Limited, Transferor Company                             |                                                        |
| Exchange ratio                                                                                               | 574 8% Redeemable Preference Shares of Rs. 10/- each of the Transferee Company shall be issued and allotted for 1 equity share of Rs. 100/- each held in Gokuldham Real Estate Development Company Private Limited , Transferor Company |                                                        |
| Name of Merchant Banker giving fairness opinion                                                              | M/s. Ashika Capital Limited                                                                                                                                                                                                             |                                                        |



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|                                                       |                                                                                                                                                                                                                       |                     |                                                                                                                                                                                                                                                                              |                     |
|-------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|
| <b>Shareholding pattern</b>                           | <b>Pre</b> (As per Annexure as on 30.06.2014)<br>(Transferee Company)                                                                                                                                                 |                     | <b>Post</b> (There will be no change in post shareholding pattern after amalgamation in Equity shares. However new Preference shares will be issued to the minority shareholder for Rs. 71,75,57,400/- of Transferor Company by the Transferee Company (Transferee Company)) |                     |
|                                                       | <b>No. of Shares</b>                                                                                                                                                                                                  | <b>% of holding</b> | <b>No. of Shares</b>                                                                                                                                                                                                                                                         | <b>% of holding</b> |
| <b>Equity</b>                                         |                                                                                                                                                                                                                       |                     |                                                                                                                                                                                                                                                                              |                     |
| Promoter                                              | 149413715                                                                                                                                                                                                             | 61.42               | 149413715                                                                                                                                                                                                                                                                    | 61.42               |
| Public                                                | 93845067                                                                                                                                                                                                              | 38.58               | 93845067                                                                                                                                                                                                                                                                     | 38.58               |
| Custodian                                             | ---                                                                                                                                                                                                                   | ---                 |                                                                                                                                                                                                                                                                              |                     |
| <b>TOTAL</b>                                          | <b>243258782</b>                                                                                                                                                                                                      | <b>100</b>          | <b>243258782</b>                                                                                                                                                                                                                                                             | <b>100</b>          |
|                                                       |                                                                                                                                                                                                                       |                     |                                                                                                                                                                                                                                                                              |                     |
| <b>Preference</b>                                     | ----                                                                                                                                                                                                                  | ----                | 71755740                                                                                                                                                                                                                                                                     | 100                 |
| <b>TOTAL</b>                                          | ----                                                                                                                                                                                                                  | -----               | <b>71755740</b>                                                                                                                                                                                                                                                              | <b>100</b>          |
| No of shareholders                                    | 18838 no. of shareholders in Transferee Company                                                                                                                                                                       |                     | 4 no. of Shareholder in Transferor Company                                                                                                                                                                                                                                   |                     |
| Names of the Promoters                                | 1) Vinod Goenka,<br>2) Vinod Goenka HUF<br>3) Shahid Balwa<br>4) Neeikamal Tower Construction LLP                                                                                                                     |                     | D B Realty Limited                                                                                                                                                                                                                                                           |                     |
| Names of the Board of Directors                       | Mr. Vinod Goenka,<br>Mr. Shahid Balwa,<br>Mr. Jayvardhan Goenka,<br>Mr. Salim Balwa<br>Mr. Mahesh Gandhi<br>Mr. Jagat Killawala<br>Mr. Janak Desai<br>Mr. N.M. Rafique                                                |                     | Mr. Shonit Dalmia<br>Mr. Jagat Killawala<br>Mr. Narayan Prasad Bajaj                                                                                                                                                                                                         |                     |
| Details regarding change in management control if any | There will be no change in the management control post amalgamation in Transferee Company. GREDCPL, Transferor Company will stand dissolved without winding up pursuant to the scheme upon approval by the High Court |                     |                                                                                                                                                                                                                                                                              |                     |

For D B Realty Limited



Name: Shahid Balwa  
Designation: Managing Director

**D B REALTY LIMITED**

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E-mail: info@dbg.co.in • Website: www.dbrealty.co.in  
CIN: L70200MH2007PLC166818

**CERTIFICATE**

The Board of Directors,  
DB Realty Limited  
DB House,  
Gen. A. K. Vaidya Marg,  
Goregaon (East)  
Mumbai - 400063.

We have been requested by DB Realty Limited ("the Company"), having its registered office at DB House, Gen. A.K. Vaidya Marg, Goregaon (East) Mumbai- 400063 vide mandate letter dated 25<sup>th</sup> May 2014 to certify the annexed "Statement of Computation of Pre-amalgamation and Post-amalgamation Net worth of the Company" ("the Statement") as certified by the Company for submission to stock exchanges viz. the Bombay Stock exchange ('BSE') and National Stock exchange ('NSE'), along with the proposed "Scheme of Amalgamation between Gokuldharm Real Estate Private Limited and DB Realty Limited under section 391 to 394 and other applicable provisions of the Companies Act, 1956" (the "Proposed Scheme") having 'appointed date' as 1<sup>st</sup> April, 2013.

The compliance with the requirements of the Proposed Scheme is the responsibility of the Company's management.

The following documents have been furnished by the Company:

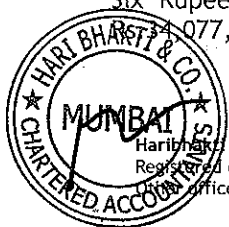
- a) Statement of Computation of Pre-amalgamation and Post-amalgamation Net worth of the Company ("the Statement") as certified by the Company (refer statement attached);
- b) the audited financial statements of the Company for the year ended 31<sup>st</sup> March, 2013;
- c) the audited financial statements of the Gokuldharm Real Estate Private Limited for the year ended 31<sup>st</sup> March, 2013;
- d) a certified copy of the Proposed Scheme as approved by the Board of Directors of the Company at its meeting held on 11<sup>th</sup> February, 2014; and
- e) a copy of post amalgamation unaudited balance sheet of the Company along with schedules certified by the CFO of the Company which is based on the accounting treatment contained in clause 15 of the Scheme.

We have performed the following procedures:

1. Computation of pre amalgamation net worth of the Company as at 31<sup>st</sup> March, 2013 in the Statement has been traced from the audited financial statement of the Company for the year ended March 31, 2013; and
2. Computation of post amalgamation net worth of the Company as at 31<sup>st</sup> March, 2013 in the Statement has been traced from the post amalgamation unaudited balance sheet of the Company for the year ended 31<sup>st</sup> March, 2013.

We have performed the above-mentioned procedures, in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes issued by the Institute of Chartered Accountants of India.

Based on the procedures performed by us as stated above and according to the information and explanation given to us and specific representation received from the management, we certify that the pre amalgamation net worth of the Company as at 31<sup>st</sup> March 31, 2013 is Rs. 34,162,048,386 (Three Thousand Four Hundred and Sixteen Crores Twenty Lacs Forty Eight Thousand Three Hundred and Eighty Six Rupees Only) and the post amalgamation net worth of the Company as at 31<sup>st</sup> March, 2013 is Rs. 34,077,677,133 (Three Thousand Four Hundred and Seven Crores Seventy Six Lacs Seventy Seven



# HARIBHAKTI & CO.

Chartered Accountants

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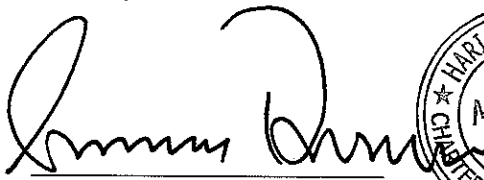
Thousand One Hundred and Thirty Three Rupees Only) (refer Statement attached). As prescribed by the NSE, the free reserves considered for net worth is in accordance with section 372A of the Companies Act, 1956.

This Certificate is issued at the request of the Company pursuant to the requirements of clause 24(f) of the Listing Agreement for onward submission to the Bombay Stock exchange ('BSE') and National Stock exchange ('NSE') for approval of the Scheme. This Certificate should not be used for any other purpose without our prior written consent. Haribhakti & Co. shall not be liable to the Company, BSE and NSE or to any other concerned, for any claims, liabilities or expenses relating to this assignment, except to the extent of fees relating to this assignment.

For Haribhakti & Co.

Chartered Accountants

Firm Registration No. 103523W



Chetan Desai

Partner

Membership No. 017000



Place : Mumbai

Date : 23<sup>rd</sup> June, 2014

Enclosed;

1. Statement of Net Worth of the Company (Pre & Post Amalgamation of the Company).
2. Certified Copy of the proposed Scheme.

Statement of computation of pre-amalgamation and post amalgamation net worth of DB Realty Limited as at March 31, 2013 (For draft Scheme of Amalgamation ('the Scheme') between DB Realty Limited ('the Transferee/ Amalgamated Company') and Gokuldharm Real Estate Private Limited ('the Transferor/ Amalgamating Company') and their respective shareholders).

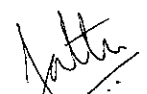
(Amount in Rs)

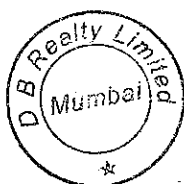
| Particulars                                   | Pre-Amalgamation | Post-Amalgamation |
|-----------------------------------------------|------------------|-------------------|
| Equity share Capital                          | 2,432,587,820    | 2,432,587,820     |
| Free Reserves:                                |                  |                   |
| Securities Premium                            | 23,843,290,192   | 23,843,290,192    |
| General Reserve                               | -                | -                 |
| Surplus in Statement in Profit & Loss Account | 7,886,170,374    | 7,801,799,121     |
| Net Worth                                     | 34,162,048,386   | 34,07,76,77,133   |

Note:

"Net Worth" = Equity shares capital + free reserves - Miscellaneous expenditure written off.  
 "Free Reserves" means all reserves created out of the profits and securities premium account but does not include reserves created out of revaluation of assets, finite back of depreciation provisions and amalgamation.

For DB Realty Limited

  
 N. M. Gattu  
 CFO



Place : Mumbai  
 Date : 12<sup>th</sup> June 2014

**DB REALTY LIMITED**

**Regd. Office :** DB House, Gen. A. K. Vaidya Marg, Goregaon (East), Mumbai - 400 063. • Tel.: 91-22-4077 8600 • Fax: 91-22-2841 5550 / 2842 1667  
 E-mail: info@dbg.co.in • Website: www.dbrealty.co.in CIN: L70200MH2007PLC166818



# ANNEXURE 13A

Details of Capital evolution of the transferee/resulting and transferor/demerged companies:

**D B Realty Limited (As on 30.06.2014)**

| Date of Issue      | No. of shares issued | Face Value | Issue Price (Rs.) | Type of Issue (IPO/FPO/ Preferential Issue/ Scheme/ Bonus/ Rights, etc.)  | Cumulative Capital (No. of Shares) | Whether listed, if not listed, give reasons thereof |
|--------------------|----------------------|------------|-------------------|---------------------------------------------------------------------------|------------------------------------|-----------------------------------------------------|
| January 8, 2007    | 50.000               | 10         | 10                | Initial allotment to subscriber to the Memorandum                         | 50.000                             | Public Unlisted Company                             |
| March 30, 2007     | 7,412.500            | 10         | 50                | Preferential allotment                                                    | 7,462,500                          | Public Unlisted Company                             |
| April 4, 2007      | 30.000               | 10         | 50                | Preferential allotment                                                    | 7,492,500                          | Public Unlisted Company                             |
| April 4, 2007      | 7.500                | 10         | 50                | Preferential allotment                                                    | 7,500.000                          | Public Unlisted Company                             |
| May 5, 2007        | 11.832               | 10         | 4000              | Preferential allotment                                                    | 7,511.832                          | Public Unlisted Company                             |
| May 5, 2007        | 78,168               | 10         | 4000              | Preferential allotment                                                    | 7,590,000                          | Public Unlisted Company                             |
| May 5, 2007        | 90.000               | 10         | 4000              | Preferential allotment                                                    | 7,680,000                          | Public Unlisted Company                             |
| May 5, 2007        | 90,000               | 10         | 4000              | Preferential allotment                                                    | 7,770,000                          | Public Unlisted Company                             |
| June 27, 2007      | 23.657               | 10         | 4000              | Preferential allotment                                                    | 7,793,657                          | Public Unlisted Company                             |
| June 27, 2007      | 156.343              | 10         | 4000              | Preferential allotment                                                    | 7,950,000                          | Public Unlisted Company                             |
| June 27, 2007      | 177.625              | 10         | 4000              | Preferential allotment to                                                 | 8,127,625                          | Public Unlisted Company                             |
| June 27, 2007      | 180.000              | 10         | 4000              | Preferential allotment                                                    | 8,307,625                          | Public Unlisted Company                             |
| November 16, 2007  | 2,375                | 10         | 4000              | Preferential allotment to                                                 | 8,310,000                          | Private Company                                     |
| September 22, 2009 | 810.000              | 10         | NIL               | Conversion of compulsorily convertible cumulative preference shares (1:1) | 9,120,000                          | Private Company                                     |
| September 22, 2009 | 9,37,500             | 10         | NIL               | Conversion of compulsorily convertible debentures (1:1)                   | 10,057,500                         | Private Company                                     |
| September 26, 2009 | 20,115,0000          | 10         | NIL               | Bonus (1:20)                                                              | 211,207,500                        | Public Unlisted Company                             |
| February, 18, 2010 | 32,051,282           | 10         | 468               | IPO Public allotment                                                      | 243,258,782                        | Listed Company Public Issue                         |

Sign 

Name: S.A.K Narayanan  
Designation: Company Secretary



## DB REALTY LIMITED

Regd. Office : DB House, Gen. A. K. Vaidya Marg, Goregaon (East), Mumbai - 400 083. • Tel.: 91-22-4077 8600 • Fax: 91-22-2841 5550 / 2842 1667

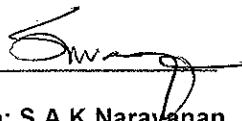
E-mail: info@dbg.co.in • Website: www.dbrealty.co.in

CIN: L70200MH2007PLC166818

**D B Realty Limited- Details of Preference Capital Evolution (As on 30.06.2014)**

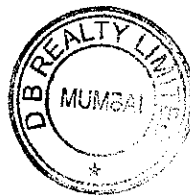
| Date of Issue      | No. of Cumulative Preference shares issued | Face Value | Issue Price (Rs.) | Type of (IPO/FPO/ Preferential Scheme/ Rights, etc.)                                                | Issue Issue/ Bonus/ | Cumulative Preference Share Capital (Rs) | Whether listed, if not listed, give reasons thereof |
|--------------------|--------------------------------------------|------------|-------------------|-----------------------------------------------------------------------------------------------------|---------------------|------------------------------------------|-----------------------------------------------------|
| May 5, 2007        | 11,832                                     | 10         | 4000              | Preferential allotment                                                                              |                     | 118,320                                  | Public Unlisted Company                             |
| May 5, 2007        | 90,000                                     | 10         | 4000              | Preferential allotment                                                                              |                     | 1,018,320                                | Public Unlisted Company                             |
| May 5, 2007        | 90,000                                     | 10         | 4000              | Preferential allotment                                                                              |                     | 1,918,320                                | Public Unlisted Company                             |
| May 5, 2007        | 78,168                                     | 10         | 4000              | Preferential allotment                                                                              |                     | 2,700,000                                | Public Unlisted Company                             |
| June 27, 2007      | 23,657                                     | 10         | 4000              | Preferential allotment                                                                              |                     | 2,936,570                                | Public Unlisted Company                             |
| June 27, 2007      | 177,625                                    | 10         | 4000              | Preferential allotment                                                                              |                     | 4,712,820                                | Public Unlisted Company                             |
| June 27, 2007      | 180,000                                    | 10         | 4000              | Preferential allotment                                                                              |                     | 6,512,820                                | Public Unlisted Company                             |
| June 27, 2007      | 156,343                                    | 10         | 4000              | Preferential allotment                                                                              |                     | 8,076,250                                | Public Unlisted Company                             |
| November 16, 2007  | 2,375                                      | 10         | 4000              | Preferential allotment                                                                              |                     | 8,100,000                                | Private Company                                     |
| September 22, 2009 |                                            |            |                   | Conversion of Preference Shares into Equity and allotment of 810,000 Equity shares of Rs. 10/- each |                     | Nil                                      |                                                     |

Sign



Name: S.A.K Narayanan

Designation: Company Secretary


**D B REALTY LIMITED**

Regd. Office : DB House, Gen. A. K. Vaidya Marg, Goregaon (East), Mumbai - 400 063. • Tel.: 91-22-4077 8600 • Fax: 91-22-2841 5550 / 2842 1667

E-mail: info@dbg.co.in • Website: www.dbrealty.co.in

CIN: L70200MH2007PLC166818

Annexure -13B

**Gokuldharm Real Estate Development Co. Pvt. Ltd ( As on appointed date and also as on Date)**

| Date of Issue    | No. of Equity shares issued | Face Value | Issue Price (Rs.) | Type of Issue (IPO/FPO/ Preferential Scheme/ Bonus/ Rights, etc.) | Cumulative Capital (No.of Shares) | Whether listed, if not listed, give reasons thereof |
|------------------|-----------------------------|------------|-------------------|-------------------------------------------------------------------|-----------------------------------|-----------------------------------------------------|
| March, 20, 2004  | 1,000                       | 100        | 100               | Initial allotment to subscriber to the Memorandum                 | 1,000                             | Unlisted Private Company                            |
| October 22, 2005 | 334                         | 100        | 100               | Equity allotment                                                  | 1,334                             | Unlisted Private Company                            |
| June 17, 2006    | 4,98,666                    | 100        | 100               | Equity allotment                                                  | 5,00,000                          | Unlisted Private Company                            |

| Date of Issue/ Redemption | No. of Preference shares issued | Face Value | Issue Price (Rs.) | Type of Issue (IPO/FPO/ Preferential Scheme/ Bonus/ Rights, etc.) | Cumulative Capital (No.of Shares) | Whether listed, if not listed, give reasons thereof |
|---------------------------|---------------------------------|------------|-------------------|-------------------------------------------------------------------|-----------------------------------|-----------------------------------------------------|
| November 21, 2006         | 40,00,000                       | 100        | 100               | Allotment of Preference Shares                                    | 40,00,00,000                      | Public Unlisted Company                             |
| November 3, 2010          |                                 |            |                   | Redemption of Preference Shares                                   | 40,00,00,000                      | Public Unlisted Company                             |
|                           |                                 |            |                   |                                                                   | Nil                               |                                                     |

**For Gokuldharm Real Estate Development Company Pvt. Ltd.**

Sign N. P. Bajaj

Name: N.P.Bajaj  
Designation: Director



**GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE LIMITED**

Regd. Office : DB House, Gen. A. K. Vaidya Marg, Goregaon (East), Mumbai - 400 063. • Tel.: 91-22-4077 8600 • Fax: 91-22-2841 5550 / 2842 1667

E-mail: info@dbg.co.in • Website: www.dbrealty.co.in

CIN: U45201MH2004PTC144704

**UNDERTAKING BY MANAGING DIRECTOR OF THE COMPANY**

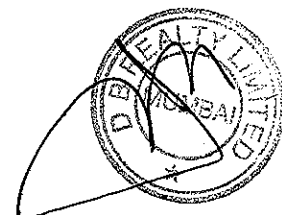
To,  
The General Manager,  
Department of Corporate Services,  
BSE Limited,  
P.J. Towers, Dalal Street,  
Mumbai – 400 001.

Dear Sir,

**Sub: Application under Clause 24(f) of the listing agreement for the proposed scheme of Amalgamation of Gokuldham Real Estate Development Company Private Limited into D B Realty Limited**

In connection with the above application, we hereby confirm that:

- a) The proposed scheme of amalgamation/ arrangement does not in any way violate or override or circumscribe the provisions of the SEBI Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, the Companies Act, 1956, the rules, regulations and guidelines made under these Acts, and the provisions as explained in clause 24(g) of the Listing agreement or the requirements of BSE Limited.
- b) In the explanatory statement to be forwarded by the company to the shareholders u/s 393 or accompanying a proposed resolution to be passed u/s 100 of the Companies Act, it shall disclose:
  - i) the pre and post-arrangement or amalgamation (expected) capital structure and shareholding pattern and
  - ii) the "fairness opinion" obtained from an Independent merchant banker on valuation of assets / shares done by the valuer for the company and unlisted company.
  - iii) The Complaint report as per Annexure III.
  - iv) The observation letter issued by the stock exchange
- c) The draft scheme of amalgamation/ arrangement together with all documents mentioned in Clause 5.16 (c) SEBI Circular no. CIR/CFD/DIL/8/2013 dated May 21, 2013, has been disseminated on company's website as per Website link given hereunder:  
*www.db-realty.co.in*
- d) The company shall disclose the observation letter of the stock exchange on its website within 24 hours of receiving the same.
- e) The company shall obtain shareholders' approval by way of special resolution passed through postal ballot/ e-voting. Further, the company shall proceed with the draft scheme only if the vote cast by the public shareholders in favor of the proposal is more than the number of votes cast by public shareholders against it (if applicable)



**D B REALTY LIMITED**

- f) The documents filed by the Company with the Exchange are same/ similar/ identical in all respect, which have been filled by the Company with Registrar of Companies/SEBI/Reserve Bank of India, wherever applicable.
- g) There will be no alteration in the Share Capital of the unlisted transferor company from the one given in the draft scheme of amalgamation/ arrangement.

For D B Realty Limited

Managing director

(SHAHID BALWA)

Place : MUMBAI

Date: 15/9/2014



**CERTIFICATE**

To,

The Board of Directors,  
DB Realty Limited  
D B House, Gen. A. K. Vaidya Marg,  
Goregaon (East) Mumbai - 400063

We, the statutory auditors of **DB Realty Limited**, (hereinafter referred to as "the Company"), have examined the proposed accounting treatment specified in clause 15 of the Draft Scheme of Amalgamation between **Gokuldharm Real Estate Development Company Private Limited** (Amalgamating Company) and **DB Realty Limited** (Amalgamated Company) in terms of the provisions of the section 211 (3C) / Section 133 of the Companies Act, 1956 / Companies Act, 2013 with reference to its compliance with the applicable Accounting Standards notified under the Companies Act, 1956 / Companies Act, 2013 and other generally accepted accounting principles.

The responsibility for the preparation of the Draft Scheme and its compliance with the relevant laws and regulations, including the applicable Accounting Standards as aforesaid, is that of the Board of Directors of the Companies involved. Our responsibility is only to examine and report whether the Draft Scheme complies with the applicable Accounting Standards and Other Generally Accepted Accounting Principles. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company. We carried out our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India.

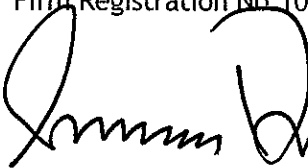
Based on our examination and according to the information and explanations given to us, we confirm that the accounting treatment contained in the aforesaid scheme is in compliance with Clause 24(i) of the Listing Agreement and applicable Accounting Standards [Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956, which as per



General Circular 15/2013 dated September 13, 2013 issued by Ministry of Corporate Affairs continues to apply under Section 133 of the Companies Act, 2013].

This Certificate is issued at the request of the Company pursuant to the requirements of clause 24(i) of the Listing Agreement for onward submission to the Bombay Stock exchange (BSE) and National Stock exchange (NSE) for approval of the Scheme as per Clause 24(f) of the aforesaid Agreement. This Certificate should not be used for any other purpose without our prior written consent. Haribhakti & Co. shall not be liable to the Company, BSE and NSE or to any other concerned, for any claims, liabilities or expenses relating to this assignment, except to the extent of fees relating to this assignment.

For Haribhakti & Co.  
Chartered Accountants  
Firm Registration No.103523W



Chetan Desai  
Partner  
Membership No.017000



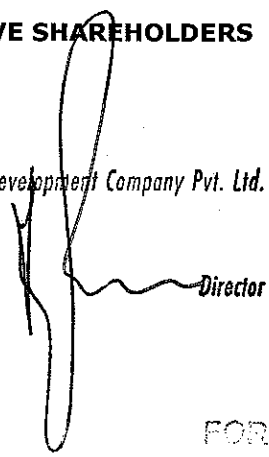
Mumbai : 12<sup>th</sup> June, 2014

Enclosure :

Annexure : Copy of the Scheme Certified by the Management

**SCHEME OF AMALGAMATION  
OF  
GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE LIMITED  
..... Amalgamating Company  
WITH  
DB REALTY LIMITED  
.....Amalgamated Company  
AND  
THEIR RESPECTIVE SHAREHOLDERS**

*For Gokuldharm Real Estate Development Company Pvt. Ltd.*



FOR D B REALTY LIMITED



COMPANY SECRETARY



**SCHEME OF AMALGAMATION  
OF  
GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE  
LIMITED**

**..... Amalgamating Company**

**WITH**

**DB REALTY LIMITED**

**.....Amalgamated Company**

**AND**

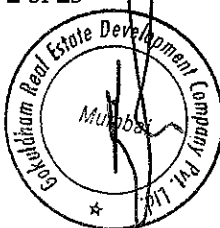
**THEIR RESPECTIVE SHAREHOLDERS**

**1. PRELIMINARY**

- 1.1 This Scheme of Amalgamation is presented for Amalgamation of Gokuldharm Real Estate Development Company Private Limited, (hereinafter referred to as "the Amalgamating/ Transferor Company"), with DB Realty Limited (hereinafter referred to as "the Amalgamated/ Transferee Company").
- 1.2 Amalgamating Company is engaged in the business of real estate development and construction.
- 1.3 Amalgamated Company is engaged in real estate development focusing on residential, commercial, retail and other projects.

**2 PURPOSES OF AMALGAMATION**

- 2.1 The Amalgamation of Amalgamating and Amalgamated Company will result in various benefits including:
  - 2.1.1 Nature of business carried on by the Amalgamating Company (viz. Transferor Company), is similar to the Amalgamated Company, which is also it's holding company..
  - 2.1.2 Achieving economies of scale.
  - 2.1.3 Lesser regulatory / procedural compliances.
  - 2.1.4 Integrate, rationalize and streamline the management structure of the merged business.
  - 2.1.5 Pooling of the human talents in terms of manpower, management, administration and marketing which would result in savings of costs.
  - 2.1.6 Amalgamation of the Company would eliminate duplication of work, administrative services, and will result in cost savings.
  - 2.1.7 Cost saving in fees/ duties payable on statutory and procedural compliance.
  - 2.1.8 Facilitate inter transfer of resources and costs and optimum utilization of Assets.
  - 2.1.9 Synchronizing of efforts to achieve uniform corporate policy.

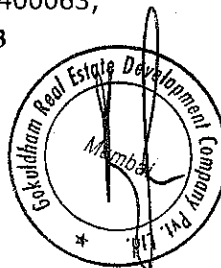


2.1.10 To reflect the consolidated net worth of these Company in one balance sheet.

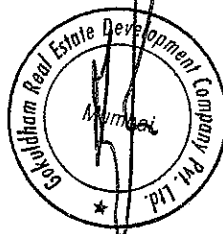
### 3 DEFINITIONS

In this Scheme, unless repugnant to the context or meaning thereof, the following expressions shall have the following meanings:

- 3.1 **"Act"** means the Companies Act, 1956, or the Companies Act, 2013 as in force from time to time. As on the date of approval of this Scheme by the respective Board of Directors of the Amalgamating Company and the Amalgamated Company, Sections 391 and 394 of the Companies Act, 1956 continue to be in force with the corresponding provisions of the Companies Act, 2013 not having been notified. References in this Scheme to particular provisions of the Act are references to particular provisions of the Companies Act, 1956 unless stated otherwise. Upon such provisions standing re-enacted by enforcement of provisions of the Companies Act, 2013, such references shall unless a different intention appears be construed as references to the provisions so re-enacted.
- 3.2 **"Appointed Date"**: For the purpose of this Scheme and for Income Tax Act, 1961, "Appointed Date" means 1<sup>st</sup> April 2013
- 3.3 **"Effective Date"** means the date on which authenticated / certified copies of the Order of the High Court of Judicature at Bombay sanctioning the Scheme has been filed with the Registrar of Companies, Mumbai, Maharashtra.
- 3.4 **"High Court"** shall mean the High Court of Judicature at Bombay. In the event of the National Company Law Tribunal (hereinafter referred to as **"the Tribunal"**) being constituted by the Central Government by a Notification in the Official Gazette and the proceedings initiated under Sections 391 to 394 of the Companies Act, 1956 relating to these scheme being transferred to the Tribunal, the words "High Court" shall deem to mean and include the Tribunal, as the context may require.
- 3.5 **"Amalgamated Company" or "the Transferee Company"** means DB Realty Limited, a Public company incorporated on 8<sup>th</sup> January 2007 under the Act in Maharashtra, having its registered office at DB House, General A.K Vaidya Marg, Goregaon East, Mumbai 400063;
- 3.6 **"Amalgamating Company" or "the Transferor Company"** means Gokuldham Real Estate Development Company Private Limited, a Private Company incorporated on 25<sup>th</sup> February 2004 under the Act in Maharashtra, having its registered office at DB House, General A.K Vaidya Marg, Goregaon East, Mumbai 400063;



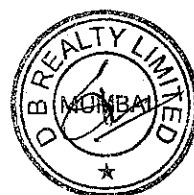
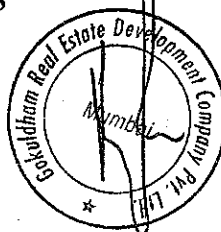
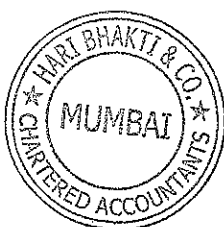
- 94
- 3.7 **"Record Date"** means the date, after the effective date, to be fixed by the Board of Directors of the Amalgamated Company for the purpose of issue of shares of the Amalgamated Company to the shareholders of the Amalgamating Company in terms of this Scheme;
- 3.8 **"Scheme of Amalgamation"** or **"this Scheme"** or **"the Scheme"** means this Scheme of Amalgamation of Amalgamating Company with Amalgamated Company in its present form or as may be modified from time to time or as may be approved or directed by the High Court of Judicature at Bombay;
- 3.9 **"Stock Exchanges"** means BSE Limited and the National Stock Exchange of India Limited, where the equity shares of the Amalgamated Company are listed;
- 3.10 **"Governmental Authority"** means any applicable central, state or local government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, bureau or instrumentality thereof or arbitration or arbitral body having jurisdiction over the territory of India;
- 3.11 **"Undertaking"** shall mean and include all the undertaking and businesses of Amalgamating Company as a going concern comprising of:
- 3.11.1 All the assets, undertakings and the entire businesses and all the assets, properties, whether movable or immovable, tangible and intangible, corporeal or incorporeal, intellectual property, whether in possession or reversion, present or contingent, fixed assets, capital work-in-progress including expenses incurred to be capitalized and advances for assets, inventories, stock in trade, debtors, current assets, domain names, software, investments, loans and advances, powers, authorities, allotments, approvals and consents, licenses, domain name, tenancy rights, tenancy, licenses, municipal permissions in relation to the offices and/ or residential properties for the employees, permits, quotas, subsidies and incentives, registrations (including SEZ registration), contracts, engagements, arrangements, rights, titles, interests, benefits and advantages of whatsoever nature and where so ever situated belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Amalgamating Company, including but without being limited to all product patents, process patents, trademarks, copy rights, and other industrial,



commercial and intellectual properties, trade names, and other commercial rights of any nature whatsoever including any applications filed for securing of any such intellectual property whether in India or abroad, rights and licenses in respect thereof, privileges, liberties, easements, advantages, benefits, leases, ownership flats, authorizations, right to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity and electronic, email, internet, leased line connections and installations, and other services; reserves, provisions, funds, benefits of all agreements and all other interests belonging to or in the ownership, power or possession or in the control of or vested in or granted in favour of or enjoyed by the Amalgamating Company. Additionally, all plants, machinery, vehicles whether motor vehicles or otherwise, equipments, including without limitation, measuring devices, ships, boats and other such vessels, whether used for surveying or otherwise, furniture, fixtures, whether used in the buildings, ships, boats, vessels, or otherwise as owned, leased or in possession of the Amalgamating Company (hereinafter collectively referred to as "**Assets**").

3.11.2 All debts, liabilities, borrowings, bills payable, interest accrued, contingent liabilities and all other liabilities, duties, undertakings, contractual obligations, guarantees given and obligations of the Amalgamating Company of every kind, nature and description whatsoever and howsoever (hereinafter referred to as "**Liabilities**").

3.11.3 Without prejudice to the generality of Sub-clauses 3.11.1 and 3.11.2 above the undertaking of Amalgamating Company shall include all Amalgamating Company Assets including claims or obligation, certifications/permissions of whatsoever nature directly or indirectly pertaining to the business of export of the past, present or future products, including those relating to employees and Technical Know-how agreement, if any, or otherwise with any person/ institution/ company or any association anywhere in the world, enactments, lease-hold rights and, systems of any kind whatsoever, rights and benefits of all agreements and other interests including rights and benefits under various schemes of different Taxation and other Laws which may belong to or be available to Amalgamating Company, rights and powers of every kind, nature and description of whatsoever probabilities, liberties, and approval of, whatsoever nature and wherever situated, belonging to or in ownership, power or possession or control or entitlement of



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Amalgamating Company without being limited to buildings and structures, offices, residential and other premises, capital work in progress, furniture, fixtures, office equipment, appliances, accessories, power lines, depots, deposits, all assets, cash balances with banks, contingent rights or benefits, receivables, earnest moneys, advances or deposits paid by Amalgamating Company, financial assets, hire purchase contracts and assets, if any, marketing tie-ups or marketing networks or marketing rights, benefit of any security arrangements or under any guarantees, reversions, exemptions, incentives, deferrals, tenancies in relation to the offices and/or residential properties for the employees or other persons, all records, files, papers, computer programmed, manuals, data, catalogues, sales and advertising materials, lists and other details of present and former customers and suppliers, customer credit information, customer and supplier pricing information and other records, benefits of assets or properties or other interest held in trust, registrations and all other interests of whatsoever nature.

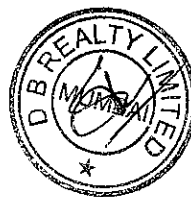
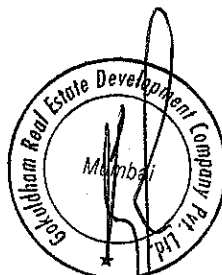
- 3.12 The words importing the singular include the plural; words importing any gender include every gender.
- 3.13 Any word or expression used and not defined in the Scheme but defined in the Act shall have meaning respectively assigned to them in the Act.

#### **4 OPERATIVE DATE – EFFECTIVE DATE**

The Scheme, though operative from the Appointed Date, shall become effective from the Effective Date. Reference in this Scheme to the date of "coming into effect of this Scheme" shall mean the Effective Date.

#### **5 SHARE CAPITAL**

- 5.1 The authorized, issued, subscribed and paid-up share capital of the Amalgamating Company as per the audited accounts as on 31<sup>st</sup> March 2013 is as under:



| <b>Particulars</b>                                                        | <b>Rupees</b> |
|---------------------------------------------------------------------------|---------------|
| <b>CAPITAL:</b>                                                           |               |
| <u>Authorised:</u>                                                        |               |
| 5,00,000 Equity Shares of Rs. 100/- each.                                 | 50,000,000    |
| 4,000,000 0.1 % Redeemable cumulative Preference shares of Rs. 100/- each | 400,000,000   |
| <u>Issued, Subscribed and Paid -up:</u>                                   |               |
| 5,00,000 Equity Shares of Rs. 100/- each fully paid -up                   | 50,000,000    |

Subsequent to the balance sheet date there is no change in the capital structure of the Amalgamating Company. The Amalgamating Company is subsidiary of the Amalgamated Company. The Amalgamated Company holds 374,990 (74.998%) Equity shares in the Amalgamating Company.

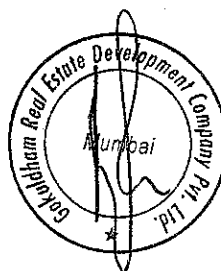
- 5.2 The authorized, issued, subscribed and paid-up share capital of the Amalgamated Company as on 31<sup>st</sup> Mach 2013, is as under:

| <b>Particulars</b>                          | <b>Rupees</b>   |
|---------------------------------------------|-----------------|
| <b>CAPITAL:</b>                             |                 |
| <u>Authorised:</u>                          |                 |
| 29,85,00,000 Equity Shares of Rs. 10/- each | 300,00,00,000/- |
| 15,00,000 Preference shares of Rs 10/ -each |                 |
| <u>Issued, Subscribed and Paid -up:</u>     |                 |
| 243,258,782 Equity Shares of Rs. 10/- each  | 243,25,87,820/- |

Subsequent to the balance sheet date there is no change in the capital structure of the Amalgamated Company

## 6 TRANSFER AND VESTING OF UNDERTAKING

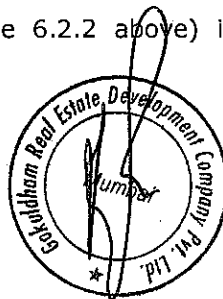
- 6.1 On and from the Appointed Date and subject to the provisions of the Scheme in relation to the mode of transfer and vesting, the entire business and whole of the Undertaking of the Amalgamating Company as



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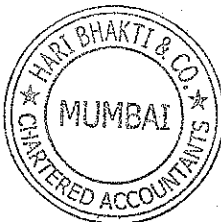
going concern shall be transferred to and vested in or be deemed to be transferred to and vested in the Amalgamated Company in such a manner that:

- 6.1.1 all the Assets of the Amalgamating Company immediately before the amalgamation becomes the property of the Amalgamated Company by virtue of the amalgamation;
- 6.1.2 all the Liabilities of the Amalgamating Company immediately before the amalgamation become the liabilities of the amalgamated company by virtue of the amalgamation;
- 6.2 Without limiting the generality of the foregoing, on and from the Appointed Date and subject to the provisions of the Scheme in relation to the mode of transfer and vesting, the Undertaking of the Amalgamating Company as a going concern shall be transferred to and vested in or be deemed to be transferred to and vested in the Amalgamated Company in the following manner:
  - 6.2.1 With effect from the Appointed Date the whole of the businesses and the undertaking of the Amalgamating Company and all the Assets of the Amalgamating Company, except for such of the Assets as specified in Clause 6.2.2 and Clause 6.2.3, of whatsoever nature and where so ever situated, shall, under the provisions of Sections 391 and 394 and all other applicable provisions, if any, of the Act, without any further act or deed be transferred to and vested in and deemed to be transferred to and vested in the Amalgamated Company as a going concern so as to become, as from the Appointed Date, the Assets and Liabilities of the Amalgamated Company and to vest in all the right, title and interest therein in the Amalgamated Company.
  - 6.2.2 With effect from the Appointed Date, all the moveable Assets including plant & machinery, furniture & fixtures, office equipments, vehicles, computers, air conditioner, electric installation, fire extinguisher, inventories, cash in hand of the Amalgamating Company, capable of transfer by physical delivery or by endorsement and/ or delivery shall be so delivered or endorsed and/ or delivered as the case may be to the Amalgamated Company to the end and intent that the property therein passes to the Amalgamated Company, on such delivery or endorsement and/ or delivery in pursuance of the provisions of Sections 391 - 394 and other applicable provisions of the Act.
  - 6.2.3 In respect of the movable properties of the Amalgamating Company (other than those specified in Clause 6.2.2 above) including sundry



debtors, receivables, bills, credits, loans and advances, recoverable in cash or in kind or for value to be received, bank balances and deposits with government, semi-government authorities, local and other authorities and bodies or with any company or other person, the Amalgamated Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, give notice in such form as it may deem fit and proper, to each of such person, debtor or depositor, as the case may be, that pursuant to the High Court having sanctioned the Scheme, such debt, loan, advance, bank balance, or deposit be paid or made good or held on account of the Amalgamating Company as the person entitled thereto to the end and intent that the right of the Amalgamated Company to recover or realize all such debts (including the debts payable by such person or depositor to the Amalgamating/Transferor Company stands transferred and assigned to the Amalgamated/Transferee Company and that appropriate entries should be passed in its books to record the aforesaid change.

- 6.2.4 The Amalgamated Company may, at any time after coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation/ notice in favour of any other party to any contract or arrangement to which the Amalgamating Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Amalgamated Company shall under the provisions of the Scheme be deemed to be authorised to execute any such writings on behalf of the Amalgamating Company and to implement or carry out all such formalities or compliance referred to above on the part of the Amalgamating Company to be carried out or performed.
- 6.2.5 With effect from the Appointed Date, all debts, Liabilities, duties, obligations of every kind, nature and description of the Amalgamating Company shall, under the provisions of sections 391 and 394 of the Act without any further act or deed be transferred to or be deemed to be transferred to the Amalgamated Company so as to become as from the Appointed Date the debts, Liabilities, duties, obligations of the Amalgamated Company and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities,

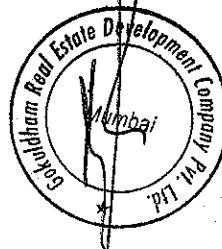




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duties and obligations have arisen, in order to give effect to the provisions of this Clause.

- 6.3 If and to the extent there are inter-corporate loans, deposits, receivables or balances between the Amalgamating Company and the Amalgamated Company, the obligations in respect thereof shall, on and from the Appointed Date, come to an end and suitable effect shall be given in the books of accounts and records of the Amalgamated Company if required, for such adjustments of debts or liabilities, as the case may be. For removal of doubts, it is hereby clarified that from the Appointed Date, there would be no accrual of interest or other charges in respect of any such inter-corporate loans, deposits, receivables or balances between the Amalgamating Company and the Amalgamated Company.
- 6.4 The transfer and/ or vesting of the properties as aforesaid shall be subject to the existing charges, hypothecation and mortgages, if any, over or in respect of all the aforesaid Assets or any part thereof of the Amalgamating Company.
- 6.4.1 Provided however, that any reference in any security documents or arrangements, to which an Amalgamating Company is a party, to the Assets of the Amalgamating Company which it has offered or agreed to be offered as security for any financial assistance or obligations, to any secured creditors of the Amalgamating Company, shall be construed as reference only to the Assets of the Amalgamating Company as are vested in the Amalgamated Company by virtue of the aforesaid Clause, to the end and intent that such security, mortgage and charge shall not extend or be deemed to extend, to any of the Assets or to any of the other units or divisions of the Amalgamated Company, unless specifically agreed to in writing by the Amalgamated Company with such secured creditors.
- 6.4.2 Provided that the Scheme shall not operate to enlarge the security of any loan, deposit or facility created by or available to the Amalgamating Company which shall vest in the Amalgamated Company by virtue of the Scheme and the Amalgamated Company shall not be obliged to create any further or additional security thereof after the Scheme has become effective or otherwise.
- 6.5 With effect from the Effective Date, the Amalgamated Company shall commence and carry on and shall be authorized to carry on the business carried on by the Amalgamating Company in addition to the business of the Amalgamated Company.

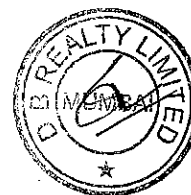
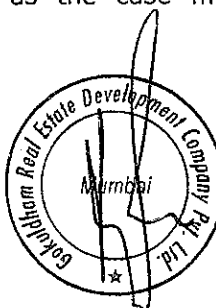


- 6.6 All statutory licenses, approvals, consents, permits, registration (including SEZ registration) and membership of the Amalgamating Company, of any governmental or regulatory agencies including Reserve Bank of India, any trade associations, chambers of commerce or any charitable or other trusts as trustee or beneficiary shall be transferred to and vested in and become the licenses, approvals, consents, permits and registration and membership of the Amalgamated Company and the Amalgamated Company shall continue to enjoy the benefits, rights and be liable for all obligations and liabilities as are available to or binding upon the Amalgamating Company in whose favour such licences, etc. have been issued or granted and the name of the Amalgamating Company shall be deemed to have been substituted by the name of the Amalgamated Company.
- 6.7 The transfer and/ or vesting of all the Assets and Liabilities of the Amalgamating Company to the Amalgamated Company and the continuance of all the contracts or proceedings by or against the Amalgamated Company shall not affect any contract or proceedings relating to the Assets or the Liabilities, tenancy rights, licenses already concluded by the Amalgamating Company on or after the Appointed Date.

## **7 BUSINESS AND PROPERTY OF THE AMALGAMATING COMPANY TO BE HELD IN TRUST FOR THE AMALGAMATED COMPANY**

For the period beginning on and from the Appointed Date and ending on the Effective Date:

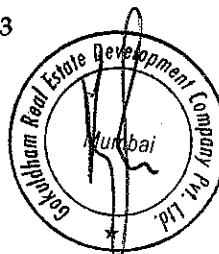
- 7.1 The Amalgamating Company shall carry on and be deemed to have carried on all its business and activities and shall be deemed to have held and possessed of and shall continue to hold and stand possessed of all the Assets, properties and Liabilities for and on account of and in trust for the Amalgamated Company. The Amalgamating Company hereby undertake to hold the Assets, properties and Liabilities with utmost prudence until the Effective Date.
- 7.2 All the profits or income accruing or arising to the Amalgamating Company and all costs, charges, expenditure, taxes or losses arising or incurred by the Amalgamating Company shall, for all purposes, be treated and be deemed to be and accrue as the profits, income, costs, charges, expenditure, taxes or losses as the case may be of the Amalgamated Company.



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- 7.3 The Amalgamating Company shall carry on their business and activities until the Effective Date with reasonable diligence, and business prudence and shall not, without the prior written consent of the Board of Directors of the Amalgamated Company, alienate, charge, mortgage, encumber or otherwise deal with or dispose off the Assets or any part thereof, except in the ordinary course of business or pursuant to any pre-existing obligation undertaken by the Amalgamating Company. Provided however, the Amalgamating Company shall in the ordinary course of business be entitled to borrow in the form of loans if deemed necessary by it and further consent for this purpose will not be required of the Amalgamated Company in that behalf.
- 7.4 The Amalgamating Company shall not vary the terms and conditions of the employment of its employees except in the ordinary course of business.
- 7.5 The Amalgamating Company shall not, without the prior written consent of the Board of Directors of the Amalgamated Company, undertake any new business or a substantial expansion of their existing business.
- 7.6 The Amalgamating Company shall be entitled, pending sanction of the Scheme, to apply to the Central Government, State Government and all other concerned agencies, departments and authorities (Statutory or otherwise) as are necessary under any law for such consents, approvals and sanctions, which the Amalgamating Company may require to carry on the business of the Amalgamated Company.
- 7.7 Neither the Amalgamating Company nor the Amalgamated Company shall make any change in their capital structure (paid-up capital), other than changes pursuant to any prior commitments, obligations or arrangements or acts and deeds already made except by mutual consent of the Board of Directors of the Amalgamated Company and the Amalgamating Company.

## **8 LEGAL PROCEEDINGS**

- 8.1 All suits, actions, appeal, writ petitions, revisions or other proceedings of whatever nature (hereinafter called "the Proceedings") by or against the Amalgamating Company pending and/or arising on or before the Effective Date shall not abate, not be discontinued or not be in any way prejudicially affected by reason of the transfer of the business of the Amalgamating Company pursuant to this Scheme but the Proceedings be continued, prosecuted and enforced by or against the Amalgamated



Company as effectually and in the same manner and to the same extent as it would be or might have been continued, prosecuted and enforced by or against the Amalgamating Company as if the Scheme had not been made. On and from the Effective Date, the Amalgamated Company shall and may initiate any Proceedings which were earlier in the name of the Amalgamating Company.

- 8.2 On and from the Appointed Date but on or before the Effective Date, if any Proceedings are taken against the Amalgamating Company, the same shall be defended by the Amalgamating Company for and on behalf of the Amalgamated Company.

## **9 CONTRACTS, DEEDS AND OTHER INSTRUMENTS**

The Transfer and vesting of the properties and liabilities under Clause 6 above and the continuance of the proceedings mentioned in Clause 8 above shall not in any manner affect the transaction or proceedings already concluded by or against the Amalgamating Company:

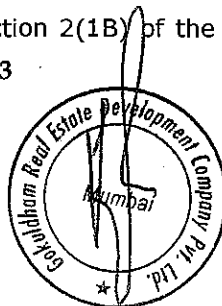
- 9.1 On or before the Appointed Date and that the Amalgamated Company accepts on behalf of itself all acts, deeds, bonds, agreements and other instruments of whatever nature done and executed by the Amalgamating Company.
- 9.2 After the Appointed Date but before the Effective Date and that the Amalgamated Company accepts on behalf of itself all acts, deeds, bonds, agreements and other instruments of whatever nature done and executed by the Amalgamating Company.
- 9.3 Upon the coming into effect of this Scheme and subject to the provisions of this Scheme all contracts, deeds, bonds, agreements, arrangements and other instruments of whatsoever nature to which the Amalgamating Company is a party or to the benefit of which the Amalgamating Company may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect against or in favor of the Amalgamated Company as the case may be and may be enforced as fully and effectually as if, instead of the Amalgamating Company, the Amalgamated Company had been a party or beneficiary thereto. The Amalgamated Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any multipartite agreements, arrangements, confirmations or novations to which the Amalgamating Company will, if necessary, also be



a party in order to give formal effect to the provisions of this Clause, if so required or becomes necessary.

## 10 TREATMENT OF TAXES

- 10.1 Any tax liabilities under the Income Tax Act, 1961, Wealth Tax Act, 1957, Customs Act, 1962, Central Excise Act, 1944, Maharashtra Value Added Tax Act, 2002, Central Sales Tax Act, 1956, any other state Sales Tax / Value Added Tax laws, Service Tax, stamp laws or other applicable laws/ regulations (hereinafter in this Clause referred to as "**Tax Laws**") dealing with taxes/ duties/ levies allocable or related to the business of the Amalgamating Company to the extent not provided for or covered by tax provision in the Accounts made as on the date immediately preceding the Appointed Date shall be transferred to Amalgamated Company.
- 10.2 All taxes (including income tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.) paid or payable by the Amalgamating Company in respect of the operations and/or the profits of the business on and from the Appointed Date, shall be on account of the Amalgamated Company and, insofar as it relates to the tax payment (including without limitation income tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Amalgamating Company in respect of the profits or activities or operation of the business on and from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Amalgamated Company, and, shall, in all proceedings, be dealt with accordingly.
- 10.3 Any refund under the Tax Laws due to Amalgamating Company consequent to the assessments made on Amalgamating Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Amalgamated Company.
- 10.4 Without prejudice to the generality of the above, all benefits including under the income tax, sales tax, excise duty, customs duty, service tax, VAT, etc., to which the Amalgamating Company is entitled to in terms of the applicable Tax Laws of the Union and State Governments, shall be available to and vest in the Amalgamated Company.
- 10.5 The Amalgamation as contemplated in this Scheme would be completed in a manner so as to comply with the conditions relating to 'amalgamation' as specified under section 2(1B) of the Income Tax Act,



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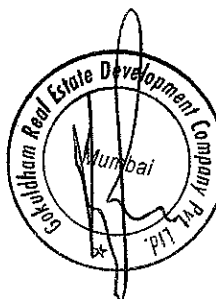
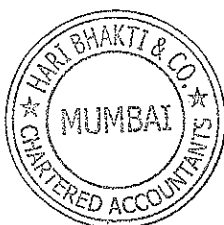
1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said section at the later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said section of the Income Tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with section 2(1B) of the Income Tax Act, 1961. Such modification will however not affect the other parts of the Scheme.

## 11 SAVING OF CONCLUDED TRANSACTIONS

The transfer of all the Assets and Liabilities and the licenses and permits and membership etc. under Clause 6 above and the continuance of proceedings by or against the Amalgamated Company under Clause 8 above shall not affect any transaction or proceedings already concluded by the Amalgamating Company on or before the Appointed Date, and after the Appointed Date till the Effective Date, to the end and intent that the Amalgamated Company accepts and adopts all acts, deeds and things done and executed by the Amalgamating Company in respect thereto as done and executed on behalf of itself.

## 12 ISSUE OF SHARES

- 12.1 Upon coming into effect of this Scheme and in consideration of the transfer and vesting of the Undertaking of the Amalgamating Company in the Amalgamated Company, in terms of this scheme, the Amalgamated Company shall without any further application or deed, be required to issue and allot to the equity shareholders of the Amalgamating Company whose names appear in the register of members of the Amalgamating Company as on the Record Date, 574 (Five Hundred Seventy Four only) fully paid-up Preference share of the face value of Rs.10/- each in the Amalgamated Company, (hereinafter referred to as the "**New Preference Shares**") for every 1 (One only) fully paid-up equity share of the face value of Re. 100/- each held in the Amalgamating Company, based on the fair valuation done by the valuer of the Amalgamating Company on terms and conditions set out in Schedule-A annexed hereto.
- 12.2 The total number of New Preference Shares of Amalgamated Company to be issued and allotted to members of Amalgamating Company, shall be credited as **fully paid up and shall be** issued on the following terms:



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12.2.1 The New Preference Shares to be issued and allotted in terms hereof will be subject to the Memorandum and Articles of Association of the Amalgamated Company and other provisions of this Scheme.

12.2.2 In respect of the fractional entitlement for the New Preference Shares, if any, to which the equity shareholders of Amalgamating Company may be entitled, the same shall be rounded off to the next number.

12.2.3 No allotment shall be made in respect of the Equity Shares of the Amalgamating Company held by the Amalgamated Company and the same shall be cancelled. Accordingly 374,990 equity shares of Amalgamating Company held by the Amalgamated Company shall be cancelled. Similarly any other cross holdings as on Effective date shall also be cancelled.

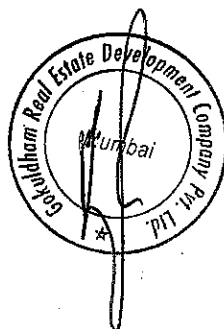
12.2.4 Upon the New Preference Shares being issued and allotted, as aforesaid, the Share Certificates in respect of the equity shares held in the Amalgamating Company shall be deemed to have been automatically cancelled and of no effect and the Amalgamated Company instead of requiring surrender of such Certificates may directly issue and dispatch fresh Certificates in respect of the New Preference Shares issued and allotted by the Amalgamated Company.

12.2.5 The Amalgamated Company will make an application for approval, if applicable or filings to Foreign Investment Promotion Board / Reserve Bank of India / authorized dealer or appropriate authority, if required, for its approval under the provisions of the Foreign Exchange Management Act 1999 for the issue and allotment of equity shares in the Amalgamated Company to the non-resident shareholder of the Amalgamating Company in accordance with the provisions of the Scheme.

12.2.6 The New Preference Shares being issued and allotted, as aforesaid, may subsequently, be listed on the BSE Ltd. and/or on the National Stock Exchange of India Ltd., subject to necessary approval.

### 13 CANCELLATION OF SHARES

13.1 374,990 equity shares of the Amalgamating Company held by the Amalgamated Company shall stand cancelled and no new shares will be allotted in lieu of such cancellation.



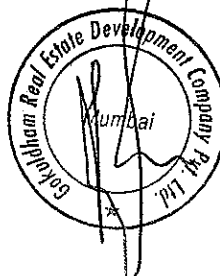
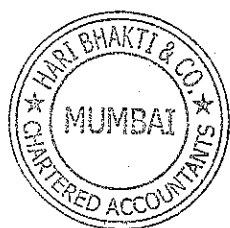
#### **14 STAFF, WORKMEN AND EMPLOYEES OF THE AMALGAMATING COMPANY**

- 14.1 All staff, workmen and employees, if any of the Amalgamating Company in permanent service on the Effective Date shall become the staff, workmen and employees of the Amalgamated Company on such date without any break or interruption in service and on the terms and conditions not in any way less favourable to them than those subsisting with reference to the Amalgamating Company as the case may be on the said date.
- 14.2 It is expressly provided that as far as the Provident Fund, Gratuity Fund, Superannuation Fund or any other Special Fund or Schemes created or existing for the benefit of the staff, workmen and employees of the Amalgamating Company are concerned, upon the Scheme becoming effective, the Amalgamated Company shall stand substituted for the Amalgamating Company for all purposes whatsoever related to the administration or operation of such schemes or Funds or in relation to the obligation to make contributions to the said Funds in accordance with provisions of such schemes and Funds as per the terms provided in the respective Trust Deeds/ other documents. It is the end and intent that all the rights, duties, powers and obligations of the Amalgamating Company in relation to such Funds/ Schemes shall become those of the Amalgamated Company. It is clarified that the services of the staff, workmen and employees of the Amalgamating Company will be treated as having been continuous for the purpose of the aforesaid Funds or provisions.
- 14.3 The Amalgamating Company shall not vary the terms and conditions of the employment of its employees except in the ordinary course of business.

#### **15 ACCOUNTING**

Upon the Scheme becoming effective, the Amalgamated Company shall account for the amalgamation as under:

- 15.1 The Amalgamated Company shall account for the Amalgamation of Amalgamating Company as per the Accounting Standard 14 - Accounting for Amalgamations (AS14) as stated in the Company (Accounting Standards) Rules, 2006 and any amendments thereto.

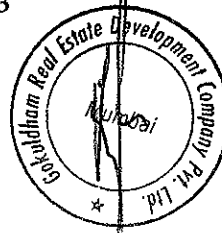




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- 15.2 The Amalgamated Company shall record all Assets and Liabilities recorded in the Books of Accounts of Amalgamating Company, which are transferred to and vested in the Amalgamated Company pursuant to this Scheme at the book values thereof at the close of business of the day immediately preceding the Appointed Date.
- 15.3 The Amalgamated Company shall credit to its Share Capital Account in its books of account, the aggregate face value of the New Shares issued and allotted to the members of the Amalgamating Company.
- 15.4 The difference between the value of investments carried in the books of the Amalgamated Company in addition to purchase consideration paid by issue of new preference share for equity shares held by other shareholders (other than amalgamated company) and the "Net Asset Value" of the Amalgamating Company, shall be treated as goodwill or capital reserve as the case may be, in the books of the Amalgamated Company, and dealt with in accordance with the Accounting Standard AS-14 issued by the Institute of Chartered Accountants of India. The Amalgamation of Amalgamating Company with the Amalgamated Company in terms of this Scheme shall take place with effect from the Appointed Date and shall be in accordance with the provisions of Section 2(1B) of the Income Tax Act, 1961.
- 15.5 On the Scheme of Amalgamation coming into effect, loans or other obligations due between the Amalgamating Company and the Amalgamated Company, if any, would stand discharged.
- 15.6 The investments in the share capital of Amalgamating Company appearing in the books of accounts of Amalgamated Company will stand cancelled.
- 15.7 The Amalgamating Company or the Amalgamated Company (by the Board of Directors) may alter or modify the accounting treatment specified in the Scheme, in consultation with the auditors, as they may deem fit and consider necessary, to settle any question/difficulty arising out of the Scheme, to comply with the relevant laws (including but not limited to the Income Tax Act, 1961) and applicable accounting standards.

**16 ALTERATION OF THE MEMORANDUM OF ASSOCIATION OF THE AMALGAMATED COMPANY**

- 16.1 Upon coming into effect of the Scheme, the Authorized Capital of the Amalgamating Company shall be deemed to be added to the Authorized



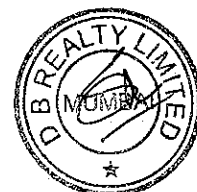
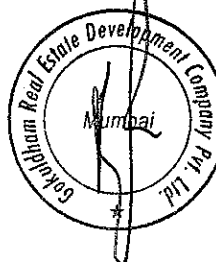
Capital of the Amalgamated Company without any further act, deed or procedure, formalities or payment of any stamp duty and registration fees, after reclassifying as follows:

| <u>Existing Authorised Share Capital of Amalgamating Company</u>                                                                        |              |
|-----------------------------------------------------------------------------------------------------------------------------------------|--------------|
| Particulars                                                                                                                             | Amount (Rs.) |
| 500,000 Equity Shares of Re.100/- (Rupee hundred only) each                                                                             | 50,000,000   |
| 4,000,000 0.1 % Redeemable cumulative Preference shares of Re. 100/- (Rupee hundred only) each                                          | 400,000,000  |
| <u>Reclassified Authorised Share Capital of Amalgamating Company to be added to the Authorised Share capital of Amalgamated Company</u> |              |
| 5,000,000 Equity Shares of Rs.10/- (Rupees Ten only) each                                                                               | 50,000,000   |
| 40,000,000 0.1% Redeemable cumulative Preference Shares of Rs.10/- each (Rupees Ten only) each                                          | 400,000,000  |

- 16.2 Subsequent to merger of Authorised share capital of Amalgamating Company with Amalgamated Company, the Authorised share Capital of Amalgamated Company shall be re-classified as follows:-

| Particulars                                                                   | Amount (Rs.) |
|-------------------------------------------------------------------------------|--------------|
| 27,00,00,000 Equity Shares of Re.10/- (Rupee Ten only) each                   | 2700,000,000 |
| 75,000,000 Redeemable Preference shares of Re. 10/- (Rupee hundred only) each | 750,000,000  |
| Total                                                                         | 3450,000,000 |

- 16.3 Upon coming into effect of the Scheme, Clause V of the Memorandum of Association of the Amalgamated Company shall, without any further act, deed or instrument, be substituted and corrected accordingly on the appointed date by giving effect to the aforesaid alteration. It is clarified that the approval of the members of Amalgamated Company to the Scheme shall be deemed to be their consent/ approval also to the



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alteration of the Memorandum of Association and Articles of Association of Amalgamated Company as required under Section 17 and other applicable provisions of the Act. The Amalgamated Company will just file requisite forms, if applicable.

**17 VALIDITY OF EXISTING RESOLUTIONS, ETC.**

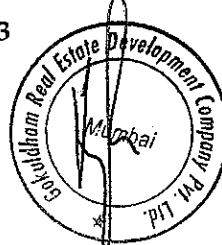
Upon the coming into effect of this Scheme, the resolutions, if any, of the Amalgamating Company, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Amalgamated Company and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then the said limits shall be added to the limits, if any, under like resolutions passed by the Amalgamated Company and shall constitute the aggregate of the said limits in the Amalgamated Company.

**18 BOARD OF DIRECTORS OF THE AMALGAMATING COMPANY**

The Board of Directors (or any committee/ sub-committee thereof) of the Amalgamating Company, upon the Scheme becoming effective, shall without any further act, instrument and deed stand dissolved. All the Directors of the Amalgamating Company shall cease to be Directors of the Amalgamating Company on coming into effect of this Scheme. However, if any such Director is a Director of the Amalgamated Company he would continue to hold his office in the Amalgamated Company.

**19 APPLICATIONS TO THE HON'BLE HIGH COURT OF BOMBAY**

- a. The Amalgamating Company and the Amalgamated Company shall, with all reasonable dispatch, make applications to the High Court of Judicature at Bombay under Section 391 of the Act seeking orders for dispensing with or convening, holding and conducting of the meetings of the members and/or creditors of the Amalgamating Company and the Amalgamated Company as may be directed by the High Court of Judicature at Bombay.
- b. On the Scheme being agreed to by the requisite majorities of the members and/or creditors of the Amalgamated Company and the Amalgamating Company as directed by the High Court of Judicature at Bombay, the Amalgamated Company and the Amalgamating Company shall, with all reasonable dispatch, apply



to the High Court of Judicature at Bombay for sanctioning the Scheme of Amalgamation under Sections 391 and 394 of the Act, and for such other order or orders, as the said High Court may deem fit for carrying this Scheme into effect and for dissolution of the Amalgamating Company without winding-up.

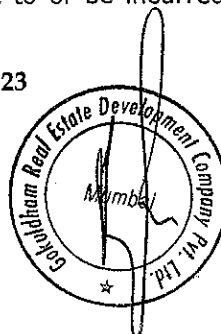
## **20 SCHEME CONDITIONAL ON APPROVAL/SANCTIONS**

This Scheme is specifically conditional upon and subject to:

- a. The sanction or approval under any law or of the Central Government or any other Agency, Department or Authorities concerned being obtained and granted in respect of any of the matters in respect of which such sanction or approval is required.
- b. The approval of, and agreement to the Scheme by the requisite majority of members of the Amalgamating Company and the Amalgamated Company as may be directed by the High Court of Judicature at Bombay on the applications made for directions under Section 391 of the Act for dispensing/calling meetings and necessary resolutions being passed under the Act for the purpose.
- c. The sanctions of the High Court of Judicature at Bombay being obtained by the Amalgamating Company and the Amalgamated Company under Sections 391 and 394 and other applicable provisions of the Act.
- d. The authenticated /certified copies of order of the High Court of Judicature at Bombay under sections 391 to 394 of the Act sanctioning the Scheme being filed with the Registrar of Companies, Mumbai, Maharashtra.

## **21 EFFECT OF NON-APPROVALS**

In the event of any of the approvals or conditions enumerated in clause 20 above not being obtained or complied or for any reasons this Scheme cannot be implemented then the Board of Directors of the Amalgamating Company and the Amalgamated Company shall waive such conditions as they consider appropriate to give effect appropriately and, as far as possible, to this Scheme and failing such agreement or in case this Scheme is not sanctioned by the High Court of Judicature at Bombay, then the Scheme shall become null and void and in that event no rights and liabilities whatsoever shall accrue to or be incurred inter se between



112

the Amalgamating Company and the Amalgamated Company or their shareholders or creditors or any other person.

**22 DISSOLUTION OF AMALGAMATING COMPANY**

On the Scheme coming into effect, the Amalgamating Company shall, without any further act or deed, stand dissolved without winding up.

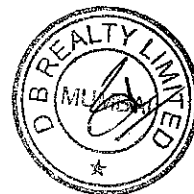
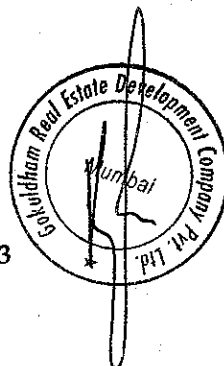
**23 MODIFICATION OR AMENDMENT TO THE SCHEME**

Subject to approval by the High Court, the Amalgamating Company and the Amalgamated Company through its respective Board of Directors/ its authorized officers are hereby empowered and authorized to assent from time to time to any modifications or amendments of this Scheme or to any conditions or limitations which the High Court of Judicature at Bombay or any other statutory authorities may impose and to settle all doubts or difficulties that may arise for carrying out the Scheme and to do and execute all acts, deeds, matters and things as may be necessary for putting the Scheme into effect. The power of the Board to modify the scheme shall be subject to final approval of the Court.

**24 COSTS, CHARGES & EXPENSES**

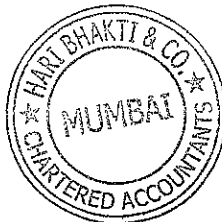
Except for the event mentioned in Clause 21 above, all costs, charges and expenses of the Amalgamating Company and the Amalgamated Company in relation to or in connection with this Scheme and for carrying out and implementing/ completing the terms and provision of the Scheme and/ or incidental to the completion of the amalgamation of the undertaking of the Amalgamating Company in pursuance of this Scheme shall, except as specifically provided herein, be borne and paid solely by the Amalgamated Company.

In the event mentioned in Clause 21 above, each party shall bear their respective costs, charges and expenses in connection with the Scheme. If the cost cannot be identified, the same shall be shared equally between the Amalgamating Company and the Amalgamated Company.

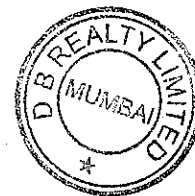
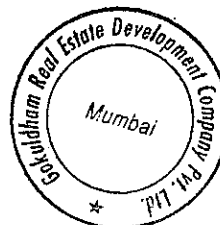


**SCHEDULE-A**  
**TERMS AND CONDITIONS OF ALLOTMENT OF PREFERENCE SHARES TO**  
**THE SHAREHOLDERS OF AMALGAMATING COMPANY**

|             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|-------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Issuer      | DB Realty Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Instrument  | 8% Redeemable Preference shares to be issued                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Face Value  | Rs 10/-                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Coupon Rate | 8% per annum                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Redemption  | To be redeemed at par at the end of 5 years                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|             | DB Realty Limited will have an option to redeem the Preference Shares at any time after the end of 1 year from the date of allotment. If DB Realty Limited exercises its option, it will pay the amount of the face value of the Preference Shares and also dividend declared, if any, up to the date on which it exercises the call option. In case DB Realty Limited exercises the call option, its liability to the preference shareholders shall stand extinguished from the date of dispatch of the cheques / pay order for the redemption amount, along with dividend, if any. |



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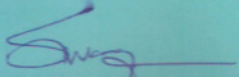
For Gokuldham Real Estate Development Company Pvt. Ltd.

Director

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FOR DB REALTY LIMITED
COMPANY SECRETARY

CERTIFIED TRUE COPY
FOR D B REALTY LIMITED


COMPANY SECRETARY



GROWTH. ON THE RISE.

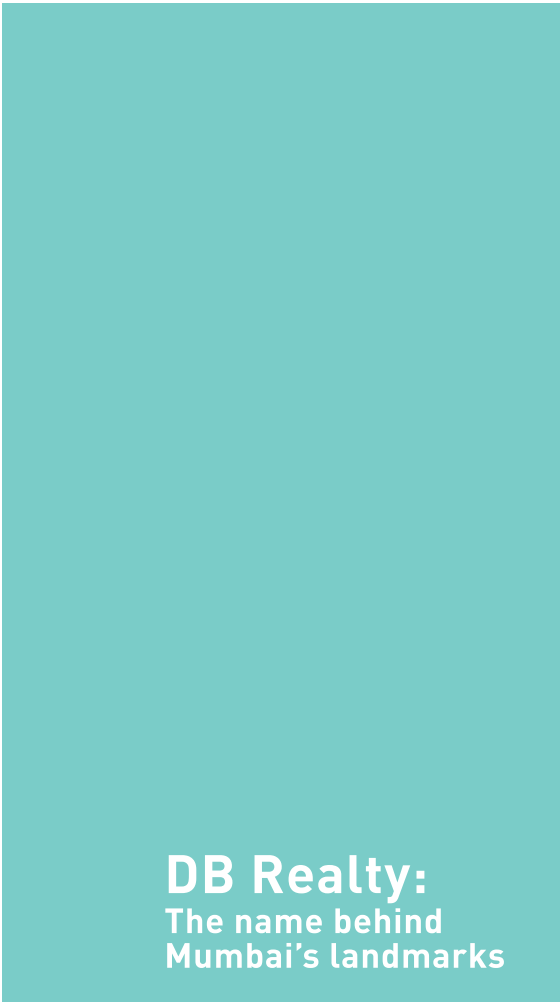




Includes upcoming, ongoing and delivered projects.

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DB Realty: The name behind Mumbai's landmarks

Ever since its inception in 2007, DB Realty has been redefining the skyline of Mumbai by transforming spaces into landmarks and has emerged as one of India's leading real estate developers. With a legacy built on excellence, DB Realty has been successful in creating iconic landmarks in residential, commercial and gated community developments.

At DB Realty we focus on creating developments that set new benchmarks across all market segments and are deeply committed to delivering promises to our customers and stakeholders. Today, it boasts of an expanding portfolio of 90 million sq. ft. of prime property, 31 luxury projects and over 20,000 delighted customers.

With projects spread across the length and breadth of Mumbai, DB Realty has a truly enviable repertoire and is known for adding new dimensions to luxury living with a wide range of premium condominiums and duplexes built in association with reputed architects. In tandem with the evolving lifestyle trends, it always strives to design residences that are ahead of the times in terms of aesthetics and functionality.

Backed by an experienced team of experts from diverse backgrounds, DB Realty endeavours to create a new paradigm in urban living with more unique projects. Going forward, DB Realty hopes to continue changing the landscape of Mumbai with growth and sustainability.

CEO's letter



Vipul Bansal, CEO, DB Realty

Dear Shareholders,

It gives me great pleasure to share with you the highlights of our company's performance in the FY 2013-14. It was a year where we witnessed significant progress - specifically on the approvals, surpassing all challenges. We are all set to embark on a new journey in the coming year and are determined to leave no stone unturned in the pursuit of excellence.

This financial year, with all the necessary approvals for our projects underway and various project launches in the pipeline, DB Realty is forging ahead. We hope the coming year will be marked by a more favorable environment in terms of business that fosters opportunities and will witness a substantial growth in sales.

I take this opportunity to thank you - our shareholders, customers, employees, bankers and regulators for reposing your faith in us and motivating us to take our business to greater heights.

With best regards,

Vipul Bansal

CORPORATE INFORMATION

Board of Directors

Mr. Vinod Goenka

(Managing Director, Non-Independent Director,
Chairman from 10-12-2011)

Mr. Shahid Balwa

(Vice Chairman & Managing Director,
Non-Independent Director from 10-12-2011)

Mr. Mahesh Gandhi

(Independent Director)

Mr. Jagat Killawala

(Independent Director)

Mr. Janak Desai

(Independent Director)

Mr. N.M Rafique

(Independent Director)

Mr.Salim Balwa

(Non-Independent Director)

Mr.Jayvardhan Goenka

(Non-Independent Director)

Chief Finance Officer

Mr.N.M.Gattu

Company Secretary and Compliance Officer

Mr. S.A.K.Narayanan

Statutory Auditors

M/s. Haribhakti & Co.,
Chartered Accountants

General Counsel

M/s. Negandhi Shah & Himayatullah
Advocates & Solicitors

Registered Office

DB House, Gen. A.K. Vaidya Marg,
Goregaon (East), Mumbai 400 063.

Tel: +91 22 4077 8600

Fax: + 91 22 2842 2444

Website: www.dbrealty.co.in

CIN: L70200MH2007PLC166818

CORPORATE INFORMATION

Board Committees:

Audit Committee:

Mr. Mahesh Gandhi (from 17.3.2011)
Mr. Janak Desai (from 17-5-2011)
Mr. Shahid Balwa (from 10-12-2011)

Finance & Investment Committee:

Mr. Mahesh Gandhi (from 17-3-2011)
Mr. Vinod Goenka (from 10-12-2011)
Mr. Jagat Killawala (from 10-12-2011)

Remuneration Committee:

Mr. Mahesh Gandhi (from 17-3-2011)
Mr. Jagat Killawala (from 17-5-2011)
Mr. Janak Desai (from 10.12.2011)

Share Transfer Committee & Shareholders/Investors

Grievances Committee:

Mr. Janak Desai (from 17-5-2011)
Mr. Jagat Killawala (from 17-5-2011)
Mr. Shahid Balwa (from 10-12-2011)

Bankers

Oriental Bank of commerce
Punjab National Bank
HDFC Limited

Registrar & Share Transfer Agent

Link Intime India Private Limited,
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (West), Mumbai 400 078.
SEBI Registration No: INR000004058
Tel: +91 22 2596 3838
Fax: + 91 22 2594 6969
Website: www.linkintime.co.in
CIN: U67190MH1999PTC118368

NOTICE

NOTICE IS hereby given that the 8th Annual General Meeting of the Members of the Company will be held on Saturday, the 27th September, 2014 at 3.00 P.M. at Lakshdham High School Auditorium, Lakshdham High School, Gokuldham, Goregaon (East), Mumbai 400 063 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2014, Statement of Profit and Loss for the year ended on that date together with the report of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Shahid Balwa, who retires by rotation and offers himself for re- appointment.
3. To appoint a Director in place of Mr. Jayvardhan Goenka, who retires by rotation and offers himself for re- appointment.
4. Appointment of Auditors:

To consider and if thought fit, to pass, with or without modification, the following resolution as an **Ordinary Resolution**:

RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder, as amended from time to time and pursuant to the recommendations of the Audit Committee of the Board of Directors, M/s Haribhakti & Co. LLP, Chartered Accountants, Mumbai (Reg No. 103523W) be and are hereby re-appointed as the Auditors of the Company, to hold office from the conclusion of this Annual General Meeting (AGM) until the conclusion of the Tenth AGM of the Company, (subject to ratification of the appointment by the members at the next AGM) and that the Board of Directors be and is hereby authorised to fix such remuneration along with service tax, and out of pocket expenses as may be recommended / determined by the Audit Committee / Board of Directors in consultation with the Auditors

SPECIAL BUSINESS

5. Appointment of Mr. Mahesh Gandhi as an Independent Director

To consider and, if thought fit, to pass with or without modification, the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Rules made thereunder read with Schedule IV to the Act, as amended from time to time, Mr. Mahesh Gandhi (DIN 00165638), a non-executive independent director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company for a period of five years with effect from 27th September, 2014 to 26th September, 2019.”

6. Appointment of Mr. N.M. Rafique as an Independent Director

To consider and, if thought fit, to pass with or without modification, the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Rules made thereunder read with Schedule IV to the Act, as amended from time to time, Mr. N.M. Rafique (DIN 01623598), a non-executive independent director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company for a period of five years with effect from 27th September, 2014 to 26th September, 2019.”

7. Appointment of Mr. Jagat Killawala as an Independent Director

To consider and, if thought fit, to pass with or without modification, the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Rules made thereunder read with Schedule IV to the Act, as amended from time to time, Mr. Jagat Killawala (DIN 00262857), a non-executive independent director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company for a period of five years with effect from 27th September, 2014 to 26th September, 2019.”

8. Appointment of Mr. Janak Desai as an Independent Director

To consider and, if thought fit, to pass with or without modification, the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Rules made thereunder read with Schedule IV to the Act, as amended from time to time, Mr. Janak Desai (DIN 03527571), a non-executive independent director of the Company, who has submitted a declaration that

he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company for a period of five years with effect from 27th September, 2014 to 26th September, 2019.”

9. Introduction of “ESOP Scheme - 2014”:

To consider and if deemed fit, to pass, with or without modification(s), the following as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 62 and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), the provisions of Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999 (“ESOS Guidelines”), including any statutory modification(s) or re-enactment(s) thereof, the Memorandum and Articles of Association of the Company and subject to such other approvals, permissions and sanctions as may be required from appropriate bodies and authorities, and subject to such conditions or modifications as may be prescribed, imposed or suggested while granting such approvals, permissions or sanctions which may be agreed to by the Board of Directors (hereinafter referred to as “the Board”, which term shall be deemed to include any duly constituted Committee/s thereof including the Compensation and Benefits Committee of directors), consent of the members of the Company be and is hereby accorded to the Board to create, offer, issue and grant at any time to or to the benefit of such Employees (as defined under the Explanatory Statement attached hereto and hereinafter referred to as the “Employees”), either directly or through an employee benefit trust formed for this purpose as determined by the Administrator (as defined under the Explanatory Statement attached hereto), such number of options not exceeding 1,21,00,000 (One Crore Twenty One Lakhs) as per terms and conditions of the Employees Stock Option Plan (hereinafter referred to as the “ESOP Scheme-2014”), which entitles the option-holders to subscribe to one equity share of Rs. 10/- each of the Company against each option granted to them, i.e. in total 1,21,00,000 (One Crore Twenty One Lakhs) equity shares of Rs. 10/- each of the Company, or such other adjusted number of equity shares for any bonus, stock split, consolidation or other reorganization of the capital structure of the Company as may be applicable from time to time, at such price, in one or more tranches, and on such other terms and conditions as set out in the “ESOP Scheme-2014” and as amended from time to time.

RESOLVED FURTHER THAT subject to the terms as approved by the members, the Board be and is hereby authorised to formulate a detailed “ESOP Scheme-2014” in compliance with the guidelines issued by Securities and Exchange Board of India (SEBI) at such time or times as it may in its’ absolute discretion decide.

RESOLVED FURTHER THAT the shares may be allotted to the employees in accordance with the “ESOP Scheme – 2014” either directly or through an employee benefit trust as determined in the sole discretion by the Board which may be set up by the Company or by a designee of the Company in its sole discretion and / or in any other permissible manner and that accordingly approval be and is hereby accorded for providing financial assistance to the trust to enable the said trust to acquire, purchase or subscribe to the equity shares of the Company for the purpose of issuance/transfer to the employees under the “ESOP Scheme – 2014”.

RESOLVED FURTHER THAT the vesting of the options under the “ESOP Scheme - 2014” may be subject to such criteria as may be decided by the Administrator at its own discretion including but not limited to the date of joining of the Employee, performance evaluation, current compensation, criticality or any other criteria, as the Administrator determines.

RESOLVED FURTHER THAT the equity shares issued and allotted on exercise of the Stock Option(s) granted under the “ESOP Scheme - 2014” shall rank *pari passu* in all respects, including rights in relation to dividend, with the then existing equity shares of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take necessary steps for listing of the equity shares allotted pursuant to conversion of the Stock Option(s) granted under the “ESOP Scheme – 2014”, on the Stock Exchanges where the shares of the Company are listed.

RESOLVED FURTHER THAT for the purpose of giving effect to all or any of the foregoing Resolutions, the Board be and is hereby authorized in its absolute discretion to make and give effect in compliance with Applicable Laws (as defined under the Explanatory Statement attached hereto), to any modification(s), change(s) or revision(s) in the “ESOP Scheme – 2014” or the terms and conditions of the trust deed made for setting up of the employee benefit trust from time to time or to suspend, withdraw or revive the same from time to time, settlement of the trust and execution of the trust deed for the purposes of implementing the “ESOP Scheme – 2014”, and to do all such acts, things and deeds whatsoever, including settling any question, doubt or difficulty that may arise in relation to the setting up of the employee benefit trust or the said “ESOP Scheme - 2014” or with regard to or in connection with the offer, subscription, issue, allotment or payment of any equity shares arising out of conversion of Stock Options granted under the “ESOP Scheme - 2014” or setting up of the said employee benefit trust as the Board may consider necessary, expedient or proper without being required to seek further consent or approval of members or otherwise, to the end and intent that the members shall be deemed to have given the approval thereto expressly by the authority of this resolution;

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers or authorities herein conferred to any Committee of Directors as may be formed by them in accordance with the ESOS Guidelines for the aforesaid purpose.”

10. To extend the benefits of "ESOP Scheme - 2014" to the Employees of the Company's Subsidiaries or holding company

To consider and if deemed fit, to pass, with or without modification(s), the following as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 62 and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") the provisions of Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999 ("ESOS Guidelines"), including any statutory modification(s) or re-enactment(s) thereof, the Memorandum and Articles of Association of the Company and subject to such other approvals, permissions and sanctions as may be required from appropriate bodies and authorities and subject to such conditions or modifications as may be prescribed, imposed or suggested while granting such approvals, permissions or sanctions which may be agreed to by the Board of Directors (hereinafter referred to as "the Board" which term shall include any duly constituted Committee/s thereof including Compensation and Benefits Committee of directors), consent of the Company be and is hereby accorded to the Board to extend the benefits of the "ESOP Scheme - 2014" proposed in the Resolution under Item No.9 of this Notice to or for the benefit of the Employees of the Company's Subsidiaries (as defined under the Explanatory Statement attached hereto) or a holding company, whether in India or outside India and whether they are shareholders of the Company or not, as may from time to time be allowed under prevailing laws, rules and regulations and/or amendments thereto from time to time, either directly or through an employee benefit trust formed for this purpose as determined by the Administrator under "ESOP Scheme - 2014" on such terms and conditions as may be decided by the Board.

RESOLVED FURTHER THAT for the purpose of giving effect to all or any of the foregoing Resolutions, the Board be and is hereby authorized in its absolute discretion to make and give effect to any modification(s), change(s) or revision(s) in the terms and conditions of the trust deed made for setting up of the employee benefit trust or the "ESOP Scheme - 2014" from time to time or to suspend, withdraw or revive the same from time to time, and to do all such acts, things and deeds whatsoever, including settling any question, doubt or difficulty that may arise in relation to the said "ESOP Scheme - 2014" or setting up of the employee benefit trust or with regard to or in connection with the offer, subscription, issue, allotment or payment of any equity shares arising out of conversion of Stock Options granted under the "ESOP Scheme - 2014" or setting up of the said employee benefit trust as the Board may consider necessary, expedient or proper without being required to seek further consent or approval of members or otherwise, to the end and intent that the members shall be deemed to have given the approval thereto expressly by the authority of the above resolution;

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers or authorities herein conferred to any Committee of Directors as may be formed by them in accordance with the ESOS Guidelines for the aforesaid purpose."

11. Appointment of Joshi, Apte & Associates, Cost Accountants as Cost Auditor

To consider and, if thought fit, to pass with or without modification, the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. Joshi, Apte & Associates, Cost Accountants (Firm Registration Number 00240) being the Cost Auditor appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015 and the Board of Directors be and is hereby authorised to fix such remuneration along with service tax, and out of pocket expenses as may be recommended / determined by the Audit Committee / Board of Directors in consultation with the Auditors".

By Order of the Board
For **D B Realty Limited**

(S.A.K Narayanan)
Company Secretary

August 9, 2014

Registered Office:

DB House

Gen A.K.Vaidya Marg

Goregaon (E), Mumbai- 400063

CIN: L70200MH2007PLC166818

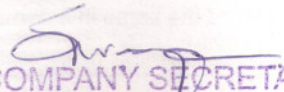
Tel No: 91-22-40778600

FAX No: 91-22-2841 5550/ 28421687

E Mail: info@dbg.co.in

Web Site: www.dbrealty.co.in

**CERTIFIED TRUE COPY
FOR D B REALTY LIMITED**


COMPANY SECRETARY

DB REALTY LIMITED

(ANNUAL REPORT 2013 - 14)

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts relating to the business stated under Item Nos. 5 to 11 is annexed hereto
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.

The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

3. Brief resume of Directors seeking appointment/ re- appointment, nature of their expertise in specific functional areas, names of companies in which they hold Directorships and membership/chairmanship of Board committees, shareholdings and relationships between Directors inter-se as stipulated under Clause 49 of the Listing Agreement with Stock Exchanges are provided in the Corporate Governance Report forming part of the Annual Report.
4. In case of joint holders attending the meeting, only joint holder who is higher in the order of names will be entitled to vote.
5. Corporate members intending to send authorized representatives to attend the Meeting are requested to send a duly certified copy of the resolution authorizing their representatives to attend and vote at the meeting.
6. Members desirous of having any information regarding Accounts are requested to address their queries to the Company at least seven days before the date of the Meeting.
7. As per the provision of the Companies Act, 2013, facility for making nomination is available to the members in respect of the shares held by them. Nomination form can be obtained from the Company's Registrar and Transfer Agents by Members holding shares in physical form. Members holding shares in electronic form may obtain Nomination form from their respective Depository Participant.
8. The Register of Members and Share Transfer Books of the Company will remain closed from 22nd September 2014 to 27th September, 2014 (both days inclusive) for the purpose of the Annual General Meeting of the Company.
9. All the Documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Company's Office at DB House ,Gen A.K. Vaidya Marg, Goregaon (E), Mumbai - 400063 on all working days of the Company between 10.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting.
10. Members/Proxies are requested to bring the attendance slip duly filled in.
11. As an austerity measure, copies of Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies to the meeting.
12. In accordance with the Companies Act, 2013 read with the Rules, the Annual Reports are sent by electronic mode to those members whose shareholding is in dematerialized format and whose E Mail IDs are registered with the Depository for communication purposes. The members holding shares in physical form and who have not registered their email ID are requested to register their email ID addresses with the Company's Registrar and Transfer Agent
13. To support the 'Green Initiative', the Members who have not registered their E Mail addresses are requested to register the same with Depositories.
14. Trading in the Company's shares through stock exchanges is permitted only in dematerialized/electronic form. The equity shares of the Company have been inducted in both NSDL as well as CDSL to enable shareholders to hold and trade the shares in dematerialized/electronic form. In view of the numerous advantages offered by the depository system, Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease in portfolio management.
15. Pursuant to the Initial Public offering of Equity shares, the Company had, in respect of certain shares allotted therein, in view of mismatch in particulars of those allottees, parked the same in a demat suspense account. The details of the unclaimed shares outstanding in the suspense account are as under:

Particulars	No of Shareholders	No of Shares
Outstanding Shares as on 1 st April, 2013	9	686
Investors who have approached the Company / Registrar and Share Transfer Agent for transfer of shares to their demat account	0	0
Investors to whom shares were transferred from the unclaimed account	0	0
Outstanding Shares in the unclaimed Suspense account as on 31 st March, 2014	9	686

16. Details of unclaimed Refunds:

Post Initial Public Offer (IPO) in February, 2010, the Company transferred a sum of Rs.553.05 crores to the refund account, excluding the ASBA amounts unblocked. Refunds were made through ECS / direct credit /RTGS / issue of physical warrants. The Registrar and Transfer Agents had sent reminders to the shareholders / investors to furnish the correct bank account details to enable the refund of the unclaimed share application amount. The balance in the Refund account, as on 31st March, 2014 was Rs. 6,132/-, The details are as under:

Particulars	No of unrealized refund orders	Amount (Rs.)
Outstanding Physical Warrants as on 1 st April, 2013	10	6,132
Investors who have approached the Company / Registrar and Share Transfer Agent for refunds	-	-
Investors to whom refunds were made from the unclaimed account	-	-
Outstanding amount in the unclaimed Refund account as on 31 st March, 2014	10	6,132

17. Voting through electronic means

- I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members, facility to exercise their right to vote by electronic means and the business may be transacted through E-voting Services provided by National Securities Depository Limited (NSDL):

The instructions for e-voting are as under:

- A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/ Depository Participants(s)]:

- Open email and open PDF file viz; "D B Realty Limited e- voting pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.
- Launch internet browser by typing the following URL in the address bar: www.evoting.nsdl.com
- Click on Shareholder – Login
- Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
- Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note the new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- Home page of e-voting opens. Click on "e-Voting" icon and select "Active Voting Cycles"
- Select "EVEN" of D B Realty Limited.
- Now you are ready for e-voting as Cast Vote page opens.
- Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- Upon confirmation, the message "Vote cast successfully" will be displayed
- Once you have voted on the resolution, you will not be allowed to modify your vote

Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail : vickyscrutinizer@gmail.com. with a copy marked to evoting@nsdl.co.in and investors @dbg.co.in

- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participant(s) or requesting physical copy] :

- (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM :

EVEN (E Voting Event Number)	USER ID	PASSWORD/PIN
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- ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

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- II In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com or contact NSDL at the following Telephone No:022-24994600
- II. If you are already registered with NSDL for e-voting, then you can use your existing user ID and password/PIN for casting your vote.
- IV. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- V. The e-voting period commences on 22nd September, 2014 (9:30 am IST) and ends on 24th September, 2014 (5.30 p.m IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22nd August, 2014, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- VI. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on 22nd August, 2014 and as per the Register of Members of the Company.
- VII. Mr. Vicky Kundaliya, Practicing Company Secretary (Membership No. 20501) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- VIII The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- IX The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.dbg.co.in and on the website of NSDL www.evoting.nsdl.com within two days of the passing of the resolutions at the Eighth AGM of the Company on 27th September, 2014 and communicated to BSE Limited and National Stock Exchange of India Limited where the shares of the Company are listed.

EXPLANATORY STATEMENT

The following Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013("Act"), sets out all material facts relating to the business mentioned under Item Nos. 5 to 11 of the accompanying Notice dated 09th August, 2014.

Item No.5

Mr. Mahesh Gandhi is a Non-Executive Independent Director under Clause 49 of the Listing Agreement of the Company. He joined the Board of Directors of the Company in April, 2007. He is the Chairman of the Audit Committee & Remuneration Committee and a member of Finance and Investment Committee of the Board of Directors of the Company.

He holds a Bachelors degree in Science from University of Gujarat, a Master degree in Financial Management from Jamnalal Bajaj Institute of Management Studies , Mumbai, Masters degree in Law in the area of International Law and Tax Practice from University of Gujarat and Diploma in Journalism.

His area of specialization includes 32 years of experience in asset management, investment banking and corporate finance. He was involved in the launching of Millenium Capital Management Private Limited in 1998, which provides consultancy and advisory services. He has also been the Chief Executive Officer of Jardine Fleming Asset Management Fund and Chief Executive Officer of Unit Trust of India's Investment Advisory Services from 1995 until 1996. He has also served General Insurance Corporation of India.

As per the provisions of Section 149 of the Act, which has come into force with effect from 1st April, 2014, an independent director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation. Mr. Mahesh Gandhi has given a declaration to the Board that he meets the criteria of independence as provided under Section 149 (6) of the Act.

In the opinion of the Board, Mr. Mahesh Gandhi fulfils the conditions specified in the Act and the Rules made thereunder for appointment as Independent Director and he is independent of the management. Mr. Gandhi being eligible and is proposed to be appointed as an Independent Director for five consecutive years for a term upto 26th September, 2019.

He does not hold by himself or for any other person on a beneficial basis, any shares in the Company. In compliance with the provisions of Section 149 of the Act, the appointment of Mr. Mahesh Gandhi as Independent Director is now being placed before the Members in general meeting for their approval.

The terms and conditions of appointment of Independent Directors shall be open for inspection by the Members at the Registered Office during normal business hours on any working day of the Company.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Gandhi as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Gandhi as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Gandhi, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.5, relating to his appointment. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchanges.

Item No.6

Mr. Nasir M Rafique is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company on 17th May, 2011.

Mr. Rafique has completed Engineering from IIT, Kanpur / AMU and Hotel Management from IHM, PUSA, New Delhi. He has been a Freelance Consultant for the last 7 years and prior to that has worked as Advisor to Dadabhai Group, Baharin (1998-2005), and as Principal of IHMA (1974-1998).

As per the provisions of Section 149 of the Act, which has come into force with effect from 1st April, 2014, an independent director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation. Mr. Nasir M Rafique has given a declaration to the Board that he meets the criteria of independence as provided under Section 149 (6) of the Act.

In opinion of the Board, Mr. Rafique fulfils the conditions specified in the Act and the Rules made thereunder for appointment as Independent Director and he is independent of the management. Mr. Rafique being eligible, is proposed to be appointed as an Independent Director for five consecutive years for a term upto 26th September, 2019.

He does not hold by himself or for any other person on a beneficial basis, any shares in the Company. In compliance with the provisions of Section 149 of the Act, the appointment of Mr. Rafique as Independent Director is now being placed before the Members in general meeting for their approval.

The terms and conditions of appointment of Independent Directors shall be open for inspection by the Members at the Registered Office during normal business hours on any working day of the Company.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Rafique as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Rafique as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Rafique, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.6. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchanges.

Item No.7

Mr. Jagat Killawala is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company on 17th May, 2011. He is the member of Finance and Investment Committee, Remuneration Committee and Share Transfer Committee and Shareholders/ Investors Grievances Committee of the Board of Directors of the Company.

He is an industrialist and has been engaged in the business of manufacture of electrical switches, step lights for theatre applications and LED Products for lighting applications. He has been a premium distributor for Vimar Spa of Italy, for modular switches and accessories, Ilti Luce, Italy and Advance Fibre Optics for Fiber Optic Lighting etc for Mundocolr Spain for Theatre Lighting. He has been a Government Contractor & Railway Contractor in Signal & Telecom Dept.

As per the provisions of Section 149 of the Act, which has come into force with effect from 1st April, 2014, an independent director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation. Mr. Killawala has given a declaration to the Board that he meets the criteria of independence as provided under Section 149 (6) of the Act.

In opinion of the Board, Mr. Killawala fulfils the conditions specified in the Act and the Rules made thereunder for appointment as Independent Director and he is independent of the management. Mr. Killawala being eligible, is proposed to be appointed as an Independent Director for five consecutive years for a term upto 26th September, 2019.

He does not hold by himself or for any other person on a beneficial basis, any shares in the Company. In compliance with the provisions of Section 149 of the Act, the appointment of Mr. Killawala as Independent Director is now being placed before the Members in general meeting for their approval.

The terms and conditions of appointment of Independent Directors shall be open for inspection by the Members at the Registered Office during normal business hours on any working day of the Company.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Killawala as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Killawala as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Killawala being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.7. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchanges.

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Item No.8

Mr. Janak Desai is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company on 17th May, 2011. He is the chairman and member of Share Transfer Committee & Shareholders/ Investors Grievances Committee and member of Audit Committee & Remuneration Committee of the Board of Directors of the Company.

He holds Bachelor of Business Administration degree in Finance and Management and Master of Business Administration degree with Major in Capital Market from University of Houston, Texas, USA.

He has worked as Senior Associate in Bank of New York Mellon Corp and as Portfolio Manager in Cougar Investment Fund in USA and in India, with Infoline and Edelweiss Capital Ltd in Real Estate Vertical.

As per the provisions of Section 149 of the Act, which has come into force with effect from 1st April, 2014, an independent director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation. Mr. Desai has given a declaration to the Board that he meets the criteria of independence as provided under Section 149 (6) of the Act.

In opinion of the Board, Mr. Desai fulfils the conditions specified in the Act and the Rules made thereunder for appointment as Independent Director and he is independent of the management. Mr. Desai being eligible, is proposed to be appointed as an Independent Director for five consecutive years for a term upto 26th September, 2019.

He does not hold by himself or for any other person on a beneficial basis, any shares in the Company. In compliance with the provisions of Section 149 of the Act, the appointment of Mr. Desai as Independent Director is now being placed before the Members in general meeting for their approval.

The terms and conditions of appointment of Independent Directors shall be open for inspection by the Members at the Registered Office during normal business hours on any working day of the Company.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Desai as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Desai as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Desai, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.8. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchanges.

Item No. 9

For attracting and retaining the best talent and thereby arrest the attrition, which is essential for the sustained growth of the Company, it is proposed by the Board of Directors of the Company to reward the contribution made by the Employees (as defined herein) by grant of stock options convertible into equity shares of the Company.

In order to grant such options to Employees, your Board of Directors has approved the institution of a new ESOP Scheme called "ESOP Scheme - 2014". A copy of the draft "ESOP Scheme – 2014" is available for inspection at the registered office of the Company during 11.00 a.m. to 3.00 p.m. on any working day of the Company upto the date Annual General Meeting.

The "ESOP Scheme - 2014" shall be subject to and in conformity with the Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999 ("ESOS Guidelines"). The Compensation and Benefits Committee of Directors of the Company has been empowered to formulate details of the scheme, administer and supervise the "ESOP Scheme -2014" of the Company.

Definitions:

"Administrator" means the Board or the Compensation and Benefits Committee appointed by the Board or such other committee to whom the power may be delegated under Applicable Laws from time to time;

"Applicable Laws" means the legal requirements relating to stock options plans, including, without limitation, tax, corporate laws of India or of any stock exchange in which the shares are/may be listed or quoted;

"Compensation and Benefits Committee" means the Compensation and Benefits Committee appointed by the Board of Directors of the Company, the majority of which shall comprise of independent directors;

"Director" means a member of the Board of Directors of the Company and/or its Subsidiaries, whether whole time or not;

"Employee" means a permanent employee or a Director of the Company or Subsidiary or a holding company, working in India or out of India or such other persons as may be permitted to be granted options, from time to time as per Applicable Laws. An Employee shall continue to be an employee during the period of (i) any leave of absence approved by the Company (or its Subsidiary or holding company), or (ii) transfers between locations of the Company or between the Company, its holding company, any Subsidiary, or any successor;

"Subsidiary" means a subsidiary of the Company, whether now or hereafter existing as defined under Section 2(87) of the Companies Act, 2013.

Under the "ESOP Scheme - 2014", a maximum of 1,21,00,000 (One Crore Twenty One Lakhs) equity shares of Rs. 10/- each of the Company, being approximately 4.97% of the present paid up Equity Share Capital, are proposed to be earmarked with respect to which the Stock Option(s) may be granted to the Employees. Such equity shares may be offered directly by the Company to the

Employees or may be offered through an employee benefit trust to be set up for such purpose on such terms and conditions as set out in the “ESOP Scheme 2014” and as determined by the Administrator in accordance with Applicable Laws .

The introduction of the “ESOP Scheme - 2014”, under the ESOS Guidelines requires the approval of the members at a General Meeting by way of a Special Resolution. Further, in terms of Section 62 of the Companies Act, 2013, the issue of further shares by a public limited company to persons other than the existing members requires the approval of the members by way of a Special Resolution at a General Meeting of the Company. Hence, the resolution is proposed for members’ approval as a Special Resolution.

Based on whether the stock options are granted directly or through an employee benefit trust, these guidelines may be suitably modified for implementation of the “ESOP Scheme - 2014”. The salient features of “ESOP Scheme - 2014”, and information required to be disclosed as per Clause 6.2 of the ESOS Guidelines are as follows:

- a. The maximum number of Stock Options to be granted are 1,21,00,000(One Crore Twenty One Lakhs), which on exercise would result into 1,21,00,000 (One Crore Twenty One Lakhs) equity shares of Rs. 10/- each of the Company, or such other adjusted number of equity shares for any bonus, stock split, consolidation or other reorganization of the capital structure of the Company as may be applicable from time to time. The maximum number of options to be issued per Employee shall be as per the ESOS Guidelines.
- b. Employees will be entitled to participate in the “ESOP Scheme – 2014” as per the eligibility criteria determined by the Administrator. A person who is the promoter or belongs to the promoter group and a Director who either by himself or through his relatives or through anybody corporate, directly or indirectly holds more than 10% of the outstanding equity shares of the Company and an Independent Director shall not be eligible to participate in the “ESOP Scheme-2014”.
- c. The vesting period of an Option may vary from 12 months to 60 months from the date of grant. The Options shall have to be exercised within a maximum period of 36 months from the vesting of the Options, provided the Employee is in continuous employment of the Company or its Subsidiary or its holding company, and not serving under notice of resignation/termination period of the Company on the date of vesting of the options. Subject to the minimum and maximum vesting period of an Option, the Administrator will decide upon the vesting period in respect of any optionee or a category of optionees.

The number of Options to be vested to the Employees is subject to such criteria as may be decided by the Administrator at its own discretion including but not limited to the date of joining of the Employee, performance evaluation, current compensation, criticality or any other criteria, as the Administrator determines.

It may, therefore, be possible that all the Options granted may not vest in the option-holder. The Compensation and Benefits Committee of Directors of the Company shall be empowered to decide the parameters and quantity of the vesting in respect of each Employee.

- d. The exercise price of Options shall be a price, as may be determined by the Administrator, which shall be lesser of (i) equivalent to or discounted upto 50% of the Average Market price or (ii) Rs. 80 per share. In the event that the shares to be allotted to the optionees on exercise of the Options as per the “ESOP Scheme-2014” are issued and allotted to the employee benefit trust so set up, then such shares will be issued and allotted to such employee benefit trust, in one or more tranches, taking in to consideration the vesting schedule of the Options so granted, either at par, or equivalent to or discounted upto 50% of the Average Market price or at Rs. 80/- per share, as may be determined between the Board and the Administrator.

The Average Market Prices for this purpose would mean the average of the closing price of the equity shares of the Company on the Stock Exchange, where there was highest trading volume during two weeks period prior to the date of the Administrator at which the Plan Series under the Scheme is approved.

- e. The maximum exercise period would be 36 months from the vesting of Options. At the time of exercise, option-holder will communicate to the Company the number of Options to be exercised by him/her and also pay the exercise price of the Options so exercised. An option-holder may exercise in part or in full the vested options.
- f. The appraisal process for determining the vesting eligibility of Employees shall be in accordance with the guidelines framed by the Administrator from time to time.
- g. The Company hereby declares that it shall conform to the accounting policies specified in Clause 13.1 of the ESOS Guidelines from time to time.
- h. The Company shall use the ‘Intrinsic Value Method’ to value the options.
- i. In case the Company calculates the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed in the Directors’ Report, along with the impact of this difference on profits and on EPS of the Company.
- j. The Company reserves the right to re-issue any Options surrendered/forfeited on cessation of employment due to retirement or resignation or other cause, to other eligible Employees.
- k. The Employee will not sell, transfer, pledge or create any encumbrance on the shares issued to them under the terms of the “ESOP Scheme – 2014” upon exercise of the options granted for such period as may be determined by the Administrator or as may be prescribed under Applicable Laws, whichever is longer and will be subject to such other restrictions as may be

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contained in the "ESOP Scheme – 2014" or as prescribed by the Administrator from time to time.

- l. In the event of any bonus/rights issue of equity shares, the entitlement of equity shares will be suitably revised.
- m. In the event, there is dilution of equity pursuant to any corporate restructuring/merger/acquisition, the Compensation and Benefits Committee of Directors of the Company shall be empowered to make pro-rata adjustment in the entitlement of Options.
- n. The option-holder shall not be construed as a member of the Company and as such shall not be entitled to any rights and privileges applicable to the members of the Company, until conversion of Options into equity shares as provided herein and the option holder becomes a shareholder of the Company.
- o. The equity shares issued to the option-holder upon conversion of Options shall be subject to the Memorandum and Articles of Association of the Company.

The Board recommends the resolution to the members for their approval as a Special Resolution.

None of the Directors / KMPs of the Company is in any way concerned or interested in the resolution, except to the extent of the options / equity shares that may be offered to them under the "ESOP Scheme - 2014".

Item No. 10

Clause 6.3 (a) of the ESOS Guidelines of SEBI requires a separate resolution to be passed for granting of Stock Options to the Employees of the Subsidiary/ies or holding company of the Company. To extend the benefits of "ESOP Scheme - 2014" to the Employees of the Company's Subsidiaries or holding company, this resolution is proposed.

The Board commends the resolution to the members for their approval as a Special Resolution.

None of the Directors/ KMPs of the Company is in any way concerned or interested in the resolution, except to the extent of the options / equity shares that may be offered to them under the "ESOP Scheme - 2014".

Item No.11

In pursuance of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, read with Companies (Cost Records and Audit) Rules, 2014, the Board of Directors of the Company, upon recommendation of Audit Committee, is required to appoint an individual who is a Cost Accountant in practice or a firm of cost accountants in practice as cost auditor. The remuneration of the cost auditor is required to be recommended by Audit Committee, approved by the Board of Directors and ratified by the members.

On recommendation of Audit Committee at its meeting held on 09th August, 2014, the Board has considered and approved appointment of M/s. Joshi, Apte and Associates (FRN 00240), for the conduct of the audit of the Company's cost records at a remuneration along with service tax, and out of pocket expenses as may be recommended / determined by the Audit Committee / Board of Directors in consultation with the Auditors.

The Resolution at item no. 11 of the Notice is set out as an Ordinary Resolution for approval and ratification by the members in terms of section 148 of the Companies Act, 2013.

None of the Promoters, Directors, Key Managerial Personnel of the Company and none of their relatives are deemed to be concerned or interested financially or otherwise in the said resolution.

By Order of the Board
For DB Realty Limited

(S.A.K.Narayanan)
Company Secretary

August 9, 2014

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

CERTIFIED TRUE COPY

FOR DB REALTY LIMITED


COMPANY SECRETARY

DIRECTORS' REPORT

To
 The Members
 D B REALTY LIMITED

Your Directors have pleasure in presenting the 8th Annual Report on the business and operations of the Company along with the audited accounts for the financial year ended 31st March, 2014.

Financial Highlights

(Amount Rs.)

Particulars	Standalone		Consolidated	
	F.Y.2013-14	F.Y.2012-13	F.Y.2013-14	F.Y.2012-13
Gross sales and other receipts	195,670,762	524,317,816	3,468,750,912	3,674,454,862
EBIDTA	47,688,897	183,581,266	(239,948,295)	252,117,735
Interest and Finance Charges	343,083,344	180,833,853	378,343,037	181,282,103
Depreciation and amortization	41,609,556	34,290,149	82,516,180	139,792,371
Operating Profit	(337,004,003)	(31,542,736)	220,910,922	(68,956,739)
Prior year items	(12,439,677)	–	–	–
Provision for Tax	46,738,561	(28,561,344)	58,926,104	(61,217,974)
Prior period tax Adjustment	15,000,000	(6,000,000)	–	–
Less: Minority Interest	–	–	(12,455,044)	56,433,968
Add: Share of Profit/(Loss) in Associates (Net)	–	–	(34,045,835)	(15,225,772)
Profit after taxation	(398,742,564)	3,018,608	115,483,939	33,469,432
Balance brought forward	7,886,170,374	7,883,151,766	7,304,847,968	7,155,252,911
Adjustment of Associate converted to subsidiary	–	–	–	116,125,625
Adjustment for Joint Venture profit	–	–	(59,321)	–
Amount available for appropriation	7,474,988,133	7,886,170,374	7,420,272,586	7,304,847,968
Balance carried to Balance Sheet	7,474,988,133	7,886,170,374	7,420,272,586	7,304,847,968
Net Worth	33,750,866,145	34,162,048,386	34,109,650,958	33,994,225,980

Business Initiatives

The “Orchid Woods” project at Goregaon (East), is awaiting the Occupation Certificate and in the meanwhile, handing over only for fit out is in progress. Handing over of possession in the Project “Orchid Suburbia” at Kandivali, Mumbai has been almost completed. The other ongoing project viz. high end residential project, “Orchid Heights” at Mahalakshmi, is being implemented in accordance with the revised plans and is progressing satisfactorily. “DB Crown” at Prabhadevi is proposed to be relaunched after approvals are received. “Orchid Ozone” at Dahisar is progressing as per plans. The project “Orchid Centre” a commercial venture and a residential project, at Pune is being executed by a subsidiary of Marine Drive Hospitality & Realty Pvt Ltd, in which your Company holds substantial stake. “Orchid Golf View” in Yerwada, Pune and DB Paradise in Mumbai are proposed to be launched in the current year. The Turf Estate project in Mumbai is awaiting certain approvals and will be launched thereafter.

Audit Report:

The Statutory Auditors in their Report on Consolidated Financial Statements have expressed qualified opinion by referring to Note No. 46 with respect to a partnership firm which are approved by your Company as one of the partners and are yet to be approved by the other two partners which is under process. Your Directors do not expect any material impact on the Financial Statements upon such approvals.

The Statutory Auditors in their Report while reporting their opinion have drawn attention of the members to certain notes to the Financial Statements, as a matter of emphasis. While the said notes are self explanatory, your Directors offer the following clarifications and further explanations on the same;

1. Para 1 (Note 11.4) of standalone financial statements and Para 1 (Note 12(iii)) of consolidated financial statements: The Auditors have referred to certain investments made in the Preference Share Capital of an entity for an amount of Rs.1427.69

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crores. This relates to investments made in the Preference Share Capital of Marine Drive Hospitality & Realty Pvt Ltd (Previously known as DB Hospitality Pvt. Ltd) both in the form of Redeemable Optionally Convertible Preference Shares and Compulsorily Redeemable Preference Shares, which bear specified rates of dividend. This Company is proposing to implement the project in real estate including commercial, and residential activities and also hospitality segment and hence this investment is considered as strategic and in the long term interests of your Company. Your Directors keep the overall economic interests of the Company while making such investments.

2. Para 2 (Note 12.2) of standalone financial statements and Para 2 (Note 13.2) of consolidated financial statements: Attention has been drawn to payments made to several related parties towards security deposits for acquisition of development rights. As stated in the said note, your Company is in the process of obtaining necessary approvals for the development of the said properties which have significantly higher current market values than the carrying costs and would reap adequate profitability on substantial completion of the respective projects.
3. Para 3 (Note 12.4) of the standalone financial statements and Para 3 (Note 13.4) of Consolidated Financial Statements refer to advances paid to two Associate Companies, documentation of which is under process.
4. Para 4 (Note 15) of standalone financial statements and Para 4 (Note 16) of consolidated financial statements: Auditors have referred to the costs incurred on various projects reflected in the financial statements under the head Inventories at lower of the actual costs incurred or the realizable value, as reported by the Management. All these projects are under initial stage of development and are capable of fetching higher net realizable value greater than the cost.
5. Para 5 (Note 21, 11 & 14) of standalone financial statements refers to losses incurred by the firms and LLPs in which Company is a partner and investments in the said firms and LLPs, which have been audited by the respective Auditors and accounted in your Company's Statement of Profit and Loss. The losses are mainly due to the said firms not recognizing the revenue in their books and carrying the expenses incurred on the projects as Inventories. As and when the said firms recognize the revenues after triggering the threshold limits, the company would account for the share of profit and also recover the investments in the said firms.
6. Para 6 (Note 21.1) of standalone financial statements refers to loss of the firm which has been accounted in the said financial statements based on the approval of the same by the Company as partner and which are yet to be approved by the other two partners. Your Directors do not expect any material impact on the Financial Statements upon such approvals.
7. Para 7 (Note 27) of standalone financial statements and Para 5 (Note 30) of consolidated financial statements refer to the guarantees and Securities amounting to Rs. 2897.37 crores given / provided by the Company for loans taken by promoter group companies and few other entities while the Company was a private limited company and also subsidiaries and associate companies. All these companies are honouring the commitments in respect of servicing and/or repayments. The above Guarantees are secured and supported by counter guarantees of the promoters in favour of the Company and are adequately secured by the promoters of the Company.
8. Para 8 (i) and (ii) (Note 28(A)(i) and (ii) of standalone financial statements and para 7 and 8 (Note 33A (i) and (ii) of consolidated financial statements refer to disclosures in the audited financial statements of the firm Dynamix Realty regarding outstanding receivables which is of good for recovery and the allegations in the 2G Spectrum case which is sub-judice. These notes are self-explanatory.
9. Para 9 (Notes. 29 to 31) of standalone financial statements and Para 6 (Note 31 & 32, 33(B)(iv) & (v)) of consolidated financial statements: These relate to (a) Acquisition of additional 1/3rd stake in a company for which an advance of Rs.40 cores has been paid, with the matter pending litigation among the prior stakeholder's family, which according to the legal opinion would result in a favourable settlement to enable your Company to exploit the development of the property in a profitable manner; (b) Investment in a wholly owned subsidiary and advances made to it both aggregating to Rs.143.69 crores in relation to the project to be undertaken by it which is pending development on account of certain litigations, in which your Company has filed SLP before the Hon. Supreme Court (c) Rs.13.29 crores for acquisition of development rights of a SRA redevelopment project with a litigation and (d) Rs. 7.66 crores expenses incurred towards a Project which was awarded to one of the subsidiary companies which was cancelled by the government subsequently and for which a petition has been filed and the matter is subjudice. Your Directors believe that these investments are of long term nature and would fetch adequate return in the long term, as The status of the pending litigations continue to be the same through the year and as on date of this report.
10. Para 10 (Note 32 (b)) of standalone financial statements and Para 14 (Note 40B) of consolidated financial statements: This relates the MAT Credit entitlement of Rs.3.76 crores which will be availed for set off in the future years.
11. Para 11 (Note 33) of standalone financial statements : This relates to investments in the shares / capital of the subsidiaries / associates / firms etc and also project advances from time to time towards their projects for various activities. These entities are having negative net worth, since they are in the early stage of real estate development. These investments are strategic in nature and long term. Your Directors are of the firm view that these projects which are of medium to long term nature would fetch results in the future to justify the initial investments and also yield reasonable and adequate return on these investments and deployment of funds,

12. Para 12 (Note 40) of the standalone financial statements and Para 9 (Note 42) of consolidated financial statements : With regard to the provisional attachment upheld by the Enforcement Directorate (ED), involving bank balance, two flats belonging to the company and loans given to a subsidiary company of D B Hospitality Private Limited, these relate to the 2G case in which the Managing Directors of the Company and two of its Key Management Personnel have been charged with commission of offences based on the investigation by CBI. The Adjudicating authority under PMLA has taken over the bank balance of Rs.68.92 Lakhs. The attachment order is contested by the company in the tribunal. The matter is sub judice. The Company is confident that the outcome of the cases will have no adverse impact on the company and its functioning. The advances to the subsidiary company of D B Hospitality Pvt Ltd have been converted into investment in Preference Capital in the said D B Hospitality Pvt Ltd (Now known as Marine Drive Hospitality & Realty Pvt Ltd).
13. Para 13 (Note 43) of the standalone financial statements: This note is self explanatory. The AOPs in which your company is a member have projects for execution on which expenses have been incurred by the said AOPs. Pending the triggering the threshold limits and recognition of income in the said projects, the expenses incurred on the projects have been carried to their balance sheets as losses and have not been apportioned to the members of the AOP. These projects would fetch adequate profits to wipe out the losses in the AOP and would be apportioned to the members of the AOP at a later date when incomes are recognized.
14. Para 12 of the Audit Report on consolidated Financial Statements (CFS) draws attention to Note 33(B)(xi) regarding the petitions filed on the claim to salt pan land owned by the Company. The Note is self explanatory. As stated therein, the Company will defend its title.
15. Para 13 (Note 33 C) of the Report on CFS is self explanatory. As stated, the Company through its joint venture shall commence the development/construction of the proposed project after the directions to the Municipal Authorities for the deletion of wrong recording as 'Forest' land.
16. Para 15 of the Report (Note 45) on CFS is on the Accounting Policy of the Company with regard to recognition of income and expenses incurred on the ongoing project, and is self explanatory.
17. Para 16 of the Report on CFS refers to project advances of Rs. 32.34 crores paid to an Associate Company which shall execute a real estate project and hence the advances are good and would result in earnings in excess of the costs which will be incurred.
18. Para 10 of the Audit Report [Note 33 A (iii) and 33 B(viii)] on CFS: The trade receivables, trade payables, contractors retention money etc., are good for realisation and/or payable, though not confirmed by the respective parties.
19. Para 11 [Note 33(A)(iv)] to the CFS draws attention to the classification of compensation paid for the occupancy rights of a jointly controlled entity has no adverse impact as the compensation and other incidental charges shall stand allocated to Project work in progress.

CARO Report

In para (ii)(c) of the CARO Report, the Auditors have referred to the requirement for strengthening the documentation with regard to the tenancy payments; and in para (iv) to strengthening of internal controls on documentation on project contracting. The Company is taking necessary steps in this regard. In para (xv) Auditors have referred to certain guarantees given by the company and in para (xvii), to term loan. These are in the normal course of business.

Dividend

With a view to conserve the resources and to meet the fund requirements for Company's projects and also its growth plans, your Directors have not recommended any payment of dividend for the year 2013-14.

Subsidiaries

Your Company had the following subsidiaries as on 31st March, 2014:

Name of the Subsidiary of D B Realty Ltd.	Shareholding (%)
1. Esteem Properties Private Limited	100.00
2. Gokuldham Real Estate Development Company Private Limited	74.99
3. Neelkamal Realtors Suburban Private Limited	66.00
4. Neelkamal Shantinagar Properties Private Limited	100.00
5. Real Gem Buildtech Private Limited	100.00
6. Saifee Bucket Factory Private Limited	100.00
7. D B Man Realty Limited	51.00

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Name of the Subsidiary of D B Realty Ltd.	Shareholding (%)
8. Priya Constructions Private Limited	100.00
9. Royal Netra Constructions Private Limited	50.40
10. D B View Infracon Private Limited	100.00
11. Spacecon Realty Private Ltd (Formerly D B Spacecon Private Limited)	74.00
12. D B MIG Realtors & Builders Private Limited	100.00
13. Vanita Infrastructure Private Limited	100.00
14. N A Estates Private Limited	100.00
15. Nine Paradise Erectors Private Limited	100.00
16. D B Contractors & Builders Private Limited	100.00
17. Goregaon Hotel & Realty Pvt Limited	100.00

Neelkamal Realtors Tower Pvt Ltd, another erstwhile subsidiary Company, executing Orchid Heights project has now ceased to be a subsidiary of your Company after conversion of the Preference shares by IL&FS into Equity shares.. This project is now being managed by IL & FS with funding and other project management assistance. Your Company's overall economic interest in the said company continues to be the same.

Particulars under Section 212 of the Companies Act, 1956, the Audited Statements of Accounts and the Auditor's Report of the Subsidiary Companies for the year ended 31st March, 2014 along with the Reports of the Board of Directors have not been annexed in terms of the exemption availed by the company as per the General Circular No.2/2011 issued by the Ministry of Corporate Affairs, Government of India's on fulfillment of the conditions stated therein. Copies of the audited accounts of the Company's subsidiaries can be sought by any member by making a written request to the Company in this regard. The Consolidated financial statements have been prepared pursuant to the applicable Accounting Standards, the Listing Agreement and include the financial information of its subsidiaries. The Annual Accounts of the subsidiary companies will also be available for inspection by any member at the registered office of the company and at the Company's website www.dbrealty.co.in.

Your Company has invested in the Cumulative Redeemable Preference Shares (CRPS) of Marine Drive Hospitality & Realty Private Limited (Previously known as D B Hospitality Private Limited) and also in the Equity and Redeemable Optionally Convertible Preference Shares as a strategic investment. As stated elsewhere in this Report, one of the subsidiaries of this company has started the execution of Yerawada, Pune property as a residential development. Two major hotels at Mumbai and Goa are in operation under this Company's subsidiaries and contribute to the asset valuation of the Company. The development of property at Charni Road is on hold and an appropriate decision would be taken by them in due course.as a Real estate development and / or hospitality project.

Cash Flow Statement

In Conformity with the provisions of clause 32 of the Listing Agreement with the Stock Exchanges, the Cash Flow Statement for the year ended 31st March, 2014 is annexed hereto.

Directors

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company Mr. Shahid Balwa, and Mr. Jayvardhan Goenka retire by rotation at the forthcoming Annual General Meeting.

The Company has four Independent Non-Executive Directors, namely Mr. Mahesh Gandhi, Mr. Janak Desai, Mr. N.M. Rafique and Mr. Jagat Killawala, who are proposed to be reappointed as Independent Non Executive Directors for a period of one term of five years at the forthcoming Annual General Meeting in terms of the applicable provisions of the Companies Act, 2013 and the Rules made thereunder. Your approval is sought for the appointment of the said Independent Directors in the ensuing Annual General Meeting..

Fixed Deposits

The Company has not accepted any deposits from the public within the meaning of Section 58A of the Companies Act, 1956, during the year under review.

Directors' Responsibility Statement

In terms of provisions of Section 217(2AA) of the Companies Act, 1956, your Directors confirm that:

- In the preparation of the annual accounts for the year ended 31st March, 2013, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for the year;

- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d) They have prepared the annual accounts on a going concern basis.

Corporate Governance and Management Discussion and Analysis Report

The Report of Corporate Governance and Management Discussion and Analysis as stipulated under Clause 49 of the Listing Agreement are given separately and forms part of this Annual Report.

Auditors

M/s. Haribhakti & Co., Chartered Accountants, the Statutory Auditors of the Company, hold office up to the conclusion of the forthcoming Annual General Meeting and are eligible for re-appointment for a balance period of two years in the first term and another term of five years thereafter, subject to ratification by the members in each Annual General Meeting. Your Company is proposing to appoint M/s. Haribhakti & Co., Chartered Accountants, as the Statutory Auditors for the balance period of two years of the first term in the ensuing Annual General Meeting.

The Company has appointed a firm of Cost Auditors and is in process of obtaining compliance report from them for maintenance of Cost records, in compliance of the Companies (Cost Accounting Records) Rules, 2011 applicable to the company.

Investors' Relation and Grievances

Investors' relations have been cordial during the year. There were no investors' grievances pending as on 31st March, 2014. A confirmation to this effect has been received from the Company's Registrar and Share Transfer Agent.

Conservation of Energy, Research and Development, Technological Absorption, Foreign Exchange Earnings and Outgo

Your Company is not covered by the schedule of industries which are required to furnish the information required in Form A pursuant to Section 217(1) (e) read with Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, The Company has not imported any technology or carried out any business of export or import and therefore the disclosure requirement against technology absorption are not applicable. The details of Foreign Exchange outgo are as under:

Expenditure in Foreign Currency:

Stand alone Amounts.

PARTICULARS	Fiscal 2014 (Rs)	Fiscal 2013 (Rs)
Professional Fees	597,808	11,87,542

Information regarding Employees Relations/Particulars of Employees

The statement of particulars required pursuant to Section 217(2A) of the Companies Act, 1956, (the Act) read with the Companies (Particulars of Employees) Amendment Rules, 2011, forms part of this report. However as permitted under the Companies Act, 1956 this Report and Accounts are being sent to all members and others entitled excluding the above statement. Those interested in obtaining a copy of the said statement may write to the Company Secretary at the Registered Office. The statement is also available for inspection at the registered office during working hours up to the date of the forthcoming Annual General Meeting (AGM)

Relations between employees and the management continued to be cordial during the year. The Company is proposing to implement ESOP Scheme for its employees and your approval for the resolutions for the same is sought in the ensuing Annual General Meeting.

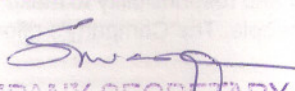
Acknowledgement

Your Directors wish to place on record their appreciation to the Banks, Financial Institutions, Government Authorities, customers and other business associates for their support and co-operation and wish to place on record their gratitude to the shareholders and the investors for their trust, support and confidence in the Company. The Board also places on record its appreciation for the dedication displayed by employees at all levels.

On behalf of the Board of Directors

Mumbai
Date: 24th May, 2014

Vinod K. Goenka
Chairman

CERTIFIED TRUE COPY
FOR D B REALTY LIMITED

COMPANY SECRETARY

MANAGEMENT DISCUSSION AND ANALYSIS

ECONOMIC REVIEW

Global Economy

Global economic growth remained low during financial year 2013-14, with growth rate of 2.9%. IMF has raised the global economic outlook for 2014-15 at 3.6% and for 2015-16 at 3.9%. The number of factors in International Political & Economic matters affected the global trade & economy during the year 2013-14.

The postponing Quantitative Easing by United States Federal Bank in first half of FY 2014 resulted in International fund flow from developing nations to United States. It resulted in rapid depreciation of Asian developing economies currency due to Spill Over Effect including Indian Currency where INR depreciated from Rs 53/USD in May 2013 to Rs 69/USD in August 2013. The depreciation of INR made the Indian Imports expensive and India being net importer where major energy demands are met by oil import suffered huge haircut in Foreign Reserves.

The Euro Zone is facing deflation with slow growth where the hopes lie on European Central Bank to manage the risk in deflation, growth and banking system.

The outlook for the global economy is "cautiously optimistic", the recovery is in consolidation process. G4 central banks are working to help improve economic performance. There are significant opportunities for structural changes that can boost an economy's potential.

The World trade has increased as compared to previous year at a marginal difference. The Economist hopes for the better recovery in coming year.

Indian Economy

In FY 2014, the overall economy has been weakened in the recent years with GDP growth, fiscal deficit, current account deficit and inflation being at unfavorable levels. The Indian Economy faced much higher trade deficit due to accelerated depreciation of INR due in first quarter. The Import bills were higher due to the country's energy dependency on imported oil.

Growth rate of Indian GDP in 2013 witnessed 4.7% due to the reason that number of sectors in Indian Economy faced slow down. The slowdown was due to the lack of economic policy reforms in the parliament. Inflation coupled with high interest rate regime hampered investor's sentiments resulting in low foreign investment.

After the successful majority winning of BJP at Centre Government 2014 election, the Indian Economy shall see the turning point for an new industrial era in India where the new government shall fastrack the economic and industrial reforms to boost the double digit economic growth.

Real Estate Industry Review

Real estate contributes approx. 5% of the India's GDP which signifies its importance. The year 2013-14 was a challenging year for the industry due to number of factors mainly macro economic factors, slow income growth, high labor and material cost, high cost of capital and inflation.

A policy reform in real estate sector is needed to revive the long term growth. In 2013, real estate regulation and development bill was passed by the parliament which shall bring in high level of transparency in real estate transaction in India and implementation of project.

FDI in real estate sector is 100% through automatic route. The construction sector in India attracted FDI worth Rs 6400 crs in FY 2014.

SEBI released draft guideline on REIT in 2013. This move shall attract foreign fund management companies to enter Indian investment industry which increase the fund flow, transparency in the sector. Globally REITs have proven to be an attractive investment option ensuring participation from retail investors, pension funds and insurance companies. This shall help developers to exit the project smoothly and also beneficial retail investors.

Borrowing cost in real estate sector was high in 2013 where the sector benefited from private equity players which have delivered the transparency and timely execution. Private equity investment in real estate sector grew at more than 40% in FY 2014.

COMPANY STRENGTHS

The Company's socio-economic objectives are echoed in its credo that includes commitment to uphold highest ethical standards in conduct of business and valuing the opportunity and responsibility to make a meaningful difference in people's lives as well as it is reflected in one of its core values, concern for people. The Company's efforts as a responsible corporate citizen in nation building have been recognized by various organizations.

The Company's internal Audit is a multi-disciplinary function which reviews, evaluates and appraises the various systems, procedures/policies of the Company and suggests meaningful and useful improvements. It helps management to accomplish its objectives by bringing a systematic and disciplined approach to improve the effectiveness of risk management towards good corporate governance.

The Company has always maintained the International level standard in quality and safety. The Company has been awarded ISO 9001:2008, ISO 14001:2004 and OHSAS 18001 certification.

The Company has maintained the International safety standard for all the laborers at project sites.

D B Realty's green building initiative, strives to balance environmental responsibility and resource efficiency, with the occupants' health and well-being and community sensitivity. Systems are integrated with the design and are constructed, monitored and controlled to operate at maximum efficiency throughout the building's lifetime.

Promoters and senior management focus is on project planning and execution. Activities such as architectural design and construction are outsourced to the best-in-class practices in the industry for present-day design and quality construction.

The Project management team comprises of experienced, highly qualified experts who had a proven experience in their functional areas. The team drives the organization through their contribution. The organizational framework has been designed to manage the design, engineering, procurement and execution of concurrent, multi site projects keeping a focus on delivery of developments of International standards.

BUSINESS OVERVIEW

The Company remains committed to timely completion and delivery of projects with quality state-of-art construction. The progress on our key business parameters continues at a reasonable pace. The Company continues to consolidate its steps in the right direction for growth while it will take couple of quarters to gain momentum considering the current market situation.

The project wise development status is as below:

DB Woods

DB Woods is a lush property located away from the urban chaos of the city next to the only green belt of Mumbai. spread over an area of 2.38 acres in the suburb of Goregaon. This property offers panoramic views of the scenic hills that surround the area. DB Woods connects its residents to the heart of Mumbai through the expressway and is an address that redefines the concept of suburban luxury living. The project is nearing completion and is expected to be delivered in 2014-15.

Total units in project: 630

Cumulative units sold: 621

Total Sales Value: Rs 10,949.59 mn, of which Rs 9,746.23 mn has been recognized as revenue.

DB Ozone

DB Ozone sprawling over 17 acres is located in Dahisar adjoining the Western Express Highway, amidst the scenic and tranquil hills of the National Park.

Total units in project: 3,661

Cumulative units sold: 3,333

Total Sales Value: Rs 9,464.57 mn, of which Rs 6,433.73 mn has been realized.

DB Crown

DB Crown is located in the upscale neighborhood of Prabhadevi, South Mumbai. It has luxury of amplexness of space and an endless view of the sea. It offers to its residents state of the art amenities and the added luxury of access to a multitude of prominent shopping areas in the vicinity.

Total units in project: 613

Cumulative units sold: 270

Total Sales Value: Rs 10,634.24 mn. There is no revenue recognition from this project as the project is yet to reach the requisite threshold limit.

Orchid Heights

Orchid Heights is a spectacular residential tower located at Mahalaxmi in Mumbai offering its elite residents the luxury of size and

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space along with a unmatched view of the Arabian Sea as well as the Golf Course. Spread over 4 acres of prime real estate, the Orchid Heights offers quick access to any part of the city. The Worli sea-link, financial districts of Nariman Point and the Mumbai Airport are all a few minutes drive away from it.

Total units in project: 348

Cumulative units sold: 163

Total Sales Value:Rs 11,301.34 mn. There is no revenue recognition from this project as the project is yet to reach the requisite threshold limit.

DB Skypark

DB Skypark is luxury residential project located at Sahar, Andheri opposite to Mumbai International Airport. The project is being developed on ~1.5 acres of land with 6 wings. The project site is at very strategic location near by Andheri MIDC, ITC Grand Maratha and Hilton International and is well connected by way of Metro, road network and railways.

Total units in project: 284

Cumulative units sold: 22

Total Sales Value:Rs 445.96 mn. There is no revenue recognition from this project as the project is yet to reach the requisite threshold limit.

FINANCIAL PERFORMANCE OVERVIEW

1. Balance sheet analysis:

A comparative table showing synopsis of FY 2014 vs. FY 2013 Consolidated Balance Sheet is provided below:

Rs Mn

	2014	2013	Increase / (Decrease)	% Increase / (Decrease)
EQUITY AND LIABILITIES				
Shareholders Fund				
Share capital	2,433	2,433	-	0%
Reserves and surplus	31,677	31,562	115	0%
Net worth	34,110	33,995	115	0%
Minority interest	382	466	(84)	(22%)
Non- current liabilities	3,626	3,662	(36)	(1%)
Current liabilities	16,981	14,566	2,415	14%
Total	55,099	52,688	2,411	4%
ASSETS				
Non-current assets	32,554	29,795	2,759	9%
Current assets	22,544	22,893	(349)	(2%)
Total	55,098	52,688	2,410	5%
A. Non-Current Liabilities:				
Long-term Borrowings	3,009	3,312	(303)	(9%)
Other Long Term Liabilities	581	285	296	104%
Long-term Provisions	36	65	(29)	(44%)
Total	3,626	3,662	(36)	(1%)
B. Current Liabilities:				
Short-term Borrowings	1,475	1,313	162	12%
Trade Payables	1,305	1,148	157	14%
Other Current Liabilities	13,422	11,328	2,094	18%
Short-term Provisions	780	777	3	0%
Total	16,981	14,566	2,415	17%

	2014	2013	Increase / (Decrease)	% Increase / (Decrease)
C. Non-Current Assets:				
Fixed Assets including CWIP	2,181	2,142	39	2%
Goodwill on Consolidation	2,657	2,657	0	0%
Non-current Investments	16,984	11,563	5,421	47%
Deferred Tax Assets (net)	260	145	115	79%
Long-term Loans and Advances	9,779	12,674	(2,895)	(23%)
Other Non-current Assets	693	614	79	13%
Total	32,554	29,795	2,759	9%
D. Current Assets:				
Current Investments	10	10	0	0%
Inventories	16,213	15,038	1,175	8%
Trade Receivables	1,576	1,948	(372)	(19%)
Cash and Bank Balances	389	277	112	41%
Short-term Loans and Advances	3,352	3,713	(361)	(10%)
Other Current Assets	1,004	1,906	(902)	(47%)
Total	22,544	22,892	(348)	(2%)

2. Profit and Loss analysis:

A comparative table showing synopsis of FY 2014 vs. FY 2013 statement of Profit and Loss is provided below:

	2014	2013	Increase / (Decrease)	% Increase / (Decrease)
				Rs Mn
Revenue from Operations	3,141	3,408	(267)	(8%)
Other Income	328	266	62	23%
Total Revenue	3,469	3,674	(205)	(6%)
Total Expenses	3,231	3,688	(457)	(12%)
Profit before tax	221	-69	-	-
Profit after tax and before Minority Interest and Share of Profit/(Loss) in Associates	162	-8	-	-
Minority Interest	-12	56	-	-
Share of Profit / (Loss) in Associates	-34	-15	(19)	(127%)
Profit after tax	115	33	82	250%
Basic and diluted EPS (Rs)	0.47	0.14	0	239%
A. Revenue from operations:				
Revenue from Projects	2,698	3,198	(500)	(16%)
Sale of Transferable Development Rights (TDRs)	443	210	233	111%
Trading Sales - Transferable Development Rights (TDRs)		-	-	
Total	3,141	3,408	(267)	(8%)
B. Expenses:				
Operating Costs	2,355	2,791	(436)	(16%)
Employee Benefits Expenses	121	169	(48)	(29%)
Finance Costs	378	181	197	109%
Depreciation and Amortization Expenses	83	140	(57)	(41%)
Exceptional items	-	0	0	(100%)
Prior period items	17	55	(38)	(69%)
Other Expenses	295	406	(111)	(27%)
Total	3,249	3,742	(494)	(13%)

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3. Cash Flow analysis:

A comparative table of FY 2014 vs. FY 2013 Cash Flows is provided below:

	2014	2013
Opening Cash and Cash Equivalents	201	230
Net Cash Inflow from Operating activities	2,361	1,848
Net Cash Outflow from Investing activities	(2,256)	(4,925)
Net Cash Outflow from Financing activities	7	3,048
Closing Cash and Cash Equivalents	313	201

INTERNAL CONTROL SYSTEMS

D B Realty has a team of professionals including Chartered Accountants, Company Secretaries, Lawyers and MBAs, to ensure systems in place as per applicable laws and regulations. The internal audit of the company is conducted by Deloitte Haskins & Sells. The Audit Committee and the Board of Directors review the internal audit reports. The statutory audit of the company is conducted by BDO Haribhakti. A dedicated team of professionals ensure ISO compliances are adhered to by employees, contractors, suppliers, vendors, and any other person connected to the project operations.

DB Realty Ltd implements a culture of continuous improvement, sponsored by top management and supported by technology excellence and innovation. The company has also focussed on upgrading the IT infrastructure both in terms of hardware and software.

The Company has an efficient system of internal controls for achieving the following business objectives of the Company:

- Efficiency of operations by implementation of SAP application in business processes
- Protection of resources
- Accuracy and promptness of financial reporting
- Compliance with the laid down policies and procedures
- Compliance with various laws and regulations

OUTLOOK GOING FORWARD

The year 2015 would be challenging considering the economic environment in domestic and international front. Economists expect India's GDP growth in the range of 5.0-6.0% for FY2015. The inflation, current account & fiscal deficit and balancing inflation risk would be the key area to focus on along with balanced growth. The economic policies around the global economy may bring further complexity to the economic environment in the midst of uncertainty of the directions on the policy front.

Cautionary Statement:

The financial statements have been prepared in compliance with the requirements of the Companies Act, 1956 and the Generally Accepted Accounting Principles (GAAP) in India. Readers are advised that this discussion may contain "Forward-Looking Statements" by D B Realty Ltd (DBR) that are not historical in nature. These forward-looking statements, which may include statements relating to future results of operations, financial conditions, business prospects and projects etc, are based on the current assumptions, estimates, expectations about the business, industry and markets in which your Company operates. These statements do not guarantee any future performance and are subject to known and unknown risks, uncertainties and other factors, many of which are beyond DBR's control and difficult to predict, that could cause actual results, performance or achievements to differ materially from those in the forward-looking statements. Such statements are not and should not be construed as a representation of future performance or achievements of DBR nor be regarded as a projection of future performance of DBR. It should be noted that the actual performance or achievements of DBR may vary significantly from such statements and the Company takes no responsibility for any consequences of decisions made which are based on such statements and also holds no obligation to update these in the future. This report should be read in conjunction with the financial statements included herein and the notes thereto.

CORPORATE GOVERNANCE REPORT 2013-2014 OF D B REALTY LIMITED

Pursuant to Clause 49 of the Listing Agreement entered with the Stock Exchanges, we provide the information of the governance systems and processes of the Company followed for the year ended 31st March, 2014:

I. The Company's Philosophy on code of Corporate Governance

Following the traditions of good Corporate Governance as a responsible corporate citizen, and with a view to serve the best interests of all the stakeholders, viz., the employees, shareholders, customers, vendors and society, your Company constantly endeavors and is committed to achieving the highest level of standards of Corporate Governance. The Company seeks to achieve this goal by being:

- Transparent in its business dealings by disclosure of all relevant information and by being fair to all stakeholders;
- By ensuring that the Company's activities are managed by an appropriate composition of Board of Directors comprising of promoter Directors and Independent Directors;
- Comply with all the applicable laws, rules and regulations of the land in which the Company operates; and
- Ensuring the timely and accurate flow of information at various levels within the organization to enable the concerned personnel to discharge their functions effectively.

Good Corporate Governance being a continuing exercise, your Company stands by its commitment to maintain highest standards of Corporate Governance in the overall interest of all the stakeholders.

II. Board of Directors

A] Composition and Category of Board

The Company's policy is to maintain optimum combination of executive and non-executive directors in compliance of the requirements of Clause 49 (I) (A) of the Listing Agreement. The present strength of the Board of Directors is 8 out of which 4 (four) are Independent Directors. The Chairman is an Executive Director and belongs to the Promoter group. The present Composition of the Board and category of Directors is as follows:

No.	Name of the Director	Category
1	Mr. Vinod K. Goenka, Chairman & Managing Director [^]	Executive Director (Promoter)
2	Mr. Shahid U. Balwa, Vice Chairman & Managing Director ^{^^}	Executive Director w.e.f. 10.12.2011 (Promoter)
3	Mr. Mahesh M. Gandhi	Non-Executive, Independent Director w.e.f.1.11.2010
4	Mr. Jagat A. Killawala	Non Executive Independent Director w.e.f.17.5.2011
5.	Mr. Janak I. Desai	Non Executive Independent Director w.e.f.17.5.2011
6.	Mr. Nasir M. Rafique	Non Executive Independent Director w.e.f.17.5.2011
7.	Mr. Salim U. Balwa	Non Executive Non Independent Director (Promoter Group) w.e.f.10.12.2011
8	Mr. Jayvardhan V. Goenka	Non Executive Non Independent Director (Promoter Group) w.e.f.10.12.2011

[^] appointed as Executive Chairman w.e.f. 10.12.2011

^{^^} Appointed as a Managing Director, designated as Vice-Chairman w.e.f. 10.12.2011

The Board of Directors of the Company met 4 times during the Financial Year 2013–2014, and the dates of the said meetings were viz. 18.05.2013, 10.08.2013, 14.11.2013, and 11.02.2014. The interval between any two meetings was not more than four calendar months. The Board of Directors also passed 3 circular resolution on 15.04.2013, 21.06.2013 and 14.10.2013.

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The Composition, category of Directors, Attendance at Board / Annual General Meeting(s), Directorships and Committee Memberships in other Companies as on 31st March, 2014 is as under:

Name	Category	Attendance Particulars			No. of other Directorships and Committee Memberships / Chairmanships including DBRL		
		Number of Board Meetings		Last AGM	^^ Other Directorship	^^ Committee Chairmanship	^^ Committee Membership
		Held	Attended				
Mr. Vinod K. Goenka	ED** Chairman & Managing Director	4	4	No	4	Nil	2
Mr. Shahid U. Balwa	ED** Vice Chairman & Managing Director	4	4	Yes	Nil	Nil	Nil
Mr. Mahesh M. Gandhi	NE& ID*	4	4	Yes	1	Nil	Nil
Mr. Jagat Killawala	NE & ID*	4	3	Yes	1	Nil	2
Mr. Janak Desai	NE & ID*	4	4	Yes	1	1	1
Mr. Nasir M Rafique	NE & ID*	4	4	Yes	Nil	Nil	Nil
Mr. Salim U. Balwa	NE & NID"	4	2	No	6	Nil	Nil
Mr. Jayvardhan V. Goenka	NE & NID"	4	3	No	3	Nil	Nil

- 1) * Non-Executive & Independent Director
- 2) ** Executive Director
- 3) "Non Executive and Non Independent Director.

Notes:

The Directorships held by Directors as mentioned above, do not include Alternate Directorships and Directorships of Foreign Companies, Section 25 Companies and Private Limited Companies.

In accordance with Clause 49, Memberships/Chairmanships of only Audit Committee and Shareholders/Investors Grievance Committees of all public limited companies have been considered.

As detailed in table above, none of the Directors of the Board is a member in more than 10 Board level Committees of public Companies in which they are Directors and the Chairman of more than five such committees.

B] Non-Executive Directors' Compensation Disclosures

All fees/compensation, if any paid to non-executive directors, including independent directors are fixed by the Board of Directors or its committee thereof and previously approved by the shareholders in their general meeting in any financial year and in aggregate.

The element of the remuneration package of the Non-Executive Directors consists of sitting fees. The Non-Executive Directors are paid sitting fees of Rs. 20,000/- each, reimbursement of travelling expenses and out of pocket expenses on actual basis for attending Board Meetings and Committee Meetings thereof.

The Company is availing the professional expertise of the Non-Executive Directors through their participation in the Board Meetings. None of the Independent Directors is holding any share in the Company.

C] Code of Conduct

The Company has laid down a Code of Conduct for all its board members and senior management personnel for avoidance of conflicts of interest and ensuring the highest standard of honesty, dedication and professionalism in carrying out their functional responsibilities. The Company's Code of Conduct is in consonance with the requirements of Clause 49 of the Listing Agreement. The Code of Conduct is posted on the Company's website www.dbrealty.co.in. The Code has been circulated to all the members of the board and senior management and the compliance of the same have been affirmed by all the available personnel. There are no commercial or material financial transactions, with the senior management personnel, where there is a personal interest that may have in a potential conflict with the interest of the Company at large. A declaration signed by the Chairman on behalf of the Board of Directors is given below:

“We hereby confirm that:

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, all Board Members and Senior Management Personnel available have affirmed compliance with the code of conduct of DBRL for the year ended 31st March, 2014 and the copy of the code of conduct is put on the website of the Company viz. www.dbrealty.co.in.

On behalf of the Board of Directors

Vinod Goenka
Chairman

III. Audit Committee

Constitution of Audit Committee (During the Year 2013-14):

The composition, role and power of the Audit Committee meet the requirements of Clause 49 of the Listing Agreement as well as Section 292A of the Companies Act, 1956. The Audit Committee comprised of Mr. Mahesh Gandhi (Chairman), Mr. Janak Desai and Mr. Shahid Balwa as the members of the Committee. All except Mr. Shahid Balwa are Non-Executive Independent Directors of the Company. Mr. S.A.K. Narayanan, Company Secretary acts as the Secretary to the Committee. All the members of the Audit Committee are financially literate.

Mr. Mahesh Gandhi, Chairman of the Audit Committee has more than 33 years of experience in investments, originating, structuring and advising, management of public and private Equity investments across all leading business segments & for the last few years focused around real estate, infrastructure transactions, hotels and hospitality. He served as CEO of Jardine Fleming India Asset Management, India's first foreign institutional asset investor and held the offices of Deputy General Manager UTI and Chief Investment Officer of the Unit Trust of India (“UTI”) Investment Advisory Services. He today owns Prama Hospitality Ventures which has promoted Apodis Hotels & Resorts Ltd a brand agnostic, pan-India, hospitality Development Company. Mr. Mahesh Gandhi has a Masters Degree in Financial Management from Jamnalal Bajaj Institute of Management Studies, Mumbai, a Masters Degree in International Law and Tax Practice from University of Gujarat and a Diploma in Journalism.

Mr. Shahid Balwa (M D and Member of the Audit Committee w.e.f. 10.12.2011 till date) has more than a decade of experience in hospitality and construction industry. He led the family's business foray into hospitality by taking charge of construction, implementation and operation of the five star deluxe hotel, Le Royal Meridian/Hilton, Mumbai. The hotel won several international awards including the Five Star Diamond Award from American Academy Hospitality Sciences in the year 2006 and 2007 and the Best Luxury Hotel of the year 2006 from Hospitality India. He has contributed to the group's expansion and growth in construction of several buildings and acquisition of properties. He contributed to the group's foray into the conceptualization of five star deluxe at Marine Lines, Mumbai.

Mr. Janak Desai has over eight years of experience in financial management, business administration and capital market. He has graduated with Honors in MBA with Capital Market as Major from University of Houston, Texas, USA.

Meetings of Audit Committee during 2013-2014

The Audit Committee met Four times during the Financial Year 2013-2014, i.e. on 18.05.2013, 10.08.2013, 14.11.2013 and 11.02.2014. The Statutory Auditors are also invited to the Committee. The Attendance of each Audit Committee member in the above meeting is given hereunder:-

Name of Member	Audit Committee Meetings	
	Held	Attended
Mr. Mahesh Gandhi	4	4
Mr. Janak Desai	4	4
Mr. Shahid Balwa	4	4

Powers of Audit Committee:

The Board has delegated the following powers to the Audit Committee:-

1. To investigate any activity within its terms of reference;
2. To seek information from any employee;
3. To obtain outside legal or other professional advice;
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

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Terms of Reference:

The terms of reference to this committee, inter alia covers all the matters specified under Section 292A of the Companies Act, 1956 and also all the matters under Clause 49 of the Listing Agreement with the Stock Exchanges such as oversight of the Company's financial reporting process, recommending the appointment / re-appointment of statutory auditors, reviewing with management annual financial statements, quarterly financial statements and other matters.

Review of Information by Audit Committee:

The Audit Committee reviews all the information that is required to be mandatorily reviewed.

IV. Remuneration Committee

The remuneration Committee has been constituted to recommend/review the remuneration and increments of Executive Directors of the Company based on their performance and defined assessment criteria. The present members of the Remuneration Committee are Mr. Mahesh Gandhi (Chairman), Mr. Janak Desai and Mr. Jagat Killawala.

There was no meeting during the financial year 2013-2014

Remuneration policy

The Remuneration Committee shall have the power to determine the Company's policy on specific remuneration packages including pension rights and other compensation for Executive Directors and other Senior Employees of the Company equivalent to or higher than the rank of General Manager and the Committee shall have the jurisdiction over the matters listed below and for this purpose the Remuneration Committee shall have full access to information contained in the records of the Company and external professional advice, if necessary:

- To fix and finalise remuneration including salary, perquisites, benefits, bonuses, allowances, etc.;
- Fixed and performance linked incentives along with the performance criteria;
- Increments and Promotions;
- Service Contracts, notice period, severance fees; and
- Ex-gratia payments.

V. Share Transfer Committee and Shareholders/Investors Grievances Committee as on the date of the Report:

The Committee is mainly authorised to approve the transfer / transmission of shares, dematerialization and rematerialization of shares, split, consolidation and issuance of duplicate shares and review from time to time overall working of secretarial department relating to shares of the Company. The Committee oversees the performance of the Registrars and Share Transfer Agents i.e. Link Intime India Private Limited. The Investor Grievance Committee is mainly responsible to look into the redressal of all shareholders and investors complaints. The Committee reviews the details of complaints in the nature of Non-receipt of Refund/shares etc received from the Registrar to the issue and Share Transfer Agents, which were replied by them.

The functions of the Share Transfer Committee and Shareholders/Investors Grievance Committee were combined together after the I P O with the constitution of the committees remaining the same and the matters were taken together and were noted as reported by the Registrar.

The Committee so reconstituted comprises of Mr. Janak Desai (Chairman), Mr. Jagat Killawala & Mr. Shahid Balwa as on the date of this Report.

Mr. S A K Narayanan, Company Secretary, has been nominated as the Compliance Officer of the Company.

The Committee met once during the financial Year 2013 – 2014 on 11.02.2014 and the details are as under:

Name of Member	Share Transfer Committee and Shareholders / Investors Grievances Committee meetings	
	Held	Attended
Mr Janak Desai	1	1
Mr. Jagat Killawala	1	1
Mr. Shahid Balwa	1	1

The total number of the complaints and /or requests received and transfer considered/resolved to the satisfaction of the investors during the year under review is as under:

No. of requests/complaints pending at the beginning of the year: Nil

No. of requests/complaints received during the year: 2

No. of requests/complaints resolved: 2

No. of requests/complaints pending: Nil

VI. Constitution of Finance & Investment Committee as on date of this Report:

The present Finance & Investment Committee comprises of Mr. Vinod Goenka (Chairman), Mr. Mahesh Gandhi and Mr. Jagat Killawala. The committee, during the year held meetings on 29.06.2013, 26.07.2013, 13.09.2013, 27.09.2013, 03.02.2014 and 26.03.2014. The details of the committee meetings are as under:

Name of the Member	Finance/Investment Committee meetings	
	Held	Attended
Mr. Vinod Goenka	6	6
Mr Mahesh Gandhi	6	6
Mr. Jagat Killawala	6	4

The details of remuneration paid / payable to the Directors are as follows:

Name of Director	Category	Sitting Fees (Rs.)	Remuneration paid during 2013-2014	
			Salary & perquisites (Rs.)	Total (Rs.)
Mr. Vinod K. Goenka @	ED** Managing Director, Chairman w.e.f.10.12.2011	Nil	@ 1,20,00,000	@ 1,20,00,000
Mr. Shahid U. Balwa	ED** Vice Chairman & Managing Director (w.e.f. 10.12.2011)	Nil	@@ 1,20,00,000/-	@@ 1,20,00,000/-
Mr. Mahesh M. Gandhi	NE& ID*	2,80,000	Nil	2,80,000
Mr. Jagat Killawala	NE & ID*	1,60,000	Nil	1,60,000
Mr. Janak Desai	NE & ID*	1,80,000	Nil	1,80,000
Mr. Nasir M. Rafique	NE & ID*	80,000	Nil	80,000
Mr. Salim Balwa	NE & NID***	40,000	Nil	40,000
Mr. Jayvardhan Goenka	NE & NID***	60,000	Nil	60,000

* Non-Executive & Independent Director

** Executive Director

*** Non-Executive & Non-Independent Director

@ includes Rs.1,20,00,000/- paid by an Associate

@@ includes Rs.16,42,857/- paid by a firm and Rs.1,03,57,143/- paid by an Associate

Subsidiary Monitoring framework

The Company has two material non-listed subsidiaries within the meaning Clause 49 definition, in which one of the independent Directors of the Company was nominated as Independent Director.

The performance and management of the subsidiary companies is monitored inter alia by the following means:

- Financial Statements in particular the investments made by the unlisted subsidiary company are reviewed on a quarterly basis by the Audit Committee of the Company.
- A statement containing all significant transactions and arrangements entered into by the unlisted subsidiary company is placed before the board for its review.

VII. General Body Meetings:

The location, time and date where the last three Annual General Meetings of the Company were held are given hereunder:

Year	Location	Date of Meeting	Time
2012-2013	Lakshdham High School Auditorium, Lakshdham High School, Gokuldham, Goregaon (East), Mumbai 400063	28.09.2013	03.00 P.M.
2011-2012	Lakshdham High School Auditorium, Lakshdham High School, Gokuldham, Goregaon (East), Mumbai 400063	22.09.2012	03.00 P.M.
2010-2011	Exchange Plaza, National Stock Exchange Auditorium, NSE Building, Ground Floor, Bandra Kurla Complex, Bandra East, Mumbai 400051	21.09.2011	03.00 P.M.

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The details of Special Resolutions passed in the last three Annual General meetings:

(A) Annual General Meeting:

Year & Date	Type of Meeting	Brief particulars of the Special Resolutions passed
2012-2013 28-09-2013	7 th Annual General Meeting	1. Reappointment of and Remuneration payable to Mr. Vinod Goenka as Chairman and Managing Director for a period of 5 years w.e.f. 01/09/2012
2011-2012 22-09-2012	6 th Annual General Meeting	1. Appointment of and Remuneration payable to Mr. Shahid Balwa as Vice Chairman and Managing Director for a period of 5 years w.e.f. 10/12/2011
2010-2011 21-09-2011	5 th Annual General Meeting	None

(B) Extra Ordinary General Meeting:

Year & Date	Type of Meeting	Brief particulars of the Special Resolutions passed
2012-2013 03-11-2012	Extra Ordinary General Meeting	1. Preferential issue of Convertible Warrants to the Promoters/ Promoters Group for cash in accordance with SEBI (ICDR) Regulations, 2009 2. Issue of Stock Options to the employees under ESOS Guidelines 3. Issue of Stock Options to the employees of the Company's subsidiaries under ESOS Guidelines

Resolution passed through Postal Ballot:

During the year under review, the Company has not passed any resolutions through Postal Ballot.

VIII. Disclosures

Materially significant related party transactions:

The details of transactions with the related parties are tabled before the audit committee on a quarterly basis. The register of contracts containing the transactions in which the Directors are interested was placed regularly before the board. There were no pecuniary transactions directly with the Independent/Non-Executive Directors, other than the payment of remuneration.

Status of Regulatory Compliances

The Company has complied with all the material requirements of the Listing Agreement as well as the regulations and guidelines of SEBI and other statutory authorities. There were no strictures or penalties imposed on any matter relating to capital markets during the last three years.

Management Discussion and Analysis Report

A Management Discussion and Analysis Report forms part of the annual report and includes discussion on various matters specified under Clause 49[IV] [F] of the Listing Agreement. The said Report is appearing elsewhere in this Report.

IX. Means of Communication:

The Audited/unaudited Financial Results of the Company [quarterly as well as yearly] during the year were published in the English Newspaper and in a vernacular newspaper, and would continue to be published in the same manner.

X. General Shareholders Information:

Details of Directors retiring by rotation

1. Mr. Shahid Balwa
2. Mr. Jayvardhan Goenka

1. Mr. Shahid Balwa:

Mr. Shahid Balwa, aged 40 years, is the Vice-Chairman & Managing Director and a Promoter of our Company. He has been on the Board of our Company from inception till February 8, 2011 and since December 10, 2011. Mr. Shahid Balwa has more than a decade of experience in hospitality and real estate /construction industry. He led the family's business foray into hospitality by taking charge of construction, implementation and operation of the five star deluxe hotel, Le Royal Meridian, at present functioning as Hotel Hilton Mumbai. The hotel won several international awards including the Five Star Diamond Award from American Academy Hospitality Sciences in the year 2006 and 2007 and the Best Luxury Hotel of the year 2006 from Hospitality India. He has contributed to the group's expansion and growth in construction of several buildings and acquisition of properties. He contributed to the group's foray into the conceptualization of five star deluxe Hotel at Marine Lines, Mumbai. Mr. Shahid Balwa is the brother of Mr. Salim Balwa, another Director of the Company. The details of directorship, chairmanship and membership of Mr. Shahid Balwa are appearing elsewhere in this Report. Mr. Shahid Balwa does not hold any share in D B Realty Limited as on 31st March, 2014.

2. Mr. Jayvardhan Goenka:

Mr. Jayvardhan Goenka, aged 23 years, is a Non Executive & Non-Independent Director of our Company. He has been on our Board (Non-Independent and Non-executive Director) w.e.f.10th December, 2011.He hails from promoter family and is the son of Mr. Vinod Goenka, promoter and also Executive Chairman of the Company. He has been inducted into the business and has been rendering assistance to the Executive Chairman from time to time in the management of the Company. Mr. Jayvardhan Goenka is a graduate from London School of Economics with Economics and Philosophy as his major. The details of Directorship, Chairmanship and Membership of Mr. Jayvardhan Goenka are appearing elsewhere in this Report. Mr. Jayvardhan Goenka does not hold any share in D B Realty Limited as on 31st March, 2014.

Mr. Shahid Balwa	Mr. Jayvardhan Goenka
The details of directorship (other than in DBRL) of Mr. Shahid Balwa are as follows: 1. Majestic Infracon Pvt. Ltd. 2. Perfect Spacecon Pvt. Ltd. Mr. Shahid Balwa is a Member of Audit Committee and Shareholders / Investors Grievances Committee of the Company. Other than the above he does not hold position of chairmanship and membership of committees of any other Company.	The details of directorship (other than in DBRL) of Mr. Jayvardhan Goenka are as follows: 1. DB Man Realty Limited 2. Pushpa Properties Pvt. Ltd. 3. Schon Farms Pvt. Ltd. 4. Sigatu Chemicals Pvt. Ltd. 5. Trident Estates Pvt. Ltd. 6. Siddhivinayak Realties Pvt. Ltd. 7. Earthen Agro & Infrastructure Pvt. Ltd. 8. Conwood Construction & Developers Pvt. Ltd. 9. Goan Real Estate and Construction Pvt. Ltd. 10. Akshay Sthapatya Pvt. Ltd. 11. Heaven Star Hotels (Delhi) Pvt. Ltd. 12. Milan Theatres Pvt. Ltd. 13. Sangam City Township Pvt. Ltd. 14. Real Gem Buildtech Pvt. Ltd. 15. Pune Buildtech Pvt. Ltd. 16. Goan Hotels And Clubs Pvt. Ltd. 17. Modern Hi-tech Developers Pvt. Ltd. 18. Maldunge Retreat And Farming Pvt. Ltd. 19. Maldunge Farming And Agro Produce Pvt. Ltd. 20. Hiracon Properties Pvt. Ltd. 21. Hillside Constructions Company Pvt. Ltd. 22. Excon Developers Pvt. Ltd. 23. Astalakshmi Financial And Investment Services Pvt. Ltd. 24. Conwood Agencies Pvt. Ltd. 25. The Crescent Iron And Steel Corporation Ltd. 26. Dynamix Clubs And Resorts Pvt. Ltd. 27. TopGrow Agro and Infrastructure Pvt. Ltd. 28. V S Erectors & Builders Pvt. Ltd. 29. Chocolate Developers Pvt. Ltd. 30. Consort Hotels Pvt. Ltd. 31. Agrimony Agro & Infrastructure Pvt. Ltd. 32. Kalpataru Plaza Pvt. Ltd. 33. Eversmile Properties Pvt. Ltd. 34. Top Notch Builcon LLP. Mr. Jayvardhan Goenka does not hold position of Chairmanship or membership of committees of any other Company.

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Details of Independent Directors seeking appointment and eligible for such appointment as Non Executive Independent Directors for a period of five years, under Section 149 of the Companies Act, 2013 and the rules made thereunder and Clause 49 of the Listing Agreement

1. Mr. Mahesh Gandhi:

Mr. Mahesh M. Gandhi, aged 61 years is a Non-Executive Independent Director of our Company. He has been on the Board of our Company since April 26, 2007. Mr. Mahesh Gandhi holds a Bachelors degree in Science from University of Gujarat, a Masters degree in Financial Management from Jamnalal Bajaj Institute of Management Studies, Mumbai, Masters degree in Law in the area of International Law and Tax practice from University of Gujarat, and a Diploma in journalism. Mr. Gandhi has over 33 years of experience in asset management, investment banking and corporate finance. He was involved in the launching of Millenium Capital Management Private Limited in 1998, which provides consultancy and advisory services. He has also been the chief executive officer of Jardine Fleming Asset Management Fund and the chief executive officer of Unit Trust of India's Investment Advisory Services from 1995 until 1996. He has also served General Insurance Corporation of India. The details of directorship, chairmanship and membership of Mr. Mahesh Gandhi are appearing elsewhere in this Report. Mr. Mahesh Gandhi does not hold any share in D B Realty Limited as on 31st March, 2014.

2. Mr. Nasir M. Rafique:

Mr. Nasir M Rafique aged 64 years is a Non Executive Independent Director of our Company and has been on the Board since 17th May, 2011. He has completed Engineering from IIT, Kanpur / AMU and Hotel Management from IHM, PUSA, New Delhi. He has been a Freelance Consultant for the last 5 years and prior to that has worked as Advisor to Dadabhai Group, Baharin(1998-2005), and as Principal of IHMA (1974-1998). The details of directorship, chairmanship and membership of Mr. Nasir M Rafique are appearing elsewhere in this Report. Mr. Nasir M Rafique does not hold any share in DB Realty Limited as on 31st March, 2014.

3. Mr. Jagat Killawala:

Mr. Jagat Killawala, aged 52 years is a Non-Executive Independent Director of our Company and has been on the Board of our Company since 17.05.2011. He is an industrialist and has been engaged in the business of manufacture of electrical switches, Step lights for theatre applications and LED Products for Lighting applications. Has been a Premium distributor for Vimar Spa of Italy, for Modular Switches and accessories, liti Luce, Italy and Advance Fibre Optics for Fiber Optic Lighting etc for Mundocolor Spain for Theatre Lighting. Has been a Government Contractor & Railway Contractor in Signal & Telecom Dept. The details of directorship, chairmanship and membership of Mr. Jagat Killawala are appearing elsewhere in this Report. Mr. Jagat Killawala does not hold any share in DB Realty Limited as on 31.03.2014.

4. Mr. Janak Desai:

Mr. Janak Desai aged 32 years is a Non Executive Independent Director of our Company and has been on the Board since 17.05.2011. He holds Bachelor of Business Administration degree in Finance and Management and Master of Business Administration degree with Major in Capital Market from University of Houston, Texas, USA. He has worked as Senior Associate in Bank of New York Mellon Corp and as Portfolio Manager in Cougar Investment Fund in USA and in India, with India Infoline and Edelweiss Capital Ltd in Real Estate vertical. The details of directorship, chairmanship and membership of Mr. Janak Desai are appearing elsewhere in this Report. Mr. Janak Desai does not hold any share in DB Realty Limited as on 31.03.2014.

Mr. Mahesh Gandhi	Mr. Nasir Rafique	Mr.Jagat Killawala	Mr.Janak Desai
The details of directorship (other than in DBRL) of Mr. Mahesh Gandhi are as follows: 1. Apodis Hotels & Resorts Ltd. 2. Millenium Capital Management Pvt. Ltd. 3. Trikona Capital Services Pvt. Ltd. 4. Prama Consultancy Services Pvt. Ltd. 5. TCK Advisors Pvt. Ltd. 6. Duranta Energy Pvt. Ltd. 7. Prama Hospitality Pvt. Ltd. 8. Prama Agri Business Pvt. Ltd.	The details of directorship (other than in DBRL) of Mr. Nasir Rafique are as follows: 1. BIHM Hospitality Management Pvt. Ltd.	The details of directorship (other than in DBRL) of Mr. Jagat Killawala are as follows: 1. Shrikrishnashray (India) Pvt. Ltd. 2. Yogi Cotex Pvt. Ltd. 3. Gokuldham Real Estate Development Company Pvt. Ltd. 4. Exceptional Developers & Infrastructure Pvt. Ltd. 5. Exceptional Construction & Developers Pvt. Ltd. 6. Terrific Contractors & Infra Pvt. Ltd. 7. Spectacular Construction & Developers Pvt. Ltd.	The details of directorship (other than in DBRL) of Mr. Janak Desai are as follows: 1. Neelkamal Realtors Suburban Pvt. Ltd.

Mr. Mahesh Gandhi	Mr. Nasir Rafique	Mr. Jagat Killawala	Mr. Janak Desai
9. Apodis Foods and Brands Pvt. Ltd. 10. Apodis Projects Pvt. Ltd. 11. Prama Canary Wharf Hotels Pvt. Ltd. 12. Intellistay Hotels Pvt. Ltd. Mr. Mahesh Gandhi is Chairman of Audit Committee and Member of Finance & Investment Committee and Remuneration Committee of the Company. Other than the above he does not hold position of chairmanship and membership of committees of any other Company.	Mr. Nasir Rafique does not hold position of chairmanship and membership of committees of DBRL or of any other company.	8. Peerless Contractors & Infra Pvt. Ltd. 9. Terrific Construction & Developers Pvt. Ltd. 10. Jash Buildtech Pvt. Ltd. Mr. Jagat Killawala does not hold position of chairmanship of any Committee. He is a member of Investor Grievance and Share Transfer Committee, Finance & Investment Committee and Remuneration Committee of the Company and is a member of Audit Committee of Gokuldham Real Estate Development Company Pvt. Ltd..	Mr. Janak Desai is Chairman of Share Transfer Committee Shareholders/Investors Grievance and Member of Audit Committee and Remuneration Committee of the Company. He is also a member of the Audit Committee in Neelkamal Realtors Suburban Pvt. Ltd. Other than the above he does not hold position of chairmanship and membership of committees of any other Company.

Other details for shareholders:

AGM Date, Time and Venue : 27th September, 2014. 3 P.M. at Lakshdham High School Auditorium, Lakshdham High School, Gokuldham, Goregaon (East) Mumbai – 400 063,
 Financial Year : 01.04.2013 – 31.03.2014
 Book Closure : 22nd September, 2014 to 27th September, 2014
 Listing on Stock Exchanges : BSE Limited and National Stock Exchange of India Limited
 Listing Fees for 2013-2014 have been paid.
 Stock Code at BSE : 533160
 Stock Symbol at NSE : DBREALTY
 ISIN of the Company : INE879I01012
 Corporate Identification No. (CIN): L70200MH2007PLC166818

Market Price Data- April 2013 to March 2014

Month	Stock Exchanges					
	BSE			NSE		
	Share Price		Sensex	Share Price		Nifty
	High (Rs.)	Low (Rs.)	Close	High (Rs.)	Low (Rs.)	Close
April, 2013	68.35	57.10	19504.18	68.25	57.55	5930.20
May, 2013	81.40	63.50	19760.30	81.40	63.50	5985.95
June, 2013	79.35	48.95	19395.81	79.40	48.80	5842.20
July, 2013	61.60	51.25	19345.70	61.90	51.30	5742.00
August, 2013	61.70	49.55	18619.72	61.35	49.55	5471.80
September, 2013	61.00	54.30	19379.77	61.45	54.00	5735.30
October, 2013	70.55	56.40	21164.52	70.50	56.00	6299.15
November, 2013	65.75	56.50	20791.93	65.90	56.10	6176.10
December, 2013	64.00	54.00	21170.68	64.00	54.25	6304.00
January, 2014	70.50	52.05	20513.85	71.00	52.20	6089.50
February, 2014	53.80	47.55	21120.12	53.75	47.70	6276.95
March, 2014	61.10	48.00	22386.27	61.95	48.10	6704.20

Registrar and Share Transfer Agent:

M/s. Link Intime India Private Limited
 C-13, Pannalal Silk Mills Compound,
 L. B. S. Marg, Bhandup (West), Mumbai – 400 078, India
 Tel No: 022 - 2596 3838
 Website: www.linkintime.co.in

DB REALTY LIMITED

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Share Transfer System

The Registrar and Share Transfer Agent register the share transfers in physical form within 15 days from the receipt of the completed documents. Invalid Share transfers are returned within 15 days of receipt. All requests for de-materialization of shares are processed and confirmation is given to the respective depositories i.e. National Securities Depository Limited and Central Depository Services (India) Limited. The Company also offers transfer cum demat facility. Since 99.99% of the shares except 1 share are held in demat form for whole of the year, there was hardly any physical transfer of shares. As at the end of the year, except one share all the other shares including the shares held by the promoter and promoter group are held in demat form.

Distribution schedule as on 31st March, 2014

Equity Shares held	No. of Shareholders	Percent (%) of Shareholders	No. of Equity Shares	Percent (%) of Shareholding
1 – 500	18,520	84.0634	2284098	0.9390
501 – 1000	1,554	7.0537	1291971	0.5311
1001 – 2000	792	3.5949	1228181	0.5049
2001 – 3000	288	1.3072	748596	0.3077
3001 – 4000	131	0.5946	478613	0.1968
4001 – 5000	150	0.6809	719730	0.2959
5001 – 10000	222	1.0077	1680373	0.6908
10001 and above	374	1.6976	234827220	96.5339
Total	22,031	100.00	243258782	100.00

Shareholding Pattern as on 31st March, 2014.

Category		Number of Equity Shares	Percentage of Holding
A	Promoter's Holding		
1	Indian Promoter	14,94,13,715	61.42
	Sub Total (A)	14,94,13,715	61.42
B	Non Promoter's Holding		
	Institutional Investors		
1	Mutual Funds/UTI	1,826	0.01
2	Financial Institution/Banks	16,03,972	0.65
3	Venture Capital Funds	14,90,538	0.61
4	Foreign Institutional Investors	1,91,14,657	7.86
	Non Institutional Investors		
1	Bodies Corporate	1,41,50,603	5.82
2	Individuals	1,71,55,362	7.05
3	Non-resident Individuals	20,23,148	0.83
4	Trusts	1,57,500	0.06
5	Foreign Company	3,56,04,853	14.64
6	Clearing Members	25,42,608	1.05
	Sub Total (B)	9,38,45,067	38.58
	Grand Total (A+B)	24,32,58,782	100.00

Dematerialization of Equity Shares and liquidity

As at 31st March, 2014, 243258781 (99.99%) Equity Shares were held in dematerialized form with NSDL and CDSL, while 1 (Nil %) Equity Share was held in physical form.

Outstanding GDRs/ADRs/Warrants

There are no outstanding GDRs/ADRs/Warrants or any convertible instruments as on 31st March, 2014, which would likely to impact the equity share capital of the company.

Address for correspondence:

DB Realty Limited

DB House, Gen A. K. Vaidya Marg,
Goregaon (East), Mumbai- 400 063
Maharashtra

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FOR DB REALTY LIMITED

COMPANY SECRETARY

On behalf of the Board of Directors\

Vinod K. Goenka

Chairman & Managing Director

Place: Mumbai

Date: 24th May, 2014

Chief Executive Officer (CEO) / CFO Certificate

To
The Board of Directors/Audit Committee of the BOD
D B Realty Limited
Dear Sirs,

Sub: CEO / CFO Certificate

(Issued under Clause 49 of the Listing Agreement)

We have reviewed the financial statements and the cash flow statement of D B Realty Limited for the fourth quarter and year ended 31st March, 2014 and that to the best of our knowledge and belief, we state that:

- (a) (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading:
- (ii) These statements present a true and fair view of the Company's affairs and are in Compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and steps taken or proposed to be taken for rectifying these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee:
 - (i) Significant changes in accounting policies made during the quarter and that the same have been disclosed suitably in the notes to the financial statements, wherever applicable and
 - (ii) That there were no instances of significant fraud of which we have become aware.

Yours sincerely,

Vinod K. Goenka
Chairman & Managing Director

Shahid Balwa
Vice Chairman & Managing Director

Vipul Bansal
C.E.O

N.M.Gattu
C.F.O

Place: Mumbai
Date: 24th May, 2014

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FOR D B REALTY LIMITED


COMPANY SECRETARY

PRACTICING COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of
D B REALTY LIMITED
Mumbai

CORPORATE GOVERNANCE CERTIFICATE

We have examined the compliance of conditions of Corporate Governance by **D B REALTY LIMITED** ("Company") for the financial year ended March 31, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges in India.

We have conducted our examination on the basis of the relevant records and documents maintained by the Company and furnished to us for the purpose of the review and the information and explanations given to us by the Company during the course of such review.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has in all material respects complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For S. Anantha & Co.,
Company Secretaries

Date: May 24, 2014
Place: Mumbai

S. Anantha Rama Subramanian
Proprietor (C.P. 1925 – FCS 4443)

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FOR D B REALTY LIMITED


COMPANY SECRETARY

INDEPENDENT AUDITORS' REPORT

To the Members of DB Realty Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **DB Realty Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss 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

Management is responsible for 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 Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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 conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

Attention is invited to:

1. Note No. 11.4 of the financial statements regarding return on the investments of Rs. 14,276,960,804 in preference shares of an entity. As explained by the Management, investments in this entity is considered strategic and long term in nature and the current market value and future prospects of these investments are significantly in excess of Company's investment in this entity.
2. Note No. 12.2 of the financial statements regarding security deposits of Rs. 3,575,000,000 given to various related parties for acquisition of development rights. As explained by management, the Company is in process of obtaining necessary approvals with regard to such properties and that the current market values of such properties are significantly in excess of their carrying values and are expected to achieve adequate profitability on substantial completion of their projects.
3. Note No. 12.4 of the financial statements regarding non availability of contract documents in respect of project advances of Rs. 781,945,000 provided by the Company to its two Associate Companies.
4. Note No. 15 of the financial statements regarding the status of the projects and the opinion framed by the Company regarding realizable value of the cost incurred, being a technical matter, relied upon by us.
5. Note No. 21 of the financial statements which includes share of losses (net) from investment in two partnership firms and LLPs (the 'Firms') aggregating Rs. 11,245,491 and investments in these Firms aggregating Rs. 1,455,037,477 (Refer Note 11 & 14). These are based on financial statements of the firms as audited by other auditors, whose reports have been furnished to us and which have been relied upon by us.
6. Note No. 21.1 of the financial statements regarding share of loss from partnership firms which includes Rs. 1,525,214, which is based on the accounts as approved by only the Company, in its capacity as one of the partners of the firm. These financial statements have not yet been approved by other two partners.

D B REALTY LIMITED

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7. Note No. 27 of the financial statements regarding guarantees issued and securities of Rs. 28,973,772,400 provided by the Company to banks and financial institutions on behalf of various entities, which are significant in relation to the net worth of the Company. In the opinion of the Company, these are not expected to result into any financial liability on the Company.
8. The following disclosures in audited financial statements in respect of a partnership firm viz. Dynamix Realty ('Dynamix') where the Company is one of the partners:
 - I. Recoverability of debtors, loans granted and interest receivable aggregating Rs. 285,340,266, out of which unsecured loan of Rs. 87,150,000 granted to Companies in which Directors of the Company are interested. (Refer Note 28A (i))
These amounts are considered as good and recoverable as stated in the Note.
 - II. Allegations made by the Central Bureau of Investigation (CBI) relating to the 2G Spectrum case {Refer Note 28A (ii)}
This matter is sub-judice and the impact, if any, of the outcome is unascertainable at this stage.
9. Note No. 29 to 31 of the financial statements regarding matters which are sub-judice. Based on the Company's assessment of the outcome, no adjustments are considered necessary in respect of recoverability of balances as at March 31, 2014 for loans and advances aggregating Rs. 1,657,901,131 and investments of Rs. 312,018,720.
10. Note No. 32 (b) of the financial statements regarding MAT Credit Entitlement of Rs. 37,500,000, which is based on the judgment of management.
11. Note No. 33 of the financial statements regarding the Company's investments aggregating Rs. 408,054,120 in and loans & advances aggregating Rs. 2,625,383,640 to certain subsidiaries, jointly controlled entities and associates, which have incurred losses and also have negative net worth. As explained in the Note, investments in these entities are considered strategic and long term in nature, the entities are in early stage of real estate development and in the opinion of the Company, have current market values of certain properties significantly in excess of carrying values and are expected to achieve adequate profitability on substantial completion of their projects.
12. Note No. 40 of the financial statements regarding attachment order issued by adjudicating authority under Prevention of Money Laundering Act (PML Act), by which the Company's assets amounting to Rs. 521,621,696 have been attached on August 30, 2011. Out of these assets, adjudication authority has taken over the bank balance of Rs. 6,892,967. This matter is sub-judice and the impact, if any, of the outcome is unascertainable at this stage.
13. Note No. 43 of the financial statements regarding manner of recognition of the Company's share in Association of Persons.

Our opinion is not qualified in respect of the above matters.

Report on Other Legal and Regulatory Requirements

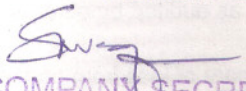
1. As required by the Companies (Auditors' Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, we give in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Act;
 - e. on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act.

For Haribhakti & Co.
Chartered Accountants
Firm Registration No.103523W

Chetan Desai
Partner
Membership No. 17000
Mumbai: 24th May, 2014

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FOR D B REALTY LIMITED


COMPANY SECRETARY

ANNEXURE TO AUDITORS' REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' of the Independent Auditors' Report of even date to the members of DB Realty Limited on the financial statements for the year ended on 31st March, 2014]

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All the fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As informed, no material discrepancies were noticed on such verification.
- (c) In our opinion and according to the information and explanations given to us, no substantial part of fixed assets has been disposed off by the Company during the year.
- (ii) (a) Inventories comprise of expenditure incurred on acquisition of plot of lands and tenancy rights, development rights and other expenditure on construction and development thereof. The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
- (b) 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.
- (c) The Company is maintaining proper records of inventory, except for records in respect of payments to tenants, where documentation needs to be considerably strengthened by the Company. No material discrepancies were noticed on physical verification carried out at the end of the year.
- (iii) (a) The Company has granted loan to sixteen Companies covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 5,529,351,993 and the year- end balance was Rs. 3,971,649,275.
- (b) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions for such loans are, prima facie, not prejudicial to the interest of the Company. Attention is also invited to Para 11 of Emphasis of Matter in the Auditors' Report of even date.
- (c) These loans (including interest thereon) are repayable on demand and there are no repayment schedules. As informed, the Company has not demanded repayment of any such loans and interest during the year, thus, there has been no default on the part of the parties to whom the money has been lent.
- (d) There is no overdue amount of loans granted to Companies, Firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
- (e) The Company had taken loans from three Companies covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 967,141,669 and the year-end balance of loans taken from such parties was Rs. 717,034,789.
- (f) In our opinion, the rate of interest and other terms and conditions for such loans are, prima facie, not prejudicial to the interest of the Company.
- (g) Since these loans (including interest thereon) are repayable on demand and there is no repayment schedule, the question of repayment being regular, does not arise.
- (iv) In our opinion and according to the information and explanations given to us, having regard to the explanation that prelaunch advances of Rs. 44,143,700 from prospective buyers where the Company is in the process of finalizing the term sheets/ agreements, supporting receipts are in accordance with general industry practice; there exists an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to the sale of goods and services. As regards project inventory, the Company needs to strengthen internal controls for (a) tenancy payments/ compensation and (b) project contracting (including proper documentation for comparative quotations and machinery/mobilization advances) to be commensurate with the size of the Company and the nature of its business. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system of the Company.

D B REALTY LIMITED

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- (v) (a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956, that need to be entered into the register maintained under section 301, have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements exceeding value of Rs. five lakhs have been entered into during the financial year at prices which are reasonable having regard to the prevailing market prices at the relevant time. However, in respect of an investment of Rs. 5,054,256,000 made during the year in shares in an entity, due to the nature of such transaction, we are unable to comment upon the prevailing market price.
- (vi) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.
- (vii) The Company has appointed internal auditors for the financial year 2013-14 on 14th April, 2014. Their report is not yet received.
- (viii) We have been informed by the Management that the Company has maintained the cost records and accounts, pursuant to the Rules made by the Central Government of India, under clause (d) of sub-section (1) of Section 209 of the Act. However, these records have not been provided to us for our verification.
- (ix) (a) Undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, service tax, cess have not been regularly deposited with the appropriate authorities and there has been a slight delay in few cases.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, sales-tax, customs duty, excise duty, cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The details of such outstandings in respect of service tax are as follows:

Name of the statute	Nature of the dues	Amount (Rs)	Period to which the amount relates	Due Date	Date of Payment
Finance Act, 1994	Service Tax Liability and interest thereon	455,163	2010 to 2012	Various Periods	Not paid

- (c) According to the information and explanation given to us, there are no dues of income tax, sales-tax, wealth tax, service tax, customs duty, excise duty and cess which have not been deposited on account of any dispute.
- (x) The Company does not have accumulated losses at the end of the financial year. However, the Company has incurred cash losses during the current financial year. It has not incurred cash losses during the preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions and banks or debenture holders except for an interest of Rs. 172,808 due for payment on 31st March 2014.
- (xii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans & advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi/ mutual benefit fund/ society. Therefore, the provisions of clause (xiii) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause (xiv) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees of Rs. 25,673,772,400 given by the Company, for loans taken by others from banks or financial institutions, are prejudicial to the interest of the Company.

- (xvi) In our opinion, except for Rs. 196,134,000, the term loans have been applied for the purpose for which the loans were raised. Out of this, Rs. 1,184,000 are lying in the current account.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that the Company has used funds of Rs. 2,322,589,879 raised on short-term basis for long-term investment.
- (xviii) According to the information and explanation given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956
- (xix) The Company did not have outstanding debentures during the year and hence this clause is not applicable.
- (xx) The Company has not raised money by way of public issue during the year.

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 fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management. However, we are informed that as explained in Note 28, during the financial year 2010-11, the CBI in its charge sheet filed in connection with irregularities in the allotment of 2G telecom license, has accused certain Directors of the Company (in their capacity as promoters of a telecom licensee Company). Two other Management Personnel of the Company have also been charge sheeted in their capacity as Directors of another Company (Refer Note 40) which is alleged to have paid an amount of Rs 2,000,000,000 as illegal gratification in the same connection. As explained to us, the Company is not directly a party to the allegations and the matter is sub-judice in the Court of Special Judge (CBI), New Delhi.

For Haribhakti & Co.

Chartered Accountants

Firm Registration No.103523W

Chetan Desai

Partner

Membership No. 17000

Mumbai: 24th May, 2014

CERTIFIED TRUE COPY
FOR D B REALTY LIMITED

COMPANY SECRETARY

BALANCE SHEET AS AT MARCH 31, 2014

(Amount in ₹)

Particulars	Note No.	As at 31st March 2014	As at 31st March 2013
I. EQUITY AND LIABILITIES			
1 Shareholders' Funds			
Share Capital	3	2,432,587,820	2,432,587,820
Reserves and Surplus	4	31,318,278,325	33,750,866,145
2 Non-current Liabilities			
Long-term Borrowings	5	805,445,080	1,123,901,283
Long-term Provisions	6	6,316,094	811,761,174
3 Current liabilities			
Short-term Borrowings	7	1,506,546,623	919,563,374
Trade Payables	8A	119,178,567	117,307,777
Other Current Liabilities	8B	1,522,636,833	769,420,287
Short-term Provisions	9	36,747,985	3,185,110,008
TOTAL		37,747,737,327	37,121,893,927
II. ASSETS			
Non-current Assets			
1 Fixed Assets	10		
Tangible Assets		93,388,548	118,839,913
Intangible Assets		32,538,198	3,431,253
Intangible Assets under development		191,419,611	225,134,008
		317,346,357	347,405,174
Non-current Investments	11	22,545,036,989	17,454,525,989
Deferred Tax Assets (Net)	34	26,644,224	73,382,785
Long-term Loans and Advances	12	6,052,292,150	9,059,244,571
Other Non-Current Assets	13	37,083,120	28,978,402,840
2 Current assets			
Current Investments	14	1,701,865,025	2,125,273,456
Inventories	15	2,262,607,335	2,005,660,682
Trade Receivables	16	-	430,000,000
Cash and Bank Balances	17	138,357,827	68,350,279
Short-term Loans and Advances	18	4,665,187,128	5,519,766,880
Other Current Assets	19	1,317,172	8,769,334,487
TOTAL		37,747,737,327	37,121,893,927
Significant accounting policies	2		

The accompanying notes form an integral part of the financial statements.

As per our report of even date

For Haribhakti & Co.
Chartered Accountants
Firm's Registration No. 103523W

Chetan Desai
Partner
Membership No. 17000

For and on behalf of the Board
Vinod Goenka
Chairman & Managing Director

Mahesh Gandhi
Director

N.M. Gattu
Chief Financial Officer

Shahid Balwa
Vice Chairman & Managing Director

S A K Narayanan
Company Secretary

Mumbai, Dated 24th May, 2014

Mumbai, Dated 24th May, 2014

CERTIFIED TRUE COPY
FOR D B REALTY LIMITED

[Signature]
COMPANY SECRETARY

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2014

(Amount in ₹)

Particulars	Note No.	For the year ended March 31, 2014	For the year ended March 31, 2013
I. Revenue from operations	20	-	430,000,000
II. Other income	21	195,670,762	94,317,816
III. Total Revenue		195,670,762	524,317,816
IV. Expenses:			
Project Expenses	22	256,946,653	106,676,364
Changes in Inventories	23	(256,946,653)	62,414,052
Employee Benefits Expenses	24	68,183,575	58,707,220
Finance Costs	25	343,083,344	180,833,853
Depreciation and Amortization Expenses	10	41,609,556	34,290,149
Other Expenses	26	79,798,290	112,938,914
Total Expenses		532,674,765	555,860,552
V. Loss before tax (III-IV)		(337,004,003)	(31,542,736)
VI. Tax expense:			
Current tax		-	31,500,000
Less : MAT Credit Entitlement		-	(31,500,000)
Net Current Tax		-	-
Deferred tax	32	46,738,561	(28,561,344)
Prior Period Tax Adjustment		15,000,000	(6,000,000)
VII Profit/(Loss) after tax but before adjustments (V-VI)		(398,742,564)	3,018,608
VIII Prior Period Items	44	(12,439,677)	-
IX Profit/(Loss) for the year (VII-VIII)		(411,182,241)	3,018,608
IX Earnings per share (Nominal Value Per Share Rs. 10 Each (Previous Year Rs. 10)):			
Basic	39	(1.69)	0.01
Diluted	39	(1.69)	0.01

The accompanying notes form an integral part of the financial statements.

As per our report of even date

For Haribhakti & Co.
Chartered Accountants
 Firm's Registration No. 103523W

Chetan Desai
 Partner
 Membership No. 17000

For and on behalf of the Board
Vinod Goenka
 Chairman & Managing Director

Mahesh Gandhi
 Director

N.M. Gattu
 Chief Financial Officer

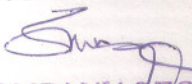
Shahid Balwa
 Vice Chairman & Managing Director

S A K Narayanan
 Company Secretary

Mumbai, Dated 24th May, 2014

Mumbai, Dated 24th May, 2014

CERTIFIED TRUE COPY
FOR D B REALTY LIMITED


COMPANY SECRETARY

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

(Amount in ₹)

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
A Cash flows from Operating Activities:		
Net Profit before taxation	(337,004,003)	(31,542,736)
Adjustments for:		
Depreciation	42,270,540	35,183,064
Interest and finance charges	343,083,344	180,833,853
Profit on sale of current investments	-	(1,000,000)
Share of loss in partnership firms (Net)	12,770,705	93,097,413
Prior Period Adjustments	(12,439,677)	-
Provision against doubtful security Deposit	-	11,983,866
Sundry Creditors written back	(3,059,243)	-
Excess Provision Written back	(10,279,309)	(24,434,063)
Interest Income	(5,061,681)	(3,733,704)
Operating Profit/ (Loss) before Working Capital changes	30,280,675	260,387,694
Adjustments for :		
(Increase)/Decrease in Trade Receivables	430,000,000	(430,000,000)
(Increase)/Decrease in Loans and advances	3,869,842,817	(520,403,876)
(Increase)/Decrease in Inventories	(256,946,654)	62,414,052
Decrease in Current liabilities	(1,167,577,605)	(42,878,978)
Decrease in Provisions	(1,560,727)	(5,930,862)
Cash used in operations	2,904,038,508	(676,411,970)
Direct Taxes Paid	(8,338,656)	(13,948,119)
Net cash from/(used in)/Generated from Operating Activities	A 2,895,699,852	(690,360,089)
B Cash flows from Investing Activities:		
Purchase of Fixed Assets (including CWIP)	(6,907,570)	(22,954,550)
Purchase of Long Term Investments in -subsidiaries	(768,133,848)	
-joint ventures/Associates/entities under joint control	(50,000)	(3,480,000)
-Others	(5,054,256,000)	(940,000,000)
Repayment of capital contribution by firm	1,163,639,990	3,083,350,243
Return of Capital Contribution by Joint Venture	1,878,564,117	146,925,000
Capital Contribution To Firms & LLPs	(28,255,000)	(35,388,852)
Capital Contribution To Joint Venture	-	(96,875,000)
Proceeds from Sale of Current Investments	-	2,000,000
Advance for share purchase	-	(2,824,071,940)
Increase in fixed deposit	38,728,293	12,755,102
Interest received	4,945,499	4,795,283
Net cash (used in) Investing Activities	B (2,771,724,519)	(672,944,714)

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

(Amount in ₹)

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
C Cash flows from Financing Activities:		
Repayment of secured Loans	(6,658,608)	(7,569,072)
Repayment of inter corporate deposits	(50,731,751)	(76,650,000)
Inter-corporate deposits (Net)	(61,485,000)	(40,985,000)
Proceeds from secured loans	360,000,000	1,731,059,035
Interest paid on loans	(256,364,134)	(241,706,394)
Net cash from/(used in)/Generated from Financing Activities	(15,239,493)	1,364,148,569
 Net Increase in Cash and Cash Equivalents (A + B + C)	 108,735,840	 843,765
Add : Cash and Cash Equivalents at the beginning of the year	8,472,865	7,629,099
Cash and Cash Equivalents at the end of the year	<u>117,208,705</u>	<u>8,472,865</u>
 Notes to Cash Flow:		
1 <u>Reconciliation of cash and cash equivalents :</u>		
Cash and Bank Balance (as per Note 13 & 17)	168,177,827	98,170,279
Less: Fixed deposits more than 3 months	50,969,122	89,697,415
Cash and Cash Equivalents at the end of the year	<u>117,208,705</u>	<u>8,472,864</u>
2 The Cash flow statement has been prepared under the indirect method as set out in accounting standard (AS3) Cash flow statement as notified by the Companies (Accounting Standard) Rules 2006.		
3 Corresponding figures of previous year have been regrouped wherever necessary.		

As per our report of even date

For Haribhakti & Co.
Chartered Accountants
 Firm's Registration No. 103523W

Chetan Desai
 Partner
 Membership No. 17000

Mumbai, Dated 24th May, 2014

For and on behalf of the Board
Vinod Goenka
 Chairman & Managing Director

Mahesh Gandhi
 Director

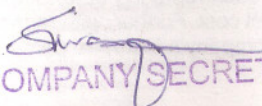
N.M. Gattu
 Chief Financial Officer

Mumbai, Dated 24th May, 2014

Shahid Balwa
 Vice Chairman & Managing Director

S A K Narayanan
 Company Secretary

CERTIFIED TRUE COPY
FOR D B REALTY LIMITED


COMPANY SECRETARY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014**1. COMPANY BACKGROUND:**

DB Realty Limited (the "Company") is public company domiciled in India. The company was initially incorporated in 2007 as a private limited company and thereafter listed with National Stock Exchange and Bombay Stock Exchange on February 24, 2010. The Company is a Real Estate Development Company that is focused on residential, commercial, retail and other projects, such as mass housing and cluster redevelopment. The company is jointly promoted by Mr. Vinod K. Goenka and Mr. Shahid Balwa.

2. SIGNIFICANT ACCOUNTING POLICIES:**i. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The Financial Statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under the *Companies (Accounting Standard) Rules, 2006, (as amended)* and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on an accrual basis and under the historical cost convention.

ii. USE OF ESTIMATES

The preparation of the financial statements is in conformity with the generally accepted accounting principles requiring management to make estimates and assumptions that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount 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/ materialize.

iii. FIXED ASSETS**A. Tangible Assets:**

Fixed Assets are recorded at their cost of acquisition, net of modvat/cenvat, less accumulated depreciation and impairment losses, if any. The cost of an item of fixed asset comprises its purchase price, including import duties and other non refundable taxes or levies and any directly attributable cost for bringing the asset to its working condition for its intended use.

B. Intangible Assets:

Intangible Assets are recorded at their cost of acquisition, net of modvat/ cenvat, less accumulated amortization/ depletion.

iv. DEPRECIATION/AMORTISATION

Depreciation on fixed assets, other than leasehold improvements and computer software, is provided on written down value method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956. The cost of improvements on leasehold properties is amortized over the period of the lease. Computer software is being depreciated on straight line basis over a period of 3 years. Building sales office is being depreciated on straight line basis over a period of 4 years based on temporary structure.

v. IMPAIRMENT OF ASSETS

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. Recoverable value is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal. An impairment loss is charged for when an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

vi. INVENTORIES

Inventories are valued at lower of cost or net realizable value. Project work in progress cost includes costs incurred, as applicable, up to the completion of the project viz. cost of land/ development rights, materials, services, depreciation on assets used for project purposes and other expenses (including borrowing costs) attributable to the projects. Project and construction related work in progress includes any adjustment arising due to foreseeable losses.

vii. REVENUE RECOGNITION

Revenue from sale of properties under construction is recognized on the basis of percentage of completion method subject to transfer of significant risk and rewards to the buyer, outcome of the real estate project can be estimated reliably and stage of completion of the project reaches at reasonable level of development i.e. at least 25% of total project cost should be incurred at reporting date.

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

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

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

The estimates of saleable area and costs as revised periodically by the management are considered as change in estimate and accordingly, the effect of such changes to estimates is recognized in the period such changes are determined.

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

viii. INVESTMENTS

Investments are classified as non-current or current, based on management's intention at the time of purchase. Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as non-current investments. Trade investments are the investments made for or to enhance the Company's business interest. Current investments are stated at lower of cost and fair value determined on an individual investment basis. Non-current investments are stated at cost and provision for diminution in their value, other than temporary, is made in the financial statements. Profit/loss on sale of investments is computed with reference to the average cost of the investments.

ix. EMPLOYEE BENEFITS

a) Defined Contribution Plan:

The Company's Contribution paid / payable for the year to a Defined Contribution retirement benefit plan is charged to statement of Profit and Loss.

b) Defined Benefit Plan and other long term benefit:

The Company's liabilities towards Defined Benefit Schemes viz. Gratuity benefits and other long term benefit viz. compensated absences are determined using the Projected Unit Credit Method. Actuarial valuations under the Projected Unit Credit Method are carried out at the Balance Sheet date. Actuarial gains and losses are recognised in the statement of Profit and Loss in the period of occurrence of such gains and losses. Past service cost is recognised immediately to the extent of benefits are vested, otherwise it is amortised on straight-line basis over the remaining average period until the benefits become vested.

c) Short term employee benefits:

Short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised undiscounted during the period employee renders services.

x. OPERATING LEASE:

Assets acquired on lease where significant portions of the risks and rewards incidental to ownership are retained by the lessor are classified as operating lease. Lease rentals are charged to statement of profit and loss on accrual basis and on straight line basis over the lease term in case of long term non cancellable lease.

xi. FOREIGN CURRENCY TRANSACTIONS

Transactions denominated in foreign currencies are recognised at the prevailing exchange rates on the transaction date. The exchange differences between the rates prevailing on the date of transaction and on the date of settlement as also on translation of monetary items as at the end of the year is recognized in the statement of profit and loss as income or expense, as the case may be.

xii. BORROWING COST

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are considered as a part of cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for the intended use. All other borrowing costs are charged to revenue.

xiii. TAXES ON INCOME

Tax expense comprises both current and deferred tax. Current tax is measured at the amount expected to be paid to/ recovered from the tax authorities, using the applicable effective tax rates. Deferred tax assets and liabilities are recognised for future tax consequences attributable to timing differences between taxable income and accounting income that are capable of reversal in one or more subsequent periods and are measured using relevant enacted or substantively enacted effective tax rates as on the balance sheet date, to the extent the timing differences are expected to crystallise.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

Deferred tax assets are reviewed for the appropriateness of their respective carrying values at each balance sheet date. The company reassesses recognized deferred tax assets and liabilities and recognises unrecognised deferred tax assets, to the extent they become reasonably certain or virtually certain of realisation, as the case may be.

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of Profit & Loss as Current Tax. The company recognizes MAT credit available as an Asset only to the extent there is convincing evidence that the company will pay normal Income Tax during the specified period i.e. the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an Asset in accordance with the Guidance note on Accounting for credit available in respect of Minimum Alternate Tax under the Income Tax Act, 1961, the said Asset is created by way of credit to the statement of Profit & loss & shown as "MAT Credit Entitlement". The company reviews the "MAT Credit Entitlement" asset at each reporting date & writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the sufficient period.

xiv. PROVISIONS AND CONTINGENT LIABILITY

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. A Contingent Liability is, a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of enterprise or a present obligation that arises from past events. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized in the financial statements nor disclosed in the financial statements.

xv. CASH FLOW STATEMENT

Cash Flow Statement is prepared under the 'Indirect Method' prescribed under 'Accounting Standard – 3 Cash Flow Statement' prescribed under the Companies (Accounting Standard) Rules, 2006.

xvi. EARNING PER SHARE

Basic Earnings per share is 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. The weighted average numbers of equity shares outstanding during the period are adjusted for events including a bonus issue, bonus element in right issue to existing shareholders, share split, and reverse share split. (Consolidation of shares).

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. The period during which, number of dilutive potential equity shares change frequently, weighted average number of shares are computed based on a mean date in the quarter, as impact is immaterial on earning per share.

xvii. CASH AND CASH EQUIVALENTS

Cash and cash equivalent for the purpose of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

3 Share Capital

Particulars	As at 31st March 2014		As at 31st March 2013	
	Number	Amount in ₹	Number	Amount in ₹
Authorised				
Equity Shares of Rs. 10/- each	298,500,000	2,985,000,000	298,500,000	2,985,000,000
Preference shares of Rs. 10/- each	1,500,000	15,000,000	1,500,000	15,000,000
Total		3,000,000,000		3,000,000,000
Issued, Subscribed & Fully Paid up				
Equity Shares of Rs. 10/- each	243,258,782	2,432,587,820	243,258,782	2,432,587,820
Total	243,258,782	2,432,587,820	243,258,782	2,432,587,820

3.1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity Shares:

Particulars	As at 31st March 2014		As at 31st March 2013	
	Number	Amount in ₹	Number	Amount in ₹
Shares outstanding at the beginning of the year	243,258,782	2,432,587,820	243,258,782	2,432,587,820
Shares Issued / (bought back) during the year	-	-	-	-
Shares outstanding at the end of the year	243,258,782	2,432,587,820	243,258,782	2,432,587,820

3.2 Rights, preferences and restriction attached to shares

Equity shares have equal rights to dividend and voting rights pro rata the holdings. The company has only one class of Equity Shares having a par value of Rs. 10/- per share.

In the event of liquidation of the company, the holders of the 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.

3.3 Details of shares held by shareholders holding more than 5% shares in the company

Name of Shareholder	As at 31st March 2014		As at 31st March 2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Neelkamal Tower Construction LLP	104,564,838	42.99%	104,564,838	42.99%
Walkinson Investment Limited	14,587,500	6.00%	14,587,500	6.00%
Vinod Goenka*	15,364,216	6.32%	15,364,216	6.32%

*Out of the said above shareholding 100,000 shares (0.04%) are jointly held by Vinod Goenka and Aseela Goenka.

3.4 Aggregate number of shares issued for consideration other than cash and shares bought back during the five years immediately preceding the reporting date:

Particulars	Year (Aggregate No. of Shares)				
	2012-13	2011-12	2010-11	2009-10	2008-09
Equity Shares :					
Fully paid up by way of bonus shares (Equity shares of Rs. 10/- each)	-	-	201,150,000	-	-
Shares bought back	-	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

4 Reserves & Surplus

Particulars	As at 31 March 2014 Amount In ₹	As at 31 March 2013 Amount In ₹
a. Securities Premium Account	23,843,290,192	23,843,290,192
b. Surplus		
Opening balance	7,886,170,374	7,883,151,766
Net Profit for the current year	(411,182,241)	3,018,608
Closing Balance	7,474,988,133	7,886,170,374
Total (a+b)	31,318,278,325	31,729,460,566

5 Long Term Borrowings

Particulars	As at 31 March 2014 Amount In ₹	As at 31 March 2013 Amount In ₹
I. Secured		
(a) Term Loans		
Vehicle Loans from Banks	828,942	2,859,480
(Refer note 5.1 for terms of Vehicle loan)		
STCI Finance Ltd	444,616,138	421,841,803
(Refer note 5.2 for terms of the said loan)		
(Out of the Outstanding amount, Debt redemption premium of Rs. 2,46,16,138/- (PY 18,41,803) is payable at the end of tenure)		
IL & FS Financial Services Limited	215,000,000	-
(Refer note 5.3 for terms of the said loan)		
ICICI Bank Limited	145,000,000	-
(Refer note 5.4 for terms of the said loan)		
Default - Interest for the month of March 2014 of Rs. 172,808/- has not been paid.		
Total I	805,445,080	424,701,283
II. Unsecured		
(a) Term Loans		
LIC Housing Finance Limited	-	-
(Refer note 5.5 for terms of the said loan)		
Default - Interest for the month of March 2014 of Rs. 3,395,414/- has not been paid.		
(b) Loans from Related Parties		
Loan from subsidiary	-	699,200,000
Total II	-	699,200,000
Total (I + II)	805,445,080	1,123,901,283

5.1 Terms of Vehicle Loan

Vehicle loans are secured by way of hypothecation of vehicles purchased.

Particulars	No. of EMI's payable from 31/03/2014	No. of EMI's payable from 31/03/2013	EMI Amount
HDFC Bank(Honda City)	0	1	18,717
HDFC Bank(Skoda)	7	19	42,200
Kotak Mahindra(Passat)	0	8	52,500
Kotak Mahindra(Camry)	0	10	44,130
ICICI Bank(BMW)	0	10	203,750
ICICI Bank(BMW)	0	10	203,750

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

Particulars	No. of EMI's payable from 31/03/2014	No. of EMI's payable from 31/03/2013	EMI Amount
ICICI Bank(Honda City)	4	16	18,420
ICICI Bank(Honda City)	4	16	18,420
ICICI Bank(Indigo Manza-Aura)	15	27	10,390
ICICI Bank(Linea-Emotion)	15	27	15,625
ICICI Bank(Toyota Camry)	17	29	47,400
ICICI Bank(Toyota Altis)	15	27	22,980
ICICI Bank(Tata Aria)	32	44	27,510

- 5.2** The said loan was received for General Corporate purpose & it is secured by pledge of shares of DB Realty Ltd and carries fixed interest rate of 9.75% p.a on monthly rest. The tenure of the loan is of 36 months. The loan amount is repayable at the end of the tenure of the loan and interest cost is payable on a monthly basis. Redemption premium is payable at the end of the tenure so as to yield a nominal IRR of 14.75% p.a. on monthly rests.)
- 5.3** The said loan was received for the purpose of financing the costs of construction of the Company, investment or advances to subsidiaries and other group companies and for general corporate purposes and carries floating interest rate of 18.5% p.a. linked to IBMR, payable monthly. The loan is repayable at the end of 18 Months from the date of 1st disbursement of the loan. The loan is secured by pledge of 38,38,382 equity shares of Marine Drive Hospitality & Realty Private Limited (Formerly DB Hospitality Private Limited) held by the Company and mortgage and hypothecation of two TDR certificates with cumulative TDR of 85,287sq. mt. along with escrow of receivables emanating from sale of this TDR certificates to be created by a partnership firm, in which the Company is the partner. The loan is guaranteed by personal guarantees of managing directors of the Company.
- 5.4** The said loan was received for the purpose of financing the cost of constructions of the project DB Skypark. Sahar, Andheri East of a joint venture in which the Company is a venturer and carries floating interest rate of 14.5% p.a. linked to I-Base, payable monthly. The loan is repayable in 12 quarterly instalments commencing from April 1st 2016. The loan is secured by
1. Exclusive charge on the land situated at project DB Skypark, Sahar, Andheri East which is a property of co-venturer (Eversmile Construction Company Private Limited) including all the structures thereon both present and future,
 2. First pari-passu charge over Bacchuwadi property, Mumbai Central,
 3. Corporate guarantee from YJ Realty & Aviation Pvt Ltd backed by first pari-passu charge over Dynamix Mall, Juhu,
 4. Corporate guarantee from Milan Theatres Pvt Ltd backed by first pari-passu charge over Milan Mall, Santacruz, Mumbai.
 5. Personal guarantee of one of the Managing Directors of the Company.
- 5.5** The said loan was received for the purpose of financing the costs of construction and other project implementation costs within its subsidiary companies and jointly controlled companies and carries floating interest rate of 13.5% p.a. linked to LHPLR, payable monthly. The loan was repayable in six structured quarterly installments ending on August, 2013 and the outstanding balance was due in August, 2013. The said loan has been restructured on November 23, 2013. The loan tenure has been extended by 18 months and hence the outstanding balance is due on January 31, 2015 and will carry floating interest rate of 16% p.a. linked to LHPLR. The Loan is guaranteed by personal guarantees of Managing Directors of the Company. Further, Esteem Properties Private Limited, a wholly owned subsidiary Company, has mortgaged its land at Sahar, Andheri in this regard. (The said loan has been classified as Current Maturities of long term debt.)

6 Long Term Provisions

Particulars	As at 31 March 2014 Amount In ₹	As at 31 March 2013 Amount In ₹
(a) Provision for employee benefits		
Gratuity (unfunded)	3,333,899	3,849,460
Leave Encashment (unfunded)	2,982,195	4,887,499
Total	6,316,094	8,736,959

- 6.1** During the year, some employees of the Company have been transferred to other group companies. Gratuity and Leave Encashment liability related to these employees is transferred to the respective transferee companies.

D B REALTY LIMITED

(ANNUAL REPORT 2013 - 14)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

7 Short Term Borrowings

Partilculars	As at 31 March 2014 Amount In ₹	As at 31 March 2013 Amount In ₹
Secured		
Other Loans and Advances:		
Reliance Capital Limited (Refer note 7.1 for terms of the said loan)	610,017,232	610,017,232
Unsecured (Related party)		
Loans from Subsidiaries (Refer note 7.2 for terms of the said loan)	658,450,391	9,982,142
Inter-Corporate Deposit (Refer note 7.3 for terms of the said Deposit)	238,079,000	299,564,000
Total	1,506,546,623	919,563,374

7.1 Terms of Loan

The said loan was received as Loan against Residential Property and carries floating interest rate of 20% p.a subject to BPLR being constant. The tenure of the loan was of 6 months from the date of disbursement. The loan amount was repayable at the end of the tenure of the loan and interest cost was payable on a monthly basis. The said loan has been restructured on March 25, 2014. It is revolving and reviewed every year and carries floating interest rate of 20.75% p.a subject to BPLR being constant. The loan is guaranteed by personal guarantees of Managing Directors of the Company. Further, registered mortgage has been created on plot 2 & 3(A+C) at Yerwada Pune which is a part of Inventories of the Company.

7.2 The said loans carry interest rates ranging from 10% to 15.25% and are repayable on demand.

7.3 The said ICD is interest free and is repayable on demand.

8 Trade Payables and Other Current Liabilities

Partilculars	As at 31 March 2014 Amount In ₹	As at 31 March 2013 Amount In ₹
A] Trade Payables		
Dues outstanding of micro and small enterprises*	-	-
Dues outstanding of other than micro and small enterprises	119,178,567	117,307,777
	119,178,567	117,307,777
B] Other Current Liabilities		
Current maturities of long-term debt	308,327,443	312,955,513
Interest accrued and due on borrowings	3,550,941	10,186,666
Interest accrued but not due on borrowings	143,362,793	72,782,192
Advance received from Customers	44,143,700	45,793,700
Current Account balance with Partnership Firms & LLP's	903,752,428	196,009,885
Other payables:		
Duties & taxes	21,203,613	16,932,225
Employee benefits payable	7,887,410	9,675,274
Payables for purchase of fixed assets	19,823,027	14,518,873
Tenancy rights payable	18,000,000	15,000,000
Expenses payable	28,192,575	49,279,162
Other payables	24,392,904	26,286,797
Total	1,522,636,833	769,420,287

* Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

based on the information available with the Company and the required disclosures are given below:

Description	As at 31 March 2014 Amount In ₹	As at 31 March 2013 Amount In ₹
a) Principal amount remaining unpaid as at year end	-	-
b) Interest due thereon as at period / year end	-	-
c) Interest paid by the Company in terms of section 18 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
d) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	-	-
e) Interest accrued and remaining unpaid as at period / year end	-	-
f) Further Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	-	-

9 Short Term Provisions

Particulars	As at 31 March 2014 Amount In ₹	As at 31 March 2013 Amount In ₹
(a) Provision for employee benefits (Refer Note 6.1)		
Gratuity (Unfunded)	1,053,663	913,142
Leave Encashment (Unfunded)	2,501,214	3,366,876
(b) Others		
Provision for Income Tax(net of Advance Tax of Rs.2,08,92,172 (PY Rs.2,08,64,157))	31,607,828	16,635,843
Provision for Wealth Tax	1,585,280	-
Total	36,747,985	20,915,861

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

10. Fixed Assets

Sr. No	Particulars	Gross Block			Depreciation/Amortisation			Net Block		Amount in Rs.
		Balance as at 1st April 2013	Additions	(Disposals)	Balance as at 31st March 2014	Balance as at 1st April 2013	Depreciation charged for the Period #	(On disposals)	Balance as at 31st March 2014	Balance as at 31st March 2013
a	Tangible Assets									
	Buildings- Flats@	11,015,400	-	-	11,015,400	1,895,880	455,976	-	8,663,544	9,119,520
	Buildings- Sales Office	31,812,134	-	-	31,812,134	1,988,258	7,953,034	-	21,870,842	29,823,876
	Plant and Equipments -Air Conditioners	11,872,230	-	-	11,872,230	5,356,581	907,389	-	5,608,260	6,515,649
	Furniture & Fixtures	47,795,116	235,125	-	48,030,241	26,696,462	3,860,143	-	17,473,635	21,098,654
	Vehicles	97,834,088	-	-	97,834,088	58,200,376	10,261,012	-	29,372,700	39,633,712
	Office Equipments	14,825,154	87,490	-	14,912,644	5,117,156	1,361,368	-	8,434,120	9,707,998
	Computers	12,050,184	79,695	-	12,129,879	9,109,684	1,054,749	-	1,965,446	2,940,500
	Improvement on Leasehold Property	136,509,243	-	-	136,509,243	136,509,243	-	-	-	-
	Total	363,713,549	402,310	-	364,115,859	244,873,640	25,853,671	-	93,388,548	118,839,909
b	Intangible Assets									
	Computer software	13,686,271	45,523,815	-	59,210,086	10,255,018	16,416,870	-	32,538,198	3,431,253
	Total	13,686,271	45,523,815	-	59,210,086	10,255,018	16,416,870	-	32,538,198	3,431,253
c	Intangible assets under Development									
	Computer Software	45,523,815	-	(45,523,815)	-	-	-	-	-	45,523,815
	Beautification-Bandra-Worli Sea Link*	179,610,193	11,809,418	-	191,419,611	191,419,611	-	-	191,419,611	179,610,193
	Total	225,134,008	11,809,418	(45,523,815)	191,419,611	-	-	-	191,419,611	225,134,008
	Grand Total	602,533,827	57,735,543	(45,523,815)	614,745,556	255,128,658	42,270,541	-	317,346,357	347,405,169
	Previous Year	575,955,301	58,390,660	31,812,134	602,533,827	219,945,588	35,183,064	-	347,405,169	356,009,711

@ The said flats are attached by Enforcement Directorate under Prevention of Money Laundering Act, 2002 (Refer Note 40)

During the year depreciation inventorised Rs. 660,984/- (Previous Year - Rs. 892,915)

* As per the agreement, the revenue to be generated from Film shooting and Advertising activities for the group companies in the promenade area shall be shared in equal proportion between the Company and MSRDC, the Management is of the opinion that future economic benefits from the said assets is reasonably higher than cost incurred by the Company and the Company is having Control on the said asset to get future economic benefits.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

11 Non Current Investments

Particulars	As at 31 March 2014 Amount In ₹	As at 31 March 2013 Amount In ₹
A Other Investments (Refer B below)		
(a) Investment in Equity instruments	4,881,319,741	4,881,219,741
(b) Investments in preference shares	16,106,941,716	11,052,685,716
(c) Investments in debentures or bonds	25,000,000	25,000,000
(d) Investments in partnership firms	1,053,550,000	1,053,550,000
(e) Other non-current investments	478,225,532	442,070,532
Total	22,545,036,989	17,454,525,989
Less : Provision for diminution in the value of Investments	-	-
Total	22,545,036,989	17,454,525,989

Particulars	As at 31 March 2014 Amount In ₹	As at 31 March 2013 Amount In ₹
Aggregate amount of quoted investments (Market value of Rs. Nil)	-	-
Aggregate amount of unquoted investments	22,545,036,989	17,454,525,989

B Details of Non-current Investments

Sr. No.	Name of the Body Corporate	Subsidiary/ Associate/ JV/ Controlled Entity/ Others	Trade/Other than trade	Nominal Value per share	No. of Shares/ Units		Extent of Holding (%)		Amount (Rs.)	
					As at 31/03/14	As at 31/03/13	As at 31/03/14	As at 31/03/13	As at 31/03/14	As at 31/03/13
(a)	Investment in Equity Instruments (At cost, fully paid & unquoted unless otherwise specified)									
	Esteem Properties Private Limited	Subsidiary	Trade	100	10,000	10,000	100.00	100.00	312,018,720	312,018,720
	Gokuldharm Real Estate Development Company Private Limited	Subsidiary	Trade	100	374,990	374,990	75.00	75.00	37,592,755	37,592,755
	Goregaon Hotel & Realty Pvt Ltd	Subsidiary	Trade	10	10,000	-	100.00	-	100,000	-
	NeelKamal Realtors Suburban Private Limited	Subsidiary	Trade	10	435,600	435,600	66.00	66.00	4,366,892	4,366,892
	NeelKamal Shantinagar Properties Private Limited	Subsidiary	Trade	10	16,000	16,000	100.00	100.00	160,401	160,401
	NeelKamal Realtors Tower Private Limited (Refer Note 1 below)	Associate	Trade	10	1,010,807	1,010,807	38.47	38.47	165,703,146	165,703,146
	D B Man Realty Limited	Subsidiary	Trade	10	7,140,000	7,140,000	51.00	51.00	71,400,000	71,400,000
	Real Gem Buildtech Private Limited	Subsidiary	Trade	10	10,000	10,000	100.00	100.00	1,500,085,000	1,500,085,000
	Saifee Bucket Factory Private Limited	Subsidiary	Trade	1,000	248	248	100.00	100.00	70,174,999	70,174,999
	Priya Constructions Private Limited	Subsidiary	Trade	10	10,000	10,000	100.00	100.00	100,000	100,000
	N.A. Estate Private Limited	Subsidiary	Trade	100	1,000	1,000	100.00	100.00	100,000	100,000
	Royal Netra Constructions Private Limited	Subsidiary	Trade	100	75,600	75,600	50.40	50.40	7,560,000	7,560,000
	Nine Paradise Erectors Private Limited	Subsidiary	Trade	10	10,000	10,000	100.00	100.00	100,000	100,000
	MIG Bandra Realtor & Builder Private Limited (Formerly DB MIG Realtors & Builders Private Limited)	Subsidiary	Trade	10	10,000	10,000	100.00	100.00	49,554,000	49,554,000
	Spacecon Realty Private Limited (Formerly DB Spacecon Private Limited)	Subsidiary	Trade	10	10,000	10,000	74.00	74.00	100,000	100,000
	Vanita Infrastructure Private Limited	Subsidiary	Trade	10	10,000	10,000	100.00	100.00	100,000	100,000
	DB Contractors & Builders Private Limited	Subsidiary	Trade	10	10,000	10,000	100.00	100.00	100,000	100,000
	DB View Infracon Private Limited	Subsidiary	Trade	10	10,000	10,000	100.00	100.00	100,000	100,000
	Sangam City Town Ship Private Limited	Associate	Trade	10	9,500	9,500	31.67	31.67	95,000	95,000

D B REALTY LIMITED

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

Sr. No.	Name of the Body Corporate	Subsidiary/ Associate/ JV/ Controlled Entity/ Others	Trade/Other than trade	Nominal Value per share	No. of Shares/ Units		Extent of Holding (%)		Amount (Rs.)	
					As at 31/03/14	As at 31/03/13	As at 31/03/14	As at 31/03/13	As at 31/03/14	As at 31/03/13
	D B Hi-Sky Construction Private Limited	Associate	Trade	10	5,000	5,000	50.00	50.00	50,000	50,000
	Mahal Pictures Private Limited	Associate	Trade	10	3,600	3,600	33.33	33.33	892,225,001	892,225,001
	DB (BKC) Realtors Private Limited(Refer Note 2 below)	Joint Venture	Trade	10	187,015	187,015	40.80	40.80	986,503,899	986,503,899
	Marine Drive Hospitality & Realty Private Limited (Formerly DB Hospitality Private Limited (Refer note 3 below))	Others	Other than trade	10	3,838,382	3,838,382	15.53	15.53	783,029,928	783,029,928
	TOTAL (a)								4,881,319,741	4,881,219,741
(b)	Investments in Preference Shares (At cost, fully paid & unquoted unless otherwise specified)									
	NeelKamal Realtors Suburban Private Limited (10.50% Redeemable Cumulative Preference Shares)	Subsidiary	Trade	100	1,050,000	1,050,000	100.00	100.00	105,262,502	105,262,502
	NeelKamal Realtors Tower Private Limited (0.002% Redeemable Optionally Convertible Cumulative Preference Shares)	Associate	Trade	10	660,918	660,918	100.00	51.00	109,609,005	109,609,005
	DB (BKC) Realtors Private Limited		Trade							
	i) 0.001% Redeemable Optionally Convertible Cumulative Preference Shares	Joint Venture	Trade	10	304,518	304,518	66.44	66.44	991,626,849	991,626,849
	ii) 0.001% Compulsory Convertible Cumulative Preference Shares	Joint Venture	Trade	10	70,652	70,652	13.30	13.30	488,482,556	488,482,556
	Real Gem Buildtech Private Limited	Subsidiary	Trade	10	13,500,000	13,500,000	100.00	100.00	135,000,000	135,000,000
	Marine Drive Hospitality & Realty Private Limited (Formerly DB Hospitality Private Limited) (Refer Note 4 below)	Others	Other than trade							
	i) 0.002% Redeemable Optionally Convertible Cumulative Preference Shares	Others	Other than trade	10	24,233,571	24,233,571	73.76	73.76	4,943,648,484	4,943,648,484
	ii) 0.002% Compulsory Convertible Cumulative Preference Shares	Others	Other than trade	10	9,260,080	9,260,080	92.60	92.60	1,889,056,320	1,889,056,320
	iii) 0.001% Cumulative Redeemable Preference Shares	Others	Other than trade	10	7,444,256	2,390,000	100.00	100.00	7,444,256,000	2,390,000,000
	TOTAL (b)								16,106,941,716	11,052,685,716
(c)	Investments in Debentures (At cost, fully paid & unquoted unless otherwise specified)									
	N.A. Estate Private Limited (Interest free fully and compulsory convertible unsecured debentures)	Subsidiary	Trade	100	70,000	70,000	100.00	100.00	25,000,000	25,000,000
	TOTAL (c)								25,000,000	25,000,000
(d)	Investments in partnership firms									
	M/s Dynamix Realty (Project II)	Joint Venture	Trade	N.A.	N.A.	N.A.	50.00	50.00	250,000	250,000
	M/s DBS Realty	Joint Venture	Trade	N.A.	N.A.	N.A.	33.33	33.33	3,300,000	3,300,000
	Mira Real Estate Developers	Subsidiary	Trade	N.A.	N.A.	N.A.	99.00	99.00	1,050,000,000	1,050,000,000
	TOTAL (d)								1,053,550,000	1,053,550,000
(e)	Other non-current investments									
	Conwood - DB Joint Venture (AOP)	Subsidiary	Trade	N.A.	N.A.	N.A.	90.00	90.00	163,749,732	161,134,732
	ECC - DB Joint Venture (AOP)	Subsidiary	Trade	N.A.	N.A.	N.A.	75.00	75.00	287,450,000	253,960,000
	Turf Estate Joint Venture (AOP)	Subsidiary	Trade	N.A.	N.A.	N.A.	66.67	66.67	2,500,000	2,500,000

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

Sr. No.	Name of the Body Corporate	Subsidiary/ Associate/ JV/ Controlled Entity/ Others	Trade/Other than trade	Nominal Value per share	No. of Shares/ Units		Extent of Holding (%)		Amount (Rs.)	
					As at 31/03/14	As at 31/03/13	As at 31/03/14	As at 31/03/13	As at 31/03/14	As at 31/03/13
	Lokhandwala Dynamix-Balwas JV	Joint Venture	Trade	N.A.	N.A.	N.A.	50.00	50.00	24,117,000	24,117,000
	DB Realty and Shreepati Infrastructures Limited Liability Partnership	Joint Venture	Trade	N.A.	N.A.	N.A.	60.00	60.00	58,800	58,800
	Ahmednagar Warehousing Developers & Builders Limited Liability Partnership	Joint Venture	Trade	N.A.	N.A.	N.A.	50.00	50.00	50,000	50,000
	Aurangabad Warehousing Developers & Builders Limited Liability Partnership	Joint Venture	Trade	N.A.	N.A.	N.A.	50.00	50.00	50,000	50,000
	Daund Warehousing Developers & Builders Limited Liability Partnership	Joint Venture	Trade	N.A.	N.A.	N.A.	50.00	50.00	50,000	50,000
	Latur Warehousing Developers & Builders Limited Liability Partnership	Joint Venture	Trade	N.A.	N.A.	N.A.	50.00	50.00	50,000	50,000
	Saswad Warehousing Developers & Builders Limited Liability Partnership	Joint Venture	Trade	N.A.	N.A.	N.A.	50.00	50.00	50,000	50,000
	Solapur Warehousing Developers & Builders Limited Liability Partnership	Joint Venture	Trade	N.A.	N.A.	N.A.	50.00	50.00	50,000	50,000
	Veer Jeejamata Nagar Realty LLP	Joint Venture	Trade	N.A.	N.A.	N.A.	50.00	-	50,000	-
	TOTAL (e)								478,225,532	442,070,532
	Total(a+b+c+d+e)								22,545,036,989	17,454,525,989

Notes:

- The Company has pledged its investment of 986,613 Class A equity shares (PY NIL) of Neelkamal Realtors Tower Private Limited, it's associate Company, in favour of Yes Bank which provided term loan of Rs. 350 crores, to the said associate.
- The Company has pledged 88.79% (PY 88.79%) of its investment in equity & 54.53% (PY 54.53%) of its investment in ROCCPS of DB (BKC) Realtors Private Limited (Formerly known as M K Malls & Developers Private Limited) joint venture, in favour of banks which sanctioned term loans of Rs. 75 crores (PY NIL), to the said joint venture.
- The Company has pledged its investment of 3,838,382 equity shares of Marine Drive Hospitality & Realty Pvt. Ltd., in favour of IL & FS Financials Services Ltd which provided term loan of Rs. 21.50 crores (PY NIL), to the Company
- There is no return on investments in preference shares of Marine Drive Hospitality & Realty Private Limited ("DBH") during the year. Further, even though there is a huge investment in these preference shares, there is no control or significant influence on DBH. In view of the management, investments in these entities are considered strategic and long term in nature and the current market values and future prospects of these investments are significantly in excess of Company's investment in DBH.

*C. Investment in Partnership Firms

(i) M/s Dynamix Realty (Project II)*

Name of the Partners	As on 31st March 2014		As on 31st March 2013	
	Share of each Partner	Total Capital	Share of each Partner	Total Capital
	(%)	Amount ₹	(%)	Amount ₹
DB Realty Ltd	50.00	250,000	50.00	250,000
Eversmile Construction Company	50.00	125,000	50.00	125,000
Total Capital	100.00	375,000	100.00	375,000

*DB Realty Ltd. is only a partner in Project II of Dynamix Realty

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

(ii) M/s DBS Realty

Name of the Partners	As on 31st March 2014		As on 31st March 2013	
	Share of each Partner	Total Capital	Share of each Partner	Total Capital
	(%)	Amount ₹	(%)	Amount ₹
DB Realty Ltd.	33.33	3,300,000	33.33	3,300,000
Bharat Shah	8.33	825,000	8.33	825,000
Manakchand Loonkar	8.33	825,000	8.33	825,000
Real Street Developers	16.67	1,650,000	16.67	1,650,000
Vision Finstock Limited	16.67	1,650,000	16.67	1,650,000
Ramesh Shah	16.67	1,650,000	16.67	1,650,000
Total Capital	100.00	9,900,000	100.00	9,900,000

(iii) M/s Mira Salt Works Company

Name of the Partners	As on 31st March 2014		As on 31st March 2013	
	Share of each Partner	Total Capital	Share of each Partner	Total Capital
	(%)	Amount ₹	(%)	Amount ₹
DB Realty Ltd	99.00	1,050,000,000	99.00	1,050,000,000
DB View Infracon Pvt Ltd.	1.00	-	1.00	-
Total Capital	100.00	1,050,000,000	100.00	1,050,000,000

D. Investment in Limited Liability Partnership

(i) DB Realty and Shreepati Infrastructures Limited Liability Partnership

Name of the Partners	As on 31st March 2014		As on 31st March 2013	
	Share of each Partner	Total Capital	Share of each Partner	Total Capital
	(%)	Amount ₹	(%)	Amount ₹
DB Realty Ltd	58.80	58,800	58.80	58,800
Nine Paradise Erectors Private Limited	0.60	600	0.60	600
DB View Infracon Private Limited	0.60	600	0.60	600
Shreepati Infra Realty Limited	20.00	20,000	20.00	20,000
Mr. Rajendra R Chaturvedi	10.00	10,000	10.00	10,000
Mr. Tapas R Chaturvedi	10.00	10,000	10.00	10,000
Total Capital	100.00	100,000	100.00	100,000

(ii) Ahmednagar Warehousing Developers & Builders Limited Liability Partnership

Name of the Partners	As on 31st March 2014		As on 31st March 2013	
	Share of each Partner	Total Capital	Share of each Partner	Total Capital
	(%)	Amount ₹	(%)	Amount ₹
DB Realty Ltd.	50.00	50,000	50.00	50,000
Nihar Constructions Private Limited	50.00	50,000	50.00	50,000
Total Capital	100.00	100,000	100.00	100,000

(iii) Aurangabad Warehousing Developers & Builders Limited Liability Partnership

Name of the Partners	As on 31st March 2014		As on 31st March 2013	
	Share of each Partner	Total Capital	Share of each Partner	Total Capital
	(%)	Amount ₹	(%)	Amount ₹
DB Realty Ltd.	50.00	50,000	50.00	50,000
Nihar Constructions Private Limited	50.00	50,000	50.00	50,000
Total Capital	100.00	100,000	100.00	100,000

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

(iv) Daund Warehousing Developers & Builders Limited Liability Partnership

Name of the Partners	As on 31st March 2014		As on 31st March 2013	
	Share of each Partner	Total Capital	Share of each Partner	Total Capital
	(%)	Amount ₹	(%)	Amount ₹
DB Realty Ltd	50.00	50,000	50.00	50,000
Nihar Constructions Private Limited	50.00	50,000	50.00	50,000
Total Capital	100.00	100,000	100.00	100,000

(v) Latur Warehousing Developers & Builders Limited Liability Partnership

Name of the Partners	As on 31st March 2014		As on 31st March 2013	
	Share of each Partner	Total Capital	Share of each Partner	Total Capital
	(%)	Amount ₹	(%)	Amount ₹
DB Realty Ltd	50.00	50,000	50.00	50,000
Nihar Constructions Private Limited	50.00	50,000	50.00	50,000
Total Capital	100.00	100,000	100.00	100,000

(vi) Saswad Warehousing Developers & Builders Limited Liability Partnership

Name of the Partners	As on 31st March 2014		As on 31st March 2013	
	Share of each Partner	Total Capital	Share of each Partner	Total Capital
	(%)	Amount ₹	(%)	Amount ₹
DB Realty Ltd	50.00	50,000	50.00	50,000
Nihar Constructions Private Limited	50.00	50,000	50.00	50,000
Total Capital	100.00	100,000	100.00	100,000

(vii) Solapur Warehousing Developers & Builders Limited Liability Partnership

Name of the Partners	As on 31st March 2014		As on 31st March 2013	
	Share of each Partner	Total Capital	Share of each Partner	Total Capital
	(%)	Amount ₹	(%)	Amount ₹
DB Realty Ltd	50.00	50,000	50.00	50,000
Nihar Constructions Private Limited	50.00	50,000	50.00	50,000
Total Capital	100.00	100,000	100.00	100,000

(viii) Veer Jijamata Nagar Realty Limited Liability Partnership

Name of the Partners	As on 31st March 2014		As on 31st March 2013	
	Share of each Partner	Total Capital	Share of each Partner	Total Capital
	(%)	Amount ₹	(%)	Amount ₹
DB Realty Ltd	50.00	50,000	-	-
DB Contractors & Builders Private Limited	50.00	50,000	-	-
Total Capital	100.00	100,000	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

12. Long Term Loans and Advances (Unsecured, considered good, unless stated otherwise)

Particulars	As at 31st March 2014 Amount In ₹	As at 31st March 2013 Amount In ₹
a. Security Deposits (Refer Note 12.1 & 12.2)		
Security Deposits	3,980,464,432	4,123,168,382
b. Loans and advances to related parties (Refer Note 12.1)		
Loans to Associates	-	143,319,936
Project Advances to Associates (Refer Note 12.4)	781,945,000	782,535,000
c. Other loans and advances (Refer note 12.1)		
Advance Payment of Taxes (Net of provision for tax of Rs. NIL (PY NIL))	24,727,916	16,417,274
MAT Credit Entitlement	37,500,000	37,500,000
Advance against Share Purchase (refer note 12.3)	891,702,632	3,688,471,940
Other Loans & Advances	335,952,170	267,832,039
	<u>6,052,292,150</u>	<u>9,059,244,571</u>

12.1 Loans and advances due by directors or other officers of the Company or any of them either severally or jointly with any other persons or amounts due by firms or private companies respectively in which any director is a partner or a director a member

Particulars	As at 31 March 2014 Amount In ₹	As at 31 March 2013 Amount In ₹
Private Company in which director is a member/ director	3,978,535,000	7,412,400,896
Total	<u>3,978,535,000</u>	<u>7,412,400,896</u>

12.2 Security deposits include Rs. 3,575,000,000 given to various related parties for acquisition of development rights. The Company is in process of obtaining necessary approvals with regard to said properties and the said properties have current market values significantly in excess of carrying values and are expected to achieve adequate profitability on substantial completion of their projects.

12.3 Refer Note 29 for advance for share purchase amounting to Rs. 40,00,00,000/-.

12.4 In respect of project advances of Rs. 78,19,45,000 forming a part of long term loans and advances provided by the Company to its two Associate Companies, the required documents are under execution.

13 Other Non-Current Assets

Particulars	As at 31 March 2014 Amount In ₹	As at 31 March 2013 Amount In ₹
b. Others		
Margin money Deposits (having maturity more than 12 months)*	29,820,000	29,820,000
Interest accrued but not due*	7,263,120	4,713,392
Total	<u>37,083,120</u>	<u>34,533,392</u>

* Kept as security for guarantees/other facilities with banks.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

14 Current Investments (Trade, Unquoted)

Particulars	As at 31 March 2014 Amount In ₹	As at 31 March 2013 Amount In ₹
(a) Investments in partnership firms	339,646,462	1,494,923,259
(b) Other Current Investments	1,362,218,563	630,350,197
Total	1,701,865,025	2,125,273,456
Less : Provision for diminution in the value of Investments	-	-
Total	1,701,865,025	2,125,273,456

Details of Current Investments

Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	Amount In ₹	
			As at 31/03/14	As at 31/03/13
(a)	Investments in partnership firms			
	M/s Dynamix Realty	Joint Venture	-	1,163,639,990
	Mira Real Estate Developers	Subsidiary	339,646,462	331,283,269
			339,646,462	1,494,923,259
(b)	Other Current Investments			
	Turf Estate Joint Venture (AOP)	Subsidiary	1,297,486,348	565,557,500
	DB Realty and Shreepati Infrastructures Limited Liability Partnership	Joint Venture	64,274,015	64,314,001
	Ahmednagar Warehousing Deve. & Builders LLP	Joint Venture	126,954	130,716
	Aurangabad Warehousing Dev. & Builders LLP	Joint Venture	28,354	31,835
	Latur Warehousing Developers & Builders LLP	Joint Venture	110,811	114,641
	Saswad Warehousing Developers & Builders LLP	Joint Venture	79,764	83,594
	Solapur Warehousing Developers & Builders LLP	Joint Venture	112,317	117,910
			1,362,218,563	630,350,197
	Total		1,701,865,025	2,125,273,456

15 Inventories

Particulars	As at 31 March 2014 Amount In ₹	As at 31 March 2013 Amount In ₹
Project Work in Progress (Valued at cost or net realisable value whichever is lower) #	2,262,607,335	2,005,660,682
Total	2,262,607,335	2,005,660,682

Refer note 5.4, 7.1 & (i), (iv) & (vi) to Note 27 for securities given of projects by the Company.

Note: All projects are under initial stage of development & expected to have net realizable value greater than the cost.

16 Trade Receivables

Particulars	As at 31 March 2014 Amount In ₹	As at 31 March 2013 Amount In ₹
Trade receivables (Outstanding for a period less than six months from the due date of payment)		
Unsecured, considered good	-	430,000,000
Total	-	430,000,000

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

17 Cash and Bank Balances

Particulars	As at 31 March 2014 Amount In ₹	As at 31 March 2013 Amount In ₹
1. Cash and cash equivalents		
a. Balances with banks in current accounts	116,040,232	8,214,282
b. Cash on hand	1,168,473	258,582
2. Other Bank Balances (having maturity more than 3 months but less than 12 months)*	21,149,122	59,877,415
Total	138,357,827	68,350,279

* Kept as security for guarantees/other facilities with banks.

18 Short-term loans and advances

Particulars	As at 31 March 2014 Amount In ₹	As at 31 March 2013 Amount In ₹
a. Loans and advances to related parties		
Unsecured, considered good (Refer note 18.1)		
Loans to Subsidiaries	2,916,820,011	3,908,103,167
Loans to Associates	32,565,358	-
Loans to Others	1,022,263,906	773,638,704
	3,971,649,275	4,681,741,871
b. Others		
Unsecured, considered good		
Service Tax Receivable	455,163	455,163
Other Loans and Advances	693,082,688	837,569,846
Unsecured, considered doubtful		
Security Deposits	-	11,983,866
Other Loans and Advances (Refer note 18.2)	17,557,328	17,557,328
	17,557,328	29,541,194
Less: Provision for Doubtful Security Deposits & Advances	(17,557,328)	(29,541,194)
Total	4,665,187,128	5,519,766,880

18.1 Loans and advances due by directors or other officers of the Company or any of them either severally or jointly with any other persons or amounts due by firms or private companies respectively in which any director is a partner or a director a member

Particulars	As at 31 March 2014 Amount In ₹	As at 31 March 2013 Amount In ₹
Private Company in which director is a member	2,685,363,014	3,649,145,812
Total	2,685,363,014	3,649,145,812

18.2 During the year, the Directorate of Enforcement has taken physical possession of bank balance of ₹ 6,892,967/-, against which the Firm has written a letter to convert the amount so recovered into Fixed Deposits, till date Directorate of Enforcement has not entertained this request. In view of the same, the said balance is shown as part of other loans and advances.

19 Other Current Assets

Particulars	As at 31 March 2014 Amount In ₹	As at 31 March 2013 Amount In ₹
Interest Accrued but not due	1,317,171	3,750,718
Total	1,317,171	3,750,718

20 Revenue from Operations

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

Particulars	For the year ended 31st March 2014 Amount in ₹	For the year ended 31st March 2013 Amount in ₹
Sale of Development Right (Project - Orchid Centre IT Park)	-	430,000,000
Total	-	430,000,000

21 Other Income

Particulars	For the year ended 31st March 2014 Amount in ₹	For the year ended 31st March 2013 Amount in ₹
Interest Income	193,847,750	161,927,413
Net gain on sale of current investments	-	1,000,000
Share of Loss from Investment in Partnership Firms & LLP (Net) (Refer Note 21.1)	(12,770,705)	(93,097,413)
Excess Provision written back	10,279,309	24,434,063
Miscellaneous Income	4,314,408	53,753
Total	195,670,762	94,317,816

21.1 Share of loss includes ₹ 15,25,214, which is based on the accounts as approved by only the Company, in its capacity as one of the partners of the Firm. The management of the Company does not expect any material impact arising out of such financial statements of the Firm which have not yet been approved by other two partners.

22 Project Expenses incurred

Particulars	For the year ended 31st March 2014 Amount in ₹	For the year ended 31st March 2013 Amount in ₹
Land acquisition and purchase of tenancy rights	-	2,180,184
Project Salaries, Wages and Bonus	4,688,083	17,419,751
Depreciation	660,984	892,915
Other construction expenses#	251,597,585	86,183,514
Total	256,946,653	106,676,364

#Other construction expenses

Particulars	For the year ended 31st March 2014 Amount in ₹	For the year ended 31st March 2013 Amount in ₹
Civil Construction, Material and Site developement Expenses	29,647,368	43,638,421
Rates & Taxes	863,882	550,909
Rent	3,374,376	7,861,537
SRA premium paid	193,959,200	-
Advertisement & Publicity	1,584,000	1,324,182
Legal & Professional fees	2,109,760	4,796,134
Electricity Expenses	2,296,423	2,428,862
Security Charges	3,264,958	2,624,321
Repairs & Maintenance	1,813,299	25,888
Printing and Stationery and Telephone Charges	3,137,206	3,390,760
Travelling and Conveyance Expenses	8,633,047	16,967,647
Miscellaneous Expenses	914,066	1,574,853
Total	251,597,585	86,183,514

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014**23 (Increase)/Decrease in Inventories**

Particulars	For the year ended 31st March 2014 Amount in ₹	For the year ended 31st March 2013 Amount in ₹
Opening Inventory - Project Work in progress	2,005,660,682	2,068,074,734
Closing Inventory - Project Work in progress	(2,262,607,335)	(2,005,660,682)
Total	(256,946,653)	62,414,052

24 Employee Benefit Expenses

Particulars	For the year ended 31st March 2014 Amount in ₹	For the year ended 31st March 2013 Amount in ₹
(a) Salaries and wages	61,879,354	54,047,986
(b) Contributions to Provident and other funds	72,439	2,399,203
(c) Staff welfare expenses	6,231,782	2,260,031
Total	68,183,575	58,707,220

25 Finance Cost

Particulars	For the year ended 31st March 2014 Amount in ₹	For the year ended 31st March 2013 Amount in ₹
Interest Expense	309,219,008	151,468,347
Other borrowing costs	33,864,336	29,365,506
Total	343,083,344	180,833,853

26 Other Expenses

Particulars	For the year ended 31st March 2014 Amount in ₹	For the year ended 31st March 2013 Amount in ₹
Rent	19,226,148	22,771,539
Repairs and Maintenance	1,542,925	1,949,377
Legal and Professional Charges (Refer Note 34 for auditor remuneration)	30,983,151	26,646,699
Donations	908,952	81,300
Net loss on foreign currency transactions	-	2,223
Advertisement and Publicity	4,856,326	6,164,440
Business Promotion Expenses	12,119,617	7,733,753
Books, Periodicals, Subscription & Membership Fees	1,605,626	1,484,112
Directors Sitting Fees	800,000	980,000
Printing and Stationery and Telephone Charges	989,733	1,334,377
Travelling and Conveyance Expenses	928,063	12,292,607
House Keeping Expenses	930,701	1,402,642
Electricity Expenses	491,549	759,782
Tender Fees Paid	743,395	15,000
Commission & Brokerage	-	6,961,334
Provision against Doubtful Security Deposit	-	11,983,866
Miscellaneous Expenses	3,632,104	10,375,863
Total	79,798,290	112,938,914

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

27. Contingent Liabilities and commitments:

Particulars	As at March 31, 2014 ₹	As at March 31, 2013 ₹
Contingent Liabilities:		
A. Guarantees and Securities provided to banks and financial institutions (in India and overseas) against credit facilities extended to:		
a) Subsidiaries		
- Real gem Buildtech Pvt. Ltd. (Guarantee provided)	3,000,000,000	3,000,000,000
- DB View Infracon Pvt. Ltd. (Security provided) (Refer note 27 (i))	300,000,000	-
Sub Total (a)	3,300,000,000	3,000,000,000
b) Associates		
- Neelkamal Realtors Tower Private Limited (Guarantee provided) (Refer note 27 (ii))	3,500,000,000	4,125,000
Sub Total (b)	3,500,000,000	4,125,000
c) Jointly Controlled Entities (Guarantees given)		
- Dynamix Realty (Towards vehicle loan)	-	4,125,000
- DB (BKC) Realtors Private Limited (earlier known as M K Malls & Developers Private Limited) (Refer note 27(iii) below)	750,000,000	750,000,000
Sub Total (c)	750,000,000	754,125,000
d) Companies under the same management		
- Majestic Infracon Private Limited (earlier known as DBI Infracon Private Limited / Tiger Trustees Private Limited) (Refer Note 27 (iv) below)	8,530,000,000	8,530,000,000
- Heaven Star Hotels (Delhi) Private Limited (earlier known as DB Hotels (India) Private Ltd) (Guarantees given and Security provided) (Refer Note 27 (v) below)	1,700,000,000	1,700,000,000
- Pune Buildtech Private Ltd (Refer Note 27 (vi) below)	2,250,000,000	-
- BD&P Hotels (India) Private Ltd (Refer Note 27 (vi) below)	650,000,000	-
- Neelkamal Realtors and Builders Private Limited (Towards vehicle loan)	-	4,125,000
Sub Total (d)	13,130,000,000	10,234,125,000
e) Others		
- Delux Hospitality Limited, Mauritius (earlier known as D B Hospitality Limited) (Term Loan of USD 138 Million) & YJ Realty Ltd (Stand by Letter of Credit of USD 65 Million) (Overall Guarantee of the Company in USD 138 million) (Refer 27 (vii) below)	8,293,772,400	7,505,723,400
Sub Total (e)	8,293,772,400	7,505,723,400
Grand Total (a+b+c+d+e)	28,973,772,400	24,148,098,400
B. Other money for which the Company is contingently liable:-		
i) Contingent payments to the holders of Redeemable Optionally Convertible Cumulative Preference Shares (ROCCPS), Compulsory Convertible Preference Shares (CCPS) and equity shares subscribed by other shareholders of an entity (in which the Company has joint control) – representing the amount payable or adjustable by the Company on exercise of various exit options by such other holders based on agreement entered with them.	Amount unascertainable	Amount unascertainable
ii) Provisional attachment of assets under Prevention of Money Laundering Act, 2002 for: DB Realty Limited (Refer Note 40) Dynamix Realty (Refer Note (iii) of A of 28)	Amount unascertainable	Amount unascertainable
The Company is a party to various legal proceedings in the normal course of business and does not expect the outcome of these proceedings (which is not quantifiable) to have any adverse effect on its financial conditions, results of operations or cash flows.		

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014**Notes:**

- (i) The Company has provided security of the Company's properties admeasuring 80,934 sq meters at Malad (East), Mumbai and Resham Bhavan located at Churchgate, Mumbai. The Company is confident that the subsidiary Company would fulfill the obligations under the credit facilities and does not expect any outflow of resources.
- (ii) During the year, the Company has given Corporate Guarantee on behalf of Neelkamal Realtors Tower Private Limited, an associate. The said facilities are secured by (i) Exculsive charge by in respect of all that pieces and parcels of land of Byculia Division CS no.1906 admeasuring 19434.10 Square Meters and structure constructed or to be constructed thereon. (ii) All moveable fixed and current assets including recieveables (present and future) of the project "ORCHID HEIGHT".(iii) Escrow Account of project receivables (Orchid Heights). Exculsive charge by way of 30% of total shareholding of the Company which are held by D B Realty Limited (986,613 class A equity share). (iv) Personal Guarantee of Mr Shahid Balwa and Mr Vinod Goenka
- (iii) No loan has been borrowed by DB (BKC) Realtors Private Limited towards a total corporate guarantee provided of ₹ 750,000,000 (Previous year: ₹ 750,000,000).

- (iv) In a earlier years, the Company had given corporate guarantee on behalf of Majestic Infracon Private Limited in which some of the directors of the Company are interested for facility availed from Punjab National Bank, Mumbai and Bank of India, Mumbai, for an amount aggregating ₹ 8,530,000,000 (Previous Year ₹ 8,530,000,000) The Company has also provided collateral securities of the Company's property admeasuring 80,934 sq meters at Malad (East), Mumbai (forming part of Inventory) with all including all development rights, unutilized Floor Space Index (FSI) / or such other FSI that may be granted in future.

The said facility is also secured by (a) pledge of investment of Majestic Infracon Private Limited consisting of 45,934,000 equity shares in Etisalat DB Telecom Private Limited; (b) a pari passu charge on its property consisting of Hotel Hilton, Mumbai. (c) Together with collateral securities of the Company's property admeasuring 80,934 sq meters at Malad (East), Mumbai with all including all development rights, unutilized Floor Space Index (FSI) / or such other FSI that may be granted in future.

The Company is confident that this Company would fulfill the obligations under the credit facilities and does not expect any outflow of resources.

- (v) During the year, the Company has given Corporate Guarantee and has pledged its entire shareholding of Marine Drive Hospitality & Realty Private Limited for loan availed by Heaven Star Hotels (Delhi) Private Limited (formerly known as DB Hotels (India) Private Limited), from IL & FS Financial Services Limited.

The said facility is also secured by (i) charge on Fixed Assets both present and future of the project other than project land (ii) charge on all current assets including receipt of all the receivables related to the project (iii) charge on all bank accounts, insurance contracts (iv) Goan Hotels & Clubs Private Limited in Heaven Star Hotels (Delhi) Private Limited. The Company is confident that this Company would fulfill the obligations under the credit facilities and does not expect any outflow of resources.

- (vi) During the year, the Company has given corporate guarantees and has given collateral securities of the Company's property DB Hill Park admeasuring 80,934 sq meters at Malad (East), Mumbai and Resham Bhavan located at Churchgate, Mumbai (forming part of Inventory), on behalf of BD&P Hotels (India) Private Limited and Pune Buildtech Pvt. Ltd.

The said facilities are also secured by (i) charge on Fixed Assets both present and future of the respective projects other than project land (ii) charge on all current assets including receipt of all the receivables related to the respective project (iii) charge on all bank accounts, insurance contracts of respective Company alongwith the following common securities (iv) a pari passu charge on its property consisting of Hotel Hilton, Mumbai.

The Company is confident that this company would fulfill the obligations under the credit facilities and does not expect any outflow of resources.

- (vii) In a earlier years, the Company had given corporate guarantee in respect of facilities availed by Delux Hospitality Limited, Mauritius ('DBH, Mauritius') & YJ Realty Ltd from ICICI Bank - United Kingdom PLC of USD 138 millions – ₹ 8,293,772,400 as at the year end March 31, 2014 (Previous Year ₹ 7,505,723,400). For the purpose of the said corporate guarantee, the Company has received in its favour irrevocable and unconditional personal guarantees from the two interested directors covering the entire amount of such guarantees issued by the Company. (Conversion rate used ₹ 60.0998/- USD as per RBI conversion rate as on 28th March 2014 (PY ₹ 54.3893/- USD)

The said facilities are secured by (a) mortgage of its property consisting of Milan Mall in Milan Theatres Private Limited, Dynamix Mall in YJ Realty Private Limited, Orchid Garden in Conwood DB JV and Orchid Park in DB Realty Limited (against stand by letter of credit issued by ICICI Bank Limited as an integral part of the arrangement); (b) pledge of its entire shareholding of DB Hospitality Private Limited ('DBHPL') in DBH, Mauritius (being the wholly owned subsidiary of DBHPL).

The Company is confident that these companies would fulfill their obligations under the credit facilities and does not expect any outflow of resources.

B. Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances) amounting to Rs.Nil/- (Previous Year ₹ Nil) and estimated amount of contracts remaining to be executed other than capital account and not provided for amounting to Rs NIL/- (Previous Year ₹ Nil).

28. Share of loss (net) from investments in partnership firms ("the firms") and investments in the firms is based on financial statements of the firms as audited by other auditors except in case of a partnership firm i.e. DBS Realty (Refer Note 21.1). The audited financial statements/the auditors' report on the financial statements of the partnership firms viz. Dynamix Realty ("Dynamix"), DBS Realty and Mira Real Estate Developers (formerly known as Mira Salt Works Company) in which the Company is a partner has reported certain significant matters as under:

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

A. Dynamix Realty:

i. Notes to financial statements and reference in Auditors' report regarding the following matters.

1. The Firm had granted unsecured loan with interest to Kusegaon Realty Private Limited of ₹ 2,092,500,000/- and recovered principal amount in the year ended 31st March, 2011. The outstanding amount of Rs. 91,501,379/- (Previous year ₹ 91,501,379/-) represents interest receivable and is considered good for recovery, as in the opinion of the Partners they do not expect any shortfall in recovery thereof.
2. The Firm had granted unsecured loan to Nihar Construction Private Limited without interest and repayable on demand with no other terms for which the Partners had given their consent. The outstanding amount as of year-end is ₹ 87,150,000/- (Previous year ₹ 244,500,000/-) which is considered as good for recovery.
3. Trade Receivables outstanding more than 6 months of ₹ 944,656,340 which Includes dues of ₹ 838,154,114/- (Previous year ₹ 838,154,114/-) attached under the PML Act, for which the parties have given their acknowledgement. As regards balance receivable of ₹ 106,688,887/- (Previous year ₹ 44,990,913/-), the Partners of the Firm have taken effective steps for recovery and do not expect any short realisation. Therefore, the Partners of the Firm have framed their opinion that the same are good for recovery.

ii. Notes to financial statements and reference in Auditors' report regarding a matter which is sub-judice:

The Firm had granted Loan to Kusegaon aggregating to ₹ 2,092,500,000/-, (the said loans) as upto 31.03.2010. As of 31.03.2014, the outstanding balance due from Kusegaon is ₹ 91,501,379/- (Previous year ₹ 91,501,379/-), being part of interest charged. Central Bureau of Investigation Anti-corruption Branch, New Delhi (CBI) in the Supplementary (First) charge sheet RC.DAI.2009.A.0045 (2G Spectrum Case) has alleged that out of the said loans, through the Firm, ₹ 2,000,000,000/- is paid as illegal gratification to M/s Kalaingar TV Private Limited (Kalaingar) through Kusegaon and M/s Cineyug Films Pvt. Ltd., in lieu of the undue favours by accused public servants to Swan Telecom Private Limited (SWAN) in 2G Spectrum Case. The CBI have alternatively alleged in the said charge sheet that even if the said transaction of ₹ 2,000,000,000/- is accepted as genuine business transaction, the said loans obtained by Kalaingar for a consideration which being known as inadequate, constitutes commission of offence. The Firm is not an accused in the 2G Spectrum Case. In the opinion of the Partners of the Firm, these are preliminary charges based on investigation carried out by the CBI Team and the personnel named in the charge sheet are presumed to be innocent till their alleged offence is established after a fair trial. These preliminary charges have no impact on the business/operations of the Firm.

Further, consequent to above, a complaint was filed under the Prevention of Money Laundering Act, 2002 (the PML Act) (Money Laundering Case) and the Adjudicating Authority vide Order dated 10.01.2012 has confirmed the Provisional Attachment Order (the Order). The Firm being included as one of the defendant, properties in the form of bank balances and sundry debtors aggregating to ₹ 1,338,900,000/- (Previous Year ₹ 1,338,900,000/-) were provisionally attached, out of which, sundry debtors of ₹ 497,100,000/- (Previous year Rs.497,100,000/-) stands realised after furnishing the information for which the requisite intimation has been made to the Prescribed Authority. An appeal has been preferred against the Order before the Appellate Tribunal under the PML Act. During the year, the Directorate of Enforcement has taken physical possession of bank balance of ₹ 3,599,925/-, against which the Firm has written a letter to convert the amount so recovered into Fixed Deposits which is pending. In view of the same, the said balance is continued to be shown as part of bank balance held in current account. Post Balance sheet date, the Directorate of Enforcement has filed a complaint before the Hon' Court in connection with Money Laundering Case relating 2G Spectrum Case. In response thereto, the Firm, the Partners of the Firm and persons named in the said complaint have been issued summons for attendance. The parties hereto are yet to be provided a copy of the complaint.

As upto the date of signing of the financial statement the outcome of 2G Spectrum case/Money Laundering Case are sub judies.

iii. Notes to Financial statements relating to procedures pertaining to direct confirmations:

Balances of trade payables and trade receivables are subject to confirmation wherever applicable from respective parties & reconciliation, if any.

B. DBS Realty:

i. Notes to Financial statements relating to procedures pertaining to direct confirmations:

Trade Payables, Contractors' Retention money and mobilization advance in the financial statements are subject to confirmation. As per the contention of the management the same are good for payable/ receivable.

C. Mira Real Estate Developers:

i. Notes to financial statements regarding a matter which is sub-judice:

The Salt Department, Union of India has filed a petition and the partnership firm has filed cross petitions towards their respective claim for exclusive title over the salt pan land. Though the matter is sub-judice, the firm is of opinion that it has a rightful claim over the ownership of the salt pan land and will be in a position to defend its title.

ii. Notes to Financial statements relating to procedures pertaining to direct confirmations:

Trade Payables, other current liabilities, other current assets and other non-current assets are subject to confirmation.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

29. During an earlier year, the Company acquired 1/3rd stake in Mahal Pictures Private Limited by paying ₹ 892,225,001. By and under a Share Purchase Agreement dated December 2, 2010, the Company agreed to purchase additional 1/3rd stake from another shareholder vide a Share Purchase Agreement and paid advance of ₹ 400,000,000. However, as per the said agreement, such purchase is subject to settlement of a suit which is pending at the High Court of Judicature at H'ble Bombay High Court. The Company has become a party to the said suit on account of demise of that Shareholder. The Company, based on legal advice is confident of a favorable resolution in getting the matter resolved favourably so as to be able to develop the underlying land parcel; and accordingly the said advance paid is considered to be good of recovery.
30. One of the Company's wholly owned subsidiary (i.e. Esteem properties private Limited) has plans to construct/ develop/ market project/s on its land, which are delayed due to title dispute concerning the previous landlords. The Company has filed a special leave petition before the Supreme Court of India which is pending and a status quo order has been passed by the Supreme Court of India. The Company considers its investment in the said subsidiary as long term and strategic in nature. As of March 31, 2014, the Company's investment in and Loan to this subsidiary aggregate ₹ 312,018,720 (previous year ₹ 312,018,720) and ₹ 1,124,970,130 (previous year ₹ 1,120,577,945) respectively. The Company has been legally advised that the outcome of the petition before the High Court of Bombay against the reversed order & that of the Supreme Court of India against the order of the Bombay High Court in PIL could be in favor & accordingly the management is confident about the positive outcome and does not believe that there is any diminution in the value of its investments and considers the loan given as good of recovery.
31. The Company has incurred a sum of ₹ 132,931,001 (previous year ₹ 155,772,388) towards acquisition of development rights pertaining to a SRA redevelopment project, which is the subject matter of litigation. There are five litigations pending regarding the same. Based on legal advice, the Company believes that it has a good chance of getting the project and is confident of commencement of redevelopment activities shortly and accordingly the said amount is considered as good of recovery.
32. a. The Company has not made any provision for tax for the current financial year (previous year ₹ 31,500,000) as the Company has incurred tax losses and no book profit as per Section 115JB for the purpose of MAT.
- b. MAT Credit Entitlement of ₹ 37,500,000 (Previous Year ₹ 37,500,000) is based on future performance of the Company as projected by the Management and it has been relied upon by the Auditors.
- c. The Company has also recognized deferred tax asset in accordance with Accounting Standard - 22 "Accounting for taxes on income". The components of the deferred tax asset recognized for the period are as follows:

Particulars	Deferred Tax Asset as at March 31, 2014 Rs.	Deferred Tax Asset as at March 31, 2013 Rs.	Charged/ (Credited) to Profit & Loss Account Rs.
Related to Depreciation	17,311,310	31,339,008	14,027,698
Unabsorbed Depreciation	-	27,692,385	27,692,385
Disallowance under Income Tax Act u/s 43B	9,332,914	14,351,392	5,018,478
Total	26,644,224	73,382,785	46,738,561

The components of Unrecognised Deferred Tax Assets are as follows :

Particulars	As at 31 March 2014 Amount In ₹	As at 31 March 2013 Amount In ₹
Deferred Tax Assets		
- Unabsorbed Depreciation	22,216,737	-
- Unabsorbed Business Loss	76,047,060	-
Deferred Tax Assets	98,263,797	-

33. The Company has investments in certain subsidiaries, jointly controlled entities and associates aggregating ₹ 408,054,120 (Previous year ₹ 2,046,339,120) and loans and advances outstanding aggregating Rs.2,625,383,640 (Previous year ₹ 3,043,702,747) as at March 31, 2014. While such entities have incurred losses during the year and have negative net worth as at the year end, the underlying projects in such entities are in the early stages of real estate development and are expected to achieve adequate profitability on substantial completion and/ or have current market values of certain properties which are in excess of the carrying values. The Company considers its investments in such entities as long term and strategic in nature. Accordingly, no provision is considered necessary towards diminution in the value of the Company's investments in such entities or in respect of loans and advances advanced to such entities, which are considered good and fully recoverable.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

34. Payment to Auditors (Included in Note 26 Other expenses):

Particulars	For the year ended March 31, 2014 ₹	For the year ended March 31, 2013 ₹
a) As Auditor (Statutory Audit (including limited reviews))	6,600,000	6,600,000
b) For other services (Certification and IPO related work)	80,000	140,000
c) For reimbursement of expenses	65,521	156,412
d) Service Tax	832,949	852,396
Total	7,578,470	7,748,808

35. Managerial remuneration:

- In view of inadequate profit during the year, the Company has not paid a managerial remuneration (previous year ₹ 6,000,000) to any managing directors. Further, during the previous year, Managerial Remuneration paid of ₹ 2,400,000 by the Company had exceeded the limits specified under Schedule XIII read with Sec 349, 350 & 198 of the Companies Act, 1956,. The Company has recovered such excess remuneration of ₹ 2,400,000 from the directors during the current year.
- Contributions to provident and other funds are not made as per declarations of non deduction received from the respective directors. Further, provision for gratuity and leave encashment (amount unascertained) payable to the managing directors is waived by them. Such waivers have been approved by the Board of Directors.
- During the year, one of the subsidiary company appointed one of the managing directors of the Company as its managing director for overall responsibilities and functions of the said subsidiary company but it has not paid any remuneration (Previous Year ₹ 13,500,000), in the absence of adequate profit. Excess remuneration paid by the said subsidiary company in previous year of ₹ 18,692,700 has been recovered during the current year.
- Sitting fees amounting to ₹ 800,000 (Previous Year ₹ 980,000) have been paid to the directors.

36. Foreign Currency Transactions :

The foreign currency exposures that have not been hedged by any derivative instrument or otherwise as on March 31, 2014 which is as follows:-

Particulars	As at March 31, 2014		As at March 31, 2013	
	INR Equivalent	USD Equivalent	INR Equivalent	USD Equivalent
Payable for Professional fees	NIL	NIL	135,975	\$2500

37. Expenditure in foreign currency:

Description	For the year ended March 31, 2014 Rs.	For the year ended March 31, 2013 Rs.
Professional Fees	597,808	1,187,542

38. Obligation on Long-term, Non Cancellable Operating Lease assets taken on Lease

- The Company has taken commercial premises on Non Cancellable Operating Lease and lease rent of Rs.19,266,148 (Previous Year Rs.22,771,539) has been debited to statement of Profit and Loss and Rs.3,774,376 (Previous Year ₹ 8,558,112) has been inventorised for the current year.
- The future minimum lease payments are as under:

Particulars	As at March 31, 2014 Rs.	As at March 31, 2013 Rs.
Within one year	9,632,574	11,076,196
After one year but not more than five years	23,505,470	28,275,449
More than five years	-	-

- There are no exceptional/ restrictive covenants in the lease agreement.
- The above mentioned amounts debited to Profit & Loss Account and future minimum lease payments are exclusive of service tax to the extent applicable.
- The above future minimum lease rental includes normal escalation rate based on the agreements. Further, normal escalation rates are 5% to 10% every year.
- The Company does not have any contingent lease rental expenses/ income.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

39. Earnings per share (EPS) is calculated as follows:

Particulars		As at March 31, 2014	As at March 31, 2013
A	Net Profit after tax as per statement of profit and loss	Rs. (411,182,241)	3,018,608
B	Weighted average number of equity shares outstanding		
-	for Basic EPS	Nos. 243,258,782	243,258,782
-	for Diluted EPS	Nos. 243,258,782	243,258,782
C	Earnings per equity shares of face value of ` 10 each		
-	Basic EPS	Rs. (1.69)	0.01
-	Diluted EPS	Rs. (1.69)	0.01
D	Number of shares used for calculating Basic/ Diluted EPS	Nos. 243,258,782	243,258,782

40. Dynamix Realty ("Partnership Firm") in which DB Realty Limited ("Company") is a partner, had granted Loans to Kusegaon aggregating to Rs. 2,092,425,485, (the said loans) as upto 31st March 2010. As of 31st March, 2014, the outstanding balance due from Kusegaon is Rs. 91,501,379, being part of interest charged. Central Bureau of Investigation Anti-corruption Branch, New Delhi) in the Supplementary (First) charge sheet RC.DAI.2009.A.0045 (2G Spectrum Case) has alleged that out of the said loans granted, Rs. 2,000,000,000 is paid as illegal gratification to M/s Kalaighar TV Private Limited through Kusegaon and M/s Cineyug Films Pvt. Ltd., in lieu of the undue favours by accused public servants to Swan Telecom Private Limited in 2G Spectrum Case. The Central Bureau of Investigation has alternatively alleged in the said charge sheet that even if the said transaction of Rs. 2,000,000,000 is accepted as genuine business transaction, the interest charged being inadequate is a favor to a government servant, hence constitutes commission of offence. In the opinion of the Partners of the firm and the Management of the Company, these are preliminary charges based on investigation carried out by the Central Bureau of Investigation Team and the personnel named in the charge sheet is presumed to be innocent till their alleged offence is established after a fair trial. These preliminary charges have no impact on the business/operations of the firm.

Further, The Deputy Director Enforcement vide his attachment order No: 01/2011 dt. 30th August, 2011 has provisionally attached Company's bank account number 05211011001053 maintained with Oriental Bank of Commerce, Goregaon (East), having Bank Balance of Rs. 6,892,967/-. Further the Enforcement Directorate has also attached two flats belonging to the Company situated at Goregaon (East). The combined value of these two flats as shown in Company's financial statement of Rs. 10,765,400/- at the time of attachment (WDV as on 31st March, 2014 is Rs. 8,663,544 (PY. 9,119,520). Also, a loan amounting to Rs. 503,963,329/- (at the time of attachment) advanced to Goan Hotels & Clubs Pvt. Ltd. has also been provisionally attached. However, the above loan was converted into the ROCCPS of DB Hospitality Limited (holding Company of Goan Hotels & Clubs Private Limited) before the provisional attachment Order via tripartite confirmation. This fact has been brought to the notice of Enforcement Directorate vide this Office Letter dated 20th September, 2011.

This provisional attachment order has been upheld by adjudicating authority vide order number 116/2011 dt. 10th Jan'2012. Appeal has been filed on 19th March, 2012 with Appellate Tribunal under prevention of money laundering act (PML Act). The appeal is pending before appellate tribunal for PML.

During the year, the Directorate of Enforcement has taken physical possession of bank balance of Rs. 6,892,967/-, against which the Firm has written a letter to convert the amount so recovered into Fixed Deposits, till date ED has not entertained this request. In view of the same, the said balance is shown as part of advances recoverable in cash or in kind. Post Balance sheet date, the Directorate of Enforcement has filed a complaint before the Hon'ble Court in connection with Money Laundering Case relating 2G Spectrum Case. In response thereto, the Firm, the Partners of the Firm and certain Personnel's / certain Directors of the Company have been issued summons for attendance. The requisite proceedings are in progress.

41. The disclosures under the Accounting Standard 15
A) Defined Contribution Plan:

Contribution to defined Contribution Plan recognized as an expense for the year is as under:

Particulars	March 31, 2014 ₹	March 31, 2013 ₹
Employer's contribution to Provident fund	72,439*	7,75,859
Employer's contribution to ESIC	9,367#	15,441
Total	81,806	791,300

* Further, the Company has inventorised contribution to Provident Fund of Rs. 23,535 (Previous Year NIL) during the year.

Further, the Company has inventorised contribution to ESIC of Rs. 14,228 (Previous Year NIL) during the year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

B) Defined Benefit Plan:

The following table sets out the status of the gratuity plan (non-funded) and the amounts recognized in the Company's financial statements as at March 31, 2014:

a) Reconciliation of opening and closing balances of Defined Benefit Obligation:

Particulars	March 31, 2014 ₹	March 31, 2013 ₹
Liability at the beginning of the year	4,762,602	11,878,955
Interest cost	236,254	1,009,711
Current Service cost	1,407,384	2,086,509
Past Service Cost	605,396	-
Actuarial (gain)/loss on obligations	757,804	(10,212,573)
Settlement Cost/(Credit)	(3,381,878)	-
Benefit paid		
Liability at the end of the year	4,387,562	4,762,602

b) Reconciliation of fair value of plan assets and obligations

Particulars	March 31, 2014 ₹	March 31, 2013 ₹
Liability at the end of the year	4,387,562	4,762,602
Fair value of Plan Assets at the end of the year	-	-
Difference		
Amount Recognized in the Balance Sheet	(4,387,562)	(4,762,602)

c) Expense recognized during the year:

Particulars	March 31, 2014 ₹	March 31, 2013 ₹
Current service cost	1,407,384	2,086,509
Interest cost	236,254	1,009,711
Past Service Cost	605,396	-
Expected Return on Plan Assets	-	-
Actuarial Gain or Loss	757,804	(10,212,573)
Settlement Cost	162,212	-
Expense Recognized in P&L	3,169,050	(7,116,353)

d) Actuarial Assumptions:

	LIC (1994-96)	LIC (1994-96)
Mortality Table		
Discount rate (per annum)	8.70%	7.90%
Rate of escalation in salary (per annum)	10.00%	15.00%
Expected Average remaining working lives of employees (Years)	2.89	6.44

The estimates of rate of escalation in salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is extracted from the report obtained from Actuary.

e) Experience Adjustments:

Particulars	March 31, 2014 Rs.	March 31, 2013 Rs.	March 31, 2012 Rs.	March 31, 2011 Rs.	March 31, 2010 Rs.
Present value of defined benefit obligation	4,387,562	4,762,602	11,878,955	10,465,061	3,768,438
Fair value of plan assets	NIL	NIL	NIL	NIL	NIL
Experience adjustments on actuarial (Gain)/ loss:					
Plan liabilities (gain)/loss	(767,981)	10,322,525	6,038,702	(4,370,588)	Refer Note
Plan assets (gain) loss	Nil	Nil	Nil	Nil	Refer Note

Note: The details of the Experience adjustments arising on account of plan assets and liabilities as required by paragraph 120(n)(ii) of AS 15 (Revised) on "Employee Benefits" for the year ended march 2010 is not available in the valuation report hence, are not furnished.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014**C) Other Long Term Employee Benefit:**

The compensated absences charged for the year ended March 31, 2014, based on actuarial valuation carried out using the Projected Unit Credit Method, amounting Rs. 1,560,534 (Previous Year Rs. 14,292,279) has been recognized in the statement of Profit and Loss. Further, the Company has inventorised compensated expenses of ₹ 66,787 (Previous Year ₹NIL) during the year.

42. Segment Reporting:

The Company is mainly engaged in the business of real estate development viz. construction of residential buildings/ commercial complexes and activities connected and incidental thereto. The Company has also placed its bid for certain infrastructure projects for the outcome of which is awaited. On that basis, the Company has only one reportable business segment – real estate development, the results of which are embodied in the financial statements. The Company operates in only one geographical segment – within India.

43. In respect of company's investment in Association of Person (AOP), each executing a single project, the Company's share in the expenses of such project are shown as accumulated losses, is recognized only when such loss will be debited to members account in the books of such AOPs. As per the projections of the management, each of such projects is expected to make a good profit on completion.

44. Prior Period Items:

Particulars	March 31, 2014 Rs.	March 31, 2013 Rs.
Rent	10,361,080	-
Wealth Tax	1,724,010	-
Employee Benefit Expenditure	201,314	-
Miscellaneous Expenses	153,273	-
Total	12,439,677	-

45. Disclosure As Per Guidance Note On Accounting For Real Estate Transactions (Revised 2012)

Particulars	March 31, 2014 Rs.	March 31, 2013 Rs.
Project Revenue Recognised in the reporting period	-	-
The Aggregate amount of cost incurred and profits recognised till date	-	-
Advances Received (Net of revenue recognition)*	44,143,700	45,793,700
Work in Progress	2,262,607,335	2,005,660,682
Unbilled Revenue	-	-

46. Related Party Disclosure:

- (i) Disclosures as required by the Accounting Standard 18 (AS-18) "Related Party Disclosures" are given below:

Sr. No.	Name of the Related Party
Subsidiaries:	
	Gokuldham Real Estate Development Company Private Limited
	Neelkamal Realtors Suburban Private Limited
	Neelkamal Shanti Nagar Properties Private Limited
	Esteem Properties Private Limited
	D B Man Realty Limited
	Priya Constructions Private Limited
	Real Gem Buildtech Private Limited
	Saiffee Bucket Factory Private Limited
	N.A Estate Private Limited
	Royal Netra Constructions Private Limited.
	Nine Paradise Erectors Private Limited
	MIG (Bandra) Realtors & Builders Pvt Ltd (Formerly DB MIG Realtors and Builders Private Limited)
	Spacecon Realty Private Limited (Formerly DB Spacecon Private Limited)
	Vanita Infrastructure Private Limited

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	DB View Infracon Private Limited
	DB Contractors & Builders Private Limited
	Goregaon Hotel & Realty Private Limited (w.e.f 14 th Dec 2013)
Associates:	
	Sangam City Township Private Limited
	D.B. Hi-Sky Constructions Private Limited
	Neelkamal Realtors Tower Private Limited
	Mahal Pictures Private Limited
Jointly Controlled Entities:	
	Dynamix Realty
	DBS Realty
	Turf-Estate Joint Venture
	Lokhandwala-Dynamix Balwas Joint Venture
	ECC-DB Joint Venture
	Conwood-DB Joint Venture
	Mira Real Estate Developers (Formerly Mira Salt Works Company)
	DB (BKC) Realtors Pvt Ltd
	DB Realty and Shreepati Infrastructure LLP
	Daund Warehousing Developers & Builders LLP
	Saswad Warehousing Developers & Builders LLP
	Ahmednagar Warehousing Developers & Builders LLP
	Solapur Warehousing Developers & Builders LLP
	Latur Warehousing Developers & Builders LLP
	Aurangabad Warehousing Developers & Builders LLP
	Veer Jijamatanagar Realty LLP (w.e.f 31 st August 2012)
	Shree Shantinagar Ventures (Jointly controlled entity of NeelKamal Shantinagar Properties Private Limited)
	Suraksha DB Realty (Jointly controlled entity of DB View Infracon Private Limited)
	Evergreen Industrial Estate (Jointly controlled entity of Priya Constructions Private Limited)
	Sneh Developers (Jointly Control entity of DB View Infracon Pvt Ltd)
Entity in respect of which the Company is an Associate	
	Neelkamal Tower Construction LLP
Key Management Personnel (KMP)	
	Mr. Shahid Balwa, Vice Chairman & Managing Director
	Mr. Vinod Goenka, Chairman & Managing Director
Relatives of KMP	
	Mr.Usman Balwa - Father of Vice Chairman
	Mrs Sakina U Balwa – Mother of Vice Chairman
	Mrs.Shabana Balwa – Wife of Vice Chairman
	Mr.Arshad S.Balwa - Son of Vice Chairman
	Ms.Aaliya S.Balwa – Daughter of Vice Chairman
	Mr.Salim Balwa – Brother of Vice Chairman
	Mrs.Aseela V.Goenka – Wife of Chairman
	Mr.Krishna Murari Goenka – Father of Chairman
	Mr.Jayvardhan V.Goenka – Son of Chairman
	Ms.Sanjana Goenka – Daughter of Chairman
	Mr.Pramod Goenka – Brother of Chairman
	Mrs.Sunita Goenka – Sister of Chairman
	Mrs.Shanita Jain – Sister of Chairman
Enterprise where individuals i.e. KMP and their relatives have significant influence	
	Balwas Charitable Trust
	Conwood Agencies Private Limited.
	Conwood Associates (Partnership Firm)
	Conwood Construction & Developers Private Limited
	Conwood Pre-fab Limited

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

	Marine Drive Hospitality & Realty Private Limited (Formerly known as DB Hospitality Private Limited)
	Dynamix Contractors & Builders Pvt Ltd (Formerly Known as DB Modern Build tech Pvt Ltd)
	Pony Infrastructure and Contractors Limited
	Dynamix Developers Private Limited
	Dynamix Balwas Resorts Private Limited
	Dynamix Club and Resorts Private Limited
	Dynamix Man Pre-fab Limited
	Eversmile Properties Private Limited
	Eversmile Construction Company Private Limited.
	Face Inn Hotels Private Limited
	Goan Hotels & Clubs Private Limited
	Goan Real Estate and Construction Private Limited
	Goenka & Associates Educational Trust
	Goenka & Associates Medical Research Centre
	Goenka & Associates Social Welfare Trust
	K G Enterprises
	Milan Theatres Private Limited
	Modren Hi-Tech Developers Private Limited
	Neelkamal Central Apartment Private Limited /Neelkamal Central Apartment LLP
	Neelkamal Realtors and Builders Private Limited
	Nihar Construction Private Limited
	Oceanmint Buildcon Pvt Ltd (w.e.f. 9 th March 2013)
	Neelkamal Realtors and Erectors India Private Limited
	Span Construction Company Private Limited
	Majestic Infracon Private Limited (formely known as Tiger Trustees Private Limited and DBI Infracon Private Limited)
	Trident Estate Private Limited
	Vinod Goenka-HUF
	Chocklate Developers Pvt Ltd
	Y. J. Realty Private Limited
	Eon Aviation Pvt Ltd
	BD & P Hotels (India) Pvt Ltd
	Hotel Balwas Private Limited

Notes:

The aforesaid related parties are identified by the management of the Company and relied upon by the auditors.

(ii) Details of Transactions with Related Parties as per AS 18 Related Party Disclosures

Nature of Transaction	Subsidiaries	Associates	Entities under Joint Control of Company/ its subsidiaries	KMP, their Relatives and other related parties where significant influence exists	Total
Loans and Advances Granted					
Opening Balance as on 1st April 2013	3,908,103,167	143,319,936	-	773,638,704	4,825,061,807
	(3,667,268,336)	(780,740,000)	(-)	(787,647,403)	(5,235,655,739)
Given during the year	765,045,808	32,715,358	-	262,625,202	1,060,386,368
	(896,588,200)	(143,319,936)	(-)	(124,138,704)	(1,164,046,840)
Received back during the year	1,756,328,964	143,469,936	-	14,000,000	1,913,798,900
	(655,753,369)	(-)	(-)	(138,147,403)	(793,900,772)
Closing Balance as on March 31, 2014	2,916,820,011	32,565,358	-	1,022,263,906	3,971,649,275
	(3,908,103,167)	(143,319,936)	(-)	(773,638,704)	(4,825,061,807)
Loans and Advances Received					

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

Nature of Transaction	Subsidiaries	Associates	Entities under Joint Control of Company/ its subsidiaries	KMP, their Relatives and other related parties where significant influence exists	Total
Opening Balance as on 1st April 2013	714,725,262	-	-	-	714,725,262
	(86,632,142)	(-)	(-)	(-)	(86,632,142)
Taken during the year	530,311,660	-	-	-	530,311,660
	(1,008,543,120)	(-)	(-)	(-)	(1,008,543,120)
Repaid during the year	586,586,531	-	-	-	586,586,531
	(380,450,000)	(-)	(-)	(-)	(380,450,000)
Closing Balance as on March 31, 2014	658,450,391	-	-	-	658,450,391
	(714,725,262)	(-)	(-)	(-)	(714,725,262)
Intercompany Deposits					
Opening Balance as on 1st April 2013	-	-	299,564,000	-	299,564,000
	(-)	(-)	(340,549,000)	(-)	(340,549,000)
Taken during the year	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
Returned during the year	-	-	61,485,000	-	61,485,000
	(-)	(-)	(40,985,000)	(-)	(40,985,000)
Closing Balance as on March 31, 2014	-	-	238,079,000	-	238,079,000
	(-)	(-)	(299,564,000)	(-)	(299,564,000)
Project Advances					
Opening Balance as on 1st April 2013	-	782,535,000	-	-	782,535,000
	(-)	(780,740,000)	(-)	(-)	(780,740,000)
Taken during the year	-	4,910,000	-	-	4,910,000
	(-)	(1,795,000)	(-)	(-)	(1,795,000)
Returned during the year	-	5,500,000	-	-	5,500,000
	(-)	(-)	(-)	(-)	(-)
Closing Balance as on March 31, 2014	-	781,945,000	-	-	781,945,000
	(-)	(782,535,000)	(-)	(-)	(782,535,000)
Investments in Equity Shares					
Opening Balance as on 1st April 2013	2,053,612,767	1,058,073,147	986,503,899	783,029,928	4,881,219,741
	(2,053,612,767)	(892,370,001)	(986,503,899)	(783,029,928)	(4,715,516,595)
Investment purchased during the year	100,000	-	-	-	100,000
	(-)	(-)	(-)	(-)	(-)
Investments sold/redeemed during the year	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
Closing Balance as on March 31, 2014	2,053,712,767	1,058,073,147	986,503,899	783,029,928	4,881,319,741
	(2,053,612,767)	(1,058,073,147)	(986,503,899)	(783,029,928)	(4,881,219,741)
Investment in Preference Shares					
Opening Balance as on 1st April 2013	240,262,502	109,609,005	1,480,109,405	9,222,704,804	11,052,685,716
	(240,262,502)	(109,609,005)	(1,480,109,405)	(8,282,704,804)	(10,112,685,716)
Investment purchased during the year	-	-	-	5,054,256,000	5,054,256,000
	(-)	(-)	(-)	(940,000,000)	(940,000,000)
Investments sold/redeemed during the year	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
Closing Balance as on March 31, 2014	240,262,502	109,609,005	1,480,109,405	14,276,960,804	16,106,941,716
	(240,262,502)	(109,609,005)	(1,480,109,405)	(9,222,704,804)	(11,052,685,716)

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Description	Subsidiaries	Associates	Entities under Joint Control of Company/its subsidiaries	Enterprises over which KMP and their relatives have significant influence.	Total
Investment in Partnership Firms & Jointly Control Entities					
Opening Balance as on 1st April 2013	-	-	3,424,884,103	-	3,424,884,103
	(-)	(-)	(6,404,577,869)	(-)	(6,404,577,869)
Contribution during the year	-	-	991,065,805	-	991,065,805
	(-)	(-)	(7,773,379,247)	(-)	(7,773,379,247)
Contribution refunded during the year	-	-	2,073,291,074	-	2,073,291,074
	(-)	(-)	(10,846,170,426)	(-)	(10,846,170,426)
Share of Profit/ (Loss) during the year	-	-	(12,770,705)	-	(12,770,705)
	(-)	(-)	(93,097,413)	(-)	(93,097,413)
Closing Balance as on March 31, 2014	-	-	2,329,888,130	-	2,329,888,130
	(-)	(-)	(3,424,884,103)	(-)	(3,424,884,103)
Advance against share purchase					-
Opening Balance as on 1st April 2013	-	-	-	3,288,471,940	3,288,471,940
	(-)	(-)	(-)	(464,400,000)	(464,400,000)
Given during the year	-	-	-	2,349,284,117	2,349,284,117
	(-)	(-)	(-)	(3,833,571,940)	(3,833,571,940)
Shares issued during the year	-	-	-	5,637,756,057	5,637,756,057
	(-)	(-)	(-)	(1,009,500,000)	(1,009,500,000)
Closing Balance as on March 31, 2014	-	-	-	-	-
	(-)	(-)	(-)	(3,288,471,940)	(3,288,471,940)
Other Receivable	194,047	-	2,413,482	1,084,431	3,691,960
	(1,983,396)	(-)	(497,425)	(2,109,317)	(4,590,138)
Other Payable	-	4,331,500	-	23,108,964	27,440,464
	(3,775,410)	(854,368)	(-)	(23,996,413)	(28,626,191)
Interest free security deposits	-	20,000,000	-	3,683,125,000	3,703,125,000
	(-)	(20,000,000)	(-)	(3,683,125,000)	(3,703,125,000)
Mobilisation Advance	-	-	-	113,159,717	113,159,717
	(-)	(-)	(-)	(113,159,717)	(113,159,717)
Interest Income	40,881,403	23,699,287	-	109,272,446	173,853,136
	(34,989,451)	(8,239,031)	(-)	(114,965,227)	(158,193,709)
Interest Expense	91,443,496	-	-	-	91,443,496
	(66,581,812)	(-)	(-)	(-)	(66,581,812)
Reimbursement from other companies	5,719,871	-	251,153	-	5,971,024
	(1,983,396)	(-)	(-)	(-)	(1,983,396)
Reimbursement to other companies	1,238,820	8,774,470	-	-	10,013,290
	(-)	(851,958)	(-)	(-)	(-)
Construction Expenses	-	-	-	-	-
	(-)	(-)	(-)	(18,169,321)	(18,169,321)
Rent paid	-	-	-	27,890,967	27,890,967
	(-)	(-)	(-)	(21,789,726)	(21,789,726)
Miscellaneous Expenses (water and electricity expenses)	-	-	-	650,766	650,766
	(-)	(-)	(-)	(1,122,255)	(1,122,255)
Payable for Purchase of Fixed Assets	-	-	-	-	-
	(-)	(-)	(-)	(1,404,978)	(1,404,978)
Revenue from Operation (Sale of Project)	-	-	-	-	-
	(-)	(-)	(-)	(430,000,000)	(430,000,000)
Managerial Remuneration	-	-	-	-	-
	(-)	(-)	(-)	(6,000,000)	(6,000,000)
Travelling Expenses	-	-	-	710,095	710,095

Description	Subsidiaries	Associates	Entities under Joint Control of Company/its subsidiaries	Enterprises over which KMP and their relatives have significant influence.	Total
	(-)	(-)	(-)	(10,048,565)	(10,048,565)
Guarantees given and securities provided by the Company to the lenders on behalf of various entities. (Refer note 27)	3,300,000,000	3,500,000,000	750,000,000	(USD 138 million plus ₹ 13,130 million)	
	(3,000,000,000)	(4,125,000)	(74,125,000)	(USD 138 million plus ₹ 10,234 million)	
Irrevocable and unconditioner personal guarantees given by managing directors to the Company. (Refer note 27 (vi))				USD 138 million	
				USD 138 million	
Sharing of Resources/Infrastructure**	-	-	-	-	
	(-)	(-)	(-)	(-)	

(Figures in brackets denote Previous Year's balances)

iii. Guarantees and securities received by the Company for Loans taken from lenders

Name	Relation	Opening Balance as on 1st April, 2013	Received during the year	Released during the year	Closing Balance as on 31st March, 2014
Dynamix Realty	Joint Venture	-	350,000,000	-	350,000,000
Vinod Goenka	KMP				
Shahid Balwa	KMP				
		(-)	(-)	(-)	(-)
Eversmile Construction Company Private Limited	Enterprises over which KMP and their relatives have significant influence.	-	300,000,000	-	300,000,000
YJ Realty & Aviation Private Limited	Enterprises over which KMP and their relatives have significant influence.				
Milan Theatre Private Limited	Enterprises over which KMP and their relatives have significant influence.				
Vinod Goenka	KMP				
Shahid Balwa	KMP				
		(-)	(-)	(-)	(-)
Esteem Properties Private Limited	Subsidiary	2,000,000,000.00	-	-	2,000,000,000.00
Vinod Goenka	KMP				
Shahid Balwa	KMP				
		(2,000,000,000)	(-)	(-)	(2,000,000,000)
Vinod Goenka	KMP	610,000,000.00	-	-	610,000,000.00
Shahid Balwa	KMP				
		(-)	(610,000,000.00)	-	(610,000,000.00)

(iv) Disclosure in respect of related party transactions having more than 10% of transaction during the year

Loans and Advances	Opening Balance as on 1st April, 2013	Given during the year	Returned during the year	Closing Balance as on 31st March, 2014
Loans to Subsidiaries (no repayment schedule and repayable on demand)				
D B Man Realty Limited	250,000	65,000	-	315,000
	(-)	(250,000)	(-)	(250,000)
Spacecon Realty Private Limited	661,248,288	6,775,000	18,200,000	649,823,288
	(645,413,288)	(31,135,000)	(15,300,000)	(661,248,288)
DB View Infracon Private Limited	620,830,000	352,250,000	973,080,000	-
	(194,602,713)	(515,930,000)	(89,702,713)	(620,830,000)
Esteem Properties Private Limited	1,120,577,945	4,392,185	-	1,124,970,130
	(1,106,077,945)	(17,800,000)	(3,300,000)	(1,120,577,945)

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Loans and Advances	Opening Balance as on 1st April, 2013	Given during the year	Returned during the year	Closing Balance as on 31st March, 2014
N. A. Estate Private Limited	78,254,689	1,022,598	-	79,277,287
	(76,379,689)	(1,875,000)	(-)	(78,254,689)
Neelkamal Realtor Suburban Private Limited	160,533,107	182,667,061	145,140,000	198,060,168
	(315,989,670)	(106,043,437)	(261,500,000)	(160,533,107)
Neelkamal Shantinagar Properties Private Limited	412,214,316	131,685,000	540,000,000	3,899,316
	(278,989,316)	(134,339,731)	(1,114,731)	(412,214,316)
Nine Paradise Erectors Private Limited	217,185,000	1,025,000	-	218,210,000
	(217,850,000)	(11,035,000)	(11,700,000)	(217,185,000)
Priya Construction Private Limited	224,651,152	85,000	-	224,736,152
	(216,461,152)	(8,190,000)	(-)	(224,651,152)
Real Gem Buildtech Private Limited	-	79,904,133	79,904,133	-
	(210,348,154)	(5,175,000)	(215,523,154)	(-)
Royal Netra Construction Private Limited	372,377,203	5,000,000	-	377,377,203
	(364,030,134)	(8,347,069)	(-)	(372,377,203)
Saifee Buckets Factory Private Limited	1,022,467	4,831	4,831	1,022,467
	(917,467)	(112,963)	(7,963)	(1,022,467)
Vanita Infrastructure Private Limited	38,959,000	170,000	-	39,129,000
	(38,779,000)	(180,000)	(-)	(38,959,000)

Particulars	Opening Balance as on 1st April, 2013	Given during the year	Returned during the year	Closing Balance as on 31st March, 2014
Project Advances to Associates				
D.B. Hi-Sky Constructions Private Limited	328,535,000	410,000	5,500,000	323,445,000
	(326,740,000)	(1,795,000)	(-)	(328,535,000)
Sangam City Township Private Limited	454,000,000	4,500,000	-	458,500,000
	(454,000,000)	-	(-)	(454,000,000)
Loans to Associates (Interest bearing and no repayment schedule as repayable on demand)				
Neelkamal Realtors Tower Private Limited	143,319,936	32,715,358	143,469,936	32,565,358
	(1,429,808)	(56,200,000)	(57,629,808)	(-)

Particulars	Opening Balance as on 1st April, 2013	Taken during the year	Repaid during the year	Closing Balance as on 31st March, 2014
Loans given to KMP Significant Entities (Interest bearing and repayable on demand)				
Y J Realty Private Limited	415,610,362	207,655,778	14,000,000	609,266,140
	(479,815,541)	(67,610,362)	(131,815,541)	(415,610,362)
Milan Theatres Private Limited	358,028,342	54,969,424	-	412,997,766
	(307,831,862)	(56,528,342)	(6,331,862)	(358,028,342)

Particulars	Opening Balance as on 1st April, 2013	Taken during the year	Repaid during the year	Closing Balance as on 31st March, 2014
Loans from Subsidiaries				
Gokuldham Real Estate Development Company Private Limited	699,200,000	254,374,133	398,001,000	555,573,133
	(-)	(953,000,000)	(253,800,000)	(699,200,000)
DB MIG Realtors and Builders Private Limited	15,525,262	273,628,000	188,585,531	100,567,731
	(86,632,142)	(55,543,120)	(126,650,000)	(15,525,262)
D B View Infracon Private Limited	-	2,309,527	-	2,309,527
	(-)	(-)	(-)	(-)
Loans taken from Jointly Controlled Entity				
DB(BKC) Realtors Private Limited	299,564,000	-	61,485,000	238,079,000

Particulars	Opening Balance as on 1st April, 2013	Taken during the year	Repaid during the year	Closing Balance as on 31st March, 2014
	(340,549,000)	(-)	(40,985,000)	(299,564,000)
Loans taken from KMP Significant Entity				
Neelkamal Realtors & Builders Private Limited				
	(-)	(20,000,000)	(20,000,000)	(-)

Particulars	Opening Balance as on 1st April, 2013	Investments purchased / made during the year	Investment sold / redeemed during the year	Closing Balance as on 31st March, 2014
Investments in Equity Shares:				
Goregaon Hotel & Realty Pvt Ltd	-	100,000	-	100,000
	(-)	(-)	(-)	(-)
Investments in Preference Shares				
	Opening Balance as on 1st April, 2013	Investments purchased / made during the year	Investment sold / redeemed during the year	Closing Balance as on 31st March, 2014
Marine Drive Hospitality & Realty Pvt. Ltd. (Formerly D B Hospitality Pvt. Ltd.)	9,222,704,804	5,054,256,000	-	14,276,960,804
	(8,282,704,804)	(940,000,000)	(-)	(9,222,704,804)

Investments in Partnership firm (JCE)	Opening Balance as on 1st April, 2013	Contribution during the year	Profit/(Loss) during the year	Repayment during the year	Closing Balance as on 31st March, 2014
Dynamix Realty	1,163,889,990	179,650,000	8,715,123	1,928,214,117	(575,959,004)
	(2,603,195,519)	(7,336,598,618)	(57,926,756)	(3,569,763,109)	1,163,889,990
D.B.S. Realty	(192,631,033)	5,300,000	(1,525,214)	135,300,000	(324,156,247)
	(297,944,782)	(134,000,000)	(1,986,251)	(30,000,000)	(192,631,033)
Mira Real Estate Developers	1,381,283,269	27,975,000	(19,611,807)	-	1,389,646,462
	(1,374,039,817)	(126,197,083)	(27,466,548)	(118,953,631)	(1,381,283,269)
D B Realty And Shreepati Infrastructure LLP	63,960,926	756,956	(385,067)	-	64,332,815
	(70,275,000)	(600,000)	(6,972,874)	(-)	(63,960,926)

Investments in Joint Venture	Opening Balance as on 1st April, 2013	Contribution during the year	Repayment during the year	Closing Balance as on 31st March, 2014
Conwood D B- JV	161,134,732	2,615,000	-	163,749,732
	(157,654,732)	(3,480,000)	(-)	(161,134,732)
ECC DB- JV	253,960,000	40,290,000	6,800,000	287,450,000
	(296,885,000)	(27,075,000)	(70,000,000)	(253,960,000)
Turf Estate JV	565,557,500	734,428,848	2,500,000	1,297,486,348
	(468,682,500)	(96,875,000)	(-)	(565,557,500)

Particulars	Opening Balance as on 1st April, 2013	Given during the year	Returned during the year	Closing Balance as on 31st March, 2014
Other Payable				
D. B. S. Realty	166,648	166,648	-	-
	(297,944,782)	(134,378,260)	(30,544,908)	(194,111,430)
Nihar Construction Private Limited	89,791	89,791	-	-
	(3,500,000)	(3,500,000)	(89,791)	(89,791)
Eon Aviation Private Limited	-	710,095	710,095	-
	(-)	(11,967,665)	(11,967,665)	(-)
Pony Infrastructure & Contractor Ltd	758,442	758,442	-	-
	(-)	(-)	(758,442)	(758,442)
Real Gem Buildtech Pvt Ltd	1,424,211	2,180,682	756,471	-
	(-)	(-)	(1,424,211)	(1,424,211)

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Particulars	Opening Balance as on 1st April, 2013	Given during the year	Returned during the year	Closing Balance as on 31st March, 2014
Turf Estate JV	395,963	395,963	-	-
	(-)	(-)	(395,963)	(395,963)
YJ Realty Pvt Ltd	73,578	73,578	-	-
	(-)	(-)	(73,578)	(73,578)
Mira Real Estate Developers	796,731	796,731	-	-
	(-)	(-)	(796,731)	(796,731)
Gokuldham Real Estate Development Co Pvt Ltd	1,425,216	1,425,216	-	-
	(-)	(-)	(1,425,216)	(1,425,216)
Neelkamal Realtor Suburban Pvt Ltd	129,252	129,252	-	-
	(-)	(-)	(129,252)	(129,252)
Neelkamal Realtor Builder Pvt Ltd	91,933	91,933	-	-
	(-)	(-)	(91,933)	(91,933)
Neelkamal Realtor Tower Pvt Ltd	851,958	5,294,928	8,774,470	4,331,500
	(-)	(-)	(851,958)	(851,958)
KG Enterprise	8,857,406	19,361,331	10,620,354	116,429
	(3,601,288)	(18,599,685)	(23,855,803)	(8,857,406)
Neelkamal Realtors & Builders Pvt. Ltd._Rent Paid	8,669,321	10,562,563	18,932,416	17,039,174
	(-)	(9,500,000)	(18,169,321)	(8,669,321)

Other Current Assets - Reimbursement of Expenses Recoverable	Opening Balance as on 1st April, 2013	Given during the year	Reimbursed during the year	Closing Balance as on 31st March, 2014
Dynamix Realty	316,730	-	316,730	-
	(-)	(486,467)	(169,737)	(316,730)
Majestic Infracon Private Limited	510,131	-	-	510,131
	(534,131)	(-)	(24,000)	(510,131)
Gokuldham Real Estate Dev. Co. P.L.	1,051,307	2,485,720	3,537,027	-
	(-)	(1,051,307)	(-)	(1,051,307)
Real Gem Buildtech Pvt. Ltd	(1,161,389)	3,164,151	1,971,268	31,494
	(-)	(701,198)	(1,862,587)	(1,161,389)

Interest free Security Deposit for Development of properties	Opening Balance as on 1st April, 2013	Given during the year	Returned during the year	Closing Balance as on 31st March, 2014
Dynamix Club Resorts Private Limited	500,000,000	-	-	500,000,000
	(500,000,000)	(-)	(-)	(500,000,000)
Eversmile Construction Company Private Limited	2,000,000,000	-	-	2,000,000,000
	(2,000,000,000)	(-)	(-)	(2,000,000,000)
Neelkamal Realtors & Builders Private Limited	750,000,000	-	-	750,000,000
	(750,000,000)	(-)	(-)	(750,000,000)
Usman Ebrahim Balwa	33,125,000	-	-	33,125,000
	(33,125,000)	(-)	(-)	(33,125,000)
Nihar Construction Private Limited	400,000,000	-	-	400,000,000
	(400,000,000)	(-)	(-)	(400,000,000)
Neelkamal Realtors Tower Private Limited	20,000,000	-	-	20,000,000
	(20,000,000)	(-)	(-)	(20,000,000)

Mobilisation Advance	Opening Balance as on 1st April, 2013	Given during the year	Returned during the year	Closing Balance as on 31st March, 2014
Majestic Infracon Private Limited (formerly as DBI Infracon Private Limited)	113,159,717	-	-	113,159,717
	(113,159,717)	(4,143,368)	(4,143,368)	(113,159,717)

Revenue from Operation (Sale of Project)

	Amount (Rs.)
Dynamix Balwas Resorts Private Limited	-
	(430,000,000)

Interest Income	Amount (Rs.)
Royal Netra Construction Private Limited	-
	(9,274,521)
Neelkamal Realtor Sub Private Limited	30,512,215
	(25,714,930)
Neelkamal Realtor Tower Private Limited	23,699,287
	(8,239,031)
MIG Bandra Realtors & Builders Ltd	10,369,188
	(6,159,022)
Milan Theater Private Limited	51,321,582
	(49,287,047)
YJ Realty Private Limited	57,950,864
	(65,678,180)

Interest Expense	Amount (Rs.)
Gokuldharm Real Estate Development Private Limited	91,432,909
	(60,422,790)
DB View Infracon Pvt Ltd.	10,587
	(-)

Particulars	Nature of expenditure	Amount
Eon Aviation Private Limited	Travelling expenses	710,095
		(10,048,565)
K G Enterprises	Rent Paid	8,780,471
		(21,789,726)
Neelkamal Realtors & Builders Pvt Ltd	Rent Paid	18,932,416
		(-)
Majestic Infracon Private Limited	Construction expenses	-
		(18,169,321)

Closing Outstanding Items as on 31st March 2014
Payable for Purchase of Fixed Assets

Particulars	Amount (Rs.)
Goan Hotels & Clubs Pvt Ltd	-
	(1,404,978)

Consideration payable against developement rights acquired by the Company

Particulars	Nature of expenditure	Payable against Developement Rights
Eversmile Construction Co. Pvt. Ltd.	Village Sahar	30% Build Up Area
Eversmile Construction Co. Pvt. Ltd.	Mahul Project	Road Amenity TDR- 33.33%, Constructions TDR- 24.81% & Reservation TDR - 100%
Eversmile Construction Co. Pvt. Ltd.	Ghodbandar Land	23% of Build Up Area
Dynamix Club Resorts Pvt. Ltd.	Village Eksar	20% of Build Up Area
Neelkamal Realtors & Builders Pvt. Ltd.	Johnny Castel	55% Salebale area & 55% Parking Space
Neelkamal Realtors Tower Pvt. Ltd.	Sakseria	10% of Net Revenue but nor less than ₹ 20,00,00,000/- and not more than 25,00,00,000/-
Nihar Construction Pvt. Ltd.	Ismalia Co-op. Hsg. Soc.	Amount spent for acquisition plus 30% additional sum thereon.

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Neelkamal Realtors & Builders P. Ltd.	(Enclave II)	Independent structure consists of Ground floor plus 10 upper floor with latest amenities or provide area of 29,785 sq. ft. in redeveloped building
abdul Rehman Abdul Khalik		
Asif Balwa		
Ishaq Balwa		
Mohammad Balwa		
Usman Borahim Balwa		

Sharing of Resources / Infrastructure**

Description	Subsidiaries	Associates	Entities under Joint Control of Company/its subsidiaries	Enterprises over which KMP and their relatives have significant influence.	Total
D B Contractors & Builders Private Limited	-	-	-	-	-
Spacecon Realty Pvt. Ltd.	-	-	-	-	-
Neelkamal Shantinagar Properties Pvt Ltd	-	-	-	-	-
Shree Shantinagar Venture	-	-	-	-	-
Neelkamal Realtors Suburban Private Limited	-	-	-	-	-
Daund Warehousing Developers & Builders LLP	-	-	-	-	-
D B View Infracon Pvt Ltd	-	-	-	-	-
Esteem Properties Pvt Ltd	-	-	-	-	-
Vanita Infrastructure Pvt Ltd	-	-	-	-	-
Priya Constructions Pvt Ltd	-	-	-	-	-
Evergreen Industrial Estate	-	-	-	-	-
Real Gem Buildtech Pvt Ltd	-	-	-	-	-
Saifee Bucket Factory Pvt Ltd	-	-	-	-	-
Saswad Warehousing Developers & Builders LLP	-	-	-	-	-
Ahmednagar Warehousing Developers & Builders LLP	-	-	-	-	-
D B Realty & Shreepati Infrastructure LLP	-	-	-	-	-
Mira Real Estate Developers	-	-	-	-	-
DBS Realty	-	-	-	-	-
Turf Estate Joint Venture	-	-	-	-	-
Conwood DB Joint Venture	-	-	-	-	-
ECC DB Joint Venture	-	-	-	-	-
N. A. Estate Pvt. Ltd.	-	-	-	-	-
DB (BKC) Realtors Pvt. Ltd	-	-	-	-	-
Nine Paradise Erectors Pvt Ltd	-	-	-	-	-
Solapur Warehousing Developers & Builders LLP	-	-	-	-	-
D B Hi-Sky Construction Pvt Ltd	-	-	-	-	-
Latur Warehousing Developers & Builders LLP	-	-	-	-	-
Aurangabad Warehousing Developers & Builders LLP	-	-	-	-	-
MIG (Bandra) Realtors & Builders Pvt Ltd	-	-	-	-	-
Veer Jijamata Nagar Realty LLP	-	-	-	-	-

** Transactions are of non-monetary consideration

(v) Disclosure in respect of related party transactions during the year as per disclosure required by Clause 32 of the Listing Agreement:

Loans and Advances	Opening Balance as on 1st April, 2013	Given during the year	Returned during the year	Closing Balance as on 31st March, 2014	Maximum Balance Outstanding during the year
Loans to Subsidiaries (repayable on demand and interest free)					
D B Man Realty Limited	250,000	65,000	-	315,000	315,000
	(-)	(250,000)	(-)	(250,000)	(250,000)
Spacecon Realty Private Limited #	661,248,288	6,775,000	18,200,000	649,823,288	661,248,288
	(645,413,288)	(31,135,000)	(15,300,000)	(661,248,288)	(676,223,288)
DB View Infracon Private Limited	620,830,000	352,250,000	973,080,000	-	755,580,000
	(194,602,713)	(515,930,000)	(89,702,713)	(620,830,000)	(660,230,000)
Esteem Properties Private Limited#	1,120,577,945	4,392,185	-	1,124,970,130	1,124,970,130
	(1,106,077,945)	(17,800,000)	(3,300,000)	(1,120,577,945)	(1,120,577,945)

Loans and Advances	Opening Balance as on 1st April, 2013	Given during the year	Returned during the year	Closing Balance as on 31st March, 2014	Maximum Balance Outstanding during the year
N. A. Estate Private Limited #	78,254,689	1,022,598	-	79,277,287	79,277,287
	(76,379,689)	(1,875,000)	(-)	(78,254,689)	(78,254,689)
Neelkamal Realtor Suburban Private Limited*#	160,533,107	182,667,061	145,140,000	198,060,168	285,599,175
	(315,989,670)	(106,043,437)	(261,500,000)	(160,533,107)	(315,989,670)
Neelkamal Shantinagar Properties Private Limited #	412,214,316	131,685,000	540,000,000	3,899,316	543,899,316
	(278,989,316)	(134,339,731)	(1,114,731)	(412,214,316)	(412,214,316)
Nine Paradise Erectors Private Limited#	217,185,000	1,025,000	-	218,210,000	218,210,000
	(217,850,000)	(11,035,000)	(11,700,000)	(217,185,000)	(228,100,000)
Priya Construction Private Limited #	224,651,152	85,000	-	224,736,152	224,736,152
	(216,461,152)	(8,190,000)	(-)	(224,651,152)	(224,651,152)
Real Gem Buildtech Private Limited	-	79,904,133	79,904,133	-	52,404,133
	(210,348,154)	(5,175,000)	(215,523,154)	(-)	(211,448,154)
Royal Netra Construction Private Limited	372,377,203	5,000,000	-	377,377,203	377,377,203
	(364,030,134)	(8,347,069)	(-)	(372,377,203)	(372,377,203)
Saifee Buckets Factory Private Limited#	1,022,467	4,831	4,831	1,022,467	1,022,467
	(917,467)	(112,963)	(7,963)	(1,022,467)	(1,022,467)
Vanita Infrastructure Private Limited #	38,959,000	170,000	-	39,129,000	39,129,000
	(38,779,000)	(180,000)	(-)	(38,959,000)	(38,959,000)

* Interest Bearing

Directors and Shareholders are interested.

Particulars	Opening Balance as on 1st April, 2013	Given during the year	Returned during the year	Closing Balance as on 31st March, 2014	Maximum Balance Outstanding during the year
Loans to Associates (Interest bearing and no repayment schedule as repayable on demand)					
Neelkamal Realtors Tower Private Limited #	143,319,936	32,715,358	143,469,936	32,565,358	143,319,936
	(1,429,808)	(56,200,000)	(57,629,808)	(-)	(143,319,936)

Directors and Shareholders are interested

(Figures in brackets denote Previous Year's balances)

Particulars	Opening Balance as on 1st April, 2013	Given during the year	Returned during the year	Closing Balance as on 31st March, 2014	Maximum Balance Outstanding during the year
Loans to Others (Interest bearing and no repayment schedule as repayable on demand)					
Y. J. Realty & Aviation Pvt Ltd.	415,610,362	207,655,778	14,000,000	609,266,140	609,266,140
	(479,815,541)	(67,610,362)	(131,815,541)	(415,610,362)	(479,815,541)
Milan Theatres Private Limited	358,028,342	54,969,424	-	412,997,766	412,997,766
	(307,831,862)	(56,528,342)	(6,331,862)	(358,028,342)	(346,493,342)
Sagar Investment	3,112,757	524,689	-	3,637,446	3,637,446
	(3,112,757)	(-)	(-)	(3,112,757)	(3,112,757)
Riddhi Siddhi Construction	-	32,991,452	-	32,991,452	32,991,452
	(-)	(-)	(-)	(-)	(-)
Riddhi Siddhi Corporation	-	76,980,054	-	76,980,054	76,980,054
	(-)	(-)	(-)	(-)	(-)

(Figures in brackets denote Previous Year's balances)

47. Financial Interest in joint venture

- (a) The Group is having investments in following joint ventures and all are in real estate business. The following amounts represent the group's interest as per its holding in respective joint ventures.

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(ANNUAL REPORT 2013 - 14)

(Amount in ₹)

Particulars	Sneh Developers	National Tiles	Turf Estate Joint Venture	DB (BKC) Realtors Private Limited	Lokhandwala Dynamix Balwas Joint Venture	Dynamix Realty	DBS Realty	DB Realty and Shreepati Infrastructure LLP	Warehousing LLPS*
% of Holding	49%	59.40%	66.67%	40.80%	50.00%	50.00%	33.33%	60.00%	50.00%
	(-)	(-)	66.67%	40.80%	50.00%	50.00%	33.33%	60.00%	50.00%
Shareholders' Funds									
Share Capital	9,800	5,348,807	-	5,908,653	20,986,040	250,000	3,300,000	38,977,410	607,919
	(-)	(-)	(314,951,939)	(5,908,653)	(21,135,932)	(1,163,889,990)	(3,300,000)	(38,713,525)	(566,213)
Reserves and Surplus	-	(364,136)	-	1,733,032,943	-	-	-	-402,525	-28,818
	(-)	(-)	(15,576,685)	(1,737,911,959)	(-)	(-)	(-)	(65,125)	(26,865)
Non-current Liabilities			-	-	-	-	-	-	-
Long-term Borrowings	-	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(41,790)	(-)	(-)	(-)
Other Long Term Liabilities	-	-	-	257,714	-	-	9,210,676	-	-
	(-)	(-)	(1,447,231)	(254,411)	(-)	(18,628,996)	(8,002,257)	(208,084)	(-)
Long-term Provisions	-	-	-	1,232,073	-	147,511	177,059	-	-
	(-)	(-)	(3,237,951)	(2,037,553)	(-)	(3,247,127)	(360,002)	(-)	(-)
Current Liabilities			-	-	-	-	-	-	-
Short-term Borrowings	490,000	-	-	-	-	1,643,375,000	-	-	-
	(-)	(-)	(-)	(-)	(-)	(1,298,475,000)	(-)	(-)	(-)
Trade Payables	26,427	5,006	-	2,155,224	18,118	59,670,941	79,090,582	85,031	40,731
	(-)	(-)	(60,597,956)	(5,454,227)	(29,148)	(42,569,355)	(70,517,580)	(-)	(19,663)
Other Current Liabilities	-	359,090	-	11,407,201	-	583,134,725	1,053,917,838	116,711	33,650,000
	(-)	(-)	(901,171,159)	(14,547,260)	(-)	(37,894,877)	(960,515,756)	(6,486)	(33,650,232)
Short-term Provisions	-	-	-	672,660	-	5,444,340	239,288	-	-
	(-)	(-)	(261,903)	(304,909)	(-)	(981,218)	(34,375)	(-)	(-)
			-	-	-	-	-	-	-
TOTAL	526,227	5,348,767	-	1,754,666,467	21,004,158	2,292,022,517	1,145,935,443	38,776,628	34,269,832
	(-)	(-)	(1,266,091,454)	(1,766,418,972)	(21,165,080)	(2,565,728,353)	(1,042,729,970)	(38,862,970)	(34,209,243)
Non Current Assets									
Tangible Assets			395,521	86,623	-	1,853,532	21,613	-	-
			(582,577)	(118,472)	-	(1,261,494)	(31,003)	-	-
Intangible Assets			-	4,102	-	16,718	-	-	-
			-	(6,837)	-	(13,932)	-	-	-
Capital Work-in-progress			61,465,563	-	-	-	-	-	-
			(58,691,163)	-	-	-	-	-	-
			-	-	-	-	-	-	-
Fixed Assets	-	5,346,000	-	67,761	-	1,376,660	116,941,684	-	-
	(-)	(-)	(61,861,084)	(90,725)	(-)	(1,870,250)	(21,613)	(-)	(-)
Non-current Investments	-	-	-	-	-	-	-	5,035,864	-
	(-)	(-)	(5,494,553)	(-)	(-)	(-)	(-)	(5,400,000)	(-)
Long-term Loans and Advances	-	-	-	264,532,263	-	-	358,304,861	30,287,472	-

(Amount in ₹)

Particulars	Sneh Developers	National Tiles	Turf Estate Joint Venture	DB (BKC) Realtors Private Limited	Lokhandwala Dynamix Balwas Joint Venture	Dynamix Realty	DBS Realty	DB Realty and Shreepati Infrastructure LLP	Warehousing LLPS*
	(-)	(-)	(276,860,558)	(262,451,295)	(-)	(2,450,170)	(274,134,434)	(30,126,462)	(-)
Other Non-current Assets	-	-	-	-	-	-	3,804,688	-	-
	(-)	(-)	(16,727,867)	(-)	(-)	(-)	(-)	(-)	(-)
Current Assets									
Inventories	516,427	-	-	1,391,996,125	17,026,485	-	627,392,544	3,380,931	-
	(-)	(-)	(897,633,091)	(1,380,867,773)	(16,699,668)	(-)	(664,082,762)	(3,124,242)	(-)
Trade Receivables	-	-	-	-	-	912,299,016	-	-	-
	(-)	(-)	(-)	(-)	(-)	(918,852,584)	(-)	(-)	(-)
Cash and Cash Equivalents	9,800	2,767		568,747	3,974,698	235,347	2,093,435	8,219	201,253
	(-)	(-)	(1,671,043)	(575,155)	(4,465,412)	(6,781,186)	(40,881,648)	(15,301)	(208,734)
Short-term Loans and Advances				97,501,571	2,975	709,872,727	1,231,190	43,429	34,068,579
	(-)	(-)	(1,249,934)	(122,411,640)	(-)	(558,578,877)	(826,798)	(182,029)	(34,000,509)
Other Current Assets				-	-	668,238,767	36,167,042	20,712	-
	(-)	(-)	(4,593,324)	(22,384)	(-)	(1,077,195,286)	(62,782,715)	(14,936)	(-)
			-	-	-	-	-	-	-
TOTAL	526,227	5,348,767	-	1,754,666,467	21,004,158	2,292,022,517	1,145,935,443	38,776,627	34,269,832
	(-)	(-)	(1,266,091,454)	(1,766,418,972)	(21,165,080)	(2,565,728,353)	(1,042,729,970)	(38,862,970)	(34,209,243)
I. INCOME									
Revenue from Operations			-	-	-	34,263,022	-	-	-
	(-)	(-)	(-)	(-)	(-)	(28,928,869)	(-)	(-)	(-)
Share of Profit / (Loss) from Partnership Firms, net				-	-	-	-	-364,136	-
	(-)	(-)	(14,732)	(-)	(-)	(-)	(-)	(-)	(-)
Other Income				46,300	-	4,002,848	2,040,580	-	-
	(-)	(-)	(-)	(44,150)	(-)	(14,825,238)	(35,931)	(-)	(-)
			-	-	-	-	-	-	-
TOTAL			-	46,300	-	38,265,870	2,040,580	-364,136	-
	(-)	(-)	(14,732)	(44,150)	(-)	(14,103,631)	(35,931)	(-)	(-)
			-	-	-	-	-	-	-
II. EXPENDITURE									
Project Expenses	9,635	-	-	11,128,352	326,817	-	84,608,046	256,689	-
	(-)	(-)	(23,358,523)	(15,946,314)	(-)	(-)	(271,545,677)	(455,874)	(-)
(Increase)/Decrease in Inventories	(9,635)			-11,128,352	-326,817	-	-84,608,046	-256,689	-
	(-)	(-)	(23,358,523)	(15,946,314)	(-)	(-)	(271,545,674)	(455,874)	(-)
Employee Benefit Expenses	-	-	-	3,260,512	-	4,083,135	49,492	-	-
	(-)	(-)	(6,727,923)	(3,652,407)	(-)	(11,495,522)	(86,572)	(-)	(-)
Finance Costs	-	40		-	-	30,260	-	-	-
	(-)	(-)	(494,385)	(-)	(-)	(362,606)	(-)	(-)	(-)

D B REALTY LIMITED

(ANNUAL REPORT 2013 - 14)

(Amount in ₹)

Particulars	Sneh Developers	National Tiles	Turf Estate Joint Venture	DB (BKC) Realtors Private Limited	Lokhandwala Dynamix Balwas Joint Venture	Dynamix Realty	DBS Realty	DB Realty and Shreepati Infrastructure LLP	Warehousing LLPS*
Depreciation and Amortization Expenses	-	-	-	22,965	-	441,047	4,386,214	-	-
	(-)	(-)	(187,055)	(34,585)	(-)	(608,151)	(9,389)	(-)	(-)
Other Expenses		98,916		1,641,840	-	24,022,599	59,994	38,389	28,818
	(-)	(-)	(8,152,591)	(5,005,844)	(-)	(29,871,681)	(119,686)	(65,125)	(26,865)
Tax Expenses			-	-	-	973,706	736,593	-	-
	(-)	(-)	(-)	(-)	(-)	(1,485,164)	(555)	(-)	(-)
Total Expenses	-	98,956	-	4,925,316	-	29,550,748	5,232,294	38,389	28,818
	(-)	(-)	(15,561,954)	(8,692,836)	(-)	(43,823,124)	(215,095)	(65,125)	(26,865)
Profit (Loss) after Tax	-	(98,956)	-	(4,879,016)	-	8,715,123	(3,191,714)	(402,525)	(28,818)
	(-)	(-)	(15,576,686)	(8,648,686)	(-)	(57,926,755)	(179,164)	(65,125)	(26,865)
Contingent Liability			-	-	-	-	-	-	-

(Figures in brackets denote Previous Year's balances)

* Warehousing LLP's includes following entities

- Daund Warehousing Developers & Builders LLP
- Saswad Warehousing Developers & Builders LLP
- Ahmednagar Warehousing Developers & Builders LLP
- Solapur Warehousing Developers & Builders LLP
- Latur Warehousing Developers & Builders LLP
- Aurangabad Warehousing Developers & Builders LLP
- Veer Jijamata Nagar LLP

b) There are no capital commitments and other commitments related to Company's interest in the joint ventures and no commitments of venture itself.

48. Figures of the previous year have been regrouped / reclassified wherever necessary to conform to the presentation of the current year.

Signatures to Notes 1 to 48

For and on behalf of the Board

Vinod Goenka
Chairman & Managing Director

Shahid Balwa
Vice Chairman & Managing Director

Mahesh Gandhi
Director

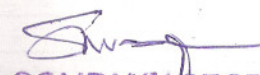
S A K Narayanan
Company Secretary

N.M. Gattu
Chief Financial Officer

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Mumbai Dated: May 24, 2014

FOR D B REALTY LIMITED


COMPANY SECRETARY

CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF DB REALTY LIMITED

To the Board of Directors of DB Realty Limited

We have audited the accompanying consolidated financial statements of **DB Realty Limited** ("the Company") and its subsidiaries, associates and joint ventures (the Company, its subsidiaries, associates and joint ventures constitute "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2014, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements on the basis of separate financial statements and other financial information regarding components that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India. This includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated 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 consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated 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 the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Basis for Qualified Opinion

With reference to Note No. 46 of the consolidated financial statements in respect of a partnership Firm whose financial statements reflect total assets of Rs. 2,689,338,570, total revenue of Rs. 6,122,352 and cash outflow of Rs. 116,364,639, which are incorporated in the consolidated financial statements are as approved only by the Company as one of the three partners of the Firm. The other two partners of the Firm have not approved these financial statements. We are unable to comment upon the consequential impact, if any, on the audited consolidated financial statements.

Opinion

We report that the consolidated financial statements have been prepared by the Company's Management in accordance with the requirements of Accounting Standard (AS) 21 "Consolidated Financial Statements", Accounting Standard (AS) 23 "Accounting for Investments in Associates in Consolidated Financial Statements" and Accounting Standard (AS) 27 "Financial Reporting of Interests in Joint Ventures" as notified pursuant to the Companies (Accounting Standards) Rules, 2006 and on the basis of the separate financial statements of DB Realty Limited, its subsidiaries (including subsidiaries of subsidiaries), associates and joint ventures.

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on the financial statements of the subsidiaries, associates and joint ventures as mentioned in the 'Other Matter' paragraph below, *except for the effects of the matter described in the Basis for Qualified Opinion paragraph*, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2014;
- (b) in the case of the Consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

Attention is invited to:

- 1. Note No. 12 (iii) of the consolidated financial statements regarding return on the investments of Rs. 14,276,960,804 in preference shares of an entity. As explained by the Management, investments in this entity is considered strategic and long term in nature and the current market value and future prospects of these investments are significantly in excess of Company's investment in this entity.
- 2. Note No 13.2 of the consolidated financial statements regarding security deposits of Rs. 3,575,000,000 given for acquisition of development rights. As explained by management, the Company is in process of obtaining necessary approvals with regard to such properties and that the current market values of such properties are significantly in excess of their carrying values and are expected to achieve adequate profitability on substantial completion of their projects.
- 3. Note No. 13.4 of the consolidated financial statements regarding non availability of contract documents in respect of project advances of Rs. 781,945,000 provided by the Company to its two Associate Companies.
- 4. Note No. 16 of the consolidated financial statements regarding the status of the projects and the opinion framed by the Company regarding realizable value of the cost incurred, being a technical matter, relied upon by us.

5. Note No. 30 of the consolidated financial statements regarding guarantees issued and securities provided of Rs. 25,673,772,400 by the Company to banks and financial institutions on behalf of various entities, which are significant in relation to the net worth of the Company. In the opinion of the Company, these are not expected to result into any financial liability on the Company.
6. Note No. 31 & 32 of the consolidated financial statements regarding loans and advances of Rs. 532,931,001 and Note No. 33 (B)(iv) & (v) of the consolidated financial statements regarding project cost of Rs. 925,410,073 carried in Inventory in two subsidiaries which are under litigation and are sub-judice. Based on Company's assessment of the outcome, no adjustments are considered necessary in respect of recoverability of these assets.
7. Note No. 33(A)(i) of the consolidated financial statements regarding outstanding receivables which include dues aggregating Rs. 1,533,892,995 as at 31st March 2014 which are considered good of recovery by the entity.
8. Note No. 33(A)(ii) of the consolidated financial statements regarding certain allegations made by the Central Bureau of Investigation, relating to 2G spectrum case. This matter is sub-judice and the impact, if any, of the outcome is unascertainable at this stage.
9. Note No. 42 of the consolidated financial statements regarding attachment order issued by adjudicating authority under Prevention of Money Laundering Act (PML Act), by which the Company's assets amounting to Rs. 521,621,696 have been attached on August 30, 2011. Out of these assets, adjudication authority has taken over the bank balance of Rs. 6,892,967. This matter is sub-judice and the impact, if any, of the outcome is unascertainable at this stage.
10. Note No. 33(A)(iii) and 33(B)(viii) to the consolidated financial statements regarding unsecured loans, trade receivables, balances held in bank, trade payables, contractors' retention money and mobilization advance which are subject to confirmation. As per the contention of the management these are payable/good for realization.
11. Note No. 33(A)(iv) of the consolidated financial statements. In one of the jointly controlled entities, the Component auditor has expressed Emphasis on Matter regarding the classification of Rs. 263,843,130 advanced to parties to acquire occupancy rights on behalf of such entity.
12. Note No. 33(B)(xi) of the consolidated financial statements regarding the claim over the ownership of salt pan land which is under litigation and is sub-judice. Based on Company's assessment of the outcome, it has a rightful claim over the ownership of the salt pan land and will be in a position to defend its title.
13. Note No. 33(C) of the consolidated financial statements. In one of the jointly controlled entities, the Component auditor has expressed Emphasis on Matter regarding the Status of the Project and the opinion framed by the entity regarding the realisable value of the land, being a technical matter, relied upon.
14. Note No. 40B of the consolidated financial statements regarding MAT Credit Entitlement of Rs. 37,572,425, which is based on the judgment of management.
15. Note No. 45 of the consolidated financial statements regarding recognition of expenses and income for ongoing projects, which are based upon estimated costs, as per the judgment of management and certified by Company's technical personnel.
16. Loans and advances aggregating Rs. 323,445,000 lacs has been given to an associate which has incurred losses and has negative net worth. As explained to us, this entity is in early stage of real estate development and the loans and advances are considered good and recoverable based on assessment of the projects under execution made by the management.

Our opinion is not qualified in respect of the above matters.

Other Matter

The audited consolidated financial statements for the year ended 31st March, 2014 include:

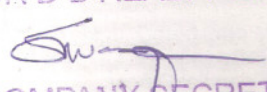
- i. The consolidated audited financial statements of three subsidiaries (comprising of four joint ventures), which reflect total assets of Rs. 2,311,260,649, total revenue of Rs. 646,383,119 and net cash outflow of Rs. 14,830,403;
- ii. The audited financial statements of nineteen subsidiaries, which reflect total assets of Rs. 24,812,338,125, total revenue of Rs. 2,303,605,598 and net cash inflow of Rs. 67,101,926;
- iii. The audited financial statements of thirteen joint ventures, which reflect total assets of Rs. 11,354,257,154, total revenue of Rs. 72,100,592 and net cash outflow of Rs. 107,150,588;
- iv. The audited financial statements of four associates wherein the Group's share of profit is Rs. 178,583;

The above financial statements have been audited by other auditors who have furnished their reports to us. We have not audited the financial statements of these subsidiaries, joint ventures, and associates and our opinion is based solely on the reports of other auditors.

Our opinion is not qualified in respect of the above matters.

For Haribhakti & Co.
Chartered Accountants
Firm Registration No.103523W

Chetan Desai
Partner
Membership No. 17000
Mumbai: 24th May 2014

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FOR DB REALTY LIMITED

COMPANY SECRETARY

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2014

(Amount in ₹)

Particulars	Note No	As at March 31, 2014	As at March 31, 2013
I EQUITY AND LIABILITIES			
1 Shareholders' Funds			
Share Capital	2	2,432,587,820	2,432,587,820
Reserve and Surplus	3	31,677,062,778	34,109,650,598
		381,612,253	31,561,638,160
2 Minority Interest			33,994,225,980
			465,694,880
3 Non-current Liabilities			
Long-term Borrowings	4	3,008,626,442	3,312,133,749
Other Long Term Liabilities	5	581,013,577	284,745,477
Long-term Provisions	6	36,194,399	65,200,368
		3,625,834,418	3,662,079,594
4 Current Liabilities			
Short-term Borrowings	7	1,474,560,731	1,313,489,868
Trade Payables	8	1,305,150,787	1,147,564,643
Other Current Liabilities	9	13,421,703,487	11,328,164,684
Short-term Provisions	10	779,820,254	776,987,793
		16,981,235,259	14,566,206,988
		55,098,332,528	52,688,207,442
II ASSETS			
1 Non-current Assets			
Fixed Assets	11		
Tangible Assets		1,736,965,276	1,636,475,785
Intangible Assets		160,602,669	195,580,871
Capital Work-in-progress		92,198,344	84,959,459
Intangible Assets under development		191,419,611	225,134,008
Goodwill on Consolidation (Net of Capital reserve)		2,657,072,413	2,657,051,108
		4,838,258,313	4,799,201,231
Non-current Investments	12	16,984,074,576	11,563,132,550
Deferred Tax Assets (net)	40A	259,966,625	144,903,698
Long-term Loans and Advances	13	9,778,705,736	12,673,940,820
Other Non-current Assets	14	693,164,334	613,701,145
		32,554,169,584	29,794,879,445
2 Current Assets			
Current Investments	15	9,967,000	10,095,169
Inventories	16	16,213,020,736	15,038,562,914
Trade Receivables	17	1,575,785,512	1,947,979,312
Cash and Bank Balances	18	389,461,169	277,249,309
Short-term Loans and Advances	19	3,351,615,215	3,713,071,065
Other Current Assets	20	1,004,313,312	22,893,327,997
		22,544,162,944	1,906,370,229
		55,098,332,528	52,688,207,442
Significant accounting policies	1		

The accompanying notes form an integral part of the financial statements.

As per our report of even date

For Haribhakti & Co.
Chartered Accountants
Firm's Registration No. 103523W

Chetan Desai
Partner
Membership No. 17000

For and on behalf of the Board
Vinod Goenka
Chairman & Managing Director

Mahesh Gandhi
Director

N.M. Gattu
Chief Financial Officer

Shahid Balwa
Vice Chairman & Managing Director

S A K Narayanan
Company Secretary

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FOR D B REALTY LIMITED

[Signature]
COMPANY SECRETARY

Mumbai, Dated 24th May, 2014

Mumbai, Dated 24th May, 2014

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2014

		(Amount in ₹)		
	Particulars	Note No.	For the year ended March 31, 2014	For the year ended March 31, 2013
I	Revenue from Operations	21	3,140,792,864	3,407,898,109
II	Other Income	22	327,958,048	266,556,753
III	Total Revenue		3,468,750,912	3,674,454,862
IV	Expenses:			
	Project Expenses	23	2,880,772,824	2,608,082,268
	Changes in Inventories	24	(525,879,922)	183,335,158
	Employee Benefits Expenses	25	120,788,331	169,108,873
	Finance Costs	26	378,343,037	181,282,103
	Depreciation and Amortization Expenses	11	82,516,180	139,792,371
	Other Expenses	27	294,506,657	406,245,568
	Total Expenses		3,231,047,107	3,687,846,341
V	Profit before exceptional and extraordinary items and tax (III-IV)		237,703,805	(13,391,479)
VI	Exceptional Items		-	146,328
VII	Profit before extraordinary items and tax (V - VI)		237,703,805	(13,537,807)
VIII	Prior Period Items (net)	43	16,792,883	55,418,932
IX	Profit before tax (VII - VIII)		220,910,922	(68,956,739)
X	Tax expense:			
	- Current tax		173,989,031	25,507,964
	(Including ₹ 16,648,406/- (Previous Year ₹ 7,853,225/-) for earlier years)			
	- Deferred tax	40A	(115,062,927)	(86,725,938)
XI	Profit after tax and before Minority Interest and Share of Profit/ (Loss) in Associates (X-XI)		161,984,818	(7,738,765)
XII	Minority Interest		(12,455,044)	56,433,968
XIII	Share of Loss in Associates		(34,045,835)	(15,225,772)
XIV	Profit for the period (XII + XIII + XIV)		115,483,939	33,469,432
XV	Earnings per equity share of face value of ₹ 10 each	41		
	Basic		0.47	0.14
	Diluted		0.47	0.14
	Significant accounting policies	1		

The accompanying notes form an integral part of the financial statements.
 As per our report of even date

For Haribhakti & Co.
Chartered Accountants
 Firm's Registration No. 103523W

Chetan Desai
 Partner
 Membership No. 17000

For and on behalf of the Board
Vinod Goenka
 Chairman & Managing Director

Mahesh Gandhi
 Director

N.M. Gattu
 Chief Financial Officer

Shahid Balwa
 Vice Chairman & Managing Director

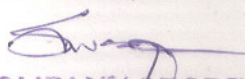
S A K Narayanan
 Company Secretary

Mumbai, Dated 24th May, 2014

Mumbai, Dated 24th May, 2014

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FOR D B REALTY LIMITED


COMPANY SECRETARY

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

Particulars	For the year ended March 31, 2014		For the year ended March 31, 2013	
	₹	₹	₹	₹
Cash flows from operating activities:				
Net profit before taxation	220,910,922		(68,956,739)	
Adjustments for :				
Depreciation	82,516,180		139,792,371	
Unrealised Exchange Loss (Net)	1,828,164		415,471	
Interest and Finance Charges	378,343,037		181,282,103	
Loss on Sale of Fixed Assets	-		1,101,101	
Dividend Income	(472,161)		(250,171)	
Profit on sale of Current Investments	-		(1,000,000)	
Profit on sale of Long Term Investments	-		(3,315,667)	
Advances Written Off	-		10,031,626	
Provision against Security Deposit	-		11,983,866	
Excess Provision Written back	(56,346,774)		(24,434,063)	
Interest Income	(214,452,323)		(198,885,283)	
Operating Profit before Working Capital Changes	412,327,045		47,764,615	
Adjustments for :				
Decrease in Loans and Advances	806,821,245		1,347,848,597	
Decrease / (Increase) in Inventories	(1,108,468,779)		3,457,791,864	
Decrease / (Increase) in Trade Receivables	372,193,800		(1,027,510,090)	
Increase/ (Decrease) in Current Liabilities	2,068,257,870		(1,658,909,838)	
(Decrease) in Provisions	(146,167,558)		(90,282,540)	
Cash from operations	2,404,963,623		2,076,702,608	
Direct Taxes (Paid)	(43,524,795)		(228,955,585)	
Net cash from operating activities	A	2,361,438,828		1,847,747,023
Cash flows from investing activities:				
Purchase of Fixed Assets (including CWIP)	(227,760,661)		(29,770,324)	
Sale of Fixed Assets	45,523,815		136,039,925	
Investment in Deposit (as per Note 14 & 18)	34,998,506		89,639,500	
Sale of investment properties	5,409,900		8,922,928	
Investments in Subsidiaries / Joint Ventures	(96,618,297)		(612,248,672)	
Contribution to Joint Venture	5,554,240		(1,296,667)	
Sale of Investment in Associate	-		(153,992,825)	
Dividend Received	472,161		250,171	
Purchase of Long Term Investments	(5,465,952,000)		(1,284,327,298)	
Sale of Current Investments	-		2,000,000	
Sale of Long Term Investments	-		-	
Purchase of Current Investments	128,169		(10,095,169)	
Advance (given) /adjusted for Share application	3,182,665,308		(3,211,271,940)	
Interest Received	259,813,037		141,014,804	
Net Cash (used in) Investing Activities	B	(2,255,765,822)		(4,925,135,567)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

Particulars	For the year ended March 31, 2014		For the year ended March 31, 2013	
	₹	₹	₹	₹
Cash flows from financing activities:				
Issuance of Preference Shares by Joint Venture	-		(6,350,000)	
Proceeds from Secured Borrowings	244,783,229		3,529,746,991	
Repayment of Secured Borrowings	8,347,136		(218,528,997)	
Proceeds from Unsecured Borrowings	300,000,000		480,000	
Repayment of Unsecured Borrowings	(149,555,171)		(189,379,339)	
Interest and Finance Charges	(396,853,074)		(68,113,740)	
Net Cash from Financing Activities	C	6,722,120		3,047,854,915
Net Increase in Cash and Cash Equivalents	(A+B+C)	112,395,126		(29,533,629)
Add : Cash and Cash Equivalents at the beginning of the year		200,586,977		230,120,606
Cash and Cash Equivalents at the closing of the year		312,982,103		200,586,977

Notes to cash flow:

1 Reconciliation of cash and cash equivalents:

Cash and Bank balances (as per note 14 & 18)	419,281,169	341,884,548
Less: Fixed deposits more than 3 months	106,299,066	141,297,572
Cash and cash equivalents (Closing)	312,982,103	200,586,977

- 2 The Cash flow statement has been prepared under the indirect method as set out in accounting standard (AS3) Cash flow statement as notified by the Companies (Accounting Standard) Rules 2006.
- 3 Corresponding figures of previous year have been regrouped wherever necessary.

The accompanying notes form an integral part of the financial statements.

As per our report of even date

For Haribhakti & Co.
Chartered Accountants
 Firm's Registration No. 103523W

Chetan Desai
 Partner
 Membership No. 17000

Mumbai, Dated 24th May, 2014

For and on behalf of the Board
Vinod Goenka
 Chairman & Managing Director

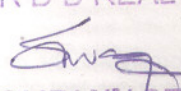
Mahesh Gandhi
 Director

N.M. Gattu
 Chief Financial Officer

Mumbai, Dated 24th May, 2014

Shahid Balwa
 Vice Chairman & Managing Director

S A K Narayanan
 Company Secretary

CERTIFIED TRUE COPY
FOR D B REALTY LIMITED

COMPANY SECRETARY

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014**Note 1 : Significant Accounting Policies On Consolidated Financial Statements****a) BASIS OF PREPARATION**

- i) These consolidated financial statements pertain to DB Realty Limited (the "Company" / the "Parent"/ the "Holding Company"), its subsidiaries (Companies and Firms/AOPs where control exists), joint ventures, associates and limited liability partnership firms (LLPs). The Company and its subsidiaries, associates and joint ventures constitute "the Group" as detailed at Note 28 and 29 hereunder.
- ii) The financial statements of the subsidiaries/ joint ventures/ associates (including partnership firms and LLPs), drawn up to the same reporting date as that of the Holding Company i.e. year ended March 31, 2014.
- iii) These consolidated financial statements are prepared under historical cost convention and on accrual basis of accounting, in accordance with the generally accepted accounting principles in India and provisions of the Companies Act, 1956.

b) PRINCIPLES OF CONSOLIDATION:

These consolidated financial statements have been prepared on the following basis:

- i) The financial statements of the Company and its subsidiaries have been consolidated in accordance with the Accounting Standard 21 (AS 21) "Consolidated Financial Statements", on line-by-line basis by adding together the book value of like items of assets, liabilities, incomes and expenses, after fully eliminating intra-group balances, intra-group transactions and unrealised profits/losses on balances remaining within the group.
- ii) The financial statements of the Company and its subsidiaries have been consolidated using uniform accounting policies for like transactions and other events in similar circumstances to the extent practicable.
- iii) The excess of the cost to the Company of its investment in the subsidiaries/Jointly controlled entities, on the acquisition date over and above the Company's share of equity (i.e. Net Worth) in the subsidiaries/ Jointly controlled entities, is recognised in the financial statements as Goodwill on Consolidation and carried forward in the accounts. The said Goodwill is not amortised, however, it is tested for impairment at each Balance sheet date and the impairment loss, if any, is provided for. Alternatively, where the share of the equity in the subsidiaries as on the date of investments is in excess of cost of investment of the Company, it is recognised as "Capital Reserve on Consolidation" The net amount of Goodwill after set-off of capital reserve amount is presented under "Goodwill on Consolidation".
- iv) Minority interest in the net assets of the consolidated subsidiaries consist of:
 - (a) The amount of equity attributable to minorities as at the date on which the investment in a subsidiary is made and,
 - (b) The minorities share of movements in equity since the date the parent-subsidiaries relationship came in existence. The losses applicable to the minority in excess of the minority interest in the equity of the subsidiary and further losses applicable to the minority, are adjusted against the majority interest except to the extent that the minority has a binding obligation to and is able to make good the losses. If the subsidiaries subsequently report profit, all such profits are allocated to the majority interest until the minority's share of losses previously absorbed by the majority has been recovered
 - (c) Minority interest is presented separately from the liabilities or assets and the equity of the parent shareholders in the Consolidated Balance Sheet. Minority interest in the income or loss of the Company is separately presented.
- v) In case of associates, being entities in which the Group has significant influence and which are neither subsidiaries nor joint ventures, they are accounted using equity method in accordance with Accounting standard 23 (AS 23)-"Accounting for investment in Associates in Consolidated Financial Statements". Accordingly:
 - (a) The Company accounts for its share in the change in the net assets of the associates, post acquisition, through its Profit and Loss Account to the extent such change is attributable to the associate's Profit and Loss Account and through its reserves for the balance
 - (b) The difference between the cost of investment in the associates and the share of net assets at the time of acquisition of share in the associates is, included in the carrying amount of investment in the associates, identified as Goodwill or Capital Reserves as the case may be and so disclosed.
- vi) The financial statements of entities, where there is joint control (pursuant to a contractual arrangement), have been combined by using proportionate consolidation method and accordingly, Company's share of each of the assets, liabilities, income and expenses of jointly controlled entity is reported in the consolidated financial statements as per Accounting Standard 27 (AS-27)-"Financial Reporting of Interests in Joint Ventures".

c) USE OF ESTIMATES

The preparation of consolidated financial statements in conformity with the generally accepted accounting principles which requires the management to make estimates, judgements and assumptions that affect the reported amounts of assets, liabilities and the disclosure of contingent liabilities on the date of the consolidated financial statements and the reported amounts of revenues and

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known/materialize.

d) FIXED ASSETS

A. Tangible Assets:

Fixed Assets are recorded at their cost of acquisition, net of modvat/ cenvat, less accumulated depreciation and impairment losses, if any. The cost of fixed assets comprises purchase price and any attributable cost of bring the asset to its working condition for its intended use.

B. Intangible Assets:

Intangible Assets are recorded at their cost of acquisition, net of modvat/ cenvat, less accumulated amortization/ depletion.

e) DEPRECIATION / AMORTISATION

Depreciation on fixed assets, other than leasehold improvements and computer software, is provided on written down value method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956. The cost of improvements on leasehold properties is amortised over the period of the lease. Computer software is being depreciated on straight line basis over a period of 3 years.

Structures constructed for purpose of demonstration to prospective buyers (to be demolished before the project completion) are capitalised as buildings and depreciated over the period by which the respective project is expected to be completed – not exceeding 48 months.

f) IMPAIRMENT OF ASSETS

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. Recoverable value is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal. An impairment loss is charged for when an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

g) INVENTORIES

Inventories are valued at lower of cost or net realizable value. Inventories mainly include parcels of land, expenditure on projects under construction and Transferable Development Rights ("TDR"). Project work in progress cost include costs incurred, as applicable, upto the completion of the project viz. cost of land/ development rights, materials, services, depreciation on assets used for project purposes and other expenses (including borrowing costs) attributable to the projects. Project and construction related work in progress includes any adjustment arising due to foreseeable losses.

TDR Entitlements included under inventory mainly represents entitlement under agreement with the Slum Rehabilitation Authority (SRA) computed based on an agreed level of development and construction of property. The same is valued taking into consideration the entitlement under the agreement and the cost attributable to the project or estimated net realisable value, whichever is lower.

h) REVENUE RECOGNITION

(i) For projects commenced and period where revenue recognized before April 1, 2012

Revenue from sale of properties under construction is recognized on the basis of percentage of completion method, subject to transfer of significant risk and rewards to the buyer. The percentage of completion is determined on the basis of physical proportion of the work completed, as certified by the Company's technical personnel, in relation to a contract or a group of contracts within a project, only after the work has progressed to the extent of 30% of the total work involved and at least 20% of construction cost (excluding cost incurred in acquisition of land and its development rights) is incurred. Accordingly, cost of construction / development is charged to the statement of profit and loss in proportion to the revenue recognized during the period and balance costs are carried as part of 'Project Work in Progress' under inventories. Amounts receivable / payable are reflected as Debtors / Advances from Customers, respectively, after considering income recognized in the aforesaid manner. The estimates of saleable area and costs as revised periodically by the management are considered as change in estimate and accordingly, the effect of such changes or estimates is recognized in the period such changes are determine.

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

Revenue from sale of properties under construction is recognized on the basis of percentage of completion method subject to transfer of significant risk and rewards to the buyer, outcome of the real estate project can be estimated reliably and stage of completion of the project reaches at reasonable level of development i.e. at least 25% of total project cost should be incurred at reporting date.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

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

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

- All critical approvals necessary for commencement of the project have been obtained.
- At least 25% of construction & development cost (excluding cost incurred in acquisition of land and its development rights and borrowing cost) is incurred.
- At least 25% of the saleable project area is secured by contracts or agreements with buyers.
- And at least 10 % of the total revenue as per the agreements of sale or any other legally enforceable documents are realized at the reporting date in respect of each of the contracts and it is reasonable to expect that the parties to such contracts will comply with the payment terms as defined in the contracts.

The estimates of saleable area and costs as revised periodically by the management are considered as change in estimate and accordingly, the effect of such changes to estimates is recognized in the period such changes are determined.

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

i) INVESTMENTS

Investments are classified as non-current or current, based on management's intension at the time of purchase. Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as non-current investments.

Trade investments are investments made for or to enhance the Company's business interest.

Current investments are stated at lower of cost and fair value determined on an individual investment basis. Non-current investments are stated at cost and provision for diminution in their value, other than temporary, is made in the consolidated financial statements.

Profit/loss on sale of investment is computed with reference to the average cost of the investment.

j) EMPLOYEE BENEFITS**(i) Defined Contribution Plan:**

Group's Contribution paid/payable for the year/period to Defined Contribution retirement benefit plan is charged to Profit and Loss account.

(ii) Defined Benefit Plan and other long term benefit:

Group's liabilities towards Defined Benefit Schemes viz. Gratuity benefits and other long term benefit viz. compensated absences are determined using the Projected Unit Credit Method. Actuarial valuations under the Projected Unit Credit Method are carried out at the Balance Sheet date. Actuarial gains and losses are recognised in the Profit and Loss account in the period of occurrence of such gains and losses. Past service cost is recognised immediately to the extent of benefits are vested, otherwise it is amortised on straight-line basis over the remaining average period until the benefits become vested.

(iii) Short term employee benefits:

Short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised undiscounted during the period employee renders services.

k) OPERATING LEASE:

Asset acquired on lease where significant portions of the risks and rewards incidental to ownership are retained by the lessor is classified as operating lease. Lease rentals are charged to profit and loss account on accrual basis and on straight line basis over the lease tenure if in case of long term non cancellable lease.

l) FOREIGN CURRENCY TRANSACTIONS

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction date. The exchange difference between the rate prevailing on the date of transaction and on the date of settlement as also on translation of monetary items at the end of the year is recognised as income or expense, as the case may be.

In case of monetary items which are covered by forward contracts, the difference between the year end/period end rate and the rate on the date of the contract is recognized as an exchange difference.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

m) BORROWING COST

Borrowing cost that are attributable to the acquisition or construction of qualifying assets are considered as a part of cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for the intended use. All other borrowing cost are charged to revenue.

n) TAXES ON INCOME

Tax expense comprises both current and deferred tax. Current tax is measured at the amount expected to be paid to/ recovered from the tax authorities, using the applicable effective tax rates. Deferred tax assets and liabilities are recognised for future tax consequences attributable to timing differences between taxable income and accounting income that are capable of reversal in one or more subsequent periods and are measured using relevant enacted or substantively enacted effective tax rates as on the balance sheet date, to the extent the timing differences are expected to crystallise.

Deferred tax assets are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of Profit & Loss as Current Tax. The Company recognizes MAT credit available as an Asset only to the extent there is convincing evidence that the Company will pay normal Income Tax during the specified period i.e. the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an Asset in accordance with the Guidance note on Accounting for credit available in respect of Minimum Alternate Tax under the Income Tax Act, 1961, the said Asset is created by way of credit to the statement of Profit & loss & shown as "MAT Credit Entitlement". The Company reviews the "MAT Credit Entitlement" asset at each reporting date & writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the sufficient period.

o) PROVISIONS AND CONTINGENT LIABILITY

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. A Contingent Liability is, a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of enterprise or a present obligation that arises from past events. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the consolidated financial statements.

p) EARNING PER SHARE

Basic earning per share is 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. The weighted average numbers of equity shares outstanding during the period are adjusted for events including a bonus issue, bonus element in right issue to existing shareholders, share split, and reverse share split. (consolidation of shares).

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. The period during which, number of dilutive potential equity shares change frequently, weighted average number of shares are computed based on a mean date in the quarter, as impact is immaterial on earning per share.

q) CASH FLOW STATEMENT

Cash Flow Statement is prepared under the 'Indirect Method' prescribed under 'Accounting Standard – 3 Cash Flow Statement' prescribed under the Companies (Accounting Standard) Rules, 2006.

r) CASH AND CASH EQUIVALENTS

Cash and cash equivalent for the purpose of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

D B REALTY LIMITED

(ANNUAL REPORT 2013 - 14)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

Note 2 : Share Capital

Particulars	As at 31st March 2014		As at 31st March 2013	
	Number	₹	Number	₹
Authorised				
Equity Shares of ₹ 10 each	298,500,000	2,985,000,000	298,500,000	2,985,000,000
Preference Shares of ₹ 10 each	1,500,000	15,000,000	1,500,000	15,000,000
		3,000,000,000		3,000,000,000
Issued, Subscribed & Paid up				
Equity Shares of ₹ 10 each fully paid up	243,258,782	2,432,587,820	243,258,782	2,432,587,820
Total	243,258,782	2,432,587,820	243,258,782	2,432,587,820

2.1 Reconciliation of Equity Shares outstanding at the beginning and at the end of the reporting year.

Particulars	As at 31st March 2014		As at 31st March 2013	
	Number	₹	Number	₹
Shares outstanding at the beginning of the period	243,258,782	2,432,587,820	243,258,782	2,432,587,820
Shares Issued (bought back) during the period	-	-	-	-
Shares outstanding at the end of the year	243,258,782	2,432,587,820	243,258,782	2,432,587,820

2.2 Rights, preferences and restriction attached to shares

Equity shares have equal rights to dividend and voting rights pro rata the holdings. The Company has only one class of Equity Shares having a par value of ₹ 10 per share.

In the event of liquidation of the Company, the holders of the 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.

2.3 Details of shares held by shareholders holding more than 5% shares in the Company

Name of Shareholder	As at March 31, 2014		As at March 31, 2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares :				
Neelkamal Tower Construction LLP	104,564,838	42.99	104,564,838	42.99
Walkinson Investment Limited	14,587,500	6.00	14,587,500	6.00
Vinod Goenka *	15,364,216	6.32	15,364,216	6.32

*Out of the said above shareholding 100,000 shares (0.04%) are jointly held by Vinod Goenka and Aseela Goenka.

2.4 Aggregate number of shares issued for consideration other than cash and shares bought back during the five years immediately preceding the reporting date:

Particulars	Year (Aggregate No. of Shares)				
	2012-13	2011-12	2010-11	2009-10	2008-09
Equity Shares :					
Fully paid up by way of bonus shares	-	-	-	201,150,000	-

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014
Note 3 : Reserve & Surplus

Particulars	As at March 31, 2014 ₹	As at March 31, 2013 ₹
a. Capital Redemption Reserve (refer Note 33 B (i))		
Opening Balance	400,000,000	400,000,000
Add : Current year transfer	-	-
Closing Balance	400,000,000	400,000,000
b. Securities Premium Account		
Opening Balance	23,856,790,192	23,856,790,192
Add : During the year	-	-
Closing Balance	23,856,790,192	23,856,790,192
c. Surplus		
Opening balance	7,304,847,968	7,155,252,911
Add : Net Profit for the Current Year	115,483,939	33,469,432
Add : Adjustment of Associate converted in Subsidiary	-	116,125,625
Less : Adjustments for Joint Venture profits	(59,321)	-
Closing Balance	7,420,272,586	7,304,847,968
Total	31,677,062,778	31,561,638,160

Note 4 : Long-term Borrowings

Particulars	As at March 31, 2014 ₹	As at March 31, 2013 ₹
I Secured		
Term Loans		
a. From HDFC Limited	2,189,706,298	2,884,335,076
1) Exclusive mortgage overall the right, title, interest, claims, benefits and entitlements whatsoever in the unsold flats / units / Saleable Area being constructed (including car parking area, future FSI and other entitlements in connection therewith) and coming to the share of the Borrower / Mortgagor-1 under the said Agreements (including without limitation, any other deed, document, agreement or instrument in relation thereto) and in the project called "D B Crown"(construction both present and future) on freehold and leasehold land admeasuring 24,809.76 sq. mtrs situate at Gokhale Road (South), Dadar, Mumbai - 400 025 and bearing Final Plot No. 1043 of TPS IV, Mahim Division bearing C.S. no. 1123,with construction thereon present and future.		
2) Exclusive charge / security interest over the receivables / book debts / cash flows / revenues / rentals (including booking amounts), Escrow Account / Designated Account (or other accounts), insurance proceeds. Obligor Contracts etc. pertaining to the aforesaid property/ies in favour of HDFC in such form and manner as may be required by the Lender.		
3) Personal guarantee of Mr. Vinod Goenka.		
4) Amount of Default (Interest amount) as at 31st March 2014 ₹ 25,870,719/-		
5) The rate of interest is 15% to 16% p.a (CPLR -2.50%).		
b. From ICICI Bank limited	145,000,000	-
The said loan was received for the purpose of financing the cost of construction in the project of one of the subsidiary, i.e known as DB Skypark. Sahar, Andheri East of the Company and carries floating interest rate of 14.5% p.a. linked to I-Base, payable monthly. The loan is repayable in 12 quarterly installments commencing from April 1st 2016. The loan is secured by		

D B REALTY LIMITED

(ANNUAL REPORT 2013 - 14)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

Particulars	As at March 31, 2014 ₹	As at March 31, 2013 ₹
1) Exclusive charge on the land situated at project of one of the subsidiary, DB Skypark, Sahar, Andheri East including all the structures thereon both present and future.		
2) First pari-passu charge over Bacchuwadi property, Mumbai Central.		
3) Corporate guarantee from YJ Realty & Aviation Pvt Ltd backed by first pari-passu charge over Dynamix Mall, Juhu.		
4) Corporate guarantee from Milan Theatre Pvt Ltd backed by first pari-passu charge over Milan Mall, Santacruz, Mumbai.		
5) Personal guarantee from one of the Managing Directors of the Company.		
Default - Interest for the month of March 2014 of ₹ 172,808/- has not been paid.		
c. From STCI Finance Ltd	444,616,138	421,841,803
(Secured by Pledge of shares of DB Realty Ltd which are held by Neelkamal Realtors Apartment LLP)		
1) The said loan was received for General Corporate purpose & it is Secured by Pledge of Shares of DB Realty Ltd and carries fixed interest rate of 9.75% p.a with monthly rest.		
2) The Tenure of the Loan is of 36 months from the disbursement (i.e February 28, 2013). The Loan amount is repayable at the end of the Tenure of the loan and Interest cost is payable on monthly basis.		
3) Redemption premium is payable at the end of the tenure so as to yield a nominal IRR of 14.75% p.a. on monthly rests.) (Out of the Outstanding amount, Debt redemption premium of ₹ 24,616,138/- (Previous year ₹ 1,841,803/- is payable at the end of tenure)		
d. IL&FS Fiancial Services limited	215,000,000	-
1) The said loan was received for the purpose of financing the cost of construction of the Company, investment or advances to subsidiaries and other group companies and general corporate purpose and carries floating interest rate of 18.5% p.a. linked to IBMR, payable monthly.		
2) The Loan is repayable at the end of 18 Months from the date of 1st disbursement of the loan. The loan is secured by pledge of 3,838,382 shares of Marine Drive Hospitality & Realty Private Limited (Formerly DB Hospitality Private Limited) held by the Company and mortgage and hypothication of two TDR certificate with cummulative TDR of 85,287sq. mt. along with escrow of receivables emanating from sale of this TDR certificate to be created by partnership firm in which the Company is the partner for that the Loan is guaranteed by personal guarantees of Managing Directors of the Company.		
e. Vehicle Loan from Banks	11,316,321	2,969,185
(Secured by way of hypothecation of vehicles purchased		
Terms of Repayment :		
Payable in equated monthly installment as per the loan amortization schedule.)		
(The rate of interest are in range of 9% to 14% p.a)		
Total I	3,005,638,757	3,309,146,064
II Unsecured		
a. Preference Shares issued by Joint Venture :		
188,008 (188,008) Compulsory Convertible Preference Shares (CCPS) Series 'C' of ₹ 10 each fully paid	1,880,085	1,880,085
62,760 (62,760) Redeemable Optionally Convertible Cumulative Preference Shares (ROCCPS) Series 'A' and Series 'B' of ₹ 10 each fully paid.	627,600	627,600

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

Particulars	As at March 31, 2014 ₹	As at March 31, 2013 ₹
(The CCPS/ROCCPS carry minimum coupon rate of 0.001% p.a. or such rate as may be decided by the Board of Directors of the Company, provided in the event the Company declares dividend to the Equity Shares, then the same shall be entitled to the same rate of equity dividend. Tenure of CCPS/ROCCPS is four/five years, subject to earlier redemption at the discretion of the Board of Directors in the event the holders of the series express their desire for redemption to the Company. Compulsory conversion in Equity Shares of part of the CCPS/ROCCPS upon happening of agreed event. The Joint Venture had issued ROCCPS in the year ended 31st March 2007. As per the terms of issue, the ROCCPS are convertible/redeemable. The latest date of redemption was 26th March 2012. Similarly, the Company had issued CCCPS in the year ended 31st March 2008. As per the terms of issue, the CCCPS are compulsorily convertible. The latest date of conversion was 30th January 2012. However, pending reaching any finality in the matter with the ROCCPS/CCPS holders, the Management has decided to keep the decision of conversion/redemption in abeyance.)		
b. Loan from Others	480,000	480,000
Total II	2,987,685	2,987,685
Total (I + II)	3,008,626,442	3,312,133,749

Note 5 : Other Long-term Liabilities

Particulars	As at March 31, 2014 ₹	As at March 31, 2013 ₹
a. Trade payables (refer note (i) below and footnote of note no. 8)	165,416,092	166,350,386
b. Others		
Deposit payable	1,797,485	1,206,305
Society dues payable	-	3,388,786
Advance received towards flat bookings	413,800,000	113,800,000
Total	581,013,577	284,745,477

(i) Represents amount retained as per the terms of the contract(s) and are due for payment after a period of 12 months from the year-end.

Note 6 : Long-term Provisions

Particulars	As at March 31, 2014 ₹	As at March 31, 2013 ₹
Provision for Employee Benefits		
Gratuity (unfunded)	19,011,984	27,005,426
Leave Encashment (unfunded)	17,182,415	38,194,942
Total	36,194,399	65,200,368

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NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

Note 7 : Short-term Borrowings

Particulars	As at March 31, 2014 ₹	As at March 31, 2013 ₹
I Secured		
Loans repayable on demand		
From Banks	10,626,034	-
Secured By:		
Secured by lien on fixed deposit receipt of ₹ 14,000,000/- placed by Neelkamal Realtors & Builders Private Limited with Oriental Bank of Commerce.		
From Reliance Capital Limited	610,017,232	610,017,232
(a) The said loan was received as Loan against Residential Property i.e D B Golf Link (Pune). The tenure of the loan was of 6 months from the date of disbursement		
(b) The loan amount was repayable at the end of the tenure of the loan and interest cost was payable on a monthly basis. The said loan has been restructured on March 25, 2014. It is revolving and reviewed every year and carries floating interest rate of 20.75% p.a subject to BPLR being constant. The loan is guaranteed by personal guarantees of Managing Directors of the Company. Further, registered mortgage has been created on plot 2 & 3(A+C) at Yerwada Pune.		
Total I	620,643,266	610,017,232
II Unsecured		
Loans repayable on demand		
From Reliance Capital Limited	300,000,000	-
The said loan is repayable on demand and carries interest rate of 15% p.a which is payable quarterly .		
From other parties	553,917,465	703,472,636
Total II	853,917,465	703,472,636
Total (I + II)	1,474,560,731	1,313,489,868

Note 8 : Trade Payables

Particulars	As at March 31, 2014 ₹	As at March 31, 2013 ₹
* Micro Small and Medium Enterprise	-	-
Others	1,305,150,787	1,147,564,643
Total	1,305,150,787	1,147,564,643

*Micro, Small and medium Enterprises under the Micro ,Small and Medium Enterprises Development Act, 2006 have been determined based on the information available with the Company and the required disclosures are given below:

Description	As at March 31, 2014 ₹	As at March 31, 2013 ₹
a) Principal amount remaining unpaid as at year end	-	-
b) Interest due thereon as at period / year end	-	-
c) Interest paid by the Company in terms of section 18 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
d) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	-	-
e) Interest accrued and remaining unpaid as at period / year end	-	-
f) Further Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	-	-

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014
Note 9 : Other Current Liabilities

Particulars	As at March 31, 2014	As at March 31, 2013
	₹	₹
Current maturities of long term borrowings (refer note (i) below)	2,092,138,001	1,546,126,362
Advance received from Customers	7,323,480,558	7,006,641,263
Advance towards sale of Land TDR	1,014,799,889	903,446,930
Due to Partnership Firms towards capital contribution	217,861,607	155,353,056
Advance Received against Tenancy Rights	30,190,316	30,389,966
Temporary overdrawn current account balance as per books of subsidiaries / jointly controlled entites	9,919,508	3,548,280
Amount Refundable on Cancellation of Flats	317,527,010	165,040,347
Employee Benefits Payable	44,780,407	42,537,091
Statutory dues including PF and TDS	136,864,381	224,912,654
Interest accrued but not due on loans	40,717,359	107,214,726
Interest accrued and due	91,755,312	43,767,983
Compensation payable	6,854,955	48,946,922
Payable to Project Partner by one of the Subsidiary (refer to note no 33 (B) (vi)	720,186,191	728,886,114
Other Payables *	1,374,627,993	321,352,990
Total	13,421,703,487	11,328,164,684

* Other Payables includes outstanding expenses and payables towards purchase of fixed assets, property, tenancy rights.

(i) Current maturities of long term borrowing are secured by following :

- (a) Mortgage of certain flats of the Project (specified flats) together with proportionate undivided share, right, title and interest in the common area and in the underlying land on which the Project is constructed.
 Exclusive charge on the Scheduled Receivables emanating from the Project.
 Mortgage of the land at Village Bapnala, Andheri (East), Mumbai, owned by Eversmile Construction Co. Pvt. Ltd, the development rights whereof being vested with ECC DB Joint Venture entered into by and between Eversmile Construction Co. Pvt. Ltd, DB Realty Limited and Konark Developers.
 Personal guarantee of the Managing Directors of the Company.
- (b) Mortgage of land situated at Dahisar (East) which has been undertaken for development and construction.
 Exclusive charge on the receivables emanating from sale of premises of the project.
 Personal guarantee of the Managing Directors of the Company.
- (c) The Loan is guaranteed by personal guarantees of Managing Directors of the Company. Further, the loan is secured by mortgaged of one of the subsidiary Company's land at Sahar, Andheri.
- (d) Interest on above loans are in the range of 15% to 17% p.a.

Note 10 : Short-term Provisions

Particulars	As at March 31, 2014	As at March 31, 2013
	₹	₹
a. Provision for Employee Benefits		
Gratuity (unfunded)	4,386,074	3,475,939
Leave encashment (unfunded)	10,875,533	9,261,364
b. Others		
Provision for tax (Net of with advance tax ₹ 39,576,923/- Previous year ₹ 73,593,392/-)	172,491,321	51,649,240
Provision for incidental cost related to land	579,270,067	712,149,610
Provision for expenses	12,797,259	451,640
Total	779,820,254	776,987,793

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

Note 11 : Fixed Assets

Particulars	Gross Block				Accumulated Depreciation					Net Block	
	Balance as at April 1, 2013	Additions	Disposals	Adjustments for the year	Balance as at March 31, 2014	Balance as at April 1, 2013	Adjustments for the year	Depreciation charge for the period (refer note (1) below)	On disposals	Balance as at March 31, 2014	Balance as at March 31, 2013
a											
Tangible Assets											
Sample Flat	198,545,427	-	-	-	198,545,427	66,287,996	-	33,064,358	-	99,193,073	132,257,431
Land (including Salt Pan Land) (refer note no (xi) of 33 (B))	1,373,710,486	9,944,181	-	-	1,383,654,667	-	-	-	-	1,383,654,667	1,373,710,486
Buildings											
- Temporary Structure	31,850,676	116,708,542	-	-	148,559,218	2,026,800	-	12,333,601	-	14,360,401	29,823,876
- Others	12,273,980	23,493,896	-	-	35,767,876	2,860,627	-	2,513,252	-	5,373,879	9,413,353
Computers	18,908,327	79,695	-	513,564	19,501,586	14,374,401	382,800	1,744,422	-	16,501,623	4,533,926
Furniture & Fixtures	50,415,883	235,125	-	22,360	50,673,368	28,455,062	9,820	4,040,100	-	32,504,982	21,960,821
Office Equipments	20,722,644	226,790	-	152,491	21,101,925	7,822,478	62,486	1,814,828	-	9,699,792	12,900,166
Plant & Machinery	14,995,601	120,000	-	391,317	15,506,918	6,506,807	(5,273)	1,223,634	-	7,725,168	8,488,794
Vehicles	107,255,210	17,054,569	-	-	124,309,779	63,868,279	-	11,269,011	-	75,137,290	43,386,932
Improvement on Leasehold Property	136,509,242	-	-	-	136,509,242	136,509,242	-	-	-	136,509,242	-
Total	1,965,187,476	167,862,798	-	1,079,732	2,134,130,006	328,711,692	449,833	68,003,206	-	397,164,731	1,636,475,785
b											
Intangible Assets											
Computer software	15,081,104	45,523,815	-	-	60,604,919	11,120,775	-	16,628,501	-	27,749,276	3,960,329
Goodwill on Amalgamation	319,367,573	-	-	-	319,367,573	127,747,031	-	63,873,516	-	191,620,547	191,620,542
Total	334,448,677	45,523,815	-	-	379,972,492	138,867,806	-	80,502,017	-	219,369,823	195,580,871
c											
Capital Work In Progress	84,959,459	400,777	-	6,838,108	92,198,344	-	-	-	-	92,198,344	84,959,459
Total	84,959,459	400,777	-	6,838,108	92,198,344	-	-	-	-	92,198,344	84,959,459
d											
Intangible assets under Development (refer note 2 below)	225,134,008	11,809,418	(45,523,815)	-	191,419,611	-	-	-	-	191,419,611	225,134,008
Total	225,134,008	11,809,418	(45,523,815)	-	191,419,611	-	-	-	-	191,419,611	225,134,008
Total (a+b+c+d)	2,609,729,620	225,596,808	(45,523,815)	7,917,840	2,797,720,453	467,579,498	449,833	148,505,223	-	2,181,185,900	2,142,150,123
Previous Year (Including CWIP)	2,753,269,037	263,593,724	(140,977,411)	(266,155,730)	2,609,729,620	303,090,997	(35,956,305)	204,281,191	(3,836,385)	2,142,150,123	2,450,178,040

Note :

- 1 Depreciation inventorised during the year ₹ 65,933,279/- (Previous Year ₹ 66,580,683/-)
- 2 As per the agreement, the revenue to be generated from Film shooting and Advertising activities for the group companies in the promenade area shall be shared in equal proportion between the Company and MSRDC, the Management is of the opinion that future economic benefits from the said assets is reasonably higher than cost incurred by the Company and the Company is having Control on the said asset to get future economic benefits.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014
Note 12 : Non-current Investments (at cost, unless otherwise specified)

Particulars	As at March 31, 2014 ₹	As at March 31, 2013 ₹
a. Investment in Equity Instruments (Unquoted, Non-trade)		
The Kapol Co-operative Bank Limited [5,000 (Previous Year 5,000) Equity Shares of ₹ 10 each, fully paid up]	50,000	50,000
Saraf Chemicals limited [310,000 (Previous Year 310,000) Equity Shares of ₹ 10 each, fully paid up]	49,600,000	49,600,000
Marine Drive Hospitality & Realty Private Limited (Formerly DB Hospitality Private Limited) [3,838,382 (Previous Year 3,838,382) Equity Shares of ₹ 10 each, fully paid up] (refer to note no.v)	783,029,928	783,029,928
In Equity Shares of Associate Companies (Unquoted, Trade) (Refer note below)		
Sangam City Township Private Limited [9,500 (Previous Year 9,500) Equity Shares of ₹ 10 each, fully paid up]	1,123,746	1,120,036
DB Hi-Sky Private Limited [5,000 (Previous Year 5,000) Equity Shares of ₹ 10 each, fully paid up]	-	-
Mahal Pictures Private Limited [3,600 (Previous Year 3,600) Equity Shares of ₹ 10 each, fully paid up]	896,215,730	896,040,857
Neelkamal Realtors Tower Private Limited (refer note no. iv) [1,010,807 (Previous Year 1,010,807) Equity Shares of ₹ 10 each, fully paid up] [Including ₹ 886,241,641 (Previous Year ₹ 886,241,641) of Goodwill and net of ₹ 169,756,718 (Previous Year ₹ 169,756,718) of Capital Reserve arising on the acquisition of Associates]	111,462,065	145,686,483
b. Investment in Preference Shares (Unquoted, Non-trade)		
Marine Drive Hospitality & Realty Private Limited (Formerly DB Hospitality Private Limited) (refer to note iii below) [24,233,571 (Previous Year 24,233,571) 0.002% Redeemable Optionally Convertible Cumulative Preference Shares of ₹ 10 each, fully paid up]	4,943,648,484	4,943,648,484
[9,260,080 (Previous Year 9,260,080) 0.002% Compulsory Convertible Cumulative Preference Shares of ₹ 10 each, fully paid up]	1,889,056,320	1,889,056,320
[74,44,256 (Previous Year 2,390,000) 0.001% Cumulative Redeemable Preference Shares of ₹ 10 each, fully paid up]	7,444,256,000	2,390,000,000
[313,478 (Previous Year 313,478) 0.001% Redeemable Compulsory Convertible Cumulative Preference Shares of ₹ 10 each, fully paid up]	172,163,649	172,163,649
[313,478 (Previous Year 313,478) 0.001% Redeemable Optionally Convertible Cumulative Preference Shares of ₹ 10 each, fully paid up]	172,163,649	172,163,649
Neelkamal Realtors Tower Private Limited [660,918 (Previous Year 660,918) 0.002% Redeemable Optionally Convertible Cumulative Preference Shares of ₹ 10 each, fully paid up]	109,609,005	109,609,005
Konark Realtec Private Limited (refer note no. (i)) [857,700 (Previous Year-Nil) Redeemable Optionally Convertible Preference Shares of ₹.10 each fully paid-up]	411,696,000	-
c. Investments in Partnership Firms (Unquoted, trade)(refer note no. (ii))		
Investment made in Partnership Firm "Evergreen Industrial Estate" by one of the Joint Venture namely "Turf Estate JV".	-	5,554,240
Investment made in Partnership Firm "Sneh Developers" by one of the subsidiary namely "DB View Infracon Private Limited".	-	9,900
Investment made in Partnership Firm "National Tiles & Industries" by one of the Limited Liability Partnership Firm namely "DB Realty and Shreepati Infrastructures LLP".	-	5,400,000
	16,984,074,576	11,563,132,550

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- (i) The tenure of ROCPS is five years from the date of allotment carrying coupon rate of 0.01% on Non cumulative basis. The said preference shares shall be convertible at the option of the Company at book value/ issue price at the time of conversion. The Company, in compliance of the provisions of Section 372A of the 1956 Act, has ratified its Investment in ROCPS by taking post-facto authorisation of its shareholders at their meeting held on 1st March, 2014.
- (ii) During the current year, investment in partnership firm have been eliminated as these investment have been considered for consolidation purpose.
- (iii) There is no return on investments in preference shares of Marine Drive Hospitality & Realty Private Limited ("DBH") during the year. In view of the management, investments in these entities are considered strategic and long term in nature and the current market values and future prospects of these investments are significantly in excess of Company's investment in DBH.
- (iv) The Company has pledged its investment of 986,613 Class A equity shares (Previous Year Nil) of Neelkamal Realtors Tower Private Limited, an associate Company, in favour of Yes Bank which provided term loan of ₹ 350 crores, to the said associate.
- (v) The Company has pledged its investment of 3,838,382 equity shares of Marine Drive Hospitality & Realty Pvt. Ltd., in favour of IL & FS Financials Services Ltd which provided term loan of ₹ 21.50 crores (Previous year Nil), to the Company.

Notes :

The particulars of investment in associate companies as of March 31, 2014 are as follows :

(Amount in ₹)

Sr No	Name of the Associate	Country of Incorporation	Ownership Interest	Original Cost of Investment	Amount of Goodwill / (Capital Reserve) in the Original Cost	Share of post acquisition Reserves & Surplus	Carrying Cost of Investments
1	Sangam City Township Private Limited	India	31.67%	95,000	(1,725,827)	1,028,746	1,123,746
	Previous Year		(31.67%)	(95,000)	(-1,725,827)	(1,025,036)	(1,120,036)
	(formerly known as Dharadhar Developers Private Limited)						
2	DB Hi-Sky Private Limited	India	50%	50,000	12,481	(50,000)	-
	Previous Year		(50%)	(50,000)	(12,481)*	(-50,000)	(-)
3	Mahal Pictures Private Limited	India	33.33%	892,225,001	886,229,160	3,990,729	896,215,730
	Previous Year		(33.33%)	(892,225,001)	(886,229,160)	(3,815,856)	(896,040,857)
4	Neelkamal Realtors Tower Private Limited #	India	38.47%	165,703,146	(168,030,891)	(54,241,081)	111,462,065
	Previous Year		(38.47%)	(165,703,146)	(-168,030,891)	(-20,016,663)	(145,686,483)
	Total			1,058,073,147	716,484,924	(49,271,606)	1,008,801,541
	Previous Year Total			(1,058,073,147)	(716,484,924)	(15,225,772)	(1,042,847,375)

(Figures in brackets denote Previous Year's ownership interest and balances)

* Previous year's figures in brackets with negative sign denotes Capital Reserve and without negative sign denotes Goodwill.

The Company became associate with effect from October 25, 2012 by having economic interest @ 50.83%. Hence, the same has been considered for consolidation purpose under equity method.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014
Note 13 : Long-term Loans and Advances

Particulars	As at March 31, 2014 ₹	As at March 31, 2013 ₹
a. Security Deposits (refer note 13.2)		
<i>Unsecured, considered good</i>		
Deposits to Related Parties	3,609,933,934	3,260,545,934
Deposits to others	1,201,394,774	1,742,380,557
b. Loans and Advances to Related Parties		
<i>Unsecured, considered good</i>		
Loans to Associates	-	143,319,936
Project advance to Associates (refer to note 13.4 below)	781,945,000	782,535,000
Due from members of Partnership Firms /Joint ventures	1,643,375,000	1,289,815,697
Mobilisation Advances	222,307,486	137,820,410
Share Application Money Pending Allotment	-	3,288,471,940
c. Loans and Advances to Others		
<i>Unsecured, considered good</i>		
Loans to Others	495,650,000	140,650,000
Advance against Share Purchase (refer note 13.3 below)	893,006,632	787,200,000
Mobilisation Advances	108,017,846	108,176,007
Due from members of Partnership Firms /Joint ventures	145,421,652	267,241,522
Advance Payment of Taxes (Net of provision for tax ₹ 31,733,573/- (Previous year ₹ 32,966,573/-)	30,190,003	25,659,304
MAT Credit Entitlement (refer note no. 40 B)	37,572,425	37,500,000
Advance recoverable in cash or in kind or for value to be received	609,890,984	662,624,513
Total	9,778,705,736	12,673,940,820

13.1 Loans and advances due by directors or other officers of the Company or any of them either severally or jointly with any other persons or amounts due by firms or private companies respectively in which any director is a partner or a director a member

Particulars	As at March 31, 2014 ₹	As at March 31, 2013 ₹
Private Company in which director is a member	3,978,535,000	7,518,861,378

13.2 Security deposits includes of ₹ 3,575,000,000/- given to various related parties for acquisition of development rights. The Company is in process of obtaining necessary approvals with regard to said properties and the said properties have current market values significantly in excess of carrying values and are expected to achieve adequate profitability on substantial completion of their projects.

13.3 Refer note no. 31 for advance for share purchases of ₹ 400,000,000/- (Previous year ₹ 400,000,000/-)

13.4 In respect of project advances of ₹ 78,19,45,000/- forming a part of long term loans and advances provided by the Company to its two Associate Companies, the required documents are under execution.

Note 14 : Other Non-current Assets

Particulars	As at March 31, 2014 ₹	As at March 31, 2013 ₹
Margin Money Deposits *(more than 12 months)	29,820,000	64,635,239
Prepaid Expenses	3,804,688	16,727,867
Unbilled Revenue	590,781,894	474,669,160
Interest accrued but not due	7,263,120	-
Cost attributable to Leased Units	61,494,631	57,668,879
Total	693,164,333	613,701,145

* The said deposits are under lien with Banks.

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Note 15 : Current Investments (At lower at cost or fair value) (Unquoted, Non-trade)

Particulars	As at March 31, 2014 ₹	As at March 31, 2013 ₹
Investment in Mutual Funds	9,967,000	10,095,169
Total	9,967,000	10,095,169

Note 16 : Inventories

Particulars	As at March 31, 2014 ₹	As at March 31, 2013 ₹
Valued at cost or net realisable value whichever is lower		
a. Project Work in Progress (refer foot note no (ii) of 30) * #	15,821,790,665	14,344,104,926
b. Transferable Development Rights	391,230,071	694,457,988
Total (a+b)	16,213,020,736	15,038,562,914

* Note : Out of this ₹ 2,262,607,335/- (Previous year ₹ 2,005,660,682/- are under initial stage of development & expected to have net realizable value greater than the cost.

Refer note 4 (I) (a), (b) ,(d) ,9 (1) , 7 (1) (a) & foot note (iv) (a) to Note 30 for securities given for projects by the Company.

Note 17 : Trade Receivables

Particulars	As at March 31, 2014 ₹	As at March 31, 2013 ₹
Unsecured, considered good		
Outstanding for a period exceeding six months(refer note 33 A (i) (c))	1,069,076,564	1,342,183,814
Other	506,708,948	605,795,498
Total	1,575,785,512	1,947,979,312

Note 18 : Cash and Bank Balances

Particulars	As at March 31, 2014 ₹	As at March 31, 2013 ₹
Cash and Cash Equivalents		
Cash on Hand	2,142,090	1,312,571
Balances with Banks in Current Accounts	309,411,653	199,274,405
Cheques in hand	1,428,361	-
Other Bank Balances (More than 3 months but less than 12 months)		
Fixed Deposits with Banks *	76,479,066	76,662,333
	389,461,169	277,249,309

* Includes deposits under lien ₹ 48,965,739/- (Previous year ₹ 69,758,000/-)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014
Note 19 : Short-term Loans and Advances

Particulars	As at March 31, 2014	As at March 31, 2013
	₹	₹
a. Security Deposits		
<i>Unsecured, considered good</i>		
Deposit placed (related parties)	612,000	612,000
<i>Unsecured, considered doubtful</i>		
Security Deposits	-	11,983,866
Provision for Doubtful Security Deposits	-	(11,983,866)
b. Loans and Advances to Related Parties		
<i>Unsecured, considered good</i>		
Loans given	1,280,610,756	1,351,042,947
Mobilisation advances	113,159,717	118,632,785
Due from members of Partnership Firms /Joint ventures	229,103	273,519,206
Advances recoverable in Cash or in Kind or for Value to be received	17,490,098	15,823,768
c. Others		
<i>Unsecured, considered good</i>		
Loan to others	274,300,904	179,807,417
Deposits placed	202,554,798	3,865,889
Trade advances	153,852,090	76,916,153
Mobilisation advances	278,400,711	287,737,163
Prepaid expenses	4,108,847	18,139,482
Advance Payment of Taxes (Net of provision for tax ₹ 18,421,747/- Previous year (Nil))	7,195,232	21,420,511
Advance against Share Purchase	-	468,989,874
Due from members of Partnership Firms /Joint ventures	32,195,377	228,969
Advances recoverable in Cash or in Kind or for Value to be received *	986,905,582	896,334,901
<i>Unsecured, considered doubtful</i>		
Advances Given	17,557,328	17,557,328
Provision for Doubtful Advances	(17,557,328)	(17,557,328)
	3,351,615,215	3,713,071,065

* Inclusive of amount of ₹ 8,692,930/- (₹ 6,892,967/- & 50% of ₹ 3,599,926/-) taken by Enforcement Directorate. (refer to note No.33 (A) (ii) and 42)

19.1 Loans and advances due by directors or other officers of the Company or any of them either severally or jointly with any other persons or amounts due by firms or private Companies respectively in which any director is a partner or a director a member

Particulars	As at March 31, 2014	As at March 31, 2013
	₹	₹
Private Company in which director is a member	470,902,968	953,299,764
	470,902,968	953,299,764

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NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

Note 20 : Other Current Assets

Particulars	As at March 31, 2014 ₹	As at March 31, 2013 ₹
Interest accrued and due	110,699,117	140,352,865
Interest accrued but not due	1,340,612	17,047,578
Transferable Development Rights	70,073,640	96,671,483
Service Tax Receivable	58,386,375	48,979,299
Advance Recoverable	76,505	658,976
Unbilled Revenue	763,737,063	1,602,660,028
Total	1,004,313,312	1,906,370,229

Note 21 : Revenue from Operations

Particulars	For the year ended March 31, 2014 ₹	For the year ended March 31, 2013 ₹
Sale of Properties	2,697,573,324	3,198,382,237
Sale of Transferable Development Rights	443,219,540	209,515,872
Total	3,140,792,864	3,407,898,109

Note 22 : Other Income

Particulars	For the year ended March 31, 2014 ₹	For the year ended March 31, 2013 ₹
Interest Received on Loans - Others	195,708,242	175,408,382
Interest on Bank Fixed Deposit	7,673,170	11,074,495
Interest Received - Other	11,070,911	12,402,406
Exchange Gain, net	2,047	-
Dividend Income	472,161	250,171
Profit on sale of Current Investments	-	1,000,000
Profit on sale of Long Term Investments	-	3,315,667
Amount forfeited on cancellation of allotment of property and assignment development rights	43,254,872	27,177,975
Excess Provision Written Back	56,346,774	24,434,063
Miscellaneous Income	13,429,871	11,493,594
Total	327,958,048	266,556,753

Note 23 : Project Expenses

Particulars	For the year ended March 31, 2014 ₹	For the year ended March 31, 2013 ₹
Land Acquisition and Purchase of Tenancy Rights	442,390,344	127,549,070
Construction Expenses	2,349,847,946	2,303,299,243
Project Salaries, Wages and Bonus	86,917,165	175,039,368
Contribution to Provident Fund and Others	1,617,369	2,194,587
Total	2,880,772,824	2,608,082,268

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014
Note 24 : Changes in Inventories

Particulars	For the year ended March 31, 2014 ₹	For the year ended March 31, 2013 ₹
Project Work in Progress:		
Opening Balance	14,344,104,926	17,575,658,866
Taken over on Acquisition	357,067,568	-
Transferred to Profit and Loss Account / Capitalised during the year	(245,920,414)	(2,755,510)
Transferred to Advance recoverable in Cash or Kind	-	(52,781,630)
Prior Period Adjustment	-	(26,823,592)
Adjustment on account of Disposal / Sale of Investment	537,430,746	(3,127,607,154)
Closing Balance	(15,821,790,665)	(14,344,104,926)
(Increase)/Decrease in Project Work in Progress	Total (a)	21,586,054
Transferable Development Rights		
Opening Balance	694,457,988	856,207,092
Adjustment to Opening Stock	-	-
Transferred to Current Assets	-	-
Closing Balance	(391,230,071)	(694,457,988)
Decrease in Transferable Development Rights	Total (b)	161,749,104
	Total (a+b)	183,335,158

Note 25 : Employee Benefits Expenses

Particulars	For the year ended March 31, 2014 ₹	For the year ended March 31, 2013 ₹
Salaries, Wages and Bonus (Including Managerial Remuneration)	111,687,338	145,728,053
Contribution to Provident Fund and Others	1,187,351	3,773,827
Staff Welfare and Other Amenities	7,913,642	19,606,993
Total	120,788,331	169,108,873

Note 26 : Finance Cost

Particulars	For the year ended March 31, 2014 ₹	For the year ended March 31, 2013 ₹
Interest Expenses	339,227,360	151,312,985
Other Borrowing Costs	39,115,677	29,969,118
Total	378,343,037	181,282,103

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Note 27 : Other Expenses

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
	₹	₹
Rent, (including lease rents -refer note no. 39)	60,087,769	79,722,250
Rates and Taxes	7,003,195	728,992
Repairs and Maintenance	2,893,506	6,660,104
Legal and Professional Charges (refer to note no. 36)	57,804,556	58,374,212
Donations	3,226,401	880,986
Directors Sitting Fees	800,000	980,000
Advertisement and Publicity	31,756,488	71,335,057
Business Promotions Expenses	20,586,047	12,528,301
Books, Periodicals, Subscription and Membership Fees	1,605,626	1,484,112
Printing, Stationery, Postage, Telegram and Telephone Charges	2,403,747	4,219,349
Travelling and Conveyance Expenses	3,232,912	18,729,416
Commission and Brokerage	52,938,578	30,863,572
Compensation Charges	8,186,884	24,000,000
Loss on Sale of Assets	-	1,101,101
Provision against Security Deposit	-	11,983,866
Exchange Loss, Net	1,830,211	415,471
Advances Written Off	-	10,031,626
Miscellaneous Expenses	40,150,737	72,207,153
Total	294,506,657	406,245,568

28 Entities included in the consolidated financial statements with details of the holdings therein are as under.

a) Subsidiary companies consolidated on 'line by line' basis as per AS 21:

Name	Country of Incorporation	Percentage of Ownership Interest as at March 31,2014	Percentage of Ownership Interest as at March 31,2013
Neelkamal Realtors Suburban Private Limited	India	66.00%	66.00%
Gokuldharm Real Estate Development Company Private Limited	India	75.00%	75.00%
Neelkamal Shantinagar Properties Private Limited (refer note i below)	India	100.00%	100.00%
Esteem Properties Private Limited.	India	100.00%	100.00%
Saifee Bucket Factory Private Limited	India	100.00%	100.00%
Real Gem Buildtech Private Limited	India	100.00%	100.00%
DB Man Realty Limited	India	51.00%	51.00%
Priya Constructions Private Limited (refer note ii below)	India	100.00%	100.00%
Royal Netra Construction Private Limited	India	50.40%	50.40%
Nine Paradise Erectors Private Limited (formerly Nine Paradise Hotels Private Limited)	India	100.00%	100.00%
N.A. Estate Private Limited	India	100.00%	100.00%
MIG (Bandra) Realtors and Builders Private Limited (formerly DB MIG Realtors and Builders Private Limited)	India	100.00%	100.00%
Spacecon Realty Private Limited (formerly DB Spacecon Private Limited)	India	74.00%	74.00%
Vanita Infrastructure Private Limited	India	100.00%	100.00%
DB View Infracon Private Limited (refer note iii below)	India	100.00%	100.00%
DB Contractors and Builders Private Limited (refer to note iv below)	India	100.00%	100.00%
Goregaon Hotel and Realty Private Limited	India	100.00%	-

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

- i) The subsidiary Company has a Joint Venture agreement with Shankala Realtors Private Limited having profit sharing ratio of 100% (Previous year 50%) for development and construction of a residential complex in the name and style of M/s. Shree Shantinagar Venture. The said Joint Venture is consolidated as per AS-21 in the accounts of this subsidiary Company and consolidated financial statements of the subsidiary have been considered for preparation of consolidated financial statements of the Company.
- ii) The subsidiary Company has an investment in the capital of a partnership firm, viz. M/S. Evergreen Industrial Estate having profit sharing ratio of 67% (including 1 % held by Turf estate joint venture) for construction and development of the immovable properties. During the year the said partnership firm is consolidated as per AS-21 in the consolidated financial statement of ultimate holding Company directly and hence, accounts of the said partnership firm and standalone financial statements of the subsidiary have been considered for preparation of consolidated financial statements of the Company.
- iii) The subsidiary Company has invested in the capital of a partnership firm, viz. M/s. Suraksha DB Realty, on April 1, 2011 and having profit sharing ratio of 50% for construction and development of the immovable Properties. The said partnership firm is consolidated as per AS-27 in the accounts of this subsidiary Company and consolidated financial statements of the subsidiary have been considered for preparation of consolidated financial statements of the Company.

Further, the Company has invested 48% Profit Sharing in Sneh developers (i.e. partnership firm) and 1% invested by another Subsidiary Company i.e. Nine paradise erectors private limited. Hence, the said firm has consolidated as joint venture with 49% in consolidated financial statements.

- iv) During the year, the subsidiary Company has invested and considered the said LLP as a joint venture in accordance with AS -27. The said Joint Venture is consolidated as per AS-27 in the accounts of this subsidiary Company and consolidated financial statements of the subsidiary have been considered for preparation of consolidated financial statements of the Company. However, the investment made as part of share capital are still shown under bank reconciliation as bank account has not been opened by the said joint venture.

- b) Association of Person /Partnership Firms (where control exists) consolidated on a 'line by line' basis (AS-21) :

Name	Country of Formation	Percentage of ownership interest as at March 31, 2014	Percentage of ownership interest as at March 31, 2013
Conwood DB Joint Venture	India	90.00%	90.00%
ECC DB Joint Venture	India	75.00%	75.00%
Mira Real Estate Developers @ (formerly Mira Salt Works Company)	India	100.00%	100.00%
Turf - Estate Joint Venture # (refer note no. 28 (a) (ii))	India	66.67%	-
M/s. Evergreen Industrial Estate (refer note 28 (a) ii)	India	67.00%	67.00%

@ The share of the Holding Company (99%) and DB View Infracon Private limited (1%), the wholly owned subsidiary of the Holding Company. Hence, the Company has consolidated 100% as subsidiary in accordance with AS-21.

During the year Turf Estate Joint venture has been considered as a subsidiary for the purpose of consolidation and consolidated as per AS 21.

- c) Joint ventures/ partnership firms/Company/limited liability partnership firms accounted on proportionate consolidation basis as per AS- 27:

Name	Percentage of Ownership Interest as at March 31, 2014	Percentage of Ownership Interest as at March 31, 2013
Dynamix Realty (Partnership Firm in construction TDR) (refer note i below)	50.00%	50.00%
DBS Realty (Partnership Firm)	33.33%	33.33%
DB (BKC) Realtors Private Limited (formerly known as M. K. Malls and Developers Private Limited)	40.80%	40.80%
Lokhandwala Dynamix Balwas JV	50.00%	50.00%
Turf - Estate Joint Venture *	-	66.67%
Sneh Developers (refer note a(iii) above)	49.00%	-
DB Realty and Shreepati Infrastructures LLP (refer note ii below)	60.00%	60.00%
Daund Warehousing Developers & Builders LLP	50.00%	50.00%
Saswad Warehousing Developers & Builders LLP	50.00%	50.00%
Ahmednagar Warehousing Developers & Builders LLP	50.00%	50.00%
Solapur Warehousing Developers & Builders LLP	50.00%	50.00%
Latur Warehousing Developers & Builders LLP	50.00%	50.00%
Aurangabad Warehousing Developers & Builders LLP	50.00%	50.00%
DB Realtors & Builders LLP #	70.00%	70.00%
Baramati Warehousing Developers & Builders LLP #	50.00%	50.00%

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i) The said partnership firm has a SRA project by which it is entitled for two components of TDR viz. Land Component of TDR and Construction Component of TDR. The Partners of the Firm have amended the terms of profits sharing ratio vide supplementary deed dated 11-2-2012 and accordingly, the said project is divided into two projects viz. a) Project I- Land component of TDR (Partners – Eversmile Construction Company Private Limited – profit/ (loss) sharing ratio of 99% and Conwood Construction and Developers Private Limited – profit/ (loss) sharing ratio of 1%) and b) Project II – Construction component of TDR (Partners – DB Realty Limited – profit/ (loss) sharing ratio of 50% and Eversmile Construction Company Private Limited – profit/ (loss) sharing ratio of 50%). Since, the Holding Company has share only in the profit / loss in the Project II, the profit/ (loss) has been considered for the same on the basis of project wise break-up of audited accounts.

ii) The LLP has investment in partnership firm viz M/s National Tiles towards 99% share in Profit /(Loss). During the year the said partnership firm is consolidated as a joint venture as per AS-27 in the consolidated financial statement of the Company. The said firm has been considered for consolidation directly and hence, standalone financial statement of DB Realty and Shreepati Infrastructures LLP have been considered for consolidation.

* During the year Turf Estate Joint venture has been considered as a subsidiary for the purpose of consolidation and consolidated as per AS 21.

These LLPs in which the Holding Company was a partner during those year, has applied to Registrar of LLP for striking off there names on February 15, 2012 from the register of LLPs and the same is in process.

Name	Percentage of equity interest as at March 31,2014	Percentage of equity interest as at March 31,2013
Sangam City Township Private Limited	31.67%	31.67%
DB Hi-Sky Construction Private Limited	50.00%	50.00%
Mahal Pictures Private Limited	33.33%	33.33%
Neelkamal Realtors Tower Private Limited #	38.47%	38.47%

Particulars	As at March 31, 2014 ₹	As at March 31, 2013 ₹
A . Guarantees to banks and financial institutions (in India and overseas) against credit facilities extended to		
i) Jointly controlled entity		
DB (BKC) Realtors Private Limited (formerly known as M. K. Malls and Developers Private Limited) (refer note (i) below)	750,000,000	-
ii) Associates		
Neelkamal Realtors Tower Private Limited (refer note (ii) below)	3,500,000,000	4,125,000
Sub total (i)	4,250,000,000	4,125,000
iii) Company under the same management		
Majestic Infracon Private Limited (earlier known as DBI Infracon Private Limited / Tiger Trustees Private Limited (refer notes iv below)	8,530,000,000	8,530,000,000
Neelkamal Realtors and Builders Private Limited (refer note iii below)	-	4,125,000
Delux Hospitality Limited, Mauritius (earlier known as D B Hospitality Limited,Mauritius) (Term Loan of USD 138 Million) & Y J Realty and Aviation Private Limited (earlier known as Y J Realty Private Limited) (Stand by Letter of Credit of USD 65 Million) (Overall Guarantee of the Company in USD 138 million) (refer note iv below)	8,293,772,400	7,505,723,400
Sub Total (ii)	16,823,772,400	16,039,848,400

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

Particulars	As at March 31, 2014 ₹	As at March 31, 2013 ₹
iv) Others		
Heaven Star Hotels (Delhi) Private Limited (earlier known as DB Hotels (India) Private Ltd)(Guarantees given and Security provided) (Refer Note (v) below)	1,700,000,000	1,700,000,000
Pune Buildtech Private limited (refer note vi below)	2,250,000,000	-
BD&P Hotels Private Limited (refer note vi below)	650,000,000	-
Sub Total (iii)	4,600,000,000	1,700,000,000
Grand Total (i + ii + iii)	25,673,772,400	17,743,973,400
B. Arrears of dividend in respect of 0.001 % Redeemable Optionally Convertible Cumulative Preference Shares (ROCCPS)	153	132
C. Arrears of Dividend on 0.001 % compulsorily Convertible Cumulative Preference shares (CCPS)	158	347
D Esteem Properties Private Limited, as per terms of Consent Terms entered into with Air Inn Private Limited, is liable to re-imburse to Air Inn Private Limited the liability that may devolve upon it on account of suit pending against it in the Hon'ble High Court of Judicature of Bombay	15,000,000	15,000,000
E Contingent payments to the holders of Redeemable Optionally Convertible Cumulative Preference Shares (ROCCPS), Compulsory Convertible Preference Shares (CCPS) and equity shares subscribed by other shareholders of an entity (in which the Holding Company has joint control) - representing the amount payable or adjustable by the Holding Company on exercise of various exit options by such other holders based on agreement entered with them.	Amount unascertainable	Amount unascertainable
F Provisional attachment of assets under Prevention of Money Laundering Act, 2002 for: DB Realty Limited (refer note no 42) Dynamix Realty (refer note no 33 (A) (ii))	Amount unascertainable	Amount unascertainable
G The Company is a party to various legal proceedings in the normal course of business and does not expect the outcome of these proceedings which is unascertainable to have any adverse effect on its financial conditions, results of operations or cash flows.		

Notes :

- (i) No loan has been borrowed by the joint venture towards a total corporate guarantee provided of ₹ 750,000,000/- (Previous year ₹ 750,000,000/-)
- (ii) During the year, the Company has given Corporate Guarantee on behalf of Neelkamal Realtors Tower Private Limited . The said facilities are secured by (i) Exclusive charge by in respect of all that pieces and parcels of land of Byculla Division CS no.1906 admeasuring 19434.10 Square Meters and structure constructed or to be constructed thereon. (ii) All moveable fixed and current assets including receivables (present and future) of the project "ORCHID HEIGHT".(iii) Escrow Account of project receivables (Orchid Heights). Exclusive charge by way of 30% of total shareholding of the Company which are held by D B Realty Limited (986,613 class A equity share). (iv) Personal Guarantee of Mr Shahid Balwa and Mr Vinod Goenka.
- (iii) Towards vehicle loan.
- (iv) In a earlier year, the Company had given Corporate Guarantees on behalf of two companies in which some of the directors of the Company are interested. The said Companies are however, not a part of DB consolidated group. Such guarantees are:
- In respect of facilities availed by Majestic Infracon Private Limited from Punjab National Bank, Mumbai and Bank of India, Mumbai, for an amount aggregating ₹ 8,530,000,000/- (Previous Year ₹ 8,530,000,000/-).
 - In respect of facilities availed by Delux Hospitality Limited, Mauritius ('DBH, Mauritius') & Y J Realty and Aviation Private Limited (earlier known as Y J Realty Private Limited) from ICICI Bank - United Kingdom PLC of USD 138 millions – ₹ 8,293,772,400/- as at the year end March 31, 2014 (Previous Year ₹ 7,505,723,400/-). For the purpose of the said corporate guarantee, the Company has received in its favour irrevocable and unconditional personal guarantees from the two interested directors covering the entire amount of such guarantees issued by the Company. (Conversion rate used ₹ 60.0998/- USD as per RBI conversion rate as on 31st March 2014)(Previous year ₹ 54.3893/-)
- The Company is confident that these companies would fulfill their obligations under the credit facilities and does not expect any outflow of resources.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

For the purpose of the said corporate guarantees, the Company has received in its favour irrevocable and unconditional personal guarantees from the two interested managing directors covering the entire amount of such guarantees issued by the Company.

The aforesaid facilities are secured as under:

- a) Majestic Infracon Private Limited: by (a) pledge of its investments consisting of 45,934,000 equity shares in Etisalat DB Telecom Private Limited; (b) a pari passu charge on its property consisting of Hotel Hilton, Mumbai. (c) Together with collateral securities of the Company's property admeasuring 80,934 sq meters at Malad (East), Mumbai with all including all development rights, unutilized Floor Space Index (FSI) / or such other FSI that may be granted in future.
- b) Delux Hospitality Limited by : (a) mortgage of its property consisting of Milan Mall in Milan Theatres Private Limited, Dynamix Mall in Y J Realty and Aviation Private Limited (earlier known as Y J Realty Private Limited), Orchid Garden in Conwood DB JV and Orchid Park in holding Company (against stand by letter of credit issued by ICICI Bank Limited as an integral part of the arrangement); (b) pledge of its entire shareholding of DB Hospitality Private Limited ('DBHPL') in DBH, Mauritius (being the wholly owned subsidiary of DBHPL).

The Company is confident that these companies would fulfill their obligations under those credit facilities and does not expect any outflow of resources.

- (v) During an earlier year, the Company has given Corporate Guarantee and has pledged its entire shareholding of Marine Drive Hospitality & Realty Private Limited for loan availed by Heaven Star Hotels (Delhi) Private Limited, from IL & FS Financial Services Limited.

The said facility is also secured by (i) charge on Fixed Assets both present and future of the project other than project land (ii) charge on all current assets including receipt of all the receivables related to the project (iii) charge on all bank accounts, insurance contracts (iv) Goan Hotels & Clubs Private Limited in Heaven Star Hotels (Delhi) Private Limited.

The Company is confident that this Company would fulfill the obligations under the credit facilities and does not expect any outflow of resources.

- (vi) During the year, the Company has given corporate guarantees and has given collateral securities of the Company's property DB Hill Park admeasuring 80,934 sq meters at Malad (East), Mumbai and Resham Bhavan located at Churchgate, Mumbai (forming part of Inventory), on behalf of BD&P Hotels (India) Private Limited and Pune Buildtech Pvt. Ltd.

The said facilities are also secured by (i) charge on Fixed Assets both present and future of the respective projects other than project land (ii) charge on all current assets including receipt of all the receivables related to the respective project (iii) charge on all bank accounts, insurance contracts of respective Company alongwith the following common securities (iv) a pari passu charge on its property consisting of Hotel Hilton, Mumbai.

The Company is confident that this Company would fulfill the obligations under the credit facilities and does not expect any outflow of resources.

- 31 During the previous years the Company has acquired 1/3rd stake in another Company by paying ₹ 892,225,001/-. By and under a Share Purchase Agreement dated December 2, 2010, the Company agreed to purchase additional 1/3rd stake from another shareholder of this Company and paid advance of ₹ 400,000,000. However, as per the said agreement, such purchase is subject to settlement of a suit which is pending at the High Court of Judicature at H'ble Bombay High Court. The Company, based on legal advice is confident of a favourable resolution in getting the matter resolved favourably so as to be able to develop the underlying land parcel; and accordingly the said amounts paid are considered to be good of recovery.
- 32 The Company has incurred a sum of ₹ 132,931,001/- (Previous year ₹ 155,772,388/-) towards acquisition of development rights pertaining to a SRA redevelopment project, which is the subject matter of litigation. There are five litigations pending regarding the same. Based on legal advice, the Company believes that it has a good chance of getting the project and is confident of commencement of redevelopment activities shortly and accordingly the said amount is considered as good of recovery.
- 33 Significant matters stated in the notes to the audited financial statements/audit reports of the subsidiaries / Partnership firms / joint ventures and jointly controlled entities.

A) Joint venture / Partnership firm(s)/ Limited Liability Partnership(s) (consolidated as per AS-27)

- i) Notes to financial statements of Dynamix Realty (Dynamix) relating to outstanding receivables of ₹ 1,533,892,995/- (Previous Year ₹ 1,727,612,945/-) (including dues aggregating ₹ 540,764,810/- (Previous Year ₹ 737,420,341/-) from companies in which directors of the Holding Company are interested) as at March 31, 2014 as follows:
 - (a) As at the balance sheet date, the other partner (being an entity in which a director of the Company is interested viz. Eversmile Construction Company Private Limited (ECC)) is having a debit balance of ₹ 453,614,810/- (Previous Year ₹ 492,920,341/-). As represented by partners of the Firm, the said balance shall be recovered in due course of time and hence, the same is considered good of recovery.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

- (b) The Firm has granted unsecured loans, with/without interest as applicable and repayable on demand with no other terms, for which the Partners have given their consent. In the opinion of the Firm, the outstanding amount as of year-end of loan and interest thereon of ₹ 220,319,819/- (Previous Year ₹ 374,547,577/-) is considered good for recovery.
- (c) Trade Receivables outstanding more than 1 year of ₹ 859,958,366/- (Previous year ₹ 860,145,027) which Includes dues of ₹ 838,154,114/- (Previous year ₹ 838,154,114/-) attached under the PML Act, for which the parties have given their acknowledgement. In the opinion of the partners of the firm, they do not expect any shortfall in recovery.
- ii) Notes to financial statements and reference in auditor's report of Dynamix relating to matter which is sub-judice:

The Firm had granted Loan to Kusegaon aggregating to ₹ 2,092,500,000/-, (the said loans) as upto 31.03.2010. As of 31.03.2014, the outstanding balance due from Kusegaon is ₹ 91,501,379/- (Previous year ₹ 91,501,379/-), being part of interest charged. Central Bureau of Investigation Anti-corruption Branch, New Delhi (CBI) in the Supplementary (First) charge sheet RC.DAI.2009.A.0045 (2G Spectrum Case) has alleged that out of the said loans, through the Firm, ₹ 2,000,000,000/- crores is paid as illegal gratification to M/s Kalaingar TV Private Limited (Kalaingar) through Kusegaon and M/s Cineyug Films Pvt. Ltd., in lieu of the undue favours by accused public servants to Swan Telecom Private Limited (SWAN) in 2G Spectrum Case. The CBI have alternatively alleged in the said charge sheet that even if the said transaction of ₹ 2,000,000,000/- is accepted as genuine business transaction, the said loans obtained by Kalaingar for a consideration which being known as inadequate, constitutes commission of offence. The Firm is not an accused in the 2G Spectrum Case. In the opinion of the Partners of the Firm, these are preliminary charges based on investigation carried out by the CBI Team and the personnel named in the charge sheet are presumed to be innocent till their alleged offence is established after a fair trial. These preliminary charges have no impact on the business/operations of the Firm.

Further, consequent to above, a complaint was filed under the Prevention of Money Laundering Act, 2002 (the PML Act) (Money Laundering Case) and the Adjudicating Authority vide Order dated 10.01.2012 has confirmed the Provisional Attachment Order (the Order). The Firm being included as one of the defendant, properties in the form of bank balances and sundry debtors aggregating to ₹1,338,900,000/- (Previous Year ₹ 1,338,900,000/-) were provisionally attached, out of which, sundry debtors of ₹ 497,100,000/- (Previous year ₹ 497,100,000/-) stands realised after furnishing the information for which the requisite intimation has been made to the Prescribed Authority. An appeal has been preferred against the Order before the Appellate Tribunal under the PML Act. During the year, the Directorate of Enforcement has taken physical possession of bank balance of ₹ 3,599,925/-, against which the Firm has written a letter to convert the amount so recovered into Fixed Deposits which is pending. Post Balance sheet date, the Directorate of Enforcement has filed a complaint before the Hon' Court in connection with Money Laundering Case relating 2G Spectrum Case. In response thereto, the Firm, the Partners of the Firm and persons named in the said complaint have been issued summons for attendance. The parties hereto are yet to be provided a copy of the complaint.

As upto the date of signing of the financial statement the outcome of 2G Spectrum case/Money Laundering Case are sub judies.

- iii) Notes to Financial statements relating to procedures pertaining to direct confirmations:

The Firm's Auditors have carried out direct confirmation procedure for verification of balances of certain parties from / to whom unsecured loans, trade receivables, balances held in bank, trade Payables, contractors' retention money and mobilization advance in the financial statements which are subject to confirmation. As per the contention of the management the same are good for realization.

- iv) Group share in loans and advances :

Includes ₹ 263,843,130 (Previous Year ₹ 261,762,162) paid advances to various parties including associates to facilitate the jointly controlled entity (JCE) and for acquiring the occupancy rights of the occupant(s) in connection with the Project and as such, these parties are acting in fiduciary capacity for and on behalf of the JCE. For the purpose, the associate has executed Memorandum of Understanding with each of the party. The Management of the JCE has decided to appropriate the advances so paid to each of the party to the account of compensation in the year in which the occupancy rights shall get transferred to the JCE. Further, the JCE is in the process of quantifying the amount of stamp duty liability, if any, payable by each of the party in execution of agreement for acquiring occupancy rights from the occupants and shall account the same upon such ascertainment. However, as regards, the capital gain tax liability, if any, the JCE does not expect the same to arise having regard to the market value of the property as per the stamp duty ready reckoner and the value as per the agreement. The aforesaid classification of monies so advanced to parties to acquire occupancy rights at the behest of the JCE and accounting the same to the account of compensation in the year of transfer of such occupancy rights of the JCE has no adverse impact in determination of loss for the year as the amount of compensation, including the stamp duty, if any, and other costs shall stand allocated to the value of Project Work-in-Progress as and when paid.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014**B) Subsidiaries (Consolidated as per AS 21):**

- i) One of the subsidiary Company had issued redeemable preference shares, which were redeemed out of profits in the year ended 31st March 2011. In order to comply with the requirements of Section 80 of the Companies Act, 1956, the said subsidiary Company had transferred amounting to ₹ 400,000,000 to the account of Capital Redemption Reserve.
- ii) In the earlier years, a subsidiary (entity) had changed the conceptualization of its project from "Mall" to "Residential cum Commercial". In relation to Mall project, the entity had executed Joint Venture Agreements with parties for constructing part of the project on their land as per the agreed terms therein. The entity expects to execute the requisite Deed of Modification, having no material impact on the rights and obligations of the said entity, qua the executed Joint Venture Agreements. Pending reaching finality in the matter, in these accounts, incidental land cost have been provided for on the following basis:

(Amount in ₹)

Particulars	Amount Provided	Amount Paid/Cost of Construction allocated as up to March 31, 2014	Outstanding Amount of Provision as of March 31, 2014
Estimated construction cost referable to the saleable area to be provided by the entity free of cost to the respective party	496,320,994	386,055,667	110,265,327
	(476,132,353)	(345,661,052)	(130,471,301)

(Figures in brackets denote Previous Year's balances).

Notes:

- a) Further, as per the terms of a Joint Venture Agreement, the entity has to pay compensation of ₹ 2,000,000/- per month if there is delay in completing and giving possession of the agreed Saleable Area. Accordingly, as upto 31.03.2013 the entity has booked ₹ 84,000,000/- (Previous year: ₹ 84,000,000/-) as compensation, against which unpaid amount is ₹ 42,500,000/- (Previous year: ₹ 42,500,000/-). The Board Director at their meeting have re-assessed the Company's liability on this count and for the reason recorded, have concluded that the Company is not liable to pay any further amount including against the unpaid amount also. Accordingly, in these accounts, the unpaid amount of ₹ 42,500,000/- has been written back and no further provision is made therefor.
- b) Interest free performance refundable deposit paid by the entity on execution of above Joint Venture Agreements is ₹ 29,000,000/- (Previous Year ₹ 29,000,000/-)

The entity has entered into an arrangement with the Mumbai Metropolitan Region Development Authority (MMRDA), wherein it has agreed to construct residential complex of self-contained tenements and provide land, in view of the Rental Housing Scheme framed by MMRDA. In consideration thereof, MMRDA has provided additional Floor Space Index on the land on which the entity is developing and constructing its Project. Accordingly, the cost of construction thereof represents land cost in the hands of the entity. Pending incurrence of such cost, in these accounts, provision thereof has been made on the following basis:

(Amount in ₹)

Particulars	Amount Provided	Amount Paid/Cost of Construction allocated as up to March 31, 2014	Outstanding Amount of Provision as of March 31, 2014
Estimated construction cost referable to the residential complex	985,187,215	577,049,475	408,137,740
	(985,187,215)	(464,375,906)	(520,811,309)

(Figures in brackets denote Previous Year's balances).

The entity, keeping in view the maximum potential of the land on which the Project is constructed, is required to purchase Transferable Development Rights and accordingly, has provided for estimated cost in respect thereof of ₹ 60,867,000/-.

During the preceding financial year, the management of the entity had re-assessed the potentiality of the land on which the project is constructed and formed an opinion that no further land would be required to be purchased. Accordingly, provision of ₹ 104,132,500/- made for estimated cost of land was reversed and reduced from project expenses.

Necessary adjustments, if any, shall be made for the estimated cost of land so provided for in the year, upon reaching finality in each of the matter.

The entity is legally advised that in respect of the land forming part of the Project, which has been obtained by execution of Joint Venture Agreement(s), the consideration in respect of which is to be discharged by way of handing over the agreed square feet of built up area, is not liable for stamp duty.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

- iii) During the year ended March 31, 2014, the Management of one of its subsidiary Company had revised the estimated project cost from ₹ 8,993,425,215/- to ₹ 9,513,425,215/- which has the impact of reversal of the profits which were recognised upto 31st March 2013 of ₹ 313,380,287/-. Consequently the consolidated profits stands adjusted to this effect for the year ended March 31, 2014.
- iv) One of the Company's wholly owned subsidiary has plans to construct/ develop/ market project/s on its land, which are delayed due to title dispute concerning the previous landlords. The subsidiary has filed a special leave petition before the Supreme Court of India which is pending and a status quo order has been passed by the Supreme Court of India. The subsidiary has been legally advised that the outcome of the petition before the High Court of Bombay against the Reversed Order and that of the Supreme Court of India against the Order of the Bombay High Court in PIL could be in its favour and accordingly, in the opinion of the Management of the Company, the said land may be available to it for development. Further, the Company is in physical possession of the land. Accordingly, the costs incurred in acquiring the land as well as other costs and expenses considered by the management incurred in relation to the development and construction of the said land have been allocated to Project Work in Progress and the value thereof as of 31st March, 2014 is ₹ 848,817,724. /- (Previous year ₹ 844,634,973/-)
- v) The Letter of Allotment (LOA) issued by Pimpri Chinchwad New Town Development Authority (PCNTDA) for development and construction of the Project was cancelled by them during the preceding financial year. Consequently, PCNTDA refunded the upfront fees of ₹ 500,000,000/- to the subsidiary in the said year. The subsidiary has filed writ petition before the Hon' High Court of Bombay against such cancellation. Pending outcome thereof, the Management of the subsidiary has continued to value the Project Work-in-Progress of ₹ 76,592,349/- (Previous year ₹ 76,592,349/-)
- vi) As per the terms of the Development Agreement and Supplementary Agreement entered into by the subsidiary with Bhishma Realty Limited (Bhishma), a proportionate expenditure incurred towards the project by the Company has to be recovered from Bhishma. Accordingly, during the year, the Company has raised a total debit notes of ₹18,449,959/-(Previous year ₹ 992,093,494/- towards Bhishma's share of project costs, mobilisation advance, etc., However Bhishma has raised certain objections to the extent of ₹ 54,699,830/- (Previous year ₹ 58,204,492/-). The subsidiary is in negotiations with Bhishma Realty Limited for recovery / reaching a settlement of the same.
- vii) One of the subsidiary has entered into agreement with HDIL for purchase of 1,500 sq. mtrs. worth of Transferable Development Rights and have paid consideration for the same. However, the said rights are yet to be transferred in the name of the subsidiary. The subsidiary is making efforts to transfer the rights in it's favour.
- viii) Notes to Financial statements relating to procedures pertaining to direct confirmations:
The Auditors have carried out direct confirmation procedure for verification of balances of certain parties from / to whom unsecured loans, trade receivables, balances held in bank, trade Payables, contractors' retention money and mobilization advance in the financial statements are subject to confirmation. As per the contention of the management the same are good for realization.
- ix) Significant matters stated in the notes to the financial statement / auditor's report of partnership firm in which one of the subsidiary is a partner :

Land Cost :

As per the Scheme of Rehabilitation Authority, the Firm has to construct buildings and hand over to the Authority for the project affected persons/for slum dwellers, In consideration thereof, the Firm is provided Additional Floor Space Index on the land on which the Firm is developing and constructing its project. Accordingly, the cost of construction thereof representing land cost in the hands of the Firm and consequently, it has provided for the estimated cost in respect thereof to be incurred.

- x) One of the subsidiary has entered into a Development Agreement with Middle Income Group Co-Operative Society Limited, Bandra East, Mumbai (MIG) to redevelop the property admeasuring 15,907.32 square meters or there about . The Society has 176 Members having Occupancy rights titles and Interest in their respective flats allotted to them . The Project was taken over from L & T Urban Infrastructures Limited (LTUIL) and Bombay Dyeing Manufacturing Company limited (BDMC) - (A Joint Venture) as on 13.09.2010 . Initial Security deposit plus Additional Security Deposits aggregating to ₹ 71,500,000 is lying with the MIG Society, which will be refunded/adjusted as per the terms of Development Agreement.
- (xi) Notes to financial statements of Mira Real Estate Developers regarding a matter which is sub-judice :
The Salt Department, Union of India has filed a petition and the partnership firm has filed cross petitions towards their respective claim for exclusive title over the salt pan land of amounting to ₹ 1,373,710,486/-. Though the matter is sub-judice, the firm is of opinion that it has a rightful claim over the ownership of the salt pan land and will be in a position to defend its title.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014
C) Joint Ventures (consolidated as per AS-21)

One of the joint venture owns development rights of Land bearing Survey No. 92 of Village Mahajanwadi, Mira, District Thane (the Project), which at present is a forest land and consequently non – developable. The Enterprise has filed a Special Leave Petition before the Hon'ble Supreme Court of India wherein it has appealed, for giving directions to the relevant authority for considering the application for conversion of the said land into developable land has been disposed off whereby appropriate directions are given to delete wrong recording of land as "forest" land for which application is made to Thane Municipality for giving effect thereto. On deletion of such wrong recording, the Enterprise shall commence development/construction work of its proposed project.

- 34 Group Share in Inventories (Note 16 of the Balance Sheet) represents the unsold TDR of the partnership firms and valued at cost as per the accounting policy followed on inventories. However, the said firms have considered such unsold TDR at its estimated realisable value prevailing as at the year end and recognised as revenue / provided as contract revenue to the extent of unrecognised revenue, which has been reversed for the purpose of consolidation.

35 Managerial Remuneration (pertaining to the Holding Company and one of the subsidiary):

(Amount in ₹)		
Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
a) Salaries and Allowances	-	15,900,000
b) Perquisites	-	-
c) Directors' sitting fees	800,000	980,000
Total	800,000	6,380,000

- a) In view of inadequate profit during the year, the Company has paid Nil (Previous year ₹ 15,900,000/-) managerial remuneration to managing directors. Further, during the previous year, Managerial Remuneration paid of ₹ 15,900,000/- by the group had exceeded the limits specified under Schedule XIII read with Sec 349, 350 & 198 of the Companies Act, 1956. The Company has recovered such excess remuneration of ₹13,936,500/- from the directors during the current year.

- b) The above remuneration excludes;

- (i) contributions to provident and other funds are not made as per declarations of non deduction received from the respective directors;
- (ii) provision for gratuity and leave encashment (amount unascertained) payable to the managing directors is waived by them.

Such waivers in (i) and (ii) above have been approved by the Board of Directors.

- c) During the year, one of the subsidiary Company appointed one of the managing directors of the Company as its managing director for overall responsibilities and functions of the said subsidiary Company and it has not paid any remuneration (Previous year ₹ 13,500,000/-) in the absence of adequate profit.

36 Payment to Auditors of the Group (Refer note 27 other expenses) :

(Amount in ₹)		
Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
As Auditors (Statutory Audits including limited reviews)	9,619,574	9,691,756
For Other Services (Certification)	2,116,517	2,219,970
Reimbursement of Expenses	111,098	204,449
Service tax	1,443,818	1,497,559
Total	13,291,007	13,613,734

- 37 The disclosures under the Accounting Standard 15 notified by the Companies (Accounting Standards) Rules 2006 are given below.

Defined Contribution Plan:

Contribution to defined Contribution Plan recognized as an expense for the period is as under:

Particulars	For the year ended	
	31-Mar-14	31-Mar-13
Employers contribution to Provident fund	1,227,174	2,199,006

Defined Benefit Plan:

The present value of obligation is determined based on actuarial valuation by an independent valuer using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

The following table sets out the status of the gratuity plan (unfunded) and the amounts recognised as at March 31, 2014:

a) Reconciliation of opening and closing balances of Defined Benefit Obligation:

(Amount in ₹)

Particulars	For the year ended	
	31-Mar-14	31-Mar-13
Liability at the beginning of the year	29,252,536	23,856,047
Interest cost	2,510,850	2,017,804
Current Service cost	6,428,323	11,714,319
Liability transfer in	(553,631)	-
Past Service Cost	3,131,090	-
Settlement Cost/(Credit)	(11,630,867)	-
Adjustment towards change in group interest	2,078,283	-
Actuarial (gain)/loss on obligations	(11,433,695)	(7,328,126)
Benefit Paid	(742,154)	(234,395)
Liability at the end of the period	19,040,734	30,025,649

b) Reconciliation of fair value of plan assets and obligations:

(Amount in ₹)

Particulars	For the year ended	
	31-Mar-14	31-Mar-13
Liability at the end of the period	23,362,105	30,025,648
Fair value of Plan Assets at the end of the period	-	-
Difference	(23,362,105)	(30,025,648)
Amount Recognised in the Balance Sheet	23,362,105	30,025,648

c) Expense recognized during the period:

(Amount in ₹)

Particulars	For the year ended	
	31-Mar-14	31-Mar-13
Current service cost	6,428,323	11,714,319
Settlement Cost/(Credit)	668,814	-
Past Service Cost - Vested Benefit	4,230,144	-
Acquisition (gains)/loses	(773,814)	-
Interest cost	2,510,850	2,017,804
Expected Return on Plan Assets	-	-
Actuarial (Gain) or Loss	(11,433,695)	(9,355,802)
Benefits paid	34,879	-
Expense Recognised in Profit and loss account	1,665,501	4,376,321

d) Actuarial Assumptions:

Particulars	For the year ended	
	31-Mar-14	31-Mar-13
Discount rate (per annum)	8.74%	7.90%
Rate of escalation in salary (per annum)	10.00%	15.00%

The estimates of rate of escalation in salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is extracted from the report obtained from actuaries.

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e) Experience Adjustments*

Particulars	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Present value of defined benefit obligation	4,387,562	4,762,602	11,878,955	10,465,061	3,768,438
Fair value of plan assets	Nil	Nil	Nil	Nil	Nil
Experience adjustments on actuarial (Gain)/ loss:					
Plan liabilities (gain)/loss	(767,981)	10,322,525	6,038,702	(4,370,588)	Refer Note
Plan assets (gain) loss	Nil	Nil	Nil	Nil	Refer Note

Note: The details of the Experience adjustments arising on account of plan assets and liabilities as required by paragraph 120(n) (ii) of AS 15 (Revised) on "Employee Benefits" for the year ended march 2010 is not available in the valuation report hence, are not furnished

* The above experience adjustments are taken from D B Realty Limited (Standalone)

f) Other Long Term Employee Benefit:

The compensated absences charge for the year ended March 31, 2014 based on actuarial valuation carried out using the Projected Unit Credit Method, amounting ₹ 7,288,763/- (for Previous Year ₹ 25,643,920/-) has been recognized in the Profit and Loss Account.

38 Segment Reporting :

The group is mainly engaged in the business of real estate development viz. construction of residential buildings/ commercial complexes and activities connected and incidental thereto. The group has also placed its bid for certain infrastructure projects, outcome of which are awaited. On that basis, the group has only one reportable business segment – real estate development, the results of which are embodied in the consolidated financial statements. The group operates in only one geographical segment – within India.

39 Obligation on Long-term, Non Cancellable operating Lease assets taken on Lease (Refer note 27 other expenses) :

The Group has taken commercial premises on Non-Cancellable Operating Lease and lease rent of ₹ 60,087,769/- (Previous Year ₹ 79,722,250/-) has been debited to Profit and Loss Account. The future minimum lease payments are as under:

(Amount in ₹)		
Particulars	As at March 31, 2014	As at March 31, 2013
Not later than one year	52,388,087	50,738,666
Later than one year but not later than five year	128,523,596	154,127,881
Later than five year	-	-
Total	180,911,684	204,866,547

There are no exceptional/restrictive covenants in the lease agreement.

The above mentioned amounts debited to Consolidated Statement of Profit and Loss and future minimum lease payments are exclusive of service tax to the extent applicable

The above future minimum lease rental includes normal escalation rate based on the agreements. Further, normal escalation rates are 5% to 10% every year.

The Company does not have any contingent lease rental expenses/ income.

40A Deferred Tax

The components of deferred tax recognised as on March 31, 2014 are as follows:

(Amount in ₹)		
Particulars	As at March 31, 2014	As at March 31, 2013
(A) Deferred Tax Liabilities		
- Related to Depreciation	32,676,728	27,692,385
Total (A)	32,676,728	27,692,385
(B) Deferred Tax Assets		
- Disallowances u/s 43 (B) the Income Tax Act	16,979,206	25,091,568
- Related to depreciation	17,391,939	31,381,157
- Unabsorbed depreciation	65,454,677	27,692,385
- Carried forward business loss	192,817,531	60,738,588
Total (B)	292,643,353	144,903,698
Deferred Tax Assets / (Liability) (B-A)	259,966,625	144,903,698*

During the year, one of the subsidiary Company has recognised deferred tax assets of ₹ 116,776,744/- on the basis of virtual certainty which was shown as unrecognised deferred tax assets in previous year.

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Three entities considered in consolidation has not accounted for deferred tax assets taking prudence as consideration as per AS-22 regarding future available profit to be set off against deferred tax assets.

The components of Unrecognised Deferred Tax Assets are as follows :

(Amount in ₹)		
Particulars	As at March 31, 2014	As at March 31, 2013
(A) Deferred Tax Liabilities		
- Related to Depreciation	(41,255)	41,030,789
Total (A)	(41,255)	41,030,789
(B) Deferred Tax Assets		
- Disallowances u/s 43 (B) the Income Tax Act	68,000,273	22,351,199
- Related to Depreciation	-	-
- Unabsorbed Business Loss	76,649,259	63,693,504
- Unabsorbed Depreciation	22,216,737	61,508,187
Total (B)	166,866,269	147,552,890
Deferred Tax Assets / (Liability) (B-A)	166,907,524	106,522,102

40B MAT Credit Entitlement of ₹ 37,572,425/- (Previous Year ₹ 37,500,000/-) is based on future performance of the Company as projected by the Management and it has been relied upon by the Auditors.

41 Earnings per share (EPS) is calculated as follows:

(Amount in ₹)		
Particulars	As at March 31, 2014	As at March 31, 2013
A Net Profit after tax as per Profit and Loss Account (₹)	115,483,939	33,469,432
Less: Preference Dividend in arrears	311	480
Net Profit after tax available to equity shareholders	115,483,628	33,468,952
B Weighted average number of equity shares outstanding		
- for Basic EPS (Nos)	243,258,782	243,258,782
- for Diluted EPS (Nos)	243,258,782	243,258,782
C Earning per equity shares of face value of Rs 10 each		
- for Basic EPS (₹)	0.47	0.14
- for Diluted EPS (₹)	0.47	0.14
D Reconciliation between number of shares used for calculating basic and diluted Earnings per share:		
Number of shares used for calculating Basic EPS	243,258,782	243,258,782
Add : Potential Equity Shares (Refer note below)	-	-
Number of shares used for calculating Diluted EPS	243,258,782	243,258,782

There are no convertible preference share and convertible debentures issued by the Company. Hence, no potential equity shares are considered for diluted EPS as on reporting date.

42 Dynamix Realty ("Partnership Firm") in which DB Realty Limited ("Company") is a partner, had granted Loans to Kusegaon aggregating to ₹ 2,092,425,485, (the said loans) as upto 31st March 2010. As of 31st March, 2014, the outstanding balance due from Kusegaon is ₹ 91,501,379/-, being part of interest charged. Central Bureau of Investigation Anti-corruption Branch, New Delhi) in the Supplementary (First) charge sheet RC.DAI.2009.A.0045 (2G Spectrum Case) has alleged that out of the said loans granted, ₹ 2,000,000,000/- is paid as illegal gratification to M/s Kalaingar TV Private Limited through Kusegaon and M/s Cineyug Films Pvt. Ltd., in lieu of the undue favours by accused public servants to Swan Telecom Private Limited in 2G Spectrum Case. The Central Bureau of Investigation has alternatively alleged in the said charge sheet that even if the said transaction of ₹ 2,000,000,000/- is accepted as genuine business transaction, the interest charged being inadequate is a favor to a government servant, hence constitutes commission of offence. In the opinion of the Partners of the firm and the Management of the Company, these are preliminary charges based on investigation carried out by the Central Bureau of Investigation Team and the personnel named in the charge sheet is presumed to be innocent till their alleged offence is established after a fair trial. These preliminary charges have no impact on the business/operations of the firm.

Further, The Deputy Director Enforcement vide his attachment order No: 01/2011 dt. 30th August, 2011 has provisionally attached Company's bank account number 05211011001053 maintained with Oriental Bank of Commerce, Goregaon (East), having Bank Balance of ₹ 68,92,967/-. Further the Enforcement Directorate has also attached two flats belonging to the Company situated at

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Goregaon (East). The combined value of these two flats as shown in Company's financial statement of ₹ 10,765,400/- at the time of attachment (WDV as on 31st March, 2014 is ₹ 8,663,544/- (Previous Year ₹ 9,119,520/-). Also, a loan amounting to ₹ 503,963,329/- (at the time of attachment) advanced to Goan Hotels & Clubs Pvt. Ltd. has also been provisionally attached. However, the above loan was converted into the ROCCPS of DB Hospitality Limited (holding Company of Goan Hotels & Clubs Private Limited) before the provisional attachment Order via tripartite confirmation. This fact has been brought to the notice of Enforcement Directorate vide this Office Letter dated 20th September, 2011.

This provisional attachment order has been upheld by adjudicating authority vide order number 116/2011 dt. 10th January, 2012. Appeal has been filed on 19th March, 2012 with Appellate Tribunal under prevention of money laundering act (PML Act). The appeal is pending before appellate tribunal for PML.

During the year, the Directorate of Enforcement has taken physical possession of bank balance of ₹ 68,92,967/-, against which the Firm has written a letter to convert the amount so recovered into Fixed Deposits, till date ED has not entertained this request. In view of the same, the said balance is shown as part of advances recoverable in cash or in kind. Post Balance sheet date, the Directorate of Enforcement has filed a complaint before the Hon'ble Court in connection with Money Laundering Case relating 2G Spectrum Case. In response thereto, the Firm, the Partners of the Firm and certain Personnel's / certain Directors of the company have been issued summons for attendance. The requisite proceedings are in progress.

43 Prior Period Item (Net):

(Amount in ₹)		
Particulars	As at March 31, 2014	As at March 31, 2013
Prior period Income		
Other Income	1,911,813	440,094
Total (A)	1,911,813	440,094
Prior period Expenses		
Rent	10,361,080	-
Wealth Tax	1,724,010	-
Legal & Professional fees	-	334,000
Interest paid	897,347	37,200,000
Employee Benefit Expenditure	201,314	-
Miscellaneous Expenses	183,075	-
Property tax	5,337,870	-
Minority Interest adjustments	-	18,325,026
Total (B)	18,704,696	55,859,026
Net Prior period items (A-B)	(16,792,883)	(55,418,932)

44 Disclosure As Per Guidance Note On Accounting For Real Estate Transactions (Revised 2012)

(Amount in ₹)		
Particulars	As at March 31, 2014	As at March 31, 2013
Project Revenue Recognised in the reporting period	-	-
The Aggregate amount of cost incurred and profits recognised till date	-	-
Advances Received (Net of revenue recognition)	6,048,971,684	5,089,022,076
Work in Progress	14,186,700,197	12,035,332,006
Unbilled Revenue	-	-

45 Recognition of Income and Expenses for on-going projects are based upon actual sales value, estimated costs and work completion status. The work completion status is determined based on the actual costs incurred vis-a-vis the estimated cost of the project. The estimated costs of every project are reviewed periodically and revised whenever required. The consequential effect of such revision is considered in the year of revision and in the balance future period of the project.

46 The consolidated financial statements includes figures of one Joint Venture (partnership Firm) whose financial statements reflect total assets of ₹ 268,93,38,570/-, total revenue of ₹ 61,22,352/- and cash outflow of ₹ 11,63,64,639/- where the Company is one of the three partners. The financial statements of such Firm are approved by the Company, and yet to be approved by the other two partners. However, the management of the Company does not expect any material impact arising out of such financial statements of the Firm, upon such approval.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

47 Related Parties Disclosure

- i) Disclosure required by the Accounting Standard 18 (As-18) "Related Party Disclosure" are given below.

Sr. No.	Name of the Related Party
Associates:	
1	Sangam City Township Private Limited
2	D.B. Hi-Sky Constructions Private Limited
3	Neelkamal Realtors Tower Private Limited (w.e.f. 25 th October 2012)
4	Mahal Pictures Private Limited
Jointly Controlled Entities:	
5	Dynamix Realty (Partnership firm under joint control)
6	DBS Realty (Partnership firm)
7	Lokhandwala-Dynamix Balwas Joint Venture
8	DB (BKC) Realtors Private Limited (formerly known as MK Malls & Developers Private Limited)
9	DB Realty and Shreepati Infrastructure LLP
10	Daund Warehousing Developers & Builders LLP
11	Saswad Warehousing Developers & Builders LLP
12	Ahmednagar Warehousing Developers & Builders LLP
13	Solapur Warehousing Developers & Builders LLP
14	Latur Warehousing Developers & Builders LLP
15	Aurangabad Warehousing Developers & Builders LLP
16	Veer Jijamata Nagar LLP
17	M/s. Sneh Developers
Entity in respect of which the Holding Company is an Associate	
18	Neelkamal Tower Construction LLP (formerly known as Neelkamal Tower Construction Private limited)
Key Management Personnel (KMP)	
19	Mr. Vinod Goenka, Chairman & Managing Director
20	Mr. Shahid Balwa, Vice Chairman & Managing Director
Relatives of KMP	
21	Mr. Usman Balwa - Father of Vice Chairman
22	Mrs. Sakina U Balwa - Mother of Vice Chairman
23	Mrs. Shabana Balwa - Wife of Vice Chairman
24	Mr. Arshad S. Balwa - Son of Vice Chairman

25	Ms. Aaliya S. Balwa - Daughter of Vice Chairman
26	Mr. Salim Balwa - Brother of Vice Chairman
27	Mrs. Aseela V. Goenka - Wife of Chairman
28	Mr. Krishna Murari Goenka - Father of Chairman
29	Mr. Jayvardhan V. Goenka - Son of Chairman
30	Ms. Sanjana Goenka - Daughter of Chairman
31	Mr. Pramod Goenka - Brother of Chairman
32	Mrs. Sunita Goenka - Sister of Chairman
33	Mrs. Shanita Jain - Sister of Chairman
Enterprise where individuals i.e. KMP and their relatives have significant influence	
34	A G Mercantile Private Limited
35	Aniline Construction Company Private Limited
36	Aniline Real Estate Developers Private Limited
37	Ashtlakshmi Financial and Investment Services Private Limited
38	Associated Hotels Private Limited
39	Azure Tree Township LLP
40	Balwas Charitable Trust
41	Consort Hotels Private Limited
42	Conwood Agencies Private Limited
43	Conwood Associates
44	Conwood Construction & Developers Private Limited
45	Conwood Pre-fab Limited
46	Crystal Granite and Marbles Private Limited
47	Marine Drive Hospitality & Realty Private Ltd. (Formerly DB Hospitality Private Limited)
48	DB Tele Wimax Private Limited
49	Dynamix Contractors & Builders Private Limited (formerly known as DB Modern Buildtech Private Limited)
50	Dense wood Private Limited
51	Pony Infrastructure and Contractors Limited
52	Pune Buildtech Private Limited
53	Dynamix Club and Resorts Private Limited
54	Dynamix Securities and Holdings Limited
55	Dynamix Man Pre-fab Limited
56	Earthen Agro & Infrastructure Private Limited
57	Topgrow Agro And Infrastructure Private Limited
58	Eversmile Properties Private Limited
59	Excon Developers Private Limited
60	Eversmile Construction Company Private Limited

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61	Face Inn Hotels Private Limited
62	Goan Hotels & Clubs Private Limited
63	Goan Real Estate and Construction Private Limited
64	Goenka & Associates Educational Trust
65	Goenka & Associates Medical Research Centre
66	Goenka & Associates Social Welfare Trust
67	Heritage Mining Company Private Limited
68	Hillside Construction Company Private Limited
69	Hiracon Properties Private Limited
70	K G Enterprises
71	Khairun Developers Private Limited
72	Kalpataru Plaza Private Limited
73	Milan Theatres Private Limited
74	M. J. Estates Private Limited
75	Maldunge Farming and Agro Produce Private Limited
76	Maldunge Retreat & Farming Private Limited
77	Modren Hi-Tech Developers Private Limited
78	Neelkamal Central Appartment LLP
79	Neelkamal Realtors and Builders Private Limited
80	Neelkamal Realtors And Complex Private Limited
81	Nihar Construction Private Limited
82	Oceanmint Buildcon Private Limited (w.e.f March 9, 2013)
83	Pegasus Builders Private Limited
84	Neelkamal City Shopping Mall India Limited
85	Neelkamal Realtors and Erectors India Private Limited
86	P G Developers Private Limited
87	Panchsheel Developers
88	Pushpa Properties Private Limited
89	Sahapur Plantations & Orchard Private Limited
90	Schon Farms Private Limited
91	Siddhivinayak Realities Private Limited
92	Sigatu Chemicals Private Limited
93	Span Construction Company Private Limited
94	Sahyadri Cow Farms Limited (w.e.f March 31, 2013)
95	Indocon Agro And Allied Activities Private Limited

96	Schreiber Dynamix Dairies Limited
97	Perfect Spacecon Private Limited (w.e.f May 16, 2012)
98	The Crescent Iron & Steel Corporation Limited
99	Majestic Infracon Private Limited (formerly known as Tiger Trustees Private Limited and DBI Infracon Private Limited)
100	Trident Estate Private Limited
101	V.S. Erectors & Builders Private Limited
102	Vinod Goenka-HUF
103	Chocklate Developers Private Limited
104	Y. J. Realty and Aviation Private Limited (Formerly known as Y J Realty Private Limited)
105	Peerless Contractors & Infra Private Ltd
106	Exceptional Construction & Developers Private Ltd
107	Terrific Construction & Developers Private Ltd
108	Exceptional Developers & Infrastructure Private Ltd
109	Terrific Contractors & Infra Private Ltd
110	Spectacular Construction & Developers Private Ltd
111	Eon Aviation Private Limited
112	BDP & Hotels (India)nPrivate Limited
113	Hotel Balwas Private Limited
114	Aasma Realtors Private Limited
115	Zenstar Hotel Private Limited
116	Basera Hotels Inn Private Limited
117	Bed Inn Hotels Private Limited
118	Close Hotels Private Limited
119	Fair Brother Securities Private Limited
120	Feel Good Hotels Private Limited (w.e.f July 28, 2012)
121	Glossy Inn Hotels Private Limited
122	Kalbadevi Hotels Private Limited
123	SB Fortune Realty Private Limited
124	Ship Hotels India Private Limited
125	Success Inn Hotels Private Limited
126	Sunday Inn Hotels Private Limited
127	Taloja Hotels Private Limited
128	Thanks Inn Hotels Private Limited
129	Three star dulex Private Limited
130	Yadgar Hotels Private Limited

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

ii) Details of the transactions with Related Parties

(Amount in ₹)

	Particular	Associates	Key Management Personnel	Relatives of Key Management Personnel	Jointly controlled entities	Other related party where control / significant influence exists
a)	Loans given					
	Opening Balance	143,319,936	-	-	-	1,296,184,872
		-	(-)	(-)	(-)	(1,363,934,816)
	Given during the year /on acquisition	34,401,450	-	-	100,000	1,125,664,804
		(143,319,936)	(-)	(-)	(-)	(595,608,551)
	Returned during the year	155,972,518	-	-	-	1,163,087,788
		(-)	(-)	(-)	(-)	(663,358,495)
	Closing Balance	21,748,868	-	-	100,000	1,258,761,888
		(143,319,936)	(-)	(-)	(-)	(1,296,184,872)
b)	Deposits placed					
	Opening Balance	20,000,000	-	-	-	3,666,769,934
		(-)	(-)	(-)	(-)	(4,416,769,934)
	Placed during the year/Adjusted During the year	-	-	-	-	-
		(20,000,000)	(-)	(-)	(-)	(-)
	Repaid / adjusted during the year	-	-	-	-	76,224,000
		(-)	(-)	(-)	(-)	(750,000,000)
	Closing Balance	20,000,000	-	-	-	3,590,545,934
		(20,000,000)	(-)	(-)	(-)	(3,666,769,934)
c)	Project advance given /Inter corporate deposits					
	Opening Balance	782,535,000	-	-	184,870,530	-
		(780,740,000)	(-)	(-)	(201,593,763)	(600,000)
	Taken / adjusted during the year	4,910,000	-	-	-	-
		(1,795,000)	(-)	(-)	(-)	(-)
	Repaid / adjusted during the year	5,500,000	-	-	43,927,762	-
		-	(-)	(-)	(16,723,233)	(600,000)
	Closing Balance	781,945,000	-	-	140,942,768	-
		(782,535,000)	(-)	(-)	(184,870,530)	(-)
d)	Advance received against sale of Land TDR					
	Opening Balance	-	-	-	-	2,913,546
		(-)	(-)	(-)	(-)	(2,913,546)
	Received during the year	-	-	-	-	-
		(-)	(-)	(-)	(-)	-
	Repaid / adjusted during the year	-	-	-	-	2,913,546
		(-)	(-)	(-)	(-)	(-)
	Closing Balance	-	-	-	-	-
		(-)	(-)	(-)	(-)	(2,913,546)
e)	Sundry Creditors					
	Opening Balance	-	-	414,600	-	130,333,967
		(-)	(-)	(1,250,325)	(-)	(185,262,085)
	Payable during the year	9,626,428	-	120,000	-	180,803,419
		(-)	(-)	(7,560,000)	(-)	(335,538,025)
	Paid / adjusted during the year	5,294,928	-	534,600	-	171,133,050
		(-)	(-)	(8,395,725)	(-)	(390,466,142)
	Closing Balance	4,331,500	-	-	-	140,004,336
		(-)	(-)	(414,600)	(-)	(130,333,967)
f)	Other Current Liabilities					
	Opening Balance	-	15,681,076	-	145,593,301	-
		(-)	(2,418,500)	(-)	(215,055,784)	(-)
	Payable during the year	-	-	-	91,216,809	-
		(-)	(23,863,500)	(-)	(20,364,290)	(-)

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	Paid during the year	-	11,536,500	-	3,533,333	-
		(-)	(41,963,076)	(-)	(89,826,773)	(-)
	Adjustments, net	-	-	-	1,546,864	-
		(-)	15,681,076	(-)	-	(-)
	Closing Balance	-	4,144,576	-	234,823,641	-
		(-)	(15,681,076)	(-)	(145,593,301)	(-)
g)	Sundry Debtors					
	Opening Balance	-	-	-	-	-
		(-)	(-)	(-)	(-)	(129,168)
	Receivable during the year	-	-	-	-	-
		(-)	(-)	(-)	(-)	(-)
	Received / adjusted during the year	-	-	-	-	-
		(-)	(-)	(-)	(-)	(129,168)
	Adjusted against transfer	-	-	-	-	-
		(-)	(-)	(-)	(-)	(-)
	Closing Balance	-	-	-	-	-
		(-)	(-)	(-)	(-)	(-)
h)	Advances Recoverable in cash or kind					
	Opening Balance	-	-	1,156,200	217,528,177	258,235,485
		(-)	(-)	(-)	(-)	(1,210,082,062)
	Recoverable during the year	27,880,824	-	-	1,643,375,000	84,487,076
		(-)	(-)	(-)	(-)	(5,965,659)
	Recovered during the year	11,584,634	-	-	217,261,366	7,255,358
		(-)	(-)	(-)	(-)	(957,812,235)
	Closing Balance	16,296,190	-	1,156,200	1,643,641,811	335,467,203
		(-)	(-)	(-)	(-)	(258,235,485)
i)	Advance against purchase of shares					
	Opening Balance	-	-	-	-	3,288,471,940
		(-)	(-)	(-)	(-)	(464,400,000)
	Given during the year	-	-	-	-	2,349,284,117
		(-)	(-)	(-)	(-)	(3,833,571,940)
	Adjusted during the year	-	-	-	-	5,637,756,057
		(-)	(-)	(-)	(-)	(1,009,500,000)
	Closing Balance	-	-	-	-	-
		(-)	(-)	(-)	(-)	(3,288,471,940)
j)	Advance for tenancy rights / flat / land					
	Opening Balance	-	-	33,125,000	-	18,228,624
		(-)	(-)	(33,125,000)	(-)	(14,749,200)
	Given during the year	-	-	-	-	40,800
		(-)	(-)	(-)	(-)	(3,479,424)
	Returned / Adjusted during the year	-	-	-	-	-
		(-)	(-)	-	(-)	(-)
	Closing Balance	-	-	33,125,000	-	18,269,424
		(-)	(-)	(33,125,000)	(-)	(18,228,624)
k)	Equity Share Capital	-	153,642,160	71,642,760	-	1,139,703,400
		(-)	(153,642,160)	(71,642,760)	(-)	(1,139,703,400)
l)	Purchase of fixed assets	-	-	-	-	-
		(-)	(-)	(-)	(-)	(1,404,978)
m)	Investment in Equity Shares	1,058,073,147	-	-	-	783,029,928
		(1,058,073,147)	(-)	(-)	(-)	(783,029,928)
n)	Investment in Preference Shares	109,609,005	-	-	-	14,621,288,502
		(109,609,005)	(-)	(-)	(-)	(9,567,032,102)

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o)	Corporate Guarantee given by the Holding Company towards Financial and Performance Guarantees extended by the Banks/ Financial Institutions to various companies (Refer foot note (i) (ii) (iii) & (iv) of note 30)	3,500,000,000	(USD 138 million plus ₹ 16824 million)	-	443,775,000	-
		(4,125,000)	(USD 138 million Plus ₹ 16039 million)	(-)	(441,712,500)	(16,039,848,400)
p)	Irrevocable and unconditional personal guarantee by each Managing Director in favour of the Company against guarantees given by Holding Company to the lenders on behalf of various entities (Refer footnote (iv) (b) to note 30)	-	USD 138 million	-	-	-
		(-)	USD 138 million	(-)	(-)	(-)
q)	Managerial Remuneration / Remuneration to relatives of KMP	-	-	-	-	-
		(-)	(5,400,000)	(3,000,000)	(-)	(-)
r)	Travelling expenses / Hire charges	-	-	-	-	843,051
		(-)	(-)	(-)	(-)	(12,856,819)
s)	Rent paid	-	-	-	-	51,595,488
		(-)	(-)	(-)	(-)	(65,414,094)
t)	Miscellaneous Expenses paid	-	-	-	-	2,684,726
		(-)	(-)	(-)	(-)	(1,766,234)
u)	Contractor Charges	-	-	-	-	85,296,992
		(-)	(-)	(-)	(-)	(154,797,871)
v)	Interest received on loans given	-	-	-	-	109,272,446
		(-)	(-)	(-)	(-)	(55,854,857)

(Figures in brackets denote Previous Year's balances/transactions).

(iii) Guarantees and securities received by the Company for Loans taken from lenders
(Amount in ₹)

Particular	Relation	Opening Balance as on 1st April, 2013	Received during the year	Released during the year	Closing Balance as on 31st March, 2014
Dynamix Realty	Joint Venture		175,000,000		175,000,000
Vinod Goenka	KMP				
Shahid Balwa	KMP				
		(-)	(441,712,500)	(-)	(441,712,500)
Eversmile Construction Company Private Limited	Enterprises over which KMP and their relatives have significant influence.	-	300,000,000	-	300,000,000
YJ Realty & Aviation Private Limited	Enterprises over which KMP and their relatives have significant influence.				
Milan Theatre Private Limited	Enterprises over which KMP and their relatives have significant influence.				
		(-)	(-)	(-)	(-)
Vinod Goenka and Shahid Balwa	KMP	5,960,000,000	650,000,000	-	6,610,000,000
		(4,610,000,000)	(1,350,000,000)	-	(5,960,000,000)
Vinod Goenka	KMP	3,500,000,000	-	-	3,500,000,000
		(3,500,000,000)	(-)	(-)	(3,500,000,000)

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(iv) Consideration payable against development rights acquired by the Company

Particular	Projects	Payable against Development Rights
Eversmile Construction Co Pvt Ltd (Adv)	Village Sahar	30% Build Up Area
Eversmile Construction Co Pvt Ltd (Adv)	Mahul Project	Road Amenity TDR- 33.33%, Construction TDR - 24.81% & Reservation TDR - 100%
Eversmile Construction Co Pvt Ltd (Adv)	Ghodbander Land	23% of Build Up Area
Dynamix Club Resorts Pvt Ltd(Adv)	Village Eksar	20% Build Up Area
Neelkamal Realtors & Builders Pvt Ltd	Johney Castel	55% saleable area & 55% parking Space
Neelkamal Realtors Tower Pvt Ltd	Sakseria	10% of Net Revenue but not less than ₹ 200,000,000/- and not more than 250,000,000/-
Nihar Construction Pvt. Ltd	Ismalia Co-Op Hsg Soc	Amount spent for acquisition plus 30% additional sum thereon
Neelkamal Realtors & Builders P.Ltd.	(Enclave II)	Independent structure consists of Ground floor plus 10 upper floor with latest amenities or provide area of 29,785 sq. ft. in redeveloped building
Abdul Rehman Abdul Khalik		
Asif Balwa		
Ishaq Balwa		
Mohammad Balwa		
Usman Ebrahim Balwa		

(v) Sharing of Resources / Infrastructure**

Particular	Associates	Key Management Personnel	Relatives of Key Management Personnel	Jointly controlled entities	Other related party where control / significant influence exists
Daund Warehousing Developers & Builders LLP	-	-	-	-	-
Saswad Warehousing Developers & Builders LLP	-	-	-	-	-
Ahmednagar Warehousing Developers & Builders LLP	-	-	-	-	-
D B Realty & Shreepati Infrastructure LLP	-	-	-	-	-
DBS Realty	-	-	-	-	-
DB (BKC) Realtors Pvt. Ltd	-	-	-	-	-
Solapur Warehousing Developers & Builders LLP	-	-	-	-	-
D B Hi-Sky Construction Pvt Ltd	-	-	-	-	-
Latur Warehousing Developers & Builders LLP	-	-	-	-	-
Aurangabad Warehousing Developers & Builders LLP	-	-	-	-	-
Veer Jijamata Nagar Realty LLP	-	-	-	-	-

** Transactions are of non-monetary consideration

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

iv) Disclosure in respect of related party transactions having more than 10% of transaction during the year

(Amount in ₹)

Loans Given	Opening Balance as on April 1, 2013	Given / adjusted during the year	Returned / adjusted during the year	Closing Balance as on March 31, 2014
Neelkamal Realtors Tower Pvt Ltd	143,319,936	32,715,358	154,312,077	21,723,217
	(-)	(143,319,936)	(-)	(143,319,936)
Majestic Infracon Private Limited (formerly known as DBI Infracon Private Limited)	40,001,670	840,788,493	816,442,181	64,347,982
	(35,951,670)	(4,500,000)	(450,000)	(40,001,670)
Nihar Construction Private Limited	404,800,754	18,350,000	251,000,754	172,150,000
	(271,386,884)	(201,650,377)	(68,236,507)	(404,800,754)
Y J Realty and Aviation Private Limited (Formerly known as Y J Realty Private Limited)	415,610,362	207,655,778	14,000,000	609,266,140
	(479,815,541)	(67,610,362)	(131,815,541)	(415,610,362)
Eversmile Construction Company Private Limited	-	-	-	-
	(200,406,152)	(-)	(200,406,152)	(-)
Pony Infrastructure Contractors Limited (formerly known as Dynamix Balwas Infrastructure Limited)	77,743,744	3,901,109	81,644,853	-
	(68,542,707)	(9,923,375)	(722,338)	(77,743,744)
Milan Theatres Private Limited	358,028,342	54,969,424	-	412,997,766
	(307,831,862)	(56,528,342)	(6,331,862)	(358,028,342)

(Figures in brackets denote Previous Year's balances/transactions).

(Amount in ₹)

Advance received against sale of Land TDR	Opening Balance as on April 1, 2013	Given / adjusted during the year	Returned / adjusted during the year	Closing Balance as on March 31, 2014
K.G.Enterprises	2,913,546	-	2,913,546	-
	(2,913,546)	(-)	(-)	(2,913,546)

(Figures in brackets denote Previous Year's balances/transactions).

(Amount in ₹)

Deposits Placed	Opening Balance as on April 1, 2013	Given / adjusted during the year	Returned / adjusted during the year	Closing Balance as on March 31, 2014
Conwood Constructions and Developers Private Limited	16,769,934	-	-	16,769,934
	(16,769,934)	(-)	(-)	(16,769,934)
Eversmile Construction Company Private Limited	2,750,000,000	-	75,000,000	2,675,000,000
	(2,750,000,000)	(-)	(-)	(2,750,000,000)
Dynamix Club Resorts Private Limited	500,000,000	-	-	500,000,000
	(500,000,000)	(-)	(-)	(500,000,000)
Neelkamal Realtors & Builders Private Limited	750,000,000	-	-	750,000,000
	(750,000,000)	(-)	(-)	(750,000,000)
Nihar Constructions Private Limited	400,000,000	-	-	400,000,000
	(400,000,000)	(-)	(-)	(400,000,000)
Neelkamal Realtors Tower Private limited (refer note iii above)	20,000,000	-	-	20,000,000
	(-)	(20,000,000)	(-)	(20,000,000)

(Figures in brackets denote Previous Year's balances/transactions).

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(Amount in ₹)

Project advance given /Inter corporate deposits	Opening Balance as on April 1, 2013	Given / adjusted during the year	Returned / adjusted during the year	Closing Balance as on March 31, 2014
DB Hi-Sky Construction Private Limited	328,535,000	410,000	5,500,000	323,445,000
	(326,740,000)	(1,795,000)	(-)	(328,535,000)
Sangam City Township Private Limited	454,000,000	4,500,000	-	458,500,000
	(454,000,000)	(-)	(-)	(454,000,000)
DB (BKC) Realtors Private Limited (formerly known as M. K. Malls and Developers Private Limited)	184,870,530	-	36,397,090	148,473,440
	(201,593,763)	-	(16,723,233)	(184,870,530)
Nihar Construction Pvt Ltd	-	-	-	-
	(600,000)	(-)	(600,000)	(-)

(Figures in brackets denote Previous Year's balances/transactions).

(Amount in ₹)

Advances Recoverable in cash or kind	Opening Balance as on April 1, 2013	Given / adjusted during the year	Returned / adjusted during the year	Closing Balance as on March 31, 2014
Neelkamal Realtors Tower Private limited	-	27,880,824	11,584,634	16,296,190
	(-)	(-)	(-)	(-)
Turf Estate JV	188,500,315	-	188,500,315	-
	(156,211,877)	(32,288,438)	(-)	(188,500,315)
DB Realty & Shreepati Infrastructures LLP	28,514,750	-	28,514,750	-
	(28,274,750)	(240,000)	(-)	(28,514,750)

(Figures in brackets denote Previous Year's balances/transactions).

(Amount in ₹)

Sundry Creditors	Opening Balance as on April 1, 2013	Given / adjusted during the year	Returned / adjusted during the year	Closing Balance as on March 31, 2014
Eon Aviation Private Limited	2,770,625	1,900,818	1,935,326	2,736,117
	-	(14,775,919)	(12,005,294)	(2,770,625)
Pony Infrastructure Contractors Limited (formerly known as Dynamix Balwas Infrastructure Limited)	40,182,226	3,814,756	1,636,337	42,360,644
	(92,274,773)	(80,427,283)	(132,519,830)	(40,182,226)
Majestic Infracon Private Limited (formerly known as DBI Infracon Private Limited)	40,417,038	88,457,677	73,048,903	55,825,812
	(64,440,378)	(138,169,246)	(162,192,586)	(40,417,038)
Conwood Construction and Developers Private Limited	12,004,248	573,866	5,478,114	7,100,000
	(20,010,315)	(1,319,034)	(9,325,101)	(12,004,248)
K.G.Enterprises	26,283,909	66,652,795	78,385,376	14,551,328
	(5,030,019)	(80,309,593)	(59,055,703)	(26,283,909)
Salim Balwa	414,600	-	414,600	-
	(1,088,325)	(7,200,000)	(7,873,725)	(414,600)
Vinod Goenka	(13,346,500)	-	11,536,500	(1,810,000)
	(1,727,500)	(22,663,500)	(37,737,500)	13,346,500
Shahid Balwa	(2,334,576)	-	-	(2,334,576)
	(691,000)	(1,200,000)	(4,225,576)	(2,334,576)

(Figures in brackets denote Previous Year's balances/transactions).

(Amount in ₹)

Other Current Liabilities	Opening Balance as on April 1, 2013	Given / adjusted during the year	Returned / adjusted during the year	Closing Balance as on March 31, 2014
DBS Realty (Partnership Firm)	129,414,090	91,216,809	3,533,333	217,097,566
	(198,639,786)	(20,364,290)	(89,589,986)	(129,414,090)
DB (BKC) Realtors Private Limited (formerly known as M. K. Malls and Developers Private Limited)	16,179,211	-	-	16,179,211
	(16,415,998)	-	(236,787)	(16,179,211)

(Figures in brackets denote Previous Year's balances/transactions).

(Amount in ₹)

Sundry Debtors	Opening Balance as on April 1, 2013	Given / adjusted during the year	Returned / adjusted during the year	Closing Balance as on March 31, 2014
Conwood Agencies Private Limited	-	-	-	-
	(129,168)	(-)	(129,168)	(-)

(Figures in brackets denote Previous Year's balances/transactions).

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014
(Amount in ₹)

Advance recoverable in cash or kind	Opening Balance as on April 1, 2013	Given / adjusted during the year	Returned / adjusted during the year	Closing Balance as on March 31, 2014
Pony Infrastructure Contractors Limited (formerly known as Dynamix Balwas Infrastructure Limited)	31,735,972	31,153,743	582,229	62,307,486
	(978,627,151)	(622,229)	(947,513,408)	(31,735,972)
Majestic Infracon Private Limited (formerly known as DBI Infracon Private Limited)	225,335,769	53,333,333	5,509,385	273,159,717
	(231,454,911)	(4,179,685)	(10,298,827)	(225,335,769)

(Figures in brackets denote Previous Year's balances/transactions).

(Amount in ₹)

Advance against share purchase	Opening Balance as on April 1, 2013	Given / adjusted during the year	Returned / adjusted during the year	Closing Balance as on March 31, 2014
Marine Drive Hospitality & Realty Private Ltd. (Formerly DB Hospitality Private Limited)	3,288,471,940	2,349,284,117	5,637,756,057	-
	(464,400,000)	(3,833,571,940)	(1,009,500,000)	(3,288,471,940)

(Figures in brackets denote Previous Year's balances/transactions).

(Amount in ₹)

Advance for development rights	Opening Balance as on April 1, 2013	Given / adjusted during the year	Returned / adjusted during the year	Closing Balance as on March 31, 2014
Usman Balwa	33,125,000	-	-	33,125,000
	(33,125,000)	(-)	(-)	(33,125,000)
Aim Properties & Investments Private Limited	3,468,000	-	-	3,468,000
	(3,468,000)	(-)	(-)	(3,468,000)
Neelkamal Realtors & Builders Private Limited	3,549,600	-	-	3,549,600
	(3,549,600)	(-)	(-)	(3,549,600)
Neelkamal Relators & Erectors (India) Private Limited	3,651,600	-	-	3,651,600
	(3,651,600)	(-)	(-)	(3,651,600)
Nihar Construction Priavte Limited	4,080,000	-	-	4,080,000
	(4,080,000)	(-)	(-)	(4,080,000)

(Figures in brackets denote Previous Year's balances/transactions).

(Amount in ₹)

Investment in Equity Shares	Opening Balance as on April 1, 2013	Investments purchased / made during the year	Investment sold / redeemed during the year	Closing Balance as on March 31, 2014
Marine Drive Hospitality & Realty Private Ltd. (Formerly DB Hospitality Private Limited)	783,029,928	-	-	783,029,928
	(783,029,928)	(-)	(-)	(783,029,928)

(Figures in brackets denote Previous Year's balances/transactions).

(Amount in ₹)

Investment in Preference Shares	Opening Balance as on April 1, 2013	Investments purchased / made during the year	Investment sold / redeemed during the year	Closing Balance as on March 31, 2014
Marine Drive Hospitality & Realty Private Ltd. (Formerly DB Hospitality Private Limited)	9,567,032,502	5,054,256,000	-	14,621,288,502
	(8,627,032,502)	(940,000,000)	-	(9,567,032,502)

Managerial Remuneration paid	(Amount in ₹)
Mr. Shahid Balwa	-
	(1,200,000)
Mr. Vinod Goenka	-
	(4,200,000)

D B REALTY LIMITED

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NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

Travelling expenses / hire charges	(Amount in ₹)
Eon Aviation Private Limited	843,051
	(12,856,819)
Rent paid	(Amount in ₹)
K.G.Enterprises	51,340,569
	(64,616,598)
Expenses paid	(Amount in ₹)
K.G.Enterprises	2,684,726
	(1,766,234)
Contractor Charges	(Amount in ₹)
Majestic Infracon Private Limited (formerly known as DB Infracon Private Limited)	85,296,992
	(150,159,108)
Pony Infrastructure & Contractors Limited (formerly known as Dynamix Balwas Infrastructure Limited)	-
	(4,638,763)
Interest received on loans given	(Amount in ₹)
Y. J. Realty Private Limited	57,950,864
	(6,567,810)
Milan Theatres Private Limited	51,321,582
	(49,287,047)

The aforesaid related parties are identified by the Holding Company and relied upon by the Auditors.

- (vii) **Disclosure in respect of related party transactions during the year as per disclosure required by Clause 32 of the Listing Agreement:**

(Amount in ₹)					
Loans and Advances	Opening Balance as on 1st April, 2013	Given during the year	Returned during the year	Closing Balance as on 31st March, 2014	Maximum Balance Outstanding during the year
Loans to Associates (Interest bearing and no repayment schedule as repayable on demand)					
Neelkamal Realtors Tower Private Limited #	143,319,936	32,715,358	154,312,077	21,723,217	21,723,217
	(-)	(143,319,936)	(-)	(143,319,936)	(143,319,936)

Directors and Shareholders are interested

(Figures in brackets denote Previous Year's balances)

(Amount in ₹)					
Particulars	Opening Balance as on 1st April, 2013	Given during the year	Returned during the year	Closing Balance as on 31st March, 2014	Maximum Balance Outstanding during the year
Loans to Others (Interest bearing and no repayment schedule as repayable on demand)					
Y. J. Realty & Aviation Pvt Ltd.	415,610,362	207,655,778	14,000,000	609,266,140	609,266,140
	(479,815,541)	(67,610,362)	(131,815,541)	(415,610,362)	(479,815,541)
Milan Theatres Private Limited	358,028,342	54,969,424	-	412,997,766	412,997,766
	(307,831,862)	(56,528,342)	(6,331,862)	(358,028,342)	(346,493,342)
Majestic Infracon Pvt Ltd	40,001,670	840,788,493	816,442,181	64,347,982	64,347,982
	(35,951,670)	(4,500,000)	(450,000)	(40,001,670)	(40,001,670)

(Figures in brackets denote Previous Year's balances)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

48. Disclosure in respect of joint venture

- (a) The Group is having investments in following joint ventures and all are in real estate business. The following amounts represent the group's interest as per its holding in respective line item in the consolidated financial statement of the group. In the consolidated financial statement of the group, the investments made in joint ventures are consolidated as per accounting policy no 1 (b) (vi).

(Amount in ₹)

Particulars	Sneh Developers	National Tiles	Turf Estate Joint Venture	DB (BKC) Realtors Private Limited	Lokhandwala Dynamix Balwas Joint Venture	Dynamix Realty	DBS Realty	DB Realty and Shreepati Infrastructure LLP	Warehousing LLPS*
% of Holding	49%	59.40%	66.67%	40.80%	50.00%	50.00%	33.33%	60.00%	50.00%
	(-)	(-)	66.67%	40.80%	50.00%	50.00%	33.33%	60.00%	50.00%
Shareholders' Funds									
Share Capital	9,800	5,348,807	-	5,908,653	20,986,040	250,000	3,300,000	38,977,410	607,919
	(-)	(-)	(314,951,939)	(5,908,653)	(21,135,932)	(1,163,889,990)	(3,300,000)	(38,713,525)	(566,213)
Reserves and Surplus	-	(364,136)	-	1,733,032,943	-	-	-	-402,525	-28,818
	(-)	(-)	(15,576,685)	(1,737,911,959)	(-)	(-)	(-)	(65,125)	(26,865)
Non-current Liabilities									
Long-term Borrowings	-	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(41,790)	(-)	(-)	(-)
Other Long Term Liabilities	-	-	-	257,714	-	-	9,210,676	-	-
	(-)	(-)	(1,447,231)	(254,411)	(-)	(18,628,996)	(8,002,257)	(208,084)	(-)
Long-term Provisions	-	-	-	1,232,073	-	147,511	177,059	-	-
	(-)	(-)	(3,237,951)	(2,037,553)	(-)	(3,247,127)	(360,002)	(-)	(-)
Current Liabilities									
Short-term Borrowings	490,000	-	-	-	-	1,643,375,000	-	-	-
	(-)	(-)	(-)	(-)	(-)	(1,298,475,000)	(-)	(-)	(-)
Trade Payables	26,427	5,006	-	2,155,224	18,118	59,670,941	79,090,582	85,031	40,731
	(-)	(-)	(60,597,956)	(5,454,227)	(29,148)	(42,569,355)	(70,517,580)	(-)	(19,663)
Other Current Liabilities	-	359,090	-	11,407,201	-	583,134,725	1,053,917,838	116,711	33,650,000
	(-)	(-)	(901,171,159)	(14,547,260)	(-)	(37,894,877)	(960,515,756)	(6,486)	(33,650,232)
Short-term Provisions	-	-	-	672,660	-	5,444,340	239,288	-	-
	(-)	(-)	(261,903)	(304,909)	(-)	(981,218)	(34,375)	(-)	(-)
TOTAL	526,227	5,348,767	-	1,754,666,467	21,004,158	2,292,022,517	1,145,935,443	38,776,627	34,269,832
	(-)	(-)	(1,266,091,454)	(1,766,418,972)	(21,165,080)	(2,565,728,353)	(1,042,729,970)	(38,862,970)	(34,209,243)
Non Current Assets									
Fixed Assets	-	5,346,000	-	67,761	-	1,376,660	116,941,684	-	-
	(-)	(-)	(61,861,084)	(90,725)	(-)	(1,870,250)	(21,613)	(-)	(-)
Non-current Investments	-	-	-	-	-	-	-	5,035,864	-
	(-)	(-)	(5,494,553)	(-)	(-)	(-)	(-)	(5,400,000)	(-)
Long-term Loans and Advances	-	-	-	264,532,263	-	-	358,304,861	30,287,472	-
	(-)	(-)	(276,860,558)	(262,451,295)	(-)	(2,450,170)	(274,134,434)	(30,126,462)	(-)
Other Non-current Assets	-	-	-	-	-	-	3,804,688	-	-
	(-)	(-)	(16,727,867)	(-)	(-)	(-)	(-)	(-)	(-)
Current Assets									
Inventories	516,427	-	-	1,391,996,125	17,026,485	-	627,392,544	3,380,931	-
	(-)	(-)	(897,633,091)	(1,380,867,773)	(16,699,668)	(-)	(664,082,762)	(3,124,242)	(-)
Trade Receivables	-	-	-	-	-	912,299,016	-	-	-
	(-)	(-)	(-)	(-)	(-)	(918,852,584)	(-)	(-)	(-)
Cash and Cash Equivalents	9,800	2,767	-	568,747	3,974,698	235,347	2,093,435	8,219	201,253
	(-)	(-)	(1,671,043)	(575,155)	(4,465,412)	(6,781,186)	(40,881,648)	(15,301)	(208,734)
Short-term Loans and Advances	-	-	-	97,501,571	2,975	709,872,727	1,231,190	43,429	34,068,579
	(-)	(-)	(1,249,934)	(122,411,640)	(-)	(558,578,877)	(826,798)	(182,029)	(34,000,509)
Other Current Assets	-	-	-	-	-	668,238,767	36,167,042	20,712	-
	(-)	(-)	(4,593,324)	(22,384)	(-)	(1,077,195,286)	(62,782,715)	(14,936)	(-)
TOTAL	526,227	5,348,767	-	1,754,666,467	21,004,158	2,292,022,517	1,145,935,443	38,776,627	34,269,832
	(-)	(-)	(1,266,091,454)	(1,766,418,972)	(21,165,080)	(2,565,728,353)	(1,042,729,970)	(38,862,970)	(34,209,243)

D B REALTY LIMITED

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NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

(Amount in ₹)									
Particulars	Sneh Developers	National Tiles	Turf Estate Joint Venture	DB (BKC) Realtors Private Limited	Lokhandwala Dynamix Balwas Joint Venture	Dynamix Realty	DBS Realty	DB Realty and Shreepati Infrastructure LLP	Warehousing LLPS*
I. INCOME									
Revenue from Operations			-	-	-	34,263,022	-	-	-
	(-)	(-)	(-)	(-)	(-)	(28,928,869)	(-)	(-)	(-)
Share of Profit / (Loss) from Partnership Firms, net				-	-	-	-	(364,136)	-
	(-)	(-)	(14,732)	(-)	(-)	(-)	(-)	(-)	(-)
Other Income				46,300		4,002,848	2,040,580	-	-
	(-)	(-)	(-)	(44,150)	(-)	(14,825,238)	(35,931)	(-)	(-)
			-	-	-	-	-	-	-
TOTAL			-	46,300	-	38,265,870	2,040,580	(364,136)	-
	(-)	(-)	(14,732)	(44,150)	(-)	(14,103,631)	(35,931)	(-)	(-)
			-	-	-	-	-	-	-
II. EXPENDITURE									
Project Expenses	9,635	-	-	11,128,352	326,817	-	84,608,046	256,689	-
	(-)	(-)	(23,358,523)	(15,946,314)	(-)	(-)	(271,545,677)	(455,874)	(-)
(Increase)/Decrease in Inventories	(9,635)			(11,128,352)	(326,817)	-	(84,608,046)	(256,689)	-
	(-)	(-)	(23,358,523)	(15,946,314)	(-)	(-)	(271,545,674)	(455,874)	(-)
Employee Benefit Expenses	-	-	-	3,260,512	-	4,083,135	49,492	-	-
	(-)	(-)	(6,727,923)	(3,652,407)	(-)	(11,495,522)	(86,572)	(-)	(-)
Finance Costs	-	40		-	-	30,260	-	-	-
	(-)	(-)	(494,385)	(-)	(-)	(362,606)	(-)	(-)	(-)
Depreciation and Amortization Expenses	-	-	-	22,965	-	441,047	4,386,214	-	-
	(-)	(-)	(187,055)	(34,585)	(-)	(608,151)	(9,389)	(-)	(-)
Other Expenses		98,916		1,641,840	-	24,022,599	59,994	38,389	28,818
	(-)	(-)	(8,152,591)	(5,005,844)	(-)	(29,871,681)	(119,686)	(65,125)	(26,865)
Tax Expenses			-	-	-	973,706	736,593	-	-
	(-)	(-)	(-)	(-)	(-)	(1,485,164)	(555)	(-)	(-)
Total Expenses	-	98,956	-	4,925,316	-	29,550,748	5,232,294	38,389	28,818
	(-)	(-)	(15,561,954)	(8,692,836)	(-)	(43,823,124)	(215,095)	(65,125)	(26,865)
Profit (Loss) after Tax	-	(98,956)	-	(4,879,016)	-	8,715,123	(3,191,714)	(402,525)	(28,818)
	(-)	(-)	(15,576,686)	(8,648,686)	(-)	(57,926,755)	(179,164)	(65,125)	(26,865)
Contingent Liability			-	-	-	-	-	-	-

(Figures in brackets denote Previous Year's balances)

* Warehousing LLP's includes following entities

- Daund Warehousing Developers & Builders LLP
- Saswad Warehousing Developers & Builders LLP
- Ahmednagar Warehousing Developers & Builders LLP
- Solapur Warehousing Developers & Builders LLP
- Latur Warehousing Developers & Builders LLP
- Aurangabad Warehousing Developers & Builders LLP
- Veer Jijamata Nagar LLP

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

- b) There are no capital commitments and other commitments related to Company's interest in the joint ventures and no commitment of venture itself.
- 49 Figures of the Previous year have been regrouped / reclassified wherever necessary to conform the presentation of the current year

Signature to Notes 1 to 49

For and on behalf of the Board

Vinod Goenka
Chairman & Managing Director

Shahid Balwa
Vice Chairman & Managing Director

Mahesh Gandhi
Director

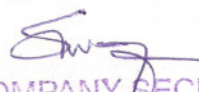
S A K Narayanan
Company Secretary

N.M.Gattu
Chief Financial Officer

Mumbai Dated : May 24, 2014

CERTIFIED TRUE COPY

FOR D B REALTY LIMITED


COMPANY SECRETARY

D B REALTY LIMITED

(ANNUAL REPORT 2013 - 14)

Additional disclosure FINANCIAL INFORMATION OF THE SUBSIDIARY COMPANIES AS ON 31.3.2014

Sr. No.	Name of the Subsidiary	Capital	Reserves	Total Assets	Total Liabilities	Investments	Turnover/ Total Income	Profit/(loss) before Tax	Provision for Tax	Profit/(loss) after Tax	Proposed Dividend
											(Amount in ₹)
1	Gokuldham Real Estate Development Company Private Limited	50,000,000	1,471,943,189	3,423,779,350	3,423,779,350	1,655,096,000	1,385,512,158	416,164,887	154,003,298	262,161,589	-
2	Neelkamal Realtors Suburban Private Limited	111,600,000	225,213,378	3,314,602,836	3,314,602,836	-	909,950,123	(147,888,099)	(47,803,042)	(100,085,057)	-
3	Esteem Properties Private Limited	1,000,000	(43,967,723)	1,101,869,120	1,101,869,120	-	8,427	(203,516)	-	(203,516)	-
4	Neelkamal Shantinagar Properties Private Limited	160,000	(15,778,233)	1,124,168	1,124,168	-	-	(6,271,644)	-	(6,271,644)	-
5	Saftee Bucket Factory Private Limited	248,000	(2,569,767)	7,956	7,956	-	-	(85,555)	-	(85,555)	-
6	Real Gems Build Tech Private Limited	135,100,000	(264,570,325)	7,743,011,129	7,743,011,129	709,567,000	1,748,129	(87,260,717)	(116,776,744)	29,516,026	-
7	Priya Constructions Private Limited	100,000	(19,851,718)	205,377,821	205,377,821	162,016,335	4,535,442	(95,718)	-	(95,718)	-
8	D B Man Realty Ltd.	140,000,000	(8,900,961)	132,002,250	132,002,250	-	-	(87,047)	-	(87,047)	-
9	Royal Netra Constructions Private Limited	15,000,000	(7,248,331)	676,815,108	676,815,108	-	8,836	(146,377)	3,732	(150,109)	-
10	N. A. Estates Private Limited	100,000	(475,271)	104,449,854	104,449,854	-	-	(218,986)	-	(218,986)	-
11	Nine Paradise Erectors Private Limited	100,000	(586,339)	314,208,658	314,208,658	700	(4,025)	(87,142)	-	(87,142)	-
12	MIG (Bandra) Realtors and Builders Private Limited (Formerly DB MIG Realtors & Builders Private Limited)	19,034,000	1,829,898,591	2,338,912,865	2,338,912,865	-	414,380	(6,675,403)	-	(6,675,403)	-
13	Spaceon Realty Private Limited (Formerly DB Spaceon Private Limited)	135,140	(101,549,096)	550,076,539	550,076,539	-	-	(4,586,747)	-	(4,586,747)	-
14	Vanita Infrastructure Private Limited	100,000	3,290,929	52,387,243	52,387,243	-	-	(67,871)	-	(67,871)	-
15	DB View Infracon Private Limited	100,000	643,822,079	1,089,555,691	1,089,555,691	679,029,876	356,057,408	336,888,865	5,000,000	331,888,865	-
16	DB Contractors & Builders Private Limited	100,000	(299,735)	45,787	45,787	45,787	-	(73,290)	-	(73,290)	-
17	Goregaon Hotel and Realty Private Limited	100,000	(13,547,729)	300,059,978	300,059,978	-	-	(13,526,423)	-	(13,526,423)	-

NOTES

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PROXY FORM



D B REALTY LIMITED

CIN L70200MH2007PLC166818

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

Website: www.dbrealty.co.in **Phone:** 91-22-4077 8600 **Fax:** 91-22-2841 5550/2842 1667

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the Member (s) :

Registered address :

E-mail id :

Folio No. / Client Id :

DP ID :

I / We, being the member(s) of _____ Equity Shares of D B REALTY LIMITED, hereby appoint

1. Name : _____

Address : _____

E-mail Id : _____

Signature : _____, or failing him / her

2. Name : _____

Address : _____

E-mail Id : _____

Signature : _____, or failing him / her

3. Name : _____

Address : _____

E-mail Id : _____

Signature : _____, or failing him / her

As my / our Proxy to attend and vote (on a poll) for me / us and on my / our behalf at the Eighth Annual General Meeting of the Company to be held on Saturday, the 27th September, 2014 at 3,00 P.M. at Lakshdham High School Auditorium, Lakshdham High School, Gokuldham, Goregaon (East), Mumbai 400063 or at any adjournment thereof, in respect of such resolutions set out in the AGM Notice convening the meeting as are indicated overleaf.

Signed this _____ day of September, 2014

Signature of the Shareholder

Signature of Proxy holder(s)

Affix
Revenue
Stamp

Note: This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting

Resolution No	Subject matter of the Resolution	Optional	
		For	Against
1	Adoption of Accounts		
2	Re-appointment of Mr. Shahid Balwa who retires by rotation and being eligible offers himself for re-appointment		
3	Re-appointment of Mr. Jayvardhan Goenka who retires by rotation and being eligible offers himself for re-appointment		
4	Appointment of Statutory Auditors		
5	Appointment of Mr. Mahesh Gandhi as an Independent Director		
6	Appointment of Mr. N.M. Rafique as an Independent Director		
7	Appointment of Mr. Jagat Killawala as an Independent Director		
8	Appointment of Mr. Janak Desai as an Independent Director		
9	Special Resolution for introduction of and issue of Stock Options/ shares under ESOP Scheme 2014		
10	Extension of Benefit of ESOP Scheme 2014 to the Company's Subsidiaries		
11	Appointment of Cost Auditor		

D B Realty Limited**CIN : L70200MH2007PLC166818**

Regd. Office : DB House, Gen.A.K.Vaidya Marg,

Goregaon (East), Mumbai 400 063

Tel No: 91-22-40778600 FAX No: 91-22-2841 5550/ 28421687

E Mail: info@dbg.co.inWeb Site: www.dbrealty.co.in**ATTENDANCE SLIP**

Folio No. / DP ID No. and Client ID No.	
Name and address of the shareholder(s)	
Joint Holder 1 Joint Holder 2	

I/We hereby record my/our presence at the 8th Annual General Meeting of the Company held on September 27, 2014 at 3.00 p.m. at Lakshdham High School Auditorium, Lakshdham High School, Gokuldharm, Goregaon(East), Mumbai 400 063

Name of the Shareholder / Proxy _____

Folio No. / DP ID No. and Client ID No. of Shareholder _____

Address _____

No. of shares held _____

Signature of the Shareholder / Proxy

Note : Please complete this Attendance Slip Form and hand it over at the entrance of the place of the meeting

ELECTRONIC VOTING PARTICULARS

Electronic Voting Event Number (EVEN)	User ID	Password

Note : Please read the instructions printed under the Note No. 17 to the Notice of 8th Annual General Meeting. The Voting period starts from 9.30 a.m. on Monday, September 22, 2014 and ends at 5.30 p.m. on Wednesday, September 24, 2014. The voting module shall be disabled by NSDL for voting thereafter



Registered Office: DB House, General A.K. Vaidya Marg, Goregaon East, Mumbai 400 063
Phone: (+ 91-22)-40778600 | Email: investors@dbg.co.in | Website: www.dbrealty.co.in

**GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY
PRIVATE LIMITED**

ANNUAL AUDITED ACCOUNTS

FOR THE YEAR ENDED 31st MARCH, 2014

CERTIFIED TRUE COPY

For Gokuldharm Real Estate Development Company Pvt. Ltd.

N-76m

Director

M. A. PARIKH & CO.

Chartered Accountants
Yusuf Building, 2nd Floor,
Mahatma Gandhi Road,
Fort, Mumbai – 400 001.

Tel No.: 22041018 *22043850 *22029187
Fax: 22874524 *Email : maparikh@eth.net

REALTY

NOTICE

NOTICE is hereby given that the Tenth Annual General Meeting of the Members of Gokuldham Real Estate Development Company Private Limited will be held on Saturday, 20th September, 2014 at 5.30 p.m. at the Registered Office of the Company, at DB House, Gen. A.K. Vaidya Marg, Goregaon (East), Mumbai 400063 to transact the following Business:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2014, statement of Profit and loss Account for the year ended on that date together with the reports of the Board of Directors & Auditors thereon
2. To appoint a Director in place of Mr. N.P.Bajaj who retires by rotation and being eligible offers himself for reappointment.
3. To re-appoint Auditors and to fix their remuneration.

"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, M/s. M. A. Parikh & Company, Chartered Accountants, (Regn.No. 107556W) be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this 10th Annual General Meeting until the conclusion of the 13th Annual General Meeting, subject to ratification of their appointment by the shareholders at every Annual General Meeting of the Company at such remuneration as may be recommended / determined by the Audit Committee / Board of Directors in consultation with the Auditors

SPECIAL BUSINESS

4. Appointment of Joshi, Apte & Associates, Cost Accountants as Cost Auditors

To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution

"RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, (including any statutory modification (s) or re-enactment thereof for the time being in force), M/S Joshi, Apte & Associates, Cost Accountants (Firm Registration Number 00240) being the Cost Auditor appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015 and the Board of Directors be and is hereby authorised to fix such remuneration along with service tax, and out of pocket expenses as may be recommended / determined by the Audit Committee / Board of Directors in consultation with the Auditors."

By Order of the Board

For Gokuldham Real Estate Development Company Pvt. Ltd.

Sd/-

Director

CERTIFIED TRUE COPY

For Gokuldham Real Estate Development Company Pvt. Ltd.

Place: Mumbai
Date : May 22, 2014

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

Director

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE MEMBER OF THE COMPANY. The proxy in order to be effective must be deposited in writing at the registered office of the company not less than 48 hours before the commencement of the meeting.
2. Members / proxies should bring the attendance slip duly filled in for attending the meeting
3. The Explanatory Statements pursuant to section 102 of the Companies Act, 2013 relating to the aforesaid Special Business in the accompanying Notice is annexed.

GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE LIMITED

Regd. Office : DB House, Gen. A. K. Vaidya Marg, Goregaon (East), Mumbai - 400 063. • Tel.: 91-22-4077 8600 • Fax: 91-22-2841 5550 / 2842 1667
E-mail: info@dbg.co.in • Website: www.dbrealty.co.in
CIN: U45201MH2004PTC144704

**EXPLANATORY STATEMENT FORMING PART OF THE ACCOMPANYING
NOTICE PURSUANT TO THE PROVISION OF SECTION 102 OF THE COMPANIES
ACT, 2013**

Item No.4

In pursuance of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules 2014 read with Companies (Cost Records and Audit) Rules, 2014, the Board of Directors of the Company is required to appoint an individual who is a Cost Accountant in practice or a firm of cost Accountants in practice as Cost Auditor. The remuneration of the cost auditor is required to be approved by the Board of Directors and ratified by the members.

On the recommendation of the Audit Committee at the meeting held on 22nd May, 2014, the Board has considered and approved appointment of M/s Joshi, Apte and Associates (FRN 00240), for the conduct of the audit of the Company's cost records at a remuneration along with service tax and out of pocket expenses as may be determined by the board of Directors in consultation with the Auditors.

The resolution at item no. 4 of the Notice is set out as an Ordinary Resolution for approval and ratification by the members in terms of section 148 of the Companies Act, 2013

None of the Directors of the Company and none of their relatives are deemed to be concerned or interested in the said resolution.

**By Order of the Board
For Gokuldham Real Estate Development Company Pvt. Ltd.**

**Place: Mumbai
Date : May 22, 2014**

**Sd/-
Director**

**Regd. Office: DB House, Gen. A.K. Vaidya Marg,
Goregaon (East), Mumbai - 400063**

CERTIFIED TRUE COPY

For Gokuldham Real Estate Development Company Pvt. Ltd.

N-7 km

Director

REALTY

DIRECTORS' REPORT

To

The Members

Gokuldharm Real Estate Development Company Private Limited

Your Directors have pleasure in presenting the Annual Report together with the Audited Accounts of the Company for the year ended on 31st March, 2014.

FINANCIAL RESULTS:

In accordance with the percentage completion method followed by the Company in recognizing the revenue, the Company has recognized revenue during the year and accounted in the Statement of Profit and Loss:

(Amount in Rs.)

Particulars	F.Y. 2013-14	F Y 2012-13
Gross Income	1,38,55,12,158	1,30,32,29,708
Less: Expenditure	96,93,47,271	1,24,84,35,571
Profit/(Loss) before taxation	41,61,64,887	5,47,94,137
Less : Tax provision	(15,40,03,298)	(2,52,29,176)
Profit/(Loss) after taxation	26,21,61,589	2,95,64,961
Balance brought forward	80,97,81,600	78,02,16,639
Balance carried to Balance Sheet	1,07,19,43,189	80,97,81,600

NATURE OF OPERATIONS

The on-going project viz. Orchid Woods at Goregaon (East) is in verge of completion and the possession is expected to be handed over in the current year, after obtaining Occupation Certificate.

AMALGMATION OF COMPANY WITH D B REALTY LIMITED, HOLDING COMPANY

The Board of Directors at their Board meeting held on 7th February, 2014 have accorded their approval of a proposal for amalgamation of the Company with the Holding Company i.e. D B Realty Ltd. with effect from 1st April, 2013 (the Appointed Date) subject to approvals of the shareholders and concerned authorities.

DIVIDEND

In order to conserve resources for the completion of the Project, the Directors have not proposed any dividend on the Equity Share Capital for the year.

STATUS OF THE COMPANY

The Company continues to be a subsidiary company of D B Realty Limited.

GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE LIMITED

Regd. Office : DB House, Gen. A. K. Vaidya Marg, Goregaon (East), Mumbai - 400 063. • Tel.: 91-22-4077 9600 • Fax: 91-22-2841 5550 / 2842 1657
E-mail: info@dbg.co.in • Website: www.dbrealty.co.in
CIN: U45201MH2004PTC144704

DIRECTORS

The Board of Director is duly constituted during the year under and there is no change in the Board of Directors of the Company.

Mr. N.P.Bajaj retires at the ensuing annual general meeting and being eligible offer himself for reappointment.

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed:

- (i) that in the preparation of the Accounts for the year ended on 31st March, 2014, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- (iii) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- (iv) that the Directors had prepared the Accounts on a going concern basis.

AUDITORS' REPORT

The Auditors have in their Report drawn attention by way of Emphasis of matter on certain Notes to Accounts of the Company relating to the proposed amalgamation of the Company with its holding Company, D B Realty Ltd. and also non payment of remuneration to the Managing / Whole-time Directors of the Company. These notes are self explanatory. Your Board has with consent of the Managing / Whole-time Directors decided that no remuneration be paid for the year, as stated in the Note 36.1 to the Accounts.

FIXED DEPOSITS

The Company has not accepted any deposit from the public within the meaning of Section 58A of the Companies Act, 1956 during the year under review.

PARTICULARS OF EMPLOYEES

There is no employee in the Company whose particulars are required to be given under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended.

GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE LIMITED

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

Your Company is not covered by the schedule of Industries which are required to furnish the information in Form A pursuant to Section 217 (1)(e) read with Rule 2 of the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988.

The Company has neither imported any technology nor carried on the business of export or import and therefore the disclosure requirements against technology absorption are not applicable.

During the year under review, the Company had no inflow and outflow of foreign exchange. (Previous year expenditure in Foreign Currency on account of Travelling expenses Rs. 72,530/- and CIF value of Imports Rs. 1,13,15,388/-)

COST AUDITORS

The Company has appointed M/S Joshi, Apte & Associates, Cost Accountants (Firm Registration Number 00240) to conduct the audit of the cost records of the Company for the financial year 2014-15 in pursuance of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules 2014 read with Companies (Cost Records and Audit) Rules, 2014.

AUDITORS:

The Statutory Auditors of the Company M/s. M. A. Parikh & Co., Chartered Accountants, Mumbai retire at the ensuing Annual General Meeting and being eligible, offer themselves, for re-appointment. The Board recommends their re-appointment as the Auditors of the Company.

ACKNOWLEDGEMENT:

Your Directors would like to express their appreciation for the support extended by the Bankers, Government Authorities, its Employees at all level, Creditors and Suppliers.

**On behalf of the Board of Directors
Gokuldham Real Estate Development Company Pvt. Ltd,**

Sd/-
Director

Sd/-
Director

Place: Mumbai
Date: May 22, 2014

CERTIFIED TRUE COPY

For Gokuldham Real Estate Development Company Pvt. Ltd.

N-762

Director

GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE LIMITED

Regd. Office : DB House, Gen. A. K. Vaidya Marg, Goregaon (East), Mumbai - 400 063. • Tel: 91-22-4077 8600 • Fax: 91-22-2841 5550 / 2842 1667
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M. A. PARIKH & CO.
CHARTERED ACCOUNTANTS

Independent Auditor's Report
To the Members of Gokuldham Real Estate Development Private Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Gokuldham Real Estate Development Private Limited ("the Company") which comprise the Balance Sheet as at 31 March 2014, the Statement of Profit and Loss 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

Management is responsible for 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control 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 conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.



Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31 March 2014;
- (ii) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (ii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

Attention is drawn to following notes of the audited financial statements:

- (i) Note No. 1 and 30 as regards Company's proposed Amalgamation with its holding company effective 1st April 2013; and
- (ii) Note No. 36.1 as regards the decision of the Management of not to pay any remuneration to the Managing Directors/ Whole Time Director for which their consent have been obtained.

Our opinion is not qualified in respect of the matters stated here-in-above.

Report on Other Legal and Regulatory Requirements

- 1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
- 2. As required by section 227(3) of the Act, we report that:
 - (i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (ii) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (iii) the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (iv) in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Act read with General Circular 15/2013 dated 13th September, 2013 of the ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013; and

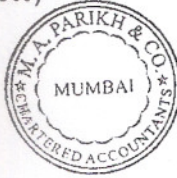


- (v) on the basis of written representations received from the directors as on 31 March 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

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



Partner
Name: Dhaval B. Selwadia
Membership No. 100023



Mumbai, Date: 22nd May, 2014

CERTIFIED TRUE COPY

For Gokuldham Real Estate Development Company Pvt. Ltd.



Director

ANNEXURE TO THE AUDITORS' REPORT
(Referred to in paragraph 1 of our report of even date)

1. Fixed Assets

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed Assets have been physically verified by the management as of the year-end. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its fixed assets. No material discrepancies were noticed on such verification.
- (c) The Company's business is that of real estate development and accordingly, disposal of fixed assets does not affect the going concern assumption.

2. Inventories

- (a) The Company is in the business of real estate development and as up to the year-end the project undertaken for development and construction is in progress. The inventory consists of units under construction and building materials. As explained to us, building materials are issued to contractors and as such inventory as of year-end is based on their confirmation / statement. Units under construction have been physically verified by the management at reasonable intervals, based on stage of completion of the project.
- (b) In our opinion and according to the information and explanations given to us, the procedure of physical verification followed by the management as regards units under construction is reasonable and adequate in relation to the size of the Company and the nature of its business. According to the information and explanations given to us, adequate reconciliation is carried out for building materials issued to the contractors. As explained to us, no material discrepancies were noticed on such physical verification / reconciliation.
- (c) The Company is maintaining proper records of inventory in respect of units under construction and of building materials.

3. In respect of loans, secured or unsecured, granted or taken by the Company to or from companies, firms or other parties covered in the register maintained under section 301 of the Act, according to the information and explanations given to us:

- (a) The Company has granted unsecured loans to its holding company and four companies covered in the register maintained under section 301 of the Act. The maximum balance outstanding at any time during the year was Rs. 831,287,980/- and the year-end balance is Rs. 585,573,133/-. In respect of a loan granted to a company covered in the register maintained under section 301 of the Act in a prior year and squared-off also, interest thereon of Rs. 87,130,688/- is outstanding.
- (b) The loans alongwith interest are repayable on demand. In view of the same, question of any overdue amount does not arise.



- (c) According to the information and explanations given to us, the rate of interest and the other terms and conditions of the said loans, are prima facie not prejudicial to the interest of the Company.
- (d) The Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Act.
4. 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 fixed assets and inventory except for certain items for which alternate quotations were not called for and for the sale of flats. During the course of our audit, no major weakness has been noticed in the internal control system in respect of the said areas.
5. In our opinion and according to the information and explanations given to us during the year, no contracts or arrangements referred to in section 301 of the Act were entered into. Therefore, the requirements of Clause 4(v) of the Order are not applicable.
6. The Company has not accepted any deposits from the public and consequently, the directives issued by the Reserve Bank of India and the provisions of section 58A, 58AA or any other relevant provisions of the Act and the rules framed there under are not applicable.
7. A firm of Chartered Accountants has been appointed by the management to carry out the function of internal audit, which in our opinion commensurate with the size of the Company and the nature of its business.
8. For the year under reference, the Companies (Cost Accounting Records) Rules, 2011 are applicable to the Company in relation to its construction activities. Based on our examination of books of account and other relevant records, in our opinion, prima facie, the said books and records gives information in relation to utilization of materials, labour and other items of costs as referable to its said construction activities.
9. Statutory Dues
- (a) According to the information and explanations given to us and according to the books and records as produced before us, in our opinion, as regards undisputed statutory dues:
- (i) Non payment of the advance tax for the year ended 31st March, 2014 of Rs. 12,80,09,012/-, which includes Rs. 5,76,04,056/- due for a period of more than six months from the date it became payable;
- (ii) Arrears of income tax outstanding for more than six months from the date it became payable – Rs. 12,367,139/-;
- (iii) Non-payment of interest on delay in payment of dues of service tax: (Refer Note No. 20(c) of the audited financial statements); and
- (iv) As regards balance statutory dues, the Company was generally regular in depositing the same with the statutory authorities. Further, there were no arrears as at March 31, 2014 for a period of more than six months from the date they became payable.



- (b) According to the information and explanations given to us, there are no disputed dues of Income – tax / Value Added tax / Service Tax/Custom duty / Excise duty / Cess.
10. The Company does not have any accumulated losses. The Company has not incurred cash losses in the financial year concerned and in the immediately preceding financial year.
 11. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to its banks and financial institution. Reference is drawn to Note No.5.1 of the audited financial statements as regards terms of repayment.
 12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore, the requirements of Clause 4(xii) of the Order are not applicable.
 13. The Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the requirements of Clause 4(xiii) of the Order are not applicable.
 14. The Company is not dealing or trading in shares, securities, debentures and other investments. Therefore, the requirements of Clause 4(xiv) of the Order are not applicable.
 15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions. Therefore, the requirements of Clause 4(xv) of the Order are not applicable.
 16. The Company has not obtained any new term loan during the year. Therefore, the requirements of Clause 4(xvi) of the Order are not applicable.
 17. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, funds raised on short – term basis have not been utilised for long term investment.
 18. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act. Therefore, the requirements of Clause 4(xviii) of the Order are not applicable.
 19. The Company has not issued any debentures. Therefore, the requirements of Clause 4(xix) of the Order are not applicable.
 20. The Company has not raised any monies by way of Public Issue. Therefore, the requirements of Clause 4(xx) of the Order are not applicable.



21. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

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



Partner
Name: Dhaval B. Selwadia
Membership No. 100023



Mumbai, Date: 22nd May, 2014

CERTIFIED TRUE COPY

For Gokuldham Real Estate Development Company Pvt. Ltd.



Director

GOKULDHAM REAL ESTATE DEVELOPMENT CO. PVT.LTD.
BALANCE SHEET AS AT 31ST MARCH 2014

(Amount in Rs.)

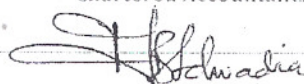
Particulars	Note No.	As at 31.03.14	As at 31.03.13
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share Capital	3	50,000,000	50,000,000
(b) Reserves and Surplus	4	1,471,943,189	1,209,781,600
2 Non-current liabilities			
(a) Long-Term Borrowings	5	-	171,951,670
(b) Other Long Term Liabilities	6	103,043,439	95,110,575
(c) Long-Term Provisions	7	10,603,743	22,370,796
3 Current liabilities			
(a) Short-Term Borrowings	8	10,626,034	-
(b) Trade Payables	9	117,499,112	157,331,780
(c) Other Current Liabilities	10	1,518,546,116	2,200,881,470
(d) Short-Term Provisions	11	141,517,717	15,857,782
TOTAL		3,423,779,350	3,923,285,673
II. ASSETS			
1 Non-current assets			
(a) Fixed Assets	12		
(i) Tangible Assets		1,393,020	1,648,565
(ii) Intangible Assets		253,968	423,280
(b) Non-Current Investments	13	1,655,096,000	1,243,400,000
(c) Deferred Tax Assets	14	5,059,843	7,838,141
(d) Long-Term Loans and Advances	15	4,243,874	1,088,333,874
(d) Other Non-Current Assets	16	61,494,631	57,668,879
2 Current assets			
(a) Inventories	17	501,137,237	935,413,112
(b) Trade Receivables	18	128,348,694	140,030,485
(c) Cash And Bank Balances	19	25,500,082	22,181,632
(d) Short-Term Loans and Advances	20	734,001,263	242,076,174
(e) Other Current Assets	21	307,250,738	184,271,531
TOTAL		3,423,779,350	3,923,285,673

See accompanying notes forming part of financial statements

1 to 47

In terms of our report of even date attached

For M.A. PARIKH & CO.
Chartered Accountants

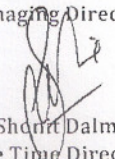


PARTNER
Name : Dhaval B. Selwadia
Membership No. : 100023

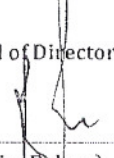
Place : Mumbai
Date : 22nd May, 2014

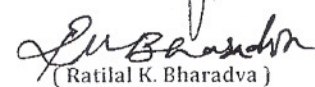



(Vinod Goenka)
Managing Director


(Shonit Dalmia)
Whole Time Director

For and on Behalf of Board of Directors


(Salim Balwa)
Managing Director


(Ratilal K. Bharadva)
Company Secretary

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For Gokuldham Real Estate Development Company Pvt. Ltd.



Director

GOKULDHAM REAL ESTATE DEVELOPMENT CO PVT.LTD.
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

		(Amount in Rs.)		
	Particulars	Note No.	For the Year Ended 31.03.14	For the Year Ended 31.03.13
1	Revenue from Operations	22	1,283,439,388	1,201,828,562
2	Other Income	23	102,072,770	101,401,146
3	Total Revenue		1,385,512,158	1,303,229,708
4	Expenses:			
	(a) Project Expenses	24	473,913,942	605,366,300
	(b) Changes in Inventories of Project Work-in-Progress	25	353,904,058	466,330,028
	(c) Employee Benefits Expenses	26	12,764,849	32,077,407
	(d) Finance Costs	27	90,530,067	80,624,812
	(e) Depreciation and Amortization Expense	28	-	102,928
	(f) Other Expenses	29	38,234,355	63,934,096
	Total expenses		969,347,271	1,248,435,571
5	Profit before Tax	31	416,164,887	54,794,137
6	Tax Expenses:			
	Current Tax	30	(149,900,000)	(23,000,000)
	Deferred Tax		(2,778,298)	3,927,983
	Prior Years' Tax Adjustments		(1,325,000)	(6,157,159)
			(154,003,298)	(25,229,176)
7	Profit for the Year		262,161,589	29,564,961
	Earnings per equity share: Basic and Diluted	46	524.32	59.13

See accompanying notes forming part of financial statements

1 to 47

In terms of our report of even date attached

For M.A. PARIKH & CO.
Chartered Accountants

Dhaval B. Selwadia

PARTNER
Name : Dhaval B. Selwadia
Membership No. : 100023

Place : Mumbai
Date : 22nd May, 2014



(Vinod Goenka)
Managing Director

(Shonit Dalmia)
Whole Time Director

For and on Behalf of Board of Directors

(Salim Balwa)
Managing Director

(Ratilal K. Bharadva)
Company Secretary

CERTIFIED TRUE COPY

For Gokuldham Real Estate Development Company Pvt. Ltd.

N. S. N.

Director

GOKULDHAM REAL ESTATE DEVELOPMENT CO PVT.LTD.
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

		(Amount in Rs.)	
Particulars	For the Year Ended 31.03.14	For the Year Ended 31.03.13	
(A) Cash Flow From Operating Activities:			
Profit before tax	416,164,887		54,794,137
Adjustments for:			
Interest and Finance Charges	138,167,407	104,408,847	
Depreciation and Amortization Expense	-	102,928	
Provision for Gratuity / Leave Encashment	(9,993,492)	11,530,303	
Profit on sale of investment (immovable property)	-	(3,315,667)	
Profit on sale of fixed assets	-	(7,436)	
Interest income	(99,878,250)	28,295,665	14,646,503
Operating Profit before Working Capital	444,460,552	(98,072,472)	69,440,640
Working Capital Changes:			
Trade Receivables and Advances	(99,594,879)	(13,143,209)	
Inventories	430,919,880	479,145,578	
Current Liabilities	(772,753,814)	(48,690,271)	417,312,098
Cash Generated from Operations	3,031,739		486,752,738
Taxes paid	(25,906,068)		(200,246,302)
Net Cash from Operating Activities	(22,874,329)		286,506,436
(B) Cash Flow From Investing Activities:			
Loans	245,714,847	(734,287,980)	
Interest income on loans received	48,729,776	40,241,603	
Purchase of Investments	(25,800,000)	(387,200,000)	
Sale of Immovable Property	-	8,820,000	
Sale of Fixed Assets	-	129,580	
Purchase of Fixed Assets	(44,900)	(942,703)	
Net Cash from Investing Activities	268,599,723		(1,073,239,500)
(C) Cash Flow From Financing Activities:			
Borrowings (Net)	(107,587,508)	836,876,216	
Interest and Finance Charges	(134,819,436)	(94,438,644)	
Net Cash from Financing Activities	(242,406,944)		742,437,572
Net Increase in Cash and Cash Equivalents	3,318,450		(44,295,492)
Add: Cash and Cash Equivalents (Opening)	22,181,632		66,477,124
Cash and Cash Equivalents (Closing)	25,500,082		22,181,632
(D) Cash and Cash Equivalents includes:			
Cash on hand	78,805		25,120
Bank Balances	25,421,277		22,156,512
	25,500,082		22,181,632

For M.A. PARIKH & CO.
Chartered Accountants

For and on behalf of Board of Directors

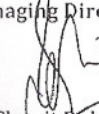


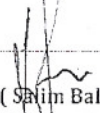
PARTNER
Name : Dhaval B. Selwadia
Membership No. : 100023

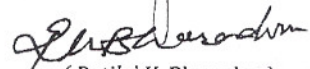
Place : Mumbai
Date : 22nd May, 2014




(Vinod Goenka)
Managing Director


(Shonit Dalmia)
Whole Time Director


(Sahim Balwa)
Managing Director


(Ratilal K. Bharadva)
Company Secretary

CERTIFIED TRUE COPY

For Gokuldham Real Estate Development Company Pvt. Ltd.



Director

GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS

1 CORPORATE INFORMATION

The Company, a subsidiary of D B Realty Limited, is engaged in the business of development and construction of real estate. At present, it has undertaken development and construction of residential project on the land situated at Village Dindoshi, Goregaon (East), Mumbai 400 063, known as DB Woods (the Project). The work of the Project is in progress as of the year end.

The Company is a "public company" under the Companies Act, 1956 (the Act), but continues to use the word "private" as permitted under law.

The Board of Directors at their Board Meeting held on 7th February, 2014 have accorded their approval of amalgamation of the Company with the holding company i.e. D B Realty Ltd with effect from 1st April, 2013 (the Appointed Date). The Scheme is subject to approvals. The purposes of the Amalgamation are set-out in Para No.2 of the Scheme which inter-alia includes to reflect the consolidated network.

2 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Accounting

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards notified under Section 211 (3C) of the Companies Act, 1956 ("the 1956 Act") (which continues to be applicable in respect of Section 133 of the Companies Act, 2013 ("the 2013 Act") in terms of General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs and the relevant provisions of the 1956 Act / 2013 Act as applicable). The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

2.2 Preparation and Presentation of Financial Statements

The preparation of financial statements in conformity with the GAAP requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as on the date of financial statements. The difference, if any, between actual results and the estimate is recognized in the period in which the results are known.

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule VI to the Act. The Cash Flow Statement has been prepared and presented as per the requirements of Accounting Standard (AS-3) "Cash Flow Statements". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule VI to the Act are presented by way of notes forming part of the accounts alongwith other notes required to be disclosed under the notified accounting standards.

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria's set out in the Schedule VI to the Act. Based on the nature of business and other relevant factors, the Company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

2.3 Fixed Assets and Depreciation / Amortization

Tangible Assets:

Fixed Assets are stated at cost of acquisition less accumulated depreciation. Cost includes cost incurred to bring the assets to their present location and condition. Depreciation on fixed assets has been provided for on written down value method at the rates and in the manner as specified in Schedule XIV to the 1956 Act.

Intangible Assets:

Intangibles represent computer software and is stated at its cost of acquisition less accumulated amortization. It is amortized by allocating the cost of the asset as an expense over its useful life as estimated by the Management.

2.4 Investments

(a) Immovable Property purchased and held as non current investment is valued at cost less accumulated depreciation. Depreciation is provided for on written down value method at the rates and in the manner as specified in Schedule XIV to the 1956 Act.

(b) Other non current investment is carried at cost. Provision for diminution is made to recognize a decline, other than temporary, in the value of investment.

(c) Units forming part of the Project given on long term lease are grouped as Other Non- Current Assets and are valued as per the accounting policy followed for valuing Project work-in-progress at cost. On completion, the same would be classified as "Non-current Investment". (Refer Note No. 45)



GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS

2.5 Inventories

Project work-in-progress is valued at lower of cost or net realizable value. Direct expenses and construction overheads are taken as the cost of the Project. The project costs comprise of:

- (a) *Cost of land and cost of development rights* - Includes cost of acquisition of land, development rights in land, rehabilitation costs, registration charges, stamp duty, brokerage and other incidental expenses.
- (b) *Borrowing costs* - In accordance with the Accounting Standard - 16, "Borrowing Costs" which are incurred in relation to the Project are considered as part of the cost of the project.
- (c) *Construction and development cost* - Includes cost that relates directly to the Project and costs that can be attributed to the Project activity in general.

Building Materials are valued at cost.

2.6 Revenue Recognition

Sale of Flats:

Revenue based on percentage completion method is recognized on execution of either deed of agreement or letter of allotment only if 10% of the sale consideration is realized and there is no uncertainty towards realization of the balance amount. In this method, the Company recognizes revenue in proportion to the actual cost incurred as against the total estimated cost of the Project. The cost of land and/or development rights is not included in computing such percentage completion. Revenue is net of indirect taxes.

The estimates relating to percentage of completion, cost of completion, area available for sale, etc., being of a technical nature are reviewed and revised periodically by the Management and are considered as change in estimates and accordingly, the effect of such change in estimates is recognized prospectively for the period in which such changes are determined.

Other Operating Income:

Other operating income is accounted for on accrual basis except for interest on delayed payments from allottees, which is accounted for when there is no uncertainty exist as to its ultimate collection.

Other Income:

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

2.7 Borrowing Cost

Borrowing costs which have a direct nexus with the Project, being a qualifying asset, are allocated to the cost of the Project. Other borrowing costs are expensed out as period cost.

2.8 Foreign currency transactions and translations

Foreign currency transactions are initially recorded at the rate of exchange prevailing on the date of the transaction. Monetary foreign currency assets and liabilities remaining unsettled at the balance sheet date are translated at the rates of exchange prevailing on that date and the resulting gains/ losses on such translation are recognized in the Statement of Profit and Loss.

2.9 Employee Benefits

Short term employee benefits:

Employee benefits payable wholly within twelve months of rendering the services are classified as short term employee benefits and are recognized in the period in which the employee renders the related service.

Post employment benefits:

Contribution to the provident fund, which is a defined contribution plan, is recognized as an expense in the Statement of Profit & Loss in the period in which the contribution is due.

Define Benefit Plan:

Gratuity is in the nature of defined benefit plan.

Provision for gratuity is calculated on the basis of actuarial valuation carried out as at the Balance Sheet date and is charged to the Statement of Profit and Loss. The actuarial valuation is performed by using the project unit credit method. The actuarial gains and losses are recognized immediately in the Statement of Profit and Loss.



GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS

Other Employee Benefit:

Leave encashment is recognized as an expense in the Statement of Profit and Loss as and when it accrues. The Company determines the liability by using the project unit credit method with actuarial valuation carried out as at the Balance Sheet date. Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss.

2.10 Operating lease

Lease rentals under operating lease agreements are charged off / credited to the Statement of Profit & Loss in accordance with the terms of the lease agreement.

2.11 Taxes on Income

Tax on income for the current year is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognized on timing differences between the income accounted in the financial statements and the taxable income for the year and is quantified by using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax assets are recognized and carried forward to the extent that there is a virtual / reasonable certainty (as applicable) with sufficient future taxable income will be available against which such deferred tax assets can be realized.

2.12 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized for liabilities that can be measured only by using its substantial degree of estimation, if:

- (a) The Company has a present obligation as a result of a past event;
- (b) A probable outflow of resources is expected to settle the obligation; and
- (c) The amount of obligation can be reliably estimated.

Contingent liability is disclosed in case of:

- (a) A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; or
- (b) A present obligation arising from past events, when no reliable estimate is possible; or
- (c) A possible obligation arising from past events, where the probability of outflow of resources is remote.

Contingent assets are neither recognized, nor disclosed.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

2.13 Commitments:

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

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

2.14 Earnings per Share

The Company reports basic and diluted Earnings per Share (EPS) in accordance with Accounting Standard 20 on "Earnings Per Share". Basic EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and weighted average number of shares outstanding for the period is adjusted for the effects of all dilutive potential equity shares.

2.15 Cash Flow Statement

Cash Flow Statement is prepared by the indirect method set out in Accounting Standard 3 on "Cash Flow Statements" and present the cash flows by operating, investing and financing activities of the Company.

2.16 Accounting policies not specifically referred to otherwise are consistent with the generally accepted accounting principles followed by the Company.



GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS

3 Share Capital

(Amount in Rs.)

Particulars	Number	As at 31 March 2014	Number	As at 31 March 2013
Authorised				
Equity Shares of Rs.100/- each	500,000	50,000,000	500,000	50,000,000
0.1% Redeemable Cumulative Preference Shares of Rs. 100/- each	4,000,000	400,000,000	4,000,000	400,000,000
	4,500,000	450,000,000	4,500,000	450,000,000
Issued				
Equity Shares of Rs.100/- each fully paid-up	500,000	50,000,000	500,000	50,000,000
Total	500,000	50,000,000	500,000	50,000,000
Subscribed & Paid up				
Equity Shares of Rs.100/- each fully paid-up	500,000	50,000,000	500,000	50,000,000
Total	500,000	50,000,000	500,000	50,000,000

3.1 Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the year:

Particulars	Opening Balance	Fresh Issue	Closing Balance
Equity Shares			
Year ended 31st March, 2013			
- Number of equity shares	500,000	-	500,000
- Amount	50,000,000	-	50,000,000
Year ended 31st March, 2014			
- Number of equity shares	500,000	-	500,000
- Amount	50,000,000	-	50,000,000

3.2 Rights, preferences and restrictions attached to equity shares

Each shareholder is eligible for one vote per share held. The dividend as and when proposed by the Board of Directors shall be subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

3.3 3,74,990 Equity Shares (Previous Year 3,74,990) are held by D B Realty Limited, the holding company.

3.4 Details of shares held by shareholders holding more than 5% of the aggregate equity shares in the Company.

Name of Shareholder	As at 31 March 2014		As at 31 March 2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
D B Realty Ltd.	374,990	74.998%	374,990	74.998%
Konark Realtech Pvt. Ltd.	125,000	25.000%	125,000	25.000%
Total	499,990	99.998%	499,990	99.998%

4 Reserves & Surplus

Particulars	As at 31 March 2014	As at 31 March 2013
(a) Capital Redemption Reserve		
As per last year (Refer Note below)	400,000,000	400,000,000
(b) Surplus as per Statement of Profit & Loss		
Balance as at the beginning of the year	809,781,600	780,216,639
Add: Profit for the year	262,161,589	29,564,961
Balance as at the end of the year	1,071,943,189	809,781,600
Total	1,471,943,189	1,209,781,600

The Company had issued redeemable preference shares, which were redeemed out of profits in the year ended 31st March 2011. In order to comply with the requirements of Section 80 of the Act, the Company had transferred the said amount to the account of Capital Redemption Reserve.



GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS

(Amount in Rs.)

5 Long-Term Borrowings

Particulars	As at 31 March 2014	As at 31 March 2013
Term Loans		
Housing Development Finance Corporation Limited (Refer Note No. 5.1)	-	171,951,670
Total	-	171,951,670

5.1 Terms and Conditions:

Security / Guarantee

- (a) Mortgage of certain flats of the Project (specified flats) together with proportionate undivided share, right, title and interest in the common area and in the underlying land on which the Project is constructed.
- (b) Exclusive charge on the Scheduled Receivables emanating from the Project.
- (c) Mortgage of the land at Village Bapnala, Andheri (East), Mumbai, owned by Eversmile Construction Co. Pvt. Ltd, the development rights whereof being vested with BCC DB Joint Venture entered into by and between Eversmile Construction Co. Pvt. Ltd, DB Realty Limited and Konark Developers.
- (d) Personal guarantee of the Managing Director

Terms of Repayment

The loan is repayable within 24 months from the date of first disbursement (14.09.2012) by ensuring that a fixed % of sums received from allottees against sale of flats shall be used towards the principal repayment, which shall be reviewed periodically. However, the maximum principle amount of the loan cannot exceed as under:-

At the end of the 19th month: Rs. 125,00,00,000
 At the end of the 20th month: Rs. 100,00,00,000
 At the end of the 21st month: Rs. 75,00,00,000
 At the end of the 22nd month: Rs. 50,00,00,000
 At the end of the 23rd month: Rs. 25,00,00,000
 At the end of the 24th month: Rs. Nil

The principal amount outstanding as of the year-end of Rs. 86,28,95,803/- is classified as current maturities of long term debt since at the end of the 24th month from the date of first disbursement, the loan has to be repaid and the said date falls in the ensuing financial year. The current maturities for the preceding financial year was determined based on expected project receipts and % thereof to be adjusted against principal amount. However, HDFC Limited, suo motto adjusted at lower %/ did not adjusted, the receipts against the principal amount, which resulted into lower repayment against preceding financial year's current maturities of long term debt.

Rate of Interest:

The Applicable Rate is the HDFC Corporate Prime Lending Rate plus/minus Spread. The effective rate of interest for the year is 15.60% (Previous Year: 15%)

6 Other Long-Term Liabilities

Particulars	As at 31 March 2014	As at 31 March 2013
Trade Payables (Refer Note below and Note No. 39)	102,111,189	94,178,326
Security Deposits for Leased Units (Refer Note No. 45.1)	932,250	932,250
Total	103,043,439	95,110,575

Represents amount retained as per the terms of the contract(s) and are due for payment after a period of 12 months from the year-end.

7 Long-Term Provisions

Particulars	As at 31 March 2014	As at 31 March 2013
<u>Provision for employee benefits</u>		
Gratuity (unfunded)	5,057,159	7,538,888
Leave Encashment (unfunded)	5,546,584	14,831,908
Total	10,603,743	22,370,796

8 Short-Term Borrowing

Particulars	As at 31 March 2014	As at 31 March 2013
Overdraft Facility from: Oriental Bank of Commerce (Refer Note below)	10,626,034	-
Total	10,626,034	-

Secured by lien on fixed deposit receipt of Rs. 1,40,00,000/- placed by Neelkamal Realtors & Builders Private Limited with Oriental Bank of Commerce.



GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS

(Amount in Rs.)

9 Trade Payables

Particulars	As at 31 March 2014	As at 31 March 2013
Sundry Creditors (Refer Note No. 39)	117,499,112	157,331,780
Total	117,499,112	157,331,780

10 Other Current Liabilities

Particulars	As at 31 March 2014	As at 31 March 2013
(a) Current maturities of long term borrowings (Refer Note No.5)	862,895,803	809,157,675
(b) Interest accrued and due on borrowings	15,942,068	12,594,097
(c) Advances received from Customers	570,432,225	1,247,824,547
(d) Amount Refundable on Cancellation of Flats	29,667,968	32,350,151
(e) Statutory dues	18,763,215	26,875,544
(f) Employees' Benefits Payable	6,986,400	6,887,757
(g) Other Payables (Refer Note below)	13,858,417	65,191,699
Total	1,518,546,116	2,200,881,470

Includes Rs. Nil (Previous Year: Rs. 5,00,00,000/-) received as deposit towards allotment of flats.

11 Short-Term Provisions

Particulars	As at 31 March 2014	As at 31 March 2013
(a) Provision for employee benefits		
Gratuity (unfunded)	1,155,801	736,531
Leave Encashment (unfunded)	3,282,790	1,928,499
(b) Provision for Income Tax (Net of Payment made thereagainst)	137,079,126	13,192,752
Total	141,517,717	15,857,782



GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS

12. Fixed Assets

		Gross Block				Accumulated Depreciation / Amortization			Net Block	
		Balance as at 1 April 2013	Additions	Deletions	Balance as at 31 March 2014	Balance as at 1 April 2013	Depreciation charge for the year	Deletions	Balance as at 31 March 2014	Balance as at 31 March 2013
a Tangible Assets										
	Furniture and Fixtures	1,334,090	-	-	1,334,090	931,738	72,820	-	1,004,556	402,362
	Office Equipments	2,317,001	44,900	-	2,361,901	1,260,842	151,599	-	1,412,441	1,056,159
	Computer	1,053,825	-	-	1,053,825	863,781	76,018	-	939,799	190,044
	Total	4,704,916	44,900	-	4,749,816	3,056,351	300,445	-	3,356,796	1,648,565
	Previous Year	39,252,456	345,885	215,788	39,482,553	37,573,330	354,302	93,644	37,833,988	1,648,565
b Intangible Assets										
	Computer software	843,040	-	-	843,040	419,760	169,312	-	589,072	423,280
	Previous Year	246,222	596,818	-	843,040	195,952	223,808	-	419,760	423,280

Note: Depreciation is allocated to Project Expenses.



GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS

(Amount in Rs.)

13 Non- Current Investments

Particulars	As at 31 March 2014	As at 31 March 2013
Trade Investments - (Unquoted - valued at cost)		
In 12,43,500 (Previous Year-12,43,500) Redeemable Optionally Convertible Cumulative Preference Shares of Rs.10 each fully paid-up of MIG Bandra Realtors & Builders Private Limited (ROCCPS) (Refer Note No. 13.1) (Subsidiary under the 2013, Act)	1,243,400,000	1,243,400,000
In 8,57,700 (Previous Year-Nil) Redeemable Optionally Convertible Preference Shares of Rs.10 each fully paid-up of Konark Realtech Pvt.Ltd. (ROCPS) (Refer Note No. 13.2)	411,696,000	
Total	1,655,096,000	1,243,400,000

13.1 The tenure of ROCCPS is six years from the date of allotment carrying coupon rate of 0.01%. Upon receiving the requisite approval for the project of the investee company, the shareholders shall be given option for conversion of ROCCPS into equity shares as per the value of equity shares. The shareholders also have the option of redemption at par or premium as may be decided by the Board of Directors of the investee company (the Board). Further, the tenure and coupon rate is also subject to change as per the decision of the Board.

13.2 The tenure of ROCPS is five years from the date of allotment carrying coupon rate of 0.01% on Non cumulative basis. The said preference shares shall be convertible at the option of the Company at book value/ issue price at the time of conversion. The Company, in compliance of the provisions of Section 372A of the 1956 Act, has ratified its investment in ROCPS by taking post-facto authorisation of its shareholders at their meeting held on 1st March, 2014

13.3 The aforesaid investments are long term strategic investments, at present, the project(s) undertaken by these companies are at their initial stage of implementation

14 Deferred Tax Assets

Particulars	As at 31 March 2014	As at 31 March 2013
<u>Deferred Tax Asset:</u>		
Disallowances under section 40(A)(7)/43B of the Act	5,043,257	7,804,386
<u>Less: Deferred Tax (Liability)</u>		
Difference between book and tax depreciation	(16,586)	(33,755)
Total	5,059,843	7,838,141

15 Long-Term Loans and Advances

Particulars	As at 31 March 2014	As at 31 March 2013
(Unsecured and Considered good)		
Loan to Holding Company (Refer Note No.20(4))		699,200,000
Advance to a Related Party towards subscription of Redeemable Optionally Convertible Cumulative Preference Shares	1,304,000	387,200,000
Security Deposits	2,939,874	1,933,874
Total	4,243,874	1,088,333,874

16 Other Non- Current Assets

Particulars	As at 31 March 2014	As at 31 March 2013
Cost attributable to Leased Units (Refer Note No. 45.1)	61,494,631	57,668,879
Total	61,494,631	57,668,879

17 Inventories

Particulars	As at 31 March 2014	As at 31 March 2013
(a) Project Work-in-Progress (Valued at lower of cost or net realisable value)	455,803,418	809,707,476
(b) Materials at site (Refer Note below)	45,333,819	125,705,636
Total	501,137,237	935,413,112

As certified by the Management of the Company.



GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS

(Amount in Rs.)

18 Trade Receivables

Particulars	As at 31 March 2014	As at 31 March 2013
(Unsecured and Considered good)		
- Outstanding for a period more than six months from the date they are due for payment	89,531,138	36,249,870
- Others	38,817,556	103,780,615
Total	128,348,694	140,030,485

Represents installments due and payable on completion of agreed milestone(s) of work / in terms of contract.

19 Cash and Bank Balances

Particulars	As at 31 March 2014	As at 31 March 2013
Cash and Cash Equivalents		
(a) Cash on hand	78,805	25,120
(b) Bank Balances in Current Accounts	25,421,277	22,156,512
Total	25,500,082	22,181,632

20 Short-Term Loans and Advances

Particulars	As at 31 March 2014	As at 31 March 2013
(Unsecured and Considered good)		
Loans to Holding Company and other Related Parties (Refer to Note No. 20(d) and 44)	585,573,133	132,087,980
Advances Recoverable in Cash or in Kind		
(a) Related Parties (Refer to Note (a) below and Note No. 44)	12,506,915	27,665,768
(b) Others (Refer to Note (b) and (c) below)	135,370,211	81,074,859
Prepaid Expenses	75,556	10,360
Security Deposits Receivable	162,750	414,750
Receivable from Related Parties	312,698	822,457
Total	734,001,263	242,076,174

(a) Includes amounts due from Directors of Rs. 71,56,200/- (Previous year 1,86,92,700/-) (Refer Note No. 36)

(b) The Company, in a prior year, had made a claim for refund of stamp duty of Rs. 69,86,650/- out of which during the year, claim for Rs. 49,67,350/- is not accepted and accordingly, the same is charged off to the Statement of Profit and Loss. As regards balance amount of Rs. 20,25,300/-, the Company is pursuing its claim for refund and is hopeful to get the same.

(c) The Company had provided for interest on delay in payment of dues of service tax of Rs. 1,27,68,254/- during the year ended 31st March, 2012, but has decided not to provide for such interest thereafter, as in the opinion of the Management the same shall be recovered from the allottees. Necessary adjustment entries, including for non-recovery, if any, shall be passed on reaching finality in the matter.

(d) As per the arrangement with the holding company, no amount was due for repayment during the year and hence, the loan amount as at 31.03.2013 was classified as long-term Loans and Advances. However, as per the revised understanding, the loan is repayable on demand and hence, the outstanding amount as on 31.03.2014 is classified as Short-Term loans and advances.

21 Other Current Assets

Particulars	As at 31 March 2014	As at 31 March 2013
Unbilled Revenue (Refer Note No. 32)	71,830,733	-
Interest accrued and due: (Unsecured and considered good)		
On Loans	235,411,815	184,271,531
On Security Deposit	8,190	-
Total	307,250,738	184,271,531



GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS

(Amount in Rs.)

22 Revenue From Operations

Particulars	For the year ended 31.03.2014	For the year ended 31.03.2013
Sale of Flats (Refer Note No. 2.6)	1,266,992,034	1,191,170,424
Other Operating Income		
Amounts Forfeited on cancellation of Flats	-	908,562
Charges on transfer of Flats	12,284,372	5,398,252
Interest on Delayed Payments from Allottees	4,162,982	4,351,324
	16,447,354	10,658,138
Total	1,283,439,388	1,201,828,562

23 Other Income

Particulars	For the year ended 31.03.2014	For the year ended 31.03.2013
Interest on:		
- Loans	99,834,018	98,072,472
- Interest on Security Deposit	44,232	-
Profit on Sale of Non-Current Investment	-	3,315,667
Sundry Credit Balances Written Back	69,027	5,571
Provision for Leave Encashment no longer required	2,125,493	-
Profit on Sale of Fixed Assets	-	7,436
Total	102,072,770	101,401,146

24 Project Expenses

Particulars	For the year ended 31.03.2014	For the year ended 31.03.2013
Direct Cost of Construction	403,198,380	536,219,925
Construction Overheads:		
- Salaries, Allowances and Bonus	13,735,166	34,218,121
- Contribution to Provident Fund and Other Allied Funds	300,450	359,025
- Staff Welfare and Other Amenities	1,270,134	6,899,464
- Gratuity	488,531	1,382,070
- Other Overheads	13,354,463	6,812,799
- Depreciation	469,757	578,110
	29,618,501	50,249,589
Less: Provision for Leave Encashment no longer required	2,714,527	-
	26,903,974	50,249,589
Financial Costs (Refer Note No. 27)	47,637,340	23,784,035
	477,739,694	610,253,549
Less: Cost attributable to Leased Units (Refer Note Nos. 21 & 45.1)	3,825,752	4,887,249
Total	473,913,942	605,366,300

25 Changes in Inventories of Project Work-in-Progress

Particulars	For the year ended 31.03.2014	For the year ended 31.03.2013
Balance as of commencement of the year:		
- Project work in progress	809,707,476	1,328,819,134
Less: Cost attributable to Leased Units (Refer Note Nos. 20 & 45.1)	-	52,781,630
Project work in progress as of commencement of the year	809,707,476	1,276,037,504
Less:		
Balance as of end of the year:		
- Project work in progress	455,803,418	809,707,476
Total	353,904,058	466,330,028



GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS

(Amount in Rs.)

26 Employees Benefits Expenses

Particulars	For the year ended 31.03.2014	For the year ended 31.03.2013
Salaries, Wages and Bonus	11,152,547	24,947,645
Contribution to Provident Fund and Other Allied Funds	235,255	296,249
Gratuity	382,523	1,140,416
Staff Welfare and Other Amenities	994,523	5,693,097
Total	12,764,849	32,077,407

27 Finance Costs

Particulars	For the year ended 31.03.2014	For the year ended 31.03.2013
(1) Interest on : Long term borrowings	137,961,660	88,878,847
Short term borrowings	205,747	-
	138,167,407	88,878,847
(2) Other Financial Charges	-	15,530,000
	138,167,407	104,408,847
Less: Transferred to Project Expenses	47,637,340	23,784,035
	47,637,340	23,784,035
Total	90,530,067	80,624,812

28 Depreciation and amortization expenses

Particulars	For the year ended 31.03.2014	For the year ended 31.03.2013
On Tangible Assets	300,445	354,302
On Immovable Property held as Non-current Investments	-	102,928
Amortization of Intangible Assets	169,312	223,808
	469,757	681,038
Less: Transferred to Project Expenses	469,757	578,110
Total	-	102,928

29 Other Expenses

Particulars	For the year ended 31.03.2014	For the year ended 31.03.2013
Rent, Rates & Taxes	12,746,863	8,567,719
Legal and Professional Charges	5,279,917	7,065,468
Advertisement and Sales Promotion	8,439,849	31,924,722
Commission & Brokerage	6,054,768	10,655,936
Donation	127,000	-
Communication Expenses	214,730	364,874
Conveyance and Travelling	677,211	2,154,646
Payment to Auditors (Refer Note for break-up)	1,089,186	917,793
Foreign Exchange Fluctuation Loss (net)	1,830,211	413,248
Miscellaneous Expenses	1,774,621	1,869,690
Total	38,234,355	63,934,096

Payment to Auditors		
- Audit Fees	700,000	700,000
- Taxation Matters	218,000	-
- Tax Audit	-	56,180
- Other Services	154,186	151,500
- Out of Pocket Expenses	17,000	10,113
Total	1,089,186	917,793



GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS

30. These accounts are prepared on a standalone basis and are subject to such modification(s)/adjustment(s) arising on accounting of the implications of the Scheme as may be approved by the Hon' High Court of Bombay.
31. During the year ended 31st March, 2013, the Management had revised the estimated project cost from Rs. 7,91,32,50,000/- to Rs. 8,39,04,00,000/- which had the impact of reversal of the profits recognized as upto 31st March, 2012 by Rs. 44,31,48,257/-. The Management has reviewed the project cost and has framed the opinion that there is no need to revise the project cost. This being a technical matter, the Auditors have relied upon. In view of the same, the net profit for the preceding financial year is not comparable with current year's net profit.
32. The stage of completion of Project is determined based on the proportion of the actual cost of construction as against the total estimated construction cost of project. Accordingly, excess of revenue recognised over actual bills raised has been classified as unbilled revenue.
33. The Company has granted security to Housing Development Finance Corporation Limited for securing the financial assistance of Rs. 300,00,00,000/- granted to Real Gem Buildtech Private Limited, a fellow subsidiary company. The security has been granted by way of Mortgage of specified flats together with proportionate undivided share, right, title and interest in the common area and in the underlying land on which the Project is constructed. The outstanding principal amount of the loan in the books of Real Gem Buildtech Private Limited as of 31st March 2014 is Rs.218,97,06,298/- (Previous Year Rs. 173,44,76,998/-).
34. The Company has given a "Guarantee" to Daimler Financial Services India Private Limited against the car finance facility of Rs. 154,00,000/- sanctioned to Real Gem Buildtech Private Limited, a fellow subsidiary company. The outstanding principal amount of the facility in the books of Real Gem Buildtech Private Limited as of 31st March 2014 is Rs. 1,25,55,824/- (Previous Year Rs. Nil).
35. In the opinion of the Management, having regard to the State of Affairs of Real Gem Buildtech Private Limited, granting of such security/guarantee (Refer Note 33 and 34) is not prejudicial to the interest of the Company.
36. In view of inadequate profits for the year 31st March, 2013, remuneration to managerial personnel had exceeded the prescribed limits under the 1956 Act. Accordingly, the Company had paid minimum remuneration of Rs. 90,00,000/-, which was approved by the remuneration committee / shareholders. The excess remuneration of Rs. 1,86,92,700/- was recoverable from them, out of which, during the year, Rs. 1,15,36,500/- is refunded back and balance amount of Rs. 71,56,200/- is recovered since year-end.
- 36.1 In view of the Management's decision, no remuneration is payable for the year aggregating to Rs. 3,72,00,000/- to its Managing Directors/Whole Time Director as per their terms of appointment for which their consent have been obtained.
37. The new property tax structure has been challenged before the Hon' Bombay High Court. The Court pending disposal of the petition, has directed to pay 50% of the differential amount, which also applies to the Company, though not a party to the petition. The Company is contesting the differential amount of property tax before the appropriate authority. Accordingly, the Company has neither provided for nor paid such differential property tax of Rs. 61,15,456/- (Previous Year Rs. 45,86,592/-).
38. Capital Commitment

(Amount in Rs.)		
Particulars	As at 31.03.14	As at 31.03.13
Investment in Redeemable Optionally Convertible Cumulative Preference Shares of Konark Realtech Pvt. Ltd.	427,000,000	432,800,000
Cost to be incurred for completion of Leased Units	5,699,724	9,526,105

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

(Amount in Rs.)		
Particulars	For the Year ended 31.03.2014	For the Year ended 31.03.2013
Principal Amount outstanding to suppliers under MSMED Act, 2006 beyond the appointed date.	-	-
Interest accrued on the due to suppliers under MSMED Act on the above amount.	-	-
Payment made to suppliers (Other than interest) beyond the appointed date, during the year.	-	-
Interest paid to suppliers under MSMED Act (other than Section 16).	-	-
Interest paid to suppliers under MSMED Act (Section 16).	-	-
Interest due and payable to suppliers under MSMED Act for payments already made.	-	-
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED.	-	-

Note: The above information is compiled by the Company and the same has been relied upon by the Statutory Auditors.



GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS

40 Expenditure in foreign currency

(Amount in Rs.)

Particulars	For the Year ended 31.03.2014	For the Year ended 31.03.2013
Travelling	-	72,530

41 Value of Imports on CIF basis in respect of:

(Amount in Rs.)

Particulars	For the Year ended 31.03.2014	For the Year ended 31.03.2013
Doors, Windows & Grills	-	11,315,388

42 As per Accounting Standard-15 "Employee Benefits", the disclosure of Employee Benefits as defined in the Accounting Standard is given below:

Defined Contribution Plan:

Contribution to Provident Fund recognized as expense for the year is as under:

(Amount in Rs.)

Particulars	For the Year ended 31.03.2014	For the Year ended 31.03.2013
Employer's Contribution to Provident Fund and Allied Funds	535,705	655,274

Defined Benefit Plan:

The present value of obligation is determined based on actuarial valuation done by an independent valuer using the Projected Unit Credit Method, which recognizes each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

I. Reconciliation of opening and closing balances of Defined Benefit obligation.

(Amount in Rs.)

Particulars	Gratuity (Un-Funded)	
	For the Year ended 31.03.2014	For the Year ended 31.03.2013
Defined Benefit obligation at the beginning of the year	8,275,419	3,861,445
Current Service Cost	1,843,242	3,775,322
Past Service Cost	1,205,894	-
Interest Cost	511,780	328,223
Settlement Cost/(Credit)	(2,118,309)	-
Benefit Paid	(242,409)	-
Actuarial (gain)/loss	(3,262,657)	310,429
Defined Benefit obligation at the end of the year	6,212,960	8,275,419

II. Expense recognized during the year:

(Amount in Rs.)

Particulars	Gratuity (Un-Funded)	
	For the Year ended 31.03.2014	For the Year ended 31.03.2013
Current Service Cost	1,843,242	3,775,322
Past Service Cost	1,205,894	-
Interest Cost	511,780	328,223
Settlement Cost/(Credit)	248,976	-
Actuarial (gain)/loss	(3,262,657)	310,429
	547,235	4,413,974
Less: Gratuity transferred to Company on transfer of employees on continuity basis.	-	(2,040,931)
Add: Gratuity of employees transferred from the Company upto the date of transfer	-	128,328
Net Cost	547,235	2,501,371



GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS

III. Actuarial assumptions

Particulars	(Amount in Rs.)	
	Gratuity (Un-Funded)	
	For the Year ended 31.03.2014	For the Year ended 31.03.2013
Discount Rate	8.70%	8.00%
Rate of Escalation in Salary	10.00%	15.00%

Notes:

- 1 The obligation towards Gratuity is unfunded and therefore, the following disclosures are not given:
 - a. Reconciliation of Opening and Closing Balances of fair value of plan assets.
 - b. Details of investments.
- 2 The obligation of Leave Encashment is provided for on actuarial basis done by an independent valuer and the same is unfunded. The amount credited/(provision recognised) in the Statement of Profit & Loss for the year is Rs. 48,40,020/- (Previous Year Rs. 93,20,956/-).
- 43 **Segment Reporting:**
Keeping in view the object of the Company as that of developing and constructing the Project, it has only one reportable segment and hence separate disclosure requirements of AS-17 Segment Reporting are not applicable.



GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS

44 Related Party Disclosure

As per Accounting Standard 18 (AS-18) 'Related Party Disclosures', the disclosure of transactions with the related parties as defined in AS -18 is given below:

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

a) Holding Company
D B Realty Limited

b) Fellow Subsidiary Companies
Neelkamal Realtors Suburban Private Limited
Neelkamal Realtors Towers Private Limited
Nine Paradise Erectors Pvt. Ltd.
Real Gem Buildtech Pvt. Ltd.
MiG Dandra Realtors and Builders Private Limited

c) Jointly Controlled Entities of Holding Company/Fellow Subsidiaries (Joint Control Entities)

Dynamix Realty
Suraksha DII Realty
DBS Realty

d) Key Management Personnel (KMP)

Vinod Goenka
Shonit Dalmia
Salim Batwa (w.e.f 1.02.2012)

e) Enterprises over which KMP/ Relatives of KMP exercise Significant Influence (Associated Enterprises)

Conwood Construction & Developers Private Limited
Eon Aviation Pvt Ltd.
Eversmile Construction Co. Private Limited
Upvan Developers
K C Enterprise
Majestic Infracon Pvt. Ltd.
Pony Infrastructure & Contractors Ltd.
New Grid Buildcon Pvt. Ltd.
BD & P Hotels (I) Private Limited
Nihar Construction Pvt. Ltd.
Konark Realtech Private Limited (as investor party of the Company)

B. Transactions with Related Parties and outstanding balances as of year end:

(Amount in Rs.)

Description	Holding Company	Fellow Subsidiaries	Associated Enterprises	Joint Control Entities	KMP
Loans Given, including interest receivable					
Opening Balance [Refer Note (c)]	753,580,511 (11,269,696)	144,233,586 (87,130,688)	117,745,414 (104,494,377)	- (-)	- (-)
Granted during the year	254,374,133 (95,300,000)	(52,387,980)	(2,700,000)	(-)	(-)
Interest Income	91,432,909 (60,422,790)	- (5,238,798)	8,401,109 (11,723,375)	- (-)	- (-)
Repaid during the year, (including interest and TDS thereon)	407,144,291 (271,111,975)	57,102,898 (523,880)	84,535,525 (1,172,338)	- (-)	- (-)
Closing Balance	692,243,262 (753,580,511)	87,130,688 (144,233,586)	41,610,998 (117,745,414)	- (-)	- (-)
Expenses Incurred and Closing Balances Thereagainst					
(a) Charges for use of premises (including interest on service tax) by the Company:-					
Transactions during the year	-	-	8,389,569	-	-
Closing Balance	(-)	(-)	(12,481,884) 70,581	(-)	(-)
	(-)	(-)	(717,750)	(-)	(-)
Loan recoverable from Employees /Reimbursement of expenses incurred by the Company on behalf of parties					
Transaction during the year	538,000 (72,950)	64,778 (-)	- (-)	61,222 (9,170,230)	- (-)
Closing Balance	638,000 (-)	- (-)	- (-)	7,930 (7,930)	- (-)
(b) Compensation for obtaining sub-development rights of the land					
Closing Balance payable thereagainst	-	-	7,100,000 (11,700,000)	-	-
	(-)	(-)	(-)	(-)	(-)
(c) Contractor charges					
Transactions during the year	-	-	85,296,992 (131,989,787)	-	-
Closing Balance	(-)	(-)	50,389,182 (34,980,408)	(-)	(-)
	(-)	(-)	(-)	(-)	(-)
Mobilization Advance					
Opening Balance	-	-	5,473,068 (11,628,527)	-	-
Adjusted	(-)	(-)	3,622,353	(-)	(-)
Closing Balance	(-)	(-)	(6,155,459) 1,850,715	(-)	(-)
	(-)	(-)	(5,473,068)	(-)	(-)



GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS

Description	(Amount in Rs.)				
	Holding Company	Fellow Subsidiaries	Associated Enterprises	Joint Control Entities	KMP
Sale of Flat					
Revenue Recognised	-	-	882,811	-	-
Advance received Outstanding at year-end	(-)	(-)	(515,910)	(-)	(-)
Amount Receivable at the year end	(-)	(-)	(1,023,457)	(-)	(-)
	(-)	(-)	(-)	(-)	(-)
Sale of Fixed Asset					
Sale	-	-	-	-	-
Amount Receivable	(-)	(55,778)	(-)	(-)	(-)
	(-)	(-)	(-)	(-)	(-)
Managerial remuneration					
Transactions during the year	-	(-)	(-)	(-)	(9,000,000)
Closing Balance [Receivable]	-	-	-	-	(7,156,200)
	(-)	(-)	(-)	(-)	(18,692,700)
Hire Charges					
Transactions during the year	-	-	132,956	-	-
	(-)	(-)	(1,881,471)	(-)	(-)
Closing Balance	-	-	1,843,842	-	-
	(-)	(-)	(1,843,842)	(-)	(-)
Advance payment for investment in ROCCPS/ROCPS					
Advance Paid	-	-	25,800,000	-	-
Shares Allotted	(-)	(193,400,000)	(387,200,000)	(-)	(-)
	-	-	411,696,000	-	-
Closing Balance	(-)	(193,400,000)	(-)	(-)	(-)
	(-)	(-)	1,304,000	-	(-)
	(-)	(-)	(387,200,000)	(-)	(-)
Investment in ROCCPS					
Opening Balance	-	1,243,400,000	-	-	-
	-	(1,050,000,000)	(-)	(-)	(-)
Shares Allotted	-	-	411,696,000	-	-
	(-)	(193,400,000)	(-)	(-)	(-)
Closing Balance	-	1,243,400,000	411,696,000	-	-
	(-)	(1,243,400,000)	(-)	(-)	(-)
Advance for TDR					
Opening and Closing Balance	-	3,500,000	-	-	-
	(-)	(3,500,000)	(-)	(-)	(-)
Reimbursement of Expenses / Transfer of Employees					
Reimbursement of Expenses					
Incurred on behalf of the Company	835,720	1,681,533	935,619	-	-
	(413,307)	(13,953,351)	(2,367,629)	(173,794)	(-)
Incurred by the Company	(-)	(-)	(15,161)	(-)	(-)
Employee dues transferred on transfer of their services	-	4,758,102	-	-	-
	(787,216)	(51,113)	(273,276)	(117,998)	-
Closing Balance [Receivable]	-	(312,698)	-	-	-
	(373,909)	(42,113)	(288,437)	(117,998)	(-)
Closing Balance Payable	-	2,390,817	5,094	-	-
	(-)	(13,953,351)	(-)	(-)	(-)

Material Transactions during the year

Description of Transactions/Name of the Party	Amount	Outstanding as on 31.03.14	Amount	Outstanding as on 31.03.13
Loans Granted				
DB Realty Limited	254,374,133	692,243,262	95,300,000	753,580,511
MIG Bandra Realtors and Builders Private Limited	-	-	52,387,980	52,387,980
Pony Infrastructure & Contracts Limited	-	-	2,700,000	49,700,000
			150,387,980	855,668,491
Contractor Charges				
Majestic Infracon Pvt. Ltd.	85,296,992	50,389,182	131,989,787	34,980,408
	85,296,992	50,389,182	131,989,787	34,980,408
Advance Payment for Investment in ROCPS				
Konark Realtech Private Limited	25,800,000	1,304,000	387,200,000	387,200,000
	25,800,000	1,304,000	387,200,000	387,200,000
Investment in ROCPS				
Konark Realtech Private Limited	411,696,000	411,696,000	-	-
	411,696,000	411,696,000	-	-

Notes:

- Previous year figures are denoted in brackets.
- The aforesaid related parties are as identified by the Company and relied upon by the Statutory Auditors.
- Refer to Note No. 33 and 34 in relation to security/guarantee given by the Company for loan taken by Real Gem Buildtech Pvt. Ltd.



GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS

45 Operating Lease:

45.1 (a) During the year ended 31st March, 2013, the Company had executed lease deeds for certain Units forming part of the Project for a period of 25 years, the construction work is in progress as of year end. The attributable costs in relation thereto have been classified as Other Non Current Assets and on completion would be classified as Non-Current Investment. In terms of the agreements, the lease rentals shall become due and payable commencing from the calendar month following the month of receipt of Occupation Certificate. The lease deeds are for 25 years and the lease rental is subject to increase by 5% every 5 years. Accordingly, the future lease rentals are disclosed based on the Management's estimate of the amounts that it would receive.

45.1 (b) Disclosure in relation to Units given on Lease:

Particulars	(Amount in Rs.)	
	For the Year ended 31.03.2014	For the Year ended 31.03.2013
Lease Income recognized in the Statement of Profit & Loss		
Future Lease Income		
(a) Upto five years from the commencement of lease rental.	14,374,000	14,374,000
(b) After five years.	87,380,395	87,380,395
Total of future lease income	101,754,395	101,754,395

45.2 Disclosure in relation to Premises taken on Lease:

Particulars	(Amount in Rs.)	
	For the Year ended 31.03.2014	For the Year ended 31.03.2013
Lease payments recognized in the Statement of Profit & Loss	7,785,513	8,563,559
Future Lease Payments		
(a) Not later than one year.	6,032,149	7,808,784
(b) Later than one year but not later than five years.	12,984,200	23,426,352
(c) Later than five years.	-	-
Total of future lease payments	19,016,349	31,235,136

46 Earnings Per Share:

Particulars	(Amount in Rupees)	
	For the Year ended 31.03.2014	For the Year ended 31.03.2013
Profit after Tax as per the Statement of Profit & Loss	262,161,589	29,564,961
Weighted Number of Shares outstanding during the year	500,000	500,000
Basic & Diluted Earnings per Share	524.32	59.13
Face value per Equity Share	100	100

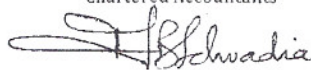
47 Previous Year Figures:

Previous year's figures have been regrouped / reclassified wherever necessary to confirm with those of the current year.

Signatures to Notes 1 to 47

In terms of our report of even date attached

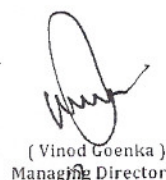
For M.A. PARIKH & CO.
Chartered Accountants



PARTNER
Name : Dhaval B. Selwadia
Membership No. : 100023

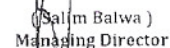
Place : Mumbai
Date : 22nd May, 2014

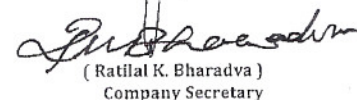



(Vinod Goenka)
Managing Director


(Shantanu Dalmia)
Whole Time Director

For and on behalf of Board of Directors


(Salim Balwa)
Managing Director


(Ratilal K. Bharadva)
Company Secretary

CERTIFIED TRUE COPY

For Gokuldham Real Estate Development Company Pvt. Ltd.

N - 762

Director