

**LONG LASTING PARTNERSHIP.
AT WORK.**

ANNUAL REPORT 2017



Dear Shareholders,

It gives us great pleasure to share with you the latest developments of DB Realty. The year 2016-2017 has seen a number of salient developments.

Last two quarters have been extremely challenging for the industry on the whole with the introduction of MahaRERA and GST. We are happy to announce that we have successfully registered our projects under the new rule.

Neelkamal Realtors & Towers Pvt. Ltd. (a subsidiary of DB Realty Limited) has entered into a development agreement with Indo Global Soft Solutions & Technologies Pvt. Ltd. a Radius Company for its project One Mahalaxmi (Orchid Heights - Jacob Circle, Mahalaxmi). This project has commenced and has a construction area of approximately 32 lakhs sq.ft.

This past year has seen notable construction progress on Ten BKC (Project Bandra), a DB Realty project in partnership with Radius Group. Work on site has progressed well with the slab concreting and reinforcement work in progress.

We are set to embark on a new journey in the coming year and are determined to leave no stone unturned to ensure that our projects redefine and enhance urban living in Mumbai. With construction underway on many projects, we expect to see strong momentum in sales over the next year.

We look forward to bringing you number of new developments in the coming year.

Sd/-
VINOD GOENKA
CHAIRMAN & MANAGING DIRECTOR

Sd/-
SHAHID BALWA
VICE CHAIRMAN & MANAGING DIRECTOR

About DB Realty

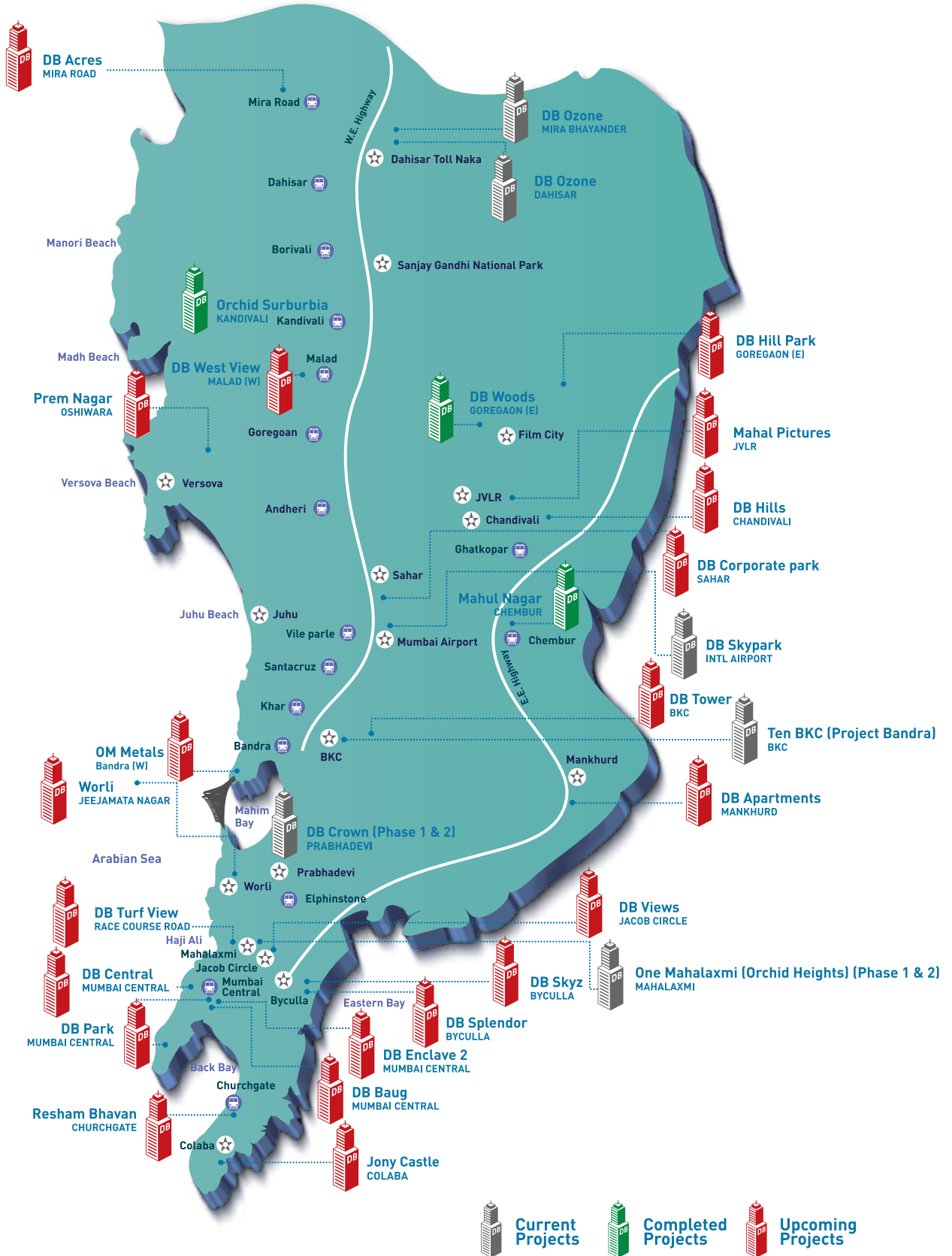
DB Realty Ltd. founded in 2007 has been redefining the Mumbai skyline by transforming spaces into landmarks. Emerging as one of India's preferred real estate developers, at DB Realty we focus on designing and creating aesthetically pleasing and functionally brilliant residential and commercial spaces, keeping in mind the evolving needs and lifestyles of our customers and stakeholders.

Today, the company boast of an expanding portfolio of over 100 million ft2 of prime real estate across 35 projects. Majority of these projects are based in and around Mumbai and are under various stages of planning and construction. However, the companies sense of achievement stems from those 20,000 families who live, and will build a lifetime of memories, in homes built by DB Realty Ltd.

With a notable and consistent track record of growth, customer satisfaction and innovation the company is able to execute challenging projects with efficiency, speed and confidence. The strength of the company comes from the support of a highly-experienced team of experts and professionals from diverse fields of work.

Considering a strong heritage of delivering excellent projects, the company always strives to be an industry leader. We focus on delivering to our customers, projects which fundamentally enhance their lifestyle whilst also being significant icons for the city.

For more information on DB Realty, visit www.dbrealty.co.in



 **Current Projects**
 **Completed Projects**
 **Upcoming Projects**

*This visual representation of the projects is not an advertisement and only for the purpose of information to the shareholders of the company as part of the Directors Report

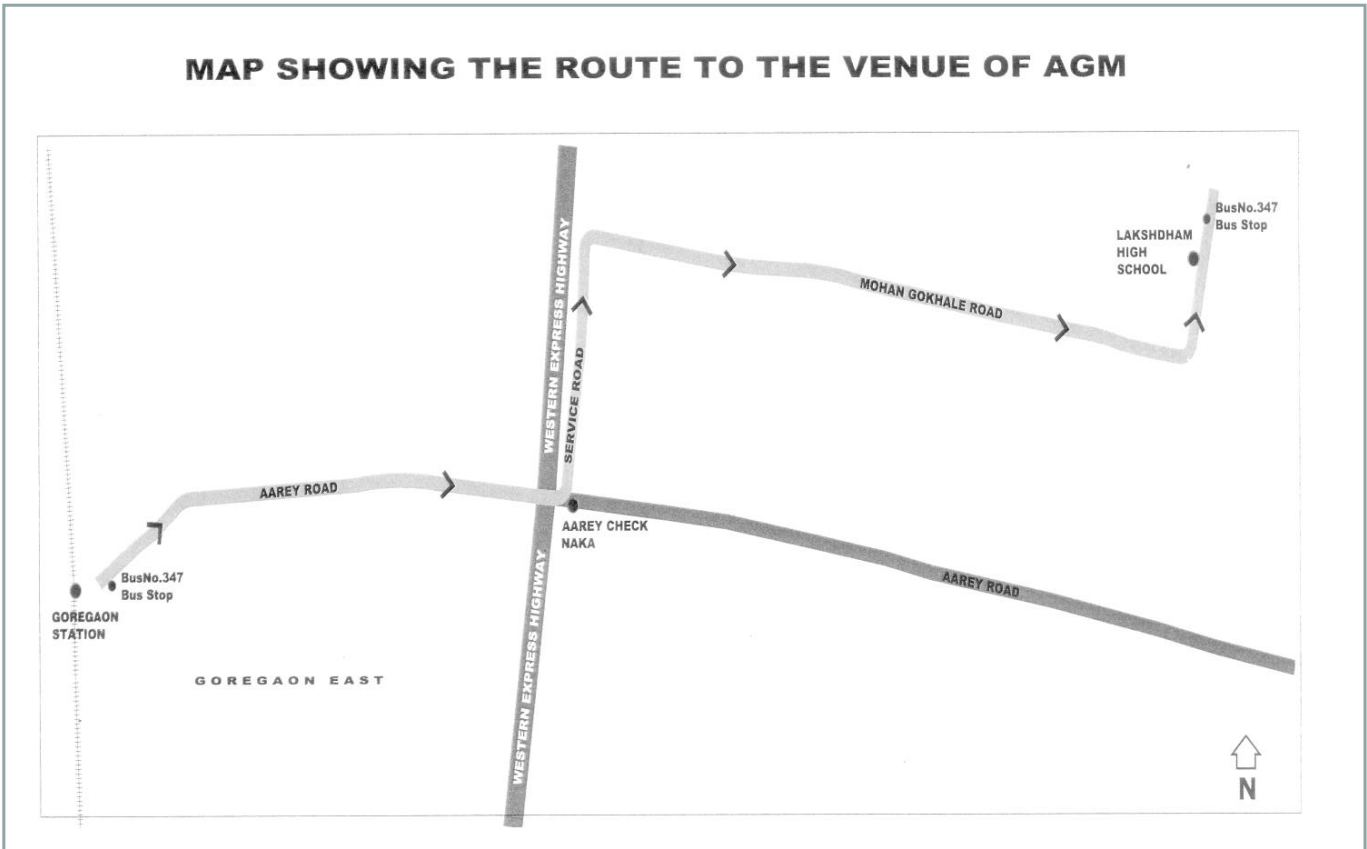
Projects registered under MahaRERA

Sr. No.	Project Name & Phase	RERA Reg. No.
1	DB CROWN (Phase 1) (Tower A & B)	P51900003268
2	DB CROWN (Phase 2) (Tower C)	P51900006367
3	DB Ozone - Mira Bhayander	P51700003433
4	DB Ozone - Mumbai	P51800003202
5	DB Turf View	P51900003617
6	DB Views (Shantinagar)	P51900004016
7	One Mahalaxmi (Phase 1) (Tower A)	P51900005216
8	One Mahalaxmi (Phase 2) (Tower B)	P51900006299
9	Ten BKC - MIG	P51800004889
10	DB Skypark - Andheri (E)	P51800012155
11	DB Commercial (Solitaire Business Hub) (Phase 1) - Pune	P52100004589
12	DB Commercial (Solitaire Business Hub) (Phase 2) - Pune	P52100003455

INDEX

About DB Realty	01
Corporate Information	05
Notice of Annual General Meeting and Explanatory Statement	07
Directors' Report	20
Extract of Annual Return (MGT 9)	29
Management Discussion and Analysis	36
Corporate Governance Report	42
Secretarial Audit Report	59
Auditors' Report	65
Balance Sheet	72
Statement of Profit and Loss	73
Cash Flow Statement	75
Notes to the Financial Statements	77
Auditors' Report on Consolidated Financial Statements	149
Consolidated Balance Sheet	154
Consolidated Statement of Profit and Loss	155
Consolidated Cash Flow Statement	157
Notes Forming Part of Consolidated Financial Statements	159
Financial Information and Subsidiary Companies	249

MAP SHOWING THE ROUTE TO THE VENUE OF AGM



CORPORATE INFORMATION

Board of Directors as on 31.03.2017

Mr. Vinod Goenka
(Chairman, Managing Director,
Non-Independent Director)

Mr. Shahid Balwa
(Vice Chairman, Managing Director,
Non - Independent Director)

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)

Ms. Sunita Goenka
(Non-Independent Director)

Mr. Omprakash Agrawal
(Independent Director, upto 27.05.2016)

Mr. Sundaram Rajagopal
(Independent Director, w.e.f. 09.12.2016)

Chief Executive Officer
Mr. Vipul Bansal
(upto 30.09.2016)

Chief Finance Officer
Mr. N. M. Gattu (upto 31.08.2016)

Mr. A. Anil Kumar (w.e.f. 01.09.2016)

Company Secretary and Compliance Officer
Mr. S.A.K. Narayanan

Statutory Auditors
M/s. Haribhakti & Co. LLP
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

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

CORPORATE INFORMATION

Board Committees: As on 31.03.2017

Audit Committee:

Mr. Mahesh Gandhi

Mr. Shahid Balwa

Mr. N. M. Rafique

Mr. Omprakash Agrawal

(Ceased to be member w.e.f. 27.05.2016)

Bankers:

Oriental Bank of Commerce

ICICI Bank Limited

HDFC Bank Limited

Finance & Investment Committee:

Mr. Mahesh Gandhi

Mr. Vinod Goenka

Mr. Jagat Killawala

Registrar & Share Transfer agent:

Link Intime India Private Limited

C-101, 247 Park, L.B.S. Marg,

Gandhi Nagar, Vikhroli (West), Mumbai – 400 083

SEBI Registration No. INR000004058

Tel: +91 22 4918 6000

Fax: +91 22 4918 6060

Website: www.linkintime.co.in

CIN: U67190MH1999PTC118368

Nomination & Remuneration Committee:

Mr. Mahesh Gandhi

Mr. Jagat Killawala

Mr. Janak Desai

Stakeholders Relationship Committee:

Mr. Janak Desai

Mr. Jagat Killawala

Mr. Shahid Balwa

CSR Committee:

Mr. Mahesh Gandhi

Mr. N. M. Rafique

Mr. Jayvardhan Goenka

NOTICE

NOTICE is hereby given that the 11th Annual General Meeting of the Members of the Company will be held on Friday, the 29th September, 2017 at 3.00 p.m. at Lakshdham High School Auditorium, Lakshdham High School, Gokuldharm, Goregaon (East), Mumbai 400 063 to transact the following business:

ORDINARY BUSINESS:

1. Adoption of the Financial Statements and Report thereon:

To consider and adopt the audited financial statements (including audited consolidated financial statements) for the Financial Year ended 31st March, 2017 and the Reports of the Directors and Auditors thereon and to pass the following resolutions as **Ordinary Resolutions:**

- (a) **“RESOLVED THAT** the audited financial statement of the Company for the financial year ended March 31, 2017 and the Reports of the Board of Directors and Auditors thereon laid before the meeting be and are hereby considered and adopted.”
- (b) **“RESOLVED THAT** the audited consolidated financial statement of the Company for the financial year ended March 31, 2017 and the Reports of the Auditors thereon laid before the meeting be and are hereby considered and adopted.”

2. Appointment of Director in place of one retiring by rotation:

To appoint Ms. Sunita Goenka (DIN: 01010145), who retires by rotation and being eligible, offers herself for re-appointment as a Director and in this regard to pass the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT Pursuant to the provisions of Section 152 of the Companies Act, 2013 Ms. Sunita Goenka (DIN: 01010145), who retires by rotation at this meeting and being eligible, has offered herself for re-appointment be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

3. Appointment of Director in place of one retiring by rotation

To appoint Mr. Salim Balwa (DIN:00017899), who retires by rotation and being eligible, offers himself for re-appointment as a Director and in this regard to pass the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT Pursuant to the provisions of Section 152 of the Companies Act, 2013 Mr. Salim Balwa (DIN:00017899), who retires by rotation at this meeting and being eligible, has offered himself for re-appointment be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

4. Ratification of the appointment of Statutory Auditors:

To consider and if thought fit, to pass the following Resolution as Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules 2014, as amended from time to time, the members hereby ratify the appointment of Haribhakti & Co LLP, Chartered Accountants (Firm Registration No. 103523W) as Statutory Auditors of the Company to hold office from the conclusion of this 11th Annual General Meeting (AGM) till the conclusion of the 12th AGM and the Board of Directors is authorized to fix their remuneration.”

SPECIAL BUSINESS:

5. Appointment of Mr. Sundaram Rajagopal as an Independent Director:

To consider and if thought fit, to pass with or without modification(s) the following resolutions as **Special Resolutions:**

“RESOLVED THAT Mr. Sundaram Rajagopal (DIN : 01951392), who was appointed as an Additional Director of the Company by the Board of Directors with effect from December 9, 2016 and who holds office up to date of this Annual General Meeting in terms of Section 161 of the Companies Act, 2013 and who is eligible for appointment and in respect of whom the Company has received notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company.”

“RESOLVED FURTHER THAT pursuant to the provisions of Sections 149,150 and 152 and other applicable provisions, if any, of the Companies Act, 2013, read with Schedule IV to the Act and the Companies (Appointment and Qualifications of Directors) Rules 2014, and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended from time to time, Mr. Sundaram Rajagopal 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, not liable to retire by rotation, for a period of five (5) consecutive years from December 9, 2016 till 8th December, 2021.”

6. Re-appointment of Mr. Vinod Goenka, as Executive Chairman cum Managing Director:

To re-appoint Mr. Vinod Goenka (DIN : 00029033), as Executive Chairman cum Managing Director and in this regard to pass the following resolution as an **Ordinary Resolution:**

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

“**RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or reenactment(s) thereof for the time being in force), approval of the members be and is hereby accorded for the re-appointment of Mr. Vinod Goenka (DIN: 00029033) as Executive Chairman cum Managing Director for a period of five (5) years with effect from September 1, 2017 upto August 31, 2022 on the terms and conditions including remuneration as set out in the statement annexed to the Notice, with liberty to the Board of Directors which include the Nomination and Remuneration Committee of the Board of Directors to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit.”

7. **Re-appointment of Mr. Shahid Balwa, as Executive Vice Chairman cum Managing Director:**

To re-appoint Mr. Shahid Balwa (DIN: 00016839), as Executive Vice Chairman cum Managing Director and in this regard to pass the following resolution as an **Ordinary Resolution:**

“**RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or reenactment(s) thereof for the time being in force), approval of the members be and is hereby accorded for the re-appointment of Mr. Shahid Balwa (DIN: 00016839) as Executive Vice Chairman cum Managing Director for a period of five (5) years with effect from December 10, 2016 upto December 9, 2021 on the terms and conditions including remuneration as set out in the statement annexed to the Notice, with liberty to the Board of Directors which include the Nomination and Remuneration Committee of the Board of Directors to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit.”

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

“**RESOLVED THAT** pursuant to Section 188 and other provisions of the Companies Act, 2013, if applicable, and Rules made thereunder and Regulation 23 or other applicable Regulations, if any, of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (hereinafter referred as “Regulations”) and Listing Agreement with the Stock Exchanges wherein the Equity Shares of the Company are listed to the extent of the applicability of the said Companies Act, 2013, Regulations and / or the Listing Agreement, with respect to various categories / nature of transactions covered by the said Act and / or the Rules made there under, and / or the “Regulations”, the members in the General Meeting hereby approve the proposed transactions, as described in the table appearing below, of giving guarantees or providing securities in connection with the loan availed / to be availed by the said related parties, as defined in Section 2(76) of the Companies Act, 2013 and the “Regulations” / Listing Agreement.”

Sr No	Name of the Related Party	Nature of Relationship	Amount ₹ (in crores)
1	Marine Drive Hospitality & Realty Pvt. Ltd (Pledge of shares to be made by the Company, along with its promoter Directors/promoter group entities)	A company in which KMPs and promoters / their relatives have significant influence and the Company has considerable economic interest	750
2.	Bamboo Hotel and Global Centre (Delhi) Pvt. Ltd (Formerly Heaven Star Hotels (Delhi) Pvt Ltd)- Guarantee to be given by the Company	WOS of Marine Drive Hospitality & Realty Pvt. Ltd, a company in which KMPs and promoters / their relatives have significant influence and the Company has considerable economic interest	125
3.	Neelkamal Realtors Tower Pvt. Ltd, (Guarantee/ Security given/ to be given by the Company)	Subsidiary	150

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

(S.A.K Narayanan)
Company Secretary

August 14, 2017

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: investors@dbg.co.in

Web Site: www.dbrealty.co.in

NOTES:

1. **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.
2. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of special businesses to be transacted at the meeting, is hereto annexed.
3. The particulars of Ms. Sunita Goenka, Mr. Salim Balwa, Mr. Sundaram Rajagopal Mr. Vinod Goenka, and Mr. Shahid Balwa proposed to be appointed / re-appointed as required under Regulation 36(3) of the SEBI (Listing Obligation & Disclosure Requirement) Regulation, 2015 and Secretarial Standard is annexed hereto.
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, 2017 to 29th September, 2017 (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 Registered 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 and Authorised Representatives are requested to bring to the meeting, the Attendance Slip enclosed herewith, duly completed and signed, mentioning therein details of their DP ID and Client ID / Folio No.
11. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their depository participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, Link Intime India Private Limited (LI IPL) to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to LI IPL.

The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to LI IPL.
12. 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.
13. 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.
14. To support the 'Green Initiative', the Members who have not registered their E Mail addresses are requested to register the same with Depositories.
15. 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

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

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.

16. Pursuant to the Initial Public offer 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 unclaimed shares suspense account are as under:

Particulars	No of Shareholders	No of Shares
Outstanding Shares as on 1 st April, 2016	9	686
Investors who have approached the Company / Registrar and Share Transfer Agent for transfer of shares to their demat account	2	392
Investors to whom shares were transferred from the unclaimed account	2	392
Outstanding Shares in the unclaimed Suspense account as on 31 st March, 2017	7	294

17. Details of unclaimed Refunds:

Post Initial Public Offer (IPO) in February, 2010, the Company transferred a sum of ₹ 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, 2017 was ₹ 6,132/- In terms of Section 125 of the Companies Act, 2013, and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the above amount was transferred to Investor Education and Protection Fund on 4th March, 2017.

18. The route map showing directions to reach the venue of the Eleventh AGM is annexed.
19. The facility for voting, through polling paper shall also be made available at the AGM and the Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right to vote at the AGM.
20. Mr. Vicky Kundaliya, Practicing Company Secretary (FCS-7716 & COP-10989) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
21. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote by electronic means on the resolutions proposed to be passed in the Meeting through E-voting Services provided by Central Depository Services (India) Limited (CDSL). The members may cast their votes using the electronic voting system from a place other than the venue of the meeting ("remote e-voting").
22. A. **The instructions for shareholders voting electronically are as under:**
- The voting period begins on 26th September, 2017 (9.00 AM IST) and ends on 28th September, 2017 (5.00 PM IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22nd September, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - The shareholders should log on to the e-voting website www.evotingindia.com.
 - Click on Shareholders
 - Now Enter your User ID
 - For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - Next enter the Image Verification as displayed and Click on Login.
 - If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
 - If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letter of their name and the eight digit of the sequence number in the PAN field. The sequence number may be obtained by sending request at helpdesk.evoting@cdslindia.com.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for D B Realty Limited on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) **Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Apple and Windows phone. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) **Note for Non-Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same, and also e-mailed to the scrutinizer at e-mail id : vickyscrutinizer@gmail.com
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

B. Other Information / Instructions

- i) 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).
- ii) The voting rights of shareholders shall be in proportion to their member of shares in the paid up equity share capital of the Company as on 22nd September, 2017 as per the Register of Members of the Company.
- iii) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Polling Paper" for all those members who are present at the AGM but have not cast their votes by availing the e-voting facility.
- iv) The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and within a period of three working days from the date of conclusion of e-voting period unblock the votes cast through e-voting in the presence of at least two witnesses not in the employment of the Company and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.dbrealty.co.in and on the website of CDSL www.evotingindia.com within two days of the passing of the resolutions at the Eleventh AGM of the Company on 29th September, 2017 and communicated to BSE Limited and National Stock Exchange of India Limited where the shares of the Company are listed.

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

Item No. 5

Mr. Sundaram Rajagopal (DIN: 01951392) was appointed as an Additional Director (Independent) of the Company with effect from December 9, 2016 by the Board of Directors in terms of Section 161(1) of the Companies Act, 2013. Mr. Sundaram Rajagopal holds office upto the date of this Annual General Meeting but is eligible for the appointment as an Independent Director for a term upto five years. The Company has received notice under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of an Independent Director. The Nomination & Remuneration Committee of the Board of Directors has recommended his appointment after evaluation of his credentials and experience and his past association with the Company.

Mr. Sundaram Rajagopal, aged 50 years holds a degree of B S in Civil Engineering from University of Texas, USA and M S in Structural Engineering from University of California at Berkeley (USA) and also MBA degree with Distinction from Harvard Business School. Mr. Sundaram Rajagopal has over 20 years of Real Estate experience and was responsible for design and management of over thirty buildings and infrastructure projects. He was also Senior Partner and CEO of APA Investments. Prior to this, he was a Managing Director responsible for Asia including India for Starwood Capital Group and CEO Real Estate of private equity, Greenwich, CT. He is associated with Sundaram Architects Pvt. Ltd., Bangalore. He has also served as Nominee Director of Private Equity Investor earlier from 20th June, 2007 to 30th October, 2010 in D B Realty Limited and was Independent Director from 01st November, 2010 to 20th March, 2011. Brief profile of Mr. Sundaram Rajagopal is given in the Corporate Governance Report.

Mr. Sundaram Rajagopal has given a declaration to the Board that he meets the criteria of Independence as provided under section 149 (6) of the Companies Act, 2013 and the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for appointment as Independent Director of the Company. In terms of Section 149 (10) read with 149 (11) of the Companies Act, 2013, your Directors recommend his appointment as Independent Director for a term of 5 (five) years till 8th December, 2021, commencing from 9th December, 2016. Details of Mr. Sudaram Rajagopal are given in the annexure.

A copy of the draft Letter of Appointment for Independent Directors, setting out terms and conditions of appointment of Independent Directors is available for inspection at the Registered Office of the Company during business hours on any working day of the Company

Except Mr. Sundaram Rajagopal, 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 statement may be regarded as appropriate disclosure under the Listing Regulations.

Item No. 6

The Board of Directors of the Company ("the Board") at the meeting held on August 14, 2017 has reappointed Mr. Vinod Goenka,

Managing Director whose current term of appointment for five years would expire on August 31, 2017, for a further term of 5 years commencing from September 1, 2017 and ending on August 31, 2022, subject to the approval of the members, on the same terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee. It is proposed to seek the members approval for the reappointment and the remuneration payable to Mr. Vinod Goenka as Executive Chairman cum Managing Director as per applicable provisions of the Companies Act, 2013.

Broad particulars of the terms of appointment and remuneration payable to Mr. Vinod Goenka:

Remuneration:

₹ 10,00,000/- per month

Perquisites:

- i) Chauffeur driven car, operational and maintenance costs to be borne by the Company.
- ii) Rental and other charges of the Telephone installed at his residence.
- iii) Medical reimbursement for himself and family, subject to the condition that cost to the Company shall not exceed one month salary in a year or five months salary in a block of five years.
- iv) Leave with full pay and allowance not exceeding one month leave for each completed year of service and encashment of accumulated leave at the end of the tenure.
- v) Leave travel allowance for self and family every year as per Rules of the Company.
- vi) Gratuity not to exceed half month's salary for each completed year of service and
- vii) Annual Subscription for membership of any one club.

In case Company is having no profits or inadequate profit, then minimum remuneration payable to Mr. Vinod Goenka, Executive Chairman cum Managing Director is / shall be with the approval of Central Government as per Part II of Section II of Schedule V of Companies Act, 2013. Accordingly, the Company has not paid any remuneration for the financial years commencing from 1st April 2014 onwards.

The terms and conditions of his reappointment for a period of 5 years w.e.f. 01.9.2017 upto 31.8.2022 are fixed by the Board of Directors as per the recommendation of Nomination and Remuneration Committee.

Mr. Vinod Goenka shall be responsible for business development, business strategy and overall management of the affairs of the Company and such other functions as may be assigned to him by the Board of Directors.

Except Mr. Vinod Goenka, being an appointee, Ms. Sunita Goenka, Director (sister) and Mr. Jayvardhan Goenka, Director (Son) and his other relatives, 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.

Item No. 7

The Board of Directors of the Company ("the Board") at the meeting held on December 9, 2016 has reappointed Mr. Shahid Balwa, Managing Director whose previous term of appointment for five years expired on December 9, 2016, for a further term of 5 years commencing from December 10, 2016 and ending on December 9, 2021, subject to the approval of the members, on the same terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee. It is proposed to seek the members' approval for the reappointment and the remuneration payable to Mr. Shahid Balwa as Executive Vice Chairman cum Managing Director as per applicable provisions of the Companies Act, 2013.

Broad particulars of the terms of appointment and remuneration payable to Mr. Shahid Balwa:

Remuneration:

₹ 10,00,000/- per month

Perquisites:

- i) Chauffeur driven car, operational and maintenance costs to be borne by the Company.
- ii) Rental and other charges of the Telephone installed at his residence.
- iii) Medical reimbursement for himself and family, subject to the condition that cost to the Company shall not exceed one month salary in a year or five months salary in a block of five years.
- iv) Leave with full pay and allowance not exceeding one month leave for each completed year of service and encashment of accumulated leave at the end of the tenure.

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

- v) Leave travel allowance for self and family every year as per Rules of the Company.
- vi) Gratuity not to exceed half month's salary for each completed year of service and
- vii) Annual Subscription for membership of any one club.

In case Company is having no profits or inadequate profit, then minimum remuneration payable to Mr. Shahid Balwa, Managing Director is / shall be with the approval of Central Government as per Part II of Section II of Schedule V of Companies Act, 2013. Accordingly, the Company has not paid any remuneration for the financial years commencing from 1st April 2014 onwards.

The terms and conditions of his reappointment for a period of 5 years w.e.f. 10.12.2016 upto 09.12.2021 are fixed by the Board of Directors as per the recommendation of Nomination and Remuneration Committee.

Mr. Shahid Balwa is responsible for day to day management of the operations and affairs of the Company and such other functions as may be assigned to him by the Board of Directors.

Except Mr. Shahid Balwa, being an appointee, Mr. Salim Balwa Director (brother) and his other relatives 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.

Item No. 8

1. Marine Drive Hospitality & Realty Pvt. Ltd:

Marine Drive Hospitality & Realty Pvt Ltd (MDHRPL), a Company in which your Company has considerable economic interest is in the process of executing a project known as Ocean Tower in Marine Lines, Mumbai in residential segment, along with another Development Partner. The Project is proposed to be financed by ECL Finance Ltd upto ₹ 750 crores which is under process and will be secured primarily by charge on the project land and building (present and future), hypothecation and escrow of Receivables and also the personal guarantees of the promoters, the pledge of shares held in MDHRPL by your Company and others upto 74.36% and 67.68% of the total equity and preference capital respectively.

The pledge of shares held by your Company in MDHRPL in which your Company has also economic interest along with the stake of your Promoter Directors and their relatives, as security for the loan to be availed by them is considered as related party transaction and hence approval of the members is sought for the said transaction. Your Directors recommend the resolution for acceptance. The Audit Committee and the Board of Directors in their meetings held on August 14, 2017 have approved the proposal, in principle, subject to the approval of the members for the same.

Your Directors (other than the Independent Directors) and their relatives (to the extent of their shareholding interest in the Company and also in MDHRPL) may be deemed to be concerned or interested in the said transaction and the related parties shall abstain themselves from voting on this item.

2. Bamboo Hotel and Global Centre (Delhi) Pvt. Ltd:

Bamboo Hotel and Global Centre (Delhi) Pvt. Ltd (BHGCDDL) (Formerly Heaven Star Hotels (Delhi) Pvt Ltd), a wholly owned subsidiary company of Marine Drive Hospitality & Realty Pvt Ltd, by its direct shareholding and through another subsidiary, was sanctioned a loan of ₹ 275 crores by Reliance Capital Limited, vide its letter dated January 18, 2016. The said Company is developing a Hotel project and convention centre at International Airport Complex, New Delhi. Your Company and its Promoter Directors and their relatives have considerable economic interest in the holding Company of BHGCDDL. The said loan is repayable at the end of 24 months with a bullet payment, with interest @ 18% payable monthly. Your Company has provided Corporate Guarantee for the above loan for which the members, by a resolution passed through postal ballot on April 13, 2016 have given their consent. Subsequently, the said BHGCDDL has availed a fresh loan of ₹ 70 crores before March 31, 2017, from Reliance Home Finance Limited on the same terms as to rate of interest and repayment and security viz. pledge of the borrower's entire shares held by its holding company, and the registered mortgage of the borrower's assets at the project site, exclusive charge on the buildings, structures, both present and future receivables, right, title, interest, claims etc., under the project documents, besides the personal guarantees of Mr. Vinod Goenka, Mr. Shahid Balwa, Promoter Directors and the Corporate Guarantee of your Company.

BHGCDDL also proposes to avail loan upto ₹ 55 crores from Reliance Capital Limited and / or any of its group companies, on the same terms as to security, repayment and rate of interest. Your Company is therefore required to provide a Corporate Guarantee for the sum of ₹ 55 crores, which proposal is under process and also ₹ 70 crores which has been already availed by the borrower as stated in the last paragraph. The above transactions of providing Corporate Guarantee in favour of Reliance Capital Ltd / Reliance Home Finance Limited or any lending company in the Group for a total of ₹ 125 crores is a related party transaction and is subject to the approval of the members in terms of the SEBI (LODR) Regulations, 2015. The Audit Committee of the Board and the Board of Directors have approved the above in principle, in their meetings held on August 14, 2017, subject to the approval of the members. Being a Related Party Transaction, your approval is sought for the same. Your Directors recommend the resolution for acceptance.

Your Directors (other than the Independent Directors) and their relatives (to the extent of their shareholding interest in the Company and also in Marine Drive Hospitality & Realty Pvt Ltd) may be deemed to be concerned or interested in the said transaction and the related parties shall abstain themselves from voting on this item.

3. Neelkamal Realtors Tower Pvt. Ltd,

The Company, Neelkamal Realtors Tower Pvt Ltd (NRTPL) a subsidiary company which is executing a project “One Mahalakshmi” (formerly known as “Orchid Heights”) at Jacob Circle, has availed loans from IL&FS Financial Services Ltd, (IFIN) to fulfill the liability of outstanding and overdue rent to be paid to the tenants of the project and refund amounts to certain customers as well as meet pre-operative expenses. The total amounts of such loans availed by the Company as on date is ₹ 110 crores during the period between December 2016 and April 2017. The securities for the said loans include the provision of a Corporate Guarantee by your Company in addition to the Personal Guarantees of the promoters and also the mortgage of 22 units admeasuring 34,231 sq ft carpet area in the project by NKRTPL and also pledge of shares of the Company held by the promoters.

Your Company is required to provide the Corporate Guarantee for ₹ 110 crores in favour of IFIN for the loans already availed. NKRTPL is also proposing to avail upto ₹150 crores for the same purposes inclusive of the already borrowed amount of ₹110 crores. In terms of the SEBI (LODR) Regulations, 2015, the provision of Corporate Guarantee for a loan obtained by a subsidiary company is a related party transaction and hence shareholders' approval is now sought for such creation of security by way of Corporate Guarantee in favour of the lender, for a sum of upto ₹ 150 crores, including the proposed borrowing, if any. The Audit Committee and the Board of Directors have in their meetings held on August 14, 2017, have approved in principle the provision of Corporate Guarantee for a total borrowing of ₹ 150 crores inclusive of ₹ 110 crores already borrowed by the said NKRTPL, subject to the approval of the shareholders.

Your Directors (other than the Independent Directors) and their relatives (to the extent of their shareholding interest in the Company) may be deemed to be concerned or interested in the said transaction and the related parties shall abstain themselves from voting on this item.

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

(S.A.K Narayanan)
Company Secretary

August 14, 2017

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: investors@dbg.co.in
Web Site: www.dbrealty.co.in

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

Annexure :

Details of Directors retiring by rotation / proposed for re-appointment at the forthcoming Annual General Meeting

Ms. Sunita Goenka

Date of Birth	28/01/1962
Age	55 years
Date of appointment on the Board	30/03/2015
Qualification	Graduate
Expertise in specific functional areas	Construction / Operation
Terms and conditions of appointment	As per resolution passed by the shareholders at the Annual General Meeting held on 26 th September, 2015, Ms. Sunita Goenka was appointed as non executive Director subject to retirement by rotation.
Remuneration sought to be paid	Nil (other than Sitting Fees)
Remuneration last drawn	Nil (Except Sitting Fees)
Brief Biography	Ms. Sunita Goenka, is a Non Executive & Non -Independent Director of our Company. She has been on the Board of our Company since March 30, 2015. She hails from promoter family and is the sister of Mr. Vinod K. Goenka. She has more than a decade of experience in Management of Educational institutions and also construction industry in the family business. She is in charge of construction/ operation of the family business of Dynamix Group.
List of other Companies in which she holds Directorship as on 31/03/2017	<ol style="list-style-type: none">1. Conwood Agencies Pvt. Ltd.2. Hiracon Properties Pvt. Ltd.3. Dynamix Clubs & Resorts Pvt. Ltd.4. Excon Developers Pvt. Ltd.5. The Crescent Iron and Steel Corporation Ltd.6. Hillside Constructions Company Pvt. Ltd.7. Goan Real Estate and Construction Pvt. Ltd.8. Aniline Construction Company Pvt. Ltd.9. Astalakshmi Financial and Investment Services Pvt. Ltd.10. Consort Hotels Pvt. Ltd.11. Dense Wood Pvt. Ltd.12. Modern Hi-tech Developers Pvt. Ltd.13. Maldunge Farming and Agro Produce Pvt. Ltd.14. Maldunge Retreat and Farming Pvt. Ltd.15. Sahapur Plantations and Orchard Pvt. Ltd.16. Kalpataru Plaza Pvt. Ltd.17. Sahyadri Agro and Dairy Pvt. Ltd.
Chairman/ member of Committees of the Board of the other companies in which she is a Director (as on 31/03/2017)	Nil
No. of Meetings attended during FY 2016-17	3
Relationship with other Director/s, Manager and Key Managerial Personnel	Ms. Sunita Goenka is sister of Mr. Vinod K. Goenka, Chairman & Managing Director of the Company
Equity Shares held in the Company (as on 31/03/2017)	1669327

Mr. Salim Balwa

Date of Birth	24/11/1972
Age	44 years
Date of appointment on the Board	10/12/2011
Qualification	Under Graduate
Expertise in specific functional areas	Hospitality & Construction
Terms and conditions of appointment	As per resolution passed by the shareholders at the Annual General Meeting held on 22 nd September, 2012, Mr. Salim Balwa was appointed as non executive Director subject to retirement by rotation
Remuneration sought to be paid	Nil (other than Sitting Fees)
Remuneration last drawn	Nil (other than Sitting Fees)
Brief Biography	Mr. Salim Balwa, 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. 10 th December, 2011. He hails from promoter family and is the brother of Mr. Shahid Balwa. He has more than a decade of experience in hospitality and construction industry. He along with Mr. Shahid Balwa led the business foray into hospitality. He is in charge of construction / operation of the family business of hotels.
List of other Companies in which he holds Directorship as on 31/03/2017	<ol style="list-style-type: none"> 1. Glossy Inn Hotels Pvt. Ltd. 2. Success Inn Hotels Pvt. Ltd. 3. Close Hotels Pvt. Ltd. 4. Thanks Inn Hotels Pvt. Ltd. 5. Aassma Realtors Pvt. Ltd. 6. Sunday Inn Hotels Pvt. Ltd. 7. Bed Inn Hotels Pvt. Ltd. 8. UBS Vision Builders Pvt. Ltd. 9. Hotel Balwas Pvt. Ltd. 10. SB Gemini Hotels Pvt. Ltd.
Chairman/ member of Committees of the Board of the other companies in which he is a Director (as on 31/03/2017)	Nil
No.of Meetings attended during FY 2016-17	1
Relationship with other Director/s, Manager and Key Managerial Personnel	Mr. Salim Balwa is brother of Mr. Shahid Balwa, Managing Director of the Company (Promoter Group)
Equity Shares held in the Company (as on 31/03/2017)	74340

Mr. Sundaram Rajagopal

Date of Birth	02/06/1967
Age	50 years
Date of appointment on the Board	09/12/2016
Qualification	Degree of B S in Civil Engineering from University of Texas, U S A and M.S. in Structural Engineering from University of California at Berkeley (U S A) and also M B A Degree with Distinction from Harvard Business School.
Expertise in specific functional areas	Real Estate Experience
Terms and conditions of appointment	Appointed as Independent Director w.e.f. 09.12.2016 subject to members' approval
Remuneration sought to be paid	Nil (other than Sitting Fees)
Remuneration last drawn	Nil (other than Sitting Fees)

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

Brief Biography	Mr. Sundaram Rajagopal is a Non Executive Independent Director of our Company and has been on the Board of our Company since 09.12.2016. He was appointed as an Additional Director (Independent and Non Executive Director) w.e.f. 09.12.2016, to hold office as Additional Director upto the date of the ensuing Annual General Meeting. Mr. Sundaram Rajagopal has over 20 years of Real Estate experience and was responsible for design and management of over thirty buildings and infrastructure projects. He was also Senior Partner and CEO of APA Investments. Prior to this, he was a Managing Director responsible for Asia including India for Starwood Capital Group and CEO Real Estate of private equity, Greenwich, CT. He is associated with Sundaram Architects Private Limited, Bangalore. He has also served as Nominee Director of Private Equity Investor earlier in D B Realty Limited and was Independent Director from 01.11.2010 to 20.03.2011.
List of other Companies in which he holds Directorship as on 31/03/2017	1. Sundaram Architects Pvt. Ltd.
Chairman/ member of Committees of the Board of the other companies in which he is a Director (as on 31/03/2017)	Nil
No. of Meetings attended during FY 2016-17	2
Relationship with other Director/s, Manager and Key Managerial Personnel	Not related
Equity Shares held in the Company (as on 31/03/2017)	Nil

Mr. Vinod K. Goenka

Date of Birth	02/07/1959
Age	58 years
Date of appointment on the Board	08/01/2007
Qualification	Graduate
Expertise in specific functional areas	Construction & Real Estate Business
Terms and conditions of appointment	As approved by the Members in the Annual General Meeting held on 28 th September, 2013
Remuneration sought to be paid	As per existing terms and conditions.
Remuneration last drawn	Nil
Brief Biography	Mr. Vinod K. Goenka is the Chairman cum Managing Director and a Promoter of our Company. He has been on the Board of our Company since Incorporation on January 08, 2007. Mr. Vinod K. Goenka has more than a decade of experience in field of Construction & Real Estate Business. Over the years, Mr. Vinod K. Goenka has acquired expertise in project management and in formulating strategy for development of residential townships and commercial complexes. His involvement as Managing Director has substantially been in respect of business development, business strategy and overall management of the affairs and projects of the Company.

List of other Companies in which he holds Directorship as on 31/03/2017	1. Neelkamal Realtors Suburban Pvt. Ltd. 2. Schreiber Dynamix Dairies Pvt. Ltd. 3. Crystal Granite & Marble Pvt. Ltd. 4. Conwood Pre-Fab Limited 5. Conwood Agencies Pvt. Ltd. 6. Goan Real Estate and Construction Pvt. Ltd. 7. Dynamix Clubs and Resorts Pvt. Ltd. 8. Dense Wood Pvt. Ltd. 9. Hillside Constructions Co. Pvt. Ltd. 10. Eversmile Properties Pvt. Ltd. 11. Siddhivinayak Realities Pvt. Ltd. 12. V S Erectors & Builders Pvt. Ltd. 13. A G Mercantile Pvt. Ltd.
Chairman/ member of Committees of the Board of the other companies in which he is a Director (as on 31/03/2017)	Mr. Vinod K. Goenka is Chairman of Finance & Investment Committee & member in Audit Committee of Neelkamal Realtors Suburban Pvt. Ltd. subsidiary of the Company.
No. of Meetings attended during FY 2016-17	3
Relationship with other Director/s, Manager and Key Managerial Personnel	Mr. Vinod K. Goenka is father of Mr. Jayvardhan Goenka & brother of Ms. Sunita Goenka, Director of the Company (Promoter Group)
Equity Shares held in the Company (as on 31/03/2017)	15364216

Mr. Shahid Balwa

Date of Birth	04/01/1974
Age	43 years
Date of appointment on the Board	10/12/2011
Qualification	Under Graduate
Expertise in specific functional areas	Finance & Projects
Terms and conditions of appointment	As approved by the Members in the Annual General Meeting held on 22 nd September, 2012
Remuneration sought to be paid	As per existing terms and conditions.
Remuneration last drawn	Nil
Brief Biography	Mr. Shahid Balwa is the Vice-Chairman cum Managing Director and a Promoter of our Company. He has been on the Board of our Company since December 10, 2011 and prior to that was Director from January 8, 2007 to February 9, 2011 and Managing Director from September 1, 2007 to February 9, 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, Hilton Hotel, Mumbai. He has contributed to the group's expansion and growth in construction of several buildings and acquisition of properties. His involvement as Managing Director has substantially been in respect of day to day management of the operations and affairs of the company
List of other Companies in which he holds Directorship as on 31/03/2017	1. Perfect Spacecon Pvt. Ltd.
Chairman/ member of Committees of the Board of the other companies in which he is a Director (as on 31/03/2017)	Mr. Shahid U. Balwa is a Member of Audit Committee and Stakeholders Relationship Committee of the Company.
No. of Meetings attended during FY 2016-17	4
Relationship with other Director/s, Manager and Key Managerial Personnel	Mr. Shahid Balwa is brother of Mr. Salim Balwa, Director of the Company (Promoter Group)
Equity Shares held in the Company (as on 31/03/2017)	Nil

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

DIRECTORS' REPORT

To
The Members
D B REALTY LIMITED

Your Directors have pleasure in presenting the 11th Annual Report on the business and operations of the Company along with the audited financial statements for the financial year ended 31st March, 2017.

Financial Highlights

(Amount ₹)

Particulars	Standalone		Consolidated	
	F.Y.2016-17	F.Y.2015-16	F.Y.2016-17	F.Y.2015-16
Revenue from Operations	137,790,940	1,770,350,525	1,366,790,901	2,059,026,506
Other Income	1,250,241,437	765,071,352	1,368,501,845	1,396,008,995
Total Income	1,388,032,377	2,535,421,877	2,735,292,746	3,455,035,501
Expenses				
Operating Expenses	441,611,493	1,081,197,492	2,226,843,489	2,647,419,406
Depreciation and Amortization	50,637,874	50,687,147	107,902,473	143,672,081
Total Expenses	492,249,367	1,131,884,639	2,334,745,962	2,791,091,487
Profit Before Finance Cost and Tax	895,783,010	1,403,537,238	400,546,784	663,944,014
Finance Cost	528,536,621	501,219,550	956,009,803	861,452,461
Profit/ Loss before extraordinary items and tax	367,246,389	902,317,688	(555,463,018)	(197,508,448)
Exceptional Items	-	75,000,000	-	(75,000,000)
Profit/ Loss after extraordinary items and tax	367,246,389	827,317,688	(555,463,018)	(272,508,448)
Share of Profit/ Loss from associates and joint ventures	-	-	58,895,561	80,242,890
Profit Before Tax (PBT)	367,246,389	827,317,688	(496,567,457)	(192,265,558)
Tax Expense	352,977,253	299,702,273	(269,801,826)	(37,307,240)
Profit after Tax (PAT)	14,269,135	527,615,415	(766,369,283)	(229,572,798)
Other Comprehensive Income	(395,300,974)	(129,640,569)	(421,152,588)	(133,911,662)
Total Comprehensive Income/ Loss for the year	(381,031,838)	397,974,846	(1,187,521,871)	(363,484,460)

The financial statements for the year ended 31st March, 2017 are the first, the Company has prepared under Ind AS (Indian Accounting Standards). The financial statements for the year ended 31st March, 2016 have been restated in accordance with Ind AS for comparative information.

Status of Projects of the Company / its subsidiaries

"DB Crown" at Prabhadevi is a residential project offering luxury of amplexness of space and an endless view of the sea. The construction work of the said project is progressing as per revised plans.

"Project Bandra" (now known as "Ten BKC") at Bandra, is having strategic location near Bandra Kurla Complex. It is an iconic residential project that offers variety of spacious residential apartments. The project is spread over 5 acres of land, one of largest integrated residential complex in upscale Bandra east in Mumbai Suburbs. The construction work of the said project, which is being developed in a joint venture with Radius Group, is witnessing impressive progress as per approved plans.

"DB Ozone" at Dahisar is a large residential project and the civil structure work for sale and rental Building has been completed and handing over of possession of the flats for fit outs has commenced.

"DB Heights" at Mahalaxmi is a residential tower offering the luxury of size and space along with an unmatched view of the Arabian Sea as well as the Golf Course. The construction work has commenced as per approved plans.

"DB Skypark" near international airport, Andheri is being developed in through a joint venture on approx. 1.5 acres of land with 6 wings. The project site is at very strategic location and is well connected by way of Metro, road network and railways. The construction work is going on as per approved plans.

The Turf Estate project in Mumbai is awaiting certain approvals and is one of the largest projects of the Company, which will offer substantial revenue potential in future. Project site at Bandra Reclamation, in which your Company has substantial stake through a wholly owned subsidiary company which is a partner in the firm, Om Metal Corporation has been awaiting certain approvals for launching. Further, Project site at Marine Lines being executed through another company viz. Marine Drive Hospitality & Realty Pvt. Ltd., (MDHRPL) in which your Company has considerable economic interest has got its plans approved from competent statutory authority. MDHRPL is developing a residential tower and its WOS developing a Convention Centre and Hotel project at Aerocity near New Delhi International Airport in tie up with a reputed partner.

Audit Report:

The Auditors have qualified their report on certain matters. The details of such qualifications as mentioned in their Report with your Directors' response thereon are as under:

1. Para 4(a) of the Audit Report on the Standalone Financial Statements (SFS) and Consolidated Financial Statements (CFS) read with Note Nos. 62 and 60 of SFS and CFS respectively, refer to Financial Guarantees issued by the Company to banks / financial institutions on behalf of various entities including Subsidiaries, Joint Ventures and other entities, which have not been re-measured, at fair value. Your Directors state that these financial guarantees were issued in terms of the sanction letters by banks/financial institutions which generally also prohibited the Company to charge any commission on giving such guarantees and hence in compliance with the terms of the sanction letters/loan documents, no commission was charged on such financial guarantees which were provided as collateral securities. The notes referred to in the Report are self explanatory.
2. Para 4(b) of the Audit Report on both the SFS and CFS read with Note No. 54 and 49 of SFS and CFS respectively refer to evaluation of provision for impairment for credit losses in the case of loans and advances to certain subsidiaries and an associate, which have incurred losses and have negative net worth. Your Directors state that the Company has economic interests in these entities which are at different stages of execution of the Projects where revenue recognition has not started and the Company is confident of recovering the same. Such loans and advances are towards the costs to be incurred / being incurred by these entities for their projects and to facilitate proper execution and will be repaid in due course.
3. Para 4(c) and (d) of the Audit Report on CFS read with Note Nos. 48B(iv) and 62 of CFS refer to non accounting of the profit/loss by the subsidiary of a firm in which it is partner since the financial statements of the said firm for the F Y 2016-17 have not been made available by the respective firm. Your Directors state these financial would not have any material or significant impact on the CFS of your Company. The said subsidiary company has taken steps with the said firm to get their financial statements for the year and account for its share and also consolidate in the statements for the subsequent period(s).
4. Para 4(e) of the Audit Report on CFS read with Note No. 47(c) refer to non consolidation by the Company of another company and its subsidiaries/associates etc, on the basis of control assumed to be exercised by your Company on the same under the applicable Ind AS 110. Your Directors state that the said Company is not under the control of your Company and is managed by its own independent Board of Directors with a nominee of a strategic investor/financial institution having affirmative and super majority voting on all material transactions and hence control does not vest with the Company through its investments or otherwise. The investments by your Company is also in equity as well as different categories of preference shares of different maturities. Hence, in the opinion of the Management, this is not required to be consolidated. The same is also detailed in Note 2(A)(1.1)(d) in Significant Accounting Judgements, Estimates and Assumptions.

The Statutory Auditors have also drawn attention of the members in their Reports to certain Notes. While the said notes are self explanatory, your Directors offer the following clarifications and further explanations on the same as under:

- (a) Para 6(a) (Note No.53 (b)) of SFS and Para 6(i) [Note No. 47(b)] of CFS refer to no adjustment having been made by the Company in the value of inventory, pending outcome of the matter referred by the Company to Hon. Supreme Court. As detailed in the said Notes, this is in respect of a project under development having a value of ₹ 3,513.39 lacs (forming part of inventory). Pending outcome of the matter, no adjustments have been made in the accounts in this regard.
- (b) Para 6(b) of SFS and Para 6(iv) of CFS (Note Nos.7.2 of SFS and 8.3 of CFS: The Auditors have referred to certain investments made in the Preference Share Capital of an entity for an amount of ₹ 561,38.58 lacs. This relates to investments made by your Company in the Preference Share Capital of Marine Drive Hospitality & Realty Pvt Ltd in the forms of Compulsorily Convertible Cumulative Preference Shares, Redeemable, Optionally Convertible Cumulative Preference Shares and Cumulative Redeemable Convertible 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 hence this investment is considered as strategic and in the long term interests of your Company.
- (c) Para 6(c) of SFS and Para 6(v) of CFS (Note Nos. 9.2 of SFS and Nos. 10.2 & 13.2 of CFS): Attention has been drawn to payments made to several parties towards security deposits of ₹11,381.70 lakhs 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.

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

- (d) Para 6(d) and (h) of SFS and Para 6 (vi) and (vii) of CFS [Note 13(i) and 63 of SFS and Note Nos. 14.1 and 57 of CFS: 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. The said notes are self explanatory.
- (e) Para 6(e) (Note Nos.49 to 53(a)) of SFS and Para 6(iii) [Notes Nos. 46 and 47(a)] of CFS refer to loans/advances and investments in subsidiary/associate company(ies) and there are ongoing litigation in respect of their projects and matters are sub-judice. These notes are self explanatory.
- (f) Para 6(f) of SFS and Para 6 (ix) of CFS (Note No. 54 of SFS and Note No. 49 of CFS) : 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.
- (g) Para 6(g) (Note No. 55) of SFS and Para 6(ii) (Note No. 58) of CFS refer to the fact that the Company was in receipt of Summons from Special Court for Prevention of Money Laundering Act (PMLA), Mumbai as one of the accused in connection with a complaint filed by Enforcement Directorate. The Hon'ble Court has also summoned one of the KMPs of the Company as one of the accused as per the said complaint. The matter in relation to the Company and the KMP involves certain advances given by the Company in ordinary course of its business to another Company which was subsequently refunded upon cancellation of the undertaking. The matter is sub-judice and the Company does not expect any financial liability.
- (h) Para 6(i) (Note No.57) of SFS and Para 6(viii) (Note No. 54) of the CFS: 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 Marine Drive Hospitality & Realty Pvt. Ltd. (Formerly D B Hospitality Private Limited), these relates 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 has taken over the bank balance of ₹ 68.92 Lakhs and has been given ROCCP shares of Marine Drive Hospitality & Realty Pvt. Ltd., in the name of the Company for ₹ 73.67 crores. The attachment order is contested by the company in the Appellate 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.
- (i) Para 6(j) (Note No. 58) of SFS: 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 of 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.
- (j) Para 6(k)(i) and (ii) [Note Nos. 48(A)(iii)(1) and (iii)(2)] of SFS and Para 6 (xii)(a) and (b) [Note Nos. 48 (A)(i)(b) and 48(A)(iii)] of CFS refers to disclosures in the audited financial statements of the firm Dynamix Realty regarding outstanding receivables which is good for recovery and the allegations in the 2G Spectrum case which is sub-judice. These notes are self-explanatory.
- (k) Para 6(l) [Note No.48 (B)(ii)] of SFS and Para 6 (xiii) [Note No. 48(A)(viii)] of CFS refer to an appeal filed by a firm in which Company is a partner against the Order of Airport Authority of India for demolishing certain floors. The said note is self explanatory.
- (l) Para 6(xi) (Note No. 48(B)(xix) of CFS refers to financials of Turf Estate JV, an Association of Persons (AOP), where the Company is one of the two partners. Such financial statements of the AOP are yet to be approved by the other partner, as the proposal to change profit/loss arrangement to area sharing framework in the said AOP is under negotiation with the other partner.
- (m) Para 6(x) of CFS [Note no. 48(B)(xiii) of CFS] refers to the litigation on salt pan land owned by the Company. The note is self explanatory. As stated, the Company will defend its title.
- (n) Para 6(xx) [Note no. 48(A)(vii)] of CFS refer to compensation to occupants and accounting of compensation by one of the joint ventures of the Company, which are self explanatory.
- (o) Para 6(xiv) of CFS [Note no. 48(B)(v)] of CFS] refers to a writ petition filed against the Company and government authorities by Jijamata Nagar Sankalp Co-op. Housing Society and the matter is detailed in the said note. The Company is constantly observing the changes and progress to the Draft DP 2034 and is confident that the Final Plan would remove all the anomalies.
- (p) Para 6(xv) of CFS [Note no. 48(B)(i) of CFS] refers to loan of ₹ 8.14 crores granted by one of the subsidiary to a company, whose debts amount to ₹ 22.67 crores have been acquired from Yes Bank Ltd. Your Directors are of the opinion that the loan outstanding as of year end though subject to confirmation is good for recovery.

- (q) Para 6(xvi) of CFS [Note no. 48(B)(ii) of CFS] refers to certain debts and all the right, title and interest in and to the said debts along with the underlying security interest acquired by one of the subsidiary companies by way of assignment from Yes Bank Ltd. by executing Deed of Assignments. Your Directors believe that the said debts are adequately secured with the underlying security interest (including certain immovable properties) and the same debts are good for recovery though the balances are subject to confirmation.
- (r) Para (xvii) of the CFS [Note no. 48(B)(iii)] of CFS] refers to the status of amounts due to Housing Development Infrastructure Ltd. (HDIL), which is self explanatory.
- (s) Para 6(xviii) of CFS [Note no. 48(A)(vi)] of CFS] refers to status of redemption / non conversion of the Preference Shares (ROCCPS) and Compulsorily Convertible Preference Shares issued by the jointly controlled entity. The matter is under discussion with the shareholders of the said shares and would be acted upon on reaching finality with them.
- (t) Para 6(xix) of CFS [Note no. 48(A)(v) of CFS] refers to the classification of amount of ₹ 23.70 crores advanced by a jointly controlled entity (JCE) to few parties for acquisition of the occupancy rights on its behalf, which would be transferred to the JCE. The said note is self explanatory.
- (u) Para 6(xxi) of the CFS (Note No.48(B)(xx) of CFS) relates to the loan given by a subsidiary company to a related party which the Board is confident of repayment by the said party.
- (v) Para 6(xxii) of CFS (Note No. 48(B)(xxi) of CFS) relates to the advances given by subsidiary company to a related party which is in the process of obtaining approvals and commencing its project and hence as stated therein the subsidiary company will recover the same.
- (w) Para 6(xxiii) of CFS (Note No. 48(B)(xxii) of CFS) relates to the substitution of a corporate guarantee given by a subsidiary company with a sale agreement for flats, the consideration of which would be recovered by the subsidiary company from the borrower on whose behalf, the subsidiary company gave the corporate guarantee to the lenders and subsequently sold the flats. The subsidiary company is confident of recovering the same from the borrowing company.
- (x) Para 6(xxiv) of CFS (Note No. 48(B)(xxiii) of CFS) relates to guarantees and securities provided by a subsidiary company to banks and financial institution on behalf of group companies. As mentioned in the said Note, the management of the subsidiary company does not expect any financial liability arising therefrom, as the financial facilities are secured by sufficient primary securities of the group companies.
- (y) Para 6(xxv) of CFS (Note No. 48(A)(ix) of CFS) relates to project work in progress in an Associate Company where such company is currently under process of resolving the interenal disputes among the partners of the firm viz-a-viz the Development Agreement, for which appeals have been filed. The management of the associate company expects favourable outcome in the matter and accordingly, is of the opinion that the land shall be available to such company for development.
- (z) Para 6(xxvi) of CFS (Note No. 48(B)(xxiv) of CFS) relates to the advances by a subsidiary company for the purchase land and tenancy rights for which agreements would be entered into with the respective land owners / tenants in due course.
- (aa) Para 6 (xxvii) of CFS (Note No. 48(B)(xxv) of CFS)relates to loans advanced by a subsidiary company to a related party which is stated to be good for recovery by them.

Indian Accounting Standards

The Ministry of Corporate Affairs (MCA) notified that the Indian Accounting Standards (Ind AS) are applicable to certain classes of Companies w.e.f April 1, 2016. Ind AS has replaced the existing Indian GAAP prescribed under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. Ind AS is applicable to the Company from April 1, 2016, with a transition date of April 1, 2015 .

The reconciliation and description of the effect of the transition from previous GAAP to Ind AS has been set out in Notes to Accounts in the Standalone and Consolidated Financial Statements.

Dividend

In view of inadequate profits in the year under review and with a view to conserve resources to meet the fund requirements for Company's projects, your Directors have not recommended any payment of dividend for the year 2016-17.

Subsidiaries, Associate Companies and Joint ventures:

During the year under review, the Company namely Horizontal Realty & Aviation Private Limited (HRAPL) has become a 63% subsidiary of Nine Paradise Erectors Private Limited which is a 100% subsidiary of the Company. In other words, HRAPL has become step down subsidiary of the Company with effect from 2nd January, 2017.

The details of Subsidiary/Associate companies are provided in extract of Annual Return (Form No. MGT 9), which forms part of this Directors' Report (Annexure A).

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

The Consolidated financial statements have been prepared in accordance with the provisions of the Companies Act, 2013, applicable Ind AS and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and include the financial information of its subsidiaries/associates and joint venture entities / partnership firms in which your Company holds stake. The audited financial statements of the subsidiary companies will be available for inspection by any member at the registered office of the company and at the Company's website www.dbrealty.co.in. Copies of the audited financial statements of the subsidiaries can be sought by any member by making a written request in this regard.

In accordance with the provisions of Section 129(3) of the Act read with the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of the Company's subsidiaries in Form AOC-1 is attached to the financial statements of the Company. The statement also provides the details of performance and financial positions of each of the subsidiaries.

Management Discussion and Analysis Report:

The Management Discussion and Analysis Report for the year under review as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is presented in a separate section forming part of this Annual Report (Annexure B).

Corporate Governance and Shareholders Information:

In compliance with the Listing Regulations, a separate report on Corporate Governance along with a certificate from the Secretarial Auditors on its compliance, forms an integral part of this report. (Annexure C)

Fixed Deposits

During the year under review, your Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 including any statutory modification(s) or re-enactment(s) for the time being in force.

Directors and Key Managerial Personnel (KMPs)

1. Directors retiring by rotation

In terms of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Salim Balwa and Ms. Sunita Goenka, Directors who are liable to retire by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for reappointment.

2. Appointment of Independent Director

Mr. Sundaram Vidyatheertha Rajagopal (DIN: 01951392) was appointed as Additional Independent Director with effect from 9th December, 2016. He will hold office till the date of the forthcoming Annual General Meeting (AGM) and a notice has been received from a Member proposing the candidature of Mr. Sundaram V Rajagopal for being appointed as an Independent Director of the Company.

As per the provisions of the Companies Act, 2013, Independent Directors have been appointed for a period of five years and shall not be liable to retire by rotation.

3. Independent Directors Statement:

All independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149 of the Companies Act, 2013 and Regulation 16 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and were placed at the Board Meeting held on May 30, 2017.

4. Key Managerial Personnel

Mr. Nagamallesh Gattu resigned as the Chief Financial Officer (Key Managerial Personnel) of the Company with effect from 31st August, 2016. In terms of Section 203 of Companies Act, 2013, the Board has appointed Mr. Anantharam Anil Kumar as the Chief Financial Officer (Key Managerial Personnel) of the Company on recommendation of Nomination and Remuneration Committee with effect from 1st September, 2016. Mr. Vipul Bansal has resigned as Chief Executive Officer with effect from 30th September, 2016. The Board places on record its appreciation for the valuable services rendered by Mr. Nagamallesh Gattu and Mr. Vipul Bansal during their tenure as CFO and CEO respectively of the Company

Mr. Vinod Goenka, Chairman and Managing Director and Mr. Shahid Balwa, Vice Chairman and Managing Director, Mr. Anantharam Anil Kumar, Chief Financial Officer and Mr. S.A.K. Narayanan, Company Secretary of the Company are Key Managerial Personnel's as per the provisions of the Companies Act, 2013.

Performance Evaluation of the Directors, Committee and Board

The performance of the Directors is evaluated on the basis of their contributions at the meetings, strategic inputs for the performance and growth of the Company among others. The Directors have carried out performance evaluation on annual basis of Directors,

Committee and the Board. The Nomination and Remuneration Committee of the Board has laid down the performance evaluation framework under which performance of every Director is evaluated. The framework also provides the manner in which the Directors as a collective unit in the form of Board Committees and the Board function and perform.

Particulars of Loans, Guarantees or Investments

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements. However, the Company, being a company engaged in the business of providing infrastructural facilities is exempt from the applicability of the relevant provisions of the Companies Act, 2013.

Contracts or Arrangements with Related Parties

All related party contracts/arrangements/transactions as specified in Section 188 (1) of the Companies Act, 2013 entered during the financial year were in the ordinary course of the business of the Company and were on arm's length basis. During the year, the Company has not entered into any material contracts/arrangements/transactions as specified in Section 188 (1) of the Companies Act, 2013. There were no materially significant related party transactions entered by the Company with Promoters, Directors, Key Managerial Personnel or other persons which may have a potential conflict with the interest of the Company.

All such Related Party Transaction are periodically placed before the Audit Committee for approval, whenever applicable. The details of the contracts or arrangements with related parties for the financial year under review are given in the notes to the financial statements.

The policy on materiality of Related Party Transaction and also on dealing with Related Party Transaction as approved by the Audit Committee and the Board of Directors is uploaded on the website of the Company and the link for the same is <http://www.dbrealty.co.in.investor.html#policy>.

Internal Financial Control Systems and their Adequacy

The Company has adequate system of internal control to safeguard and protect from loss, unauthorized use or disposal of its assets. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements. The Company continues to ensure proper and adequate systems and procedures commensurate with its size and nature of its business. Your Directors have also appointed a professional firm to examine the adequacy of these controls and the work of designing controls, documenting risks control matrix for each area of business operation and implementation thereof.

During the year under review, no material or serious observation has been received from the Statutory Auditors and the Internal Auditors of the Company on the inefficiency or inadequacy of such controls and the Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate.

Committees of the Board:

The composition of the various committees of the Board of Directors is stated in the Corporate Governance Report annexed to this Report.

Remuneration Policy

The Nomination and Remuneration Policy provides for appropriate composition of Executive, Non-Executive and Independent Directors on the Board of Directors of your Company along with criteria for appointment and remuneration including determination of qualifications, positive attributes, independence of Directors and other matters as provided under sub-section (3) of Section 178 of the Companies Act, 2013. The remuneration paid to the Directors is as per the terms laid out in the Nomination and Remuneration Policy of your Company.

Vigil mechanism:

Pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The policy comprehensively provides an opportunity for any employee/Director of the Bank to raise any issue concerning breaches of law, accounting policies or any act resulting in financial or reputation loss and misuse of office or suspected or actual fraud. The policy provides for a mechanism to report such concerns to the Audit Committee through specified channel. The Vigil Mechanism Policy has been uploaded on the website of the Company at www.dbrealty.co.in.

Risk Management Policy

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

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

Corporate Social Responsibility Committee

As per the provisions of Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) Committee constituted by the Board of Directors exists.

For details of the composition of the Committee, the CSR policy and other relevant details that are required to be disclosed under the provisions of Section 134(3)(o) of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, kindly refer Annexure D thereto, which forms part of this report.

Extracts of Annual Return

Pursuant to sub-section 3(a) of Section 134 and sub-section (3) of Section 92 of the Companies Act 2013, read with Rule 12 of the Companies (Management and Administration) Rules, 2014 the extract of the Annual Return as at March 31, 2017 is annexed and forms part of this report. (Annexure A)

Number of Board Meetings during 2016-17

The Board met four (4) times during the financial year 2016-17 and the details are mentioned in the Corporate Governance Report which is annexed to the Directors Report.

Directors' Responsibility Statement

In terms of provisions of Section 134(5) of the Companies Act, 2013, your Directors confirm that:

- a) In the preparation of the annual accounts for the year ended 31st March, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) 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 as on 31st March, 2017 and of the profit and loss of the Company for the year ended on that date;
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts on a going concern basis.
- e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Familiarization Programs for Independent Directors

The various programs undertaken for familiarizing Independent Directors with the functions and procedures of the Company are disclosed in the Corporate Governance Report, which forms part of this Annual Report

Committees of the Board

The company has five (5) Committees of the Board which have been established as a part of the best corporate governance practices and are in compliance with the requirements of the relevant provisions of applicable laws and statutes. The Bank has following Committees of the Board:

1. Audit Committee
2. Corporate Social Responsibility Committee
3. Nomination and Remuneration Committee
4. Finance and Investment Committee
5. Stakeholders Relationship Committee

Investor Education and Protection Fund (IEPF)

Pursuant to the applicable provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules'), the application money of ₹ 6132/- outstanding in the "Refund Account D B Realty Public Issue" which remained unclaimed for seven consecutive years from the date of issue and due for refund was transferred to Investor Education and Protection Fund on March 4, 2017.

Statutory Auditors

The first year of second term of M/s Haribhakti & Co. LLP, Chartered Accountants consisting of 5 consecutive years as Statutory Auditors shall expire on the conclusion of the ensuing Annual General Meeting of the Company.

It is therefore necessary to re-appoint M/s Haribhakti & Co. LLP, Chartered Accountants (Firm Registration No.103523W), as Statutory Auditor for the second year commencing from the conclusion of the ensuing Annual General Meeting till the conclusion of the 12th AGM to be held in the year 2018. Their continuance of appointment for the financial year 2017-18 is to be ratified by the shareholders in the ensuing Annual General Meeting.

The Company has received a certificate from the above Auditors to the effect that if they are re-appointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

The Company has received a certificate from the said Auditors that they are eligible to hold office as the Auditors of the Company and are not disqualified for being so appointed.

Secretarial Auditors and Secretarial Audit Report

Pursuant to Section 204 of the Companies Act 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 your Company had appointed M/s Vicky Kundaliya & Associates, Practicing Company Secretaries, Mumbai as its Secretarial Auditors to conduct the secretarial audit of the Company for the FY 2016-17. The Company has provided all assistance and facilities to the Secretarial Auditor for conducting their audit. The Report of Secretarial Auditor for the FY 2016-17 is annexed to this report (Annexure E). With regard to observation made in the Secretarial Audit Report on delay in appointment of new Independent Director in place of resigning Independent Director, your Directors have to state that the delay was mainly due to evaluation and selection of a suitable person with adequate expertise in the related areas. With respect to observation on compliance with the provisions of Section 93 of the Companies Act, 2013, the Company shall comply with the same.

Statutory Disclosures

1. Conservation of Energy, Technological Absorption, Foreign Exchange Earnings and Outgo

Your Company is not covered by the schedule of industries which are required to furnish the information pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule (8) of the Companies (Accounts) Rules, 2014

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 2017 (₹)	Fiscal 2016 (₹)
Professional Fees	NIL	NIL

2. Particulars of Employees:

In accordance with the provisions of Section 197 (12) of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of the Managerial Personnel) Rules, 2014, the names and other particulars of the employees are to be set out in the Directors' Report as an addendum. However, in line with the provisions of Section 136 (1) of the Act, the Report and Accounts herein are being sent to all the members excluding the above information. Those interested in obtaining a copy of the said statement may write to the Company Secretary at the Registered Office of the Company. Since no remuneration except sitting fees has been paid to any Director, the ratio of such remuneration to the median employees remuneration has not been stated. During the year no increase in remuneration of any Director or KMP or manager has been effected. The number of permanent employees at the end of the financial year was 86. The remuneration of the KMPs has been commensurate with their performance for the group. The other remuneration details of Directors/KMPs/employees are disclosed in Annexure F to this report.

Other Disclosures:

Your Company has not issued any shares with differential voting rights.

Your Company has not issued any sweat equity shares.

There was no revision in the financial statements.

There were no material changes or commitments affecting the financial position of the Company between the financial year end and date of this report.

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

There were no shares held by trustees for the benefit of employees and hence no disclosure under Rule 16(4) of the Companies (Share Capital and Debentures) Rules, 2014 has been furnished.

The Company has not received any complaints under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

No significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

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,
9th June, 2017

Vinod K. Goenka
Chairman

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2017
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L70200MH2007PLC166818
2.	Registration Date	08/01/2007
3.	Name of the Company	D B Realty Limited
4.	Category/Sub-category of the Company	Public Limited Company, Limited by shares and having share capital
5.	Address of the Registered office & contact details	DB House, Gen. A. K. Vaidya Marg, Goregaon (East), Mumbai 400063 Tel: +91 22 4077 8600, Fax: + 91 22 2842 2444
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Private Limited, C-101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai 400083 Tel: +91 22 49186270 Fax: +91 22 49186060

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the Company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Real Estate Development and Construction	4100	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sl. No.	Name and Address of the Company	CIN / GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Neelkamal Realtors Suburban Pvt. Ltd.	U70100MH2005PTC154506	Subsidiary	66	2(87)
2	Real Gem Buildtech Pvt. Ltd.	U45202MH2009PTC193816	Subsidiary	100	2(87)
3	Neelkamal Shantinagar Properties Pvt. Ltd.	U45200MH2005PTC155150	Subsidiary	100	2(87)
4	Esteem Properties Pvt. Ltd	U99999MH1995PTC086668	Subsidiary	100	2(87)
5	DB View Infracon Pvt. Ltd.	U45202MH2009PTC194183	Subsidiary	100	2(87)
6	MIG (Bandra) Realtors and Builders Pvt. Ltd.	U45200MH2007PTC172150	Subsidiary	100	2(87)
7	Priya Constructions Pvt. Ltd.	U45200MH1986PTC039169	Subsidiary	100	2(87)
8	Goregaon Hotel & Realty Pvt. Ltd.	U55204MH2012PTC232397	Subsidiary	100	2(87)
9	Neelkamal Realtors Tower Pvt. Ltd.	U70100MH2005PTC158322	Subsidiary	54.31	2(87)
10	DB Contractors & Builders Pvt. Ltd.	U45400MH2007PTC171057	Subsidiary	100	2(87)
11	Vanita Infrastructures Pvt. Ltd.	U45202MH2010PTC199461	Subsidiary	100	2(87)
12	N A Estates Pvt. Ltd.	U45200MH1996PTC100412	Subsidiary	100	2(87)
13	Nine Paradise Erectors Pvt. Ltd.	U70102MH2008PTC187276	Subsidiary	100	2(87)
14	Saifee Bucket Factory Pvt. Ltd.	U27100MH1960PTC011822	Subsidiary	100	2(87)
15	DB Man Realty Ltd.	U45400MH2008PLC186121	Subsidiary	91.00	2(87)
16	Royal Netra Constructions Pvt. Ltd.*	U45202MH2009PTC194430	Subsidiary	50.40	2(87)
17	Spacecon Realty Pvt. Ltd.	U45203MH2007PTC176104	Subsidiary	74.00	2(87)
18	Sangam City Township Pvt. Ltd.#	U70101MH1997PTC109824	Associate	26.67	2(6)
19	DB Hi-Sky Constructions Pvt. Ltd.	U45202MH2007PTC175973	Associate	50.00	2(6)

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

Sl. No.	Name and Address of the Company	CIN / GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
20	Mahal Pictures Pvt. Ltd.**	U92100MH1956PTC017616	Associate	33.33	2(6)
21	Shiva Buildcon Pvt. Ltd.***	U45201MH2006PTC165576	Associate	33.75	2(6)
22	Shiva Multitrade Pvt. Ltd.***	U51909MH2006PTC165575	Associate	33.75	2(6)
23	Shiva Realtors Suburban Pvt. Ltd.***	U45201MH2006PTC165577	Associate	33.75	2(6)
24	DB (BKC) Realtors Pvt. Ltd.	U70100MH2006PTC159708	Joint Venture	40.80	2(6)
25	Horizontal Realty & Aviation Pvt. Ltd.	U45100MH2007PTC173394	Step-down Subsidiary	63.00	2(87)

All the companies excepts Sr.No.16, 18, 20, 21, 22 and 23 have their registered office at DB House, Gen. A. K. Vaidya Marg, Goregaon (E), Mumbai – 400 063

* Registered office address: 808, Krushal Commercial Complex, Above Shoppers Stop, G.M. Road, Chembur (West), Mumbai 400 089

Registered office address: ABIL House, 2, Range Hill Corner, Ganeshkhind Road, Pune – 411 007

** Registered Office Address: Kamal Amrohi Studio, Jogeshwari Vikhroli Link Road, Jogeshwari (East), Mumbai 400060

***Registered Office Address: 502, Jai Krishna Complex, Off. New Link Road, Fun Republic Theatre Lane, Andheri (West), Mumbai 400053.

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

Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	47925246	0	47925246	19.70	70951689	0	70951689	29.17	9.47
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	102663078	0	102663078	42.20	80588078	0	80588078	33.13	-9.07
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A)	150588324	0	150588324	61.90	151539767	0	151539767	62.30	0.40
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	887	0	887	0.00	0	0	0	0	0
b) Banks / FI	1595788	0	1595788	0.66	1586948	0	1586948	0.65	-0.01
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	1490538	0	1490538	0.61	1490538	0	1490538	0.61	0.00
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs / FPIs	26860115	0	26860115	11.04	25191597	0	25191597	10.36	-0.68
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	29947328	0	29947328	12.31	28269083	0	28269083	11.62	-0.69
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	7851056	0	7851056	3.23	6353174	0	6353174	2.61	-0.62
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	7165252	1	7165253	2.95	9466039	601	9466640	3.89	0.94

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	12045148	0	12045148	4.95	13094894	0	13094894	5.38	0.43
c) Others (specify)									
Non Resident Indians(Repat)	2053129	0	2053129	0.84	2224134	0	2224134	0.91	0.07
Non Resident Indians(Non Repat)	66483	0	66483	0.03	74980	0	74980	0.03	0
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Members	451457	0	451457	0.19	818240	0	818240	0.34	0.15
Trusts	157500	0	157500	0.06	157500	0	157500	0.06	0
Foreign Bodies - D R (Foreign Companies)	31236112	0	31236112	12.84	30316193	0	30316193	12.46	-0.38
HUF	1696992	0	1696992	0.70	944177	0	944177	0.39	-0.31
Sub-total (B)(2):-	62723129	1	62723130	25.78	63449331	601	63449932	26.08	0.30
Total Public Shareholding (B)= (B)(1)+ (B)(2)	92670457	1	92670458	38.09	91718414	601	91719015	37.70	-0.39
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	243258781	1	243258782	100	243258181	601	243258782	100	0

B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Vinod K. Goenka	15364216	6.32	5.60	15364216	6.32	6.26	0
2	Vinod Goenka HUF	1763463	0.72	0	3087582	1.27	0.16	0.55
3	Aseela Goenka, Sunita Goenka, Alok Agarwal	12000000	4.93	0	12000000	4.93	0	0
4	Aseela Vinod Goenka	6657742	2.74	1.14	14769958	6.07	1.14	3.33
5	Sanjana Vinod Goenka	8750000	3.60	2.88	22382108	9.20	2.88	5.60
6	Sunita Goenka	1669327	0.69	0	1669327	0.69	0	0
7	Shanita Deepak Jain	191081	0.08	0	191081	0.08	0	0
8	Top Notch Buildcon LLP	273207	0.11	0	273207	0.11	0	0
9	Karim Gulamali Morani	399643	0.16	0	399643	0.16	0	0
10	Mohammed Gulamali Morani	380612	0.16	0	380612	0.16	0	0
11	Ali Gulamali Morani	126276	0.05	0	86276	0.04	0	-0.01
12	Shabana Balwa	153090	0.06	0	153090	0.06	0	0
13	Mohammad Salim Balwa	90886	0.04	0	90886	0.04	0	0
14	Wahida Asif Balwa	76445	0.03	0	74445	0.03	0	0
15	Usman Balwa	74445	0.03	0	74445	0.03	0	0
16	Ishaq Balwa	74340	0.03	0	74340	0.03	0	0
17	Mohammed Yusuf Balwa	72340	0.03	0	72340	0.03	0	0
18	Salim Balwa	74340	0.03	0	74340	0.03	0	0
19	Abdul Hafeez Salim Balwa	7000	0.00	0	7000	0.00	0	0.00
20	Neelkamal Tower Construction LLP	102389871	42.09	38.37	80314871	33.02	32.89	-9.07

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

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

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
1	Vinod Goenka HUF Transfer 330676 shares from Neelkamal Tower Construction LLP (promoter group) on 05.07.2016 Acquired 235846 shares on 29.09.2016 to 30.09.2016 from market Acquired 103705 shares on 13.10.2016 from market Acquired 46081 shares on 26.10.2016 from market Acquired 104029 shares during 02.11.2016 to 03.11.2016 from market Acquired 110000 shares on 04.11.2016 from market Acquired 77024 shares on 09.11.2016 from market Acquired 71839 shares on 15.11.2016 from market Acquired 90000 shares on 16.11.2016 from market Acquired 89005 shares during 17.11.2016 to 18.11.2016 from market Acquired 14495 shares on 21.11.2016 from market Acquired 41419 shares on 22.11.2016 from market Acquired 10000 shares on 22.12.2016 from market	17,63,463	0.7249	20,94,139 23,29,985 24,33,690 24,79,771 25,83,800 26,93,800 27,70,824 28,42,663 29,32,663 30,21,668 30,36,163 30,77,582 3087582	0.8609 0.9578 1.0004 1.0194 1.0622 1.1074 1.1390 1.1686 1.2056 1.2422 1.2481 1.2651 1.2692
2	Sanjana Vinod Goenka Transfer 13632108 shares from Neelkamal Tower Construction LLP (promoter group) during 05.07.2016 to 07.07.2016	87,50,000	3.5970	2,23,82,108	9.2009
3	Aseela Vinod Goenka Transfer 8112216 shares from Neelkamal Tower Construction LLP (promoter group) on 05.07.2016	66,57,742	2.7369	1,47,69,958	6.0717
4	Wahida Asif Balwa, Asif Balwa Sold 2000 shares on 04.07.2016 in market	76,445	0.0314	74,445	0.0306
5	Ali Gulamali Morani Sold 20000 shares during 15.04.2016 to 20.06.2016 in market Sold 20000 shares during 01.09.2016 to 15.03.2017 in market	1,26,276	0.0519	1,06,276 86,276	0.0437 0.0355
6	Neelkamal Tower Construction LLP Transfer 330676 shares to Vinod Goenka HUF (promoter group) during 05.07.2016 to 07.07.2016 Transfer 13632108 shares to Sanjana Vinod Goenka (promoter group) during 05.07.2016 to 07.07.2016 Transfer 8112216 shares to Aseela Vinod Goenka (promoter group) during 05.07.2016 to 07.07.2016	10,23,89,871	42.0900	102059195 88427087 8,03,14,871	41.9550 36.3510 33.0162
7	Others Promoter Group where there is no change	3,08,24,527	12.6715	3,08,24,527	12.6715
	At the end of the year	15,05,88,324	61.9046	15,15,39,767	62.2957

D) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
1	Walkinson Investments Limited Sold 34000 shares on 06.05.2016 in market Sold 289931 shares on 09.09.2016 in market Sold 267396 shares on 16.09.2016 in market Sold 225000 shares on 07.10.2016 in market Sold 56092 shares on 14.10.2016 in market Sold 47500 shares on 28.10.2016 in market	1,45,82,650	5.9947	14548650 14258719 13991323 13766323 13710231 13662731	5.9807 5.8615 5.7516 5.6591 5.6361 5.6165
2	IIRF Holdings VI Limited	98,49,462	4.0490	No Change	
3	Bollywood Mauritius Holding	95,93,047	3.9436	No Change	
4	Nomura Singapore Limited	55,64,582	2.2875	No Change	
5	Jhunjhunwala Rekha Rakesh	50,00,000	2.0554	No Change	

6	Alpine Global Premier Properties Fund	49,73,128	1.3866	No Change	
7	East Bridge Capital Master Fund Limited Acquired 4489609 shares on 14.10.2016 from market	Nil	0.0000	4489609	1.8456
8.	Elara Capital PLC A/C Elara Global Funds - Elara Emerging Markets Fund Acquired 50000 shares on 08.04.2016 from market Sold 65000 shares on 03.06.2016 in market Acquired 10000 shares on 06.01.2017 from market	22,58,761	0.9285	2308761 2243761 2253761	0.9491 0.9224 0.9265
9	Alpine International Real Estate Equity Fund	2099872	0.8632	No Change	
10	Nilesh Rameshchandra Pethani	16,64,000	0.6840	No Change	

Shareholding of Directors and Key Managerial Personnel

SN	For Each of the Director and KMP	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	Vinod K. Goenka	15364216	6.3160	15364216	6.3160
2.	Salim Balwa	74340	0.0306	74340	0.0306
3.	Sunita Goenka	1669327	0.6862	1669327	0.6862

V. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding / accrued but not due for payment

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal amount	2,781,167,719	1,353,585,219	Nil	4,134,752,938
ii) Interest due but not paid	49,889,184	54,070,982	Nil	103,960,166
iii) Interest accrued but not due	45,755,610	Nil	Nil	45,755,610
Total (I + ii+ iii)	2,876,812,513	1,407,656,201	Nil	4,284,468,714
Changes in the indebtedness during the financial year				
Addition	954,118,402	825,870,848	Nil	1,779,989,250
Reduction	1,338,937,021	657,367,716	Nil	1,996,304,737
Net Change	(384,818,619)	168,503,132	Nil	(216,315,487)
Indebtedness at the end of the financial year				
i) Principal Amount	2,175,086,418	1,576,159,333	Nil	3,751,245,751
ii) Interest due but not paid	251,896,170	Nil	Nil	251,896,170
iii) Interest accrued but not due	65,011,306	Nil	Nil	65,011,306
Total (I + ii + iii)	2,491,993,894	1,576,159,333	Nil	4,068,153,227

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Vinod K. Goenka (C M D)	Shahid U. Balwa (VCM.D)	
1	Gross salary (₹)	Nil	Nil	Nil
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	Nil	Nil
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil
4	Commission - as % of profit - others, specify...	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil
	Total (A)	Nil	Nil	Nil
	Ceiling as per the Act	Minimum Remuneration as per Schedule V of Companies Act, 2013 N.A. (due to loss in the current year)		

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors						Total Amount
		Mahesh Gandhi	Jagat Killawala	Janak Desai	N.M. Rafique	Om Prakash Agrawal	Sundaram Rajagopal	
1	Independent Directors							
	Fee for attending board committee meetings	3,40,000	2,40,000	60,000	2,00,000	40,000	40,000	9,20,000
	Commission	Nil	Nil	Nil	Nil	Nil	Nil	
	Others, please specify	Nil	Nil	Nil	Nil	Nil	Nil	
	Total (1)	3,40,000	2,40,000	60,000	2,00,000	40,000	40,000	9,20,000
2	Other Non-Executive Directors	Jayvardhan Goenka	Salim Balwa	Sunita Goenka				
	Fee for attending board committee meetings	20,000	20,000	60,000				1,00,000
	Commission	Nil	Nil	Nil				
	Others, please specify	Nil	Nil	Nil				
	Total (2)	20,000	20,000	60,000				1,00,000
	Total (B)=(1+2)							10,20,000
	Total Managerial Remuneration							10,20,000
	Overall Ceiling as per the Act							N.A.(due to loss in the current year)

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

SN	Particulars of Remuneration	Key Managerial Personnel				Total
		CEO up to September, 2016	CS	CFO up to August, 2016	CFO w.e.f. September, 2016	
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,72,89,018	46,48,252	27,77,100	70,91,545	3,18,05,915
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil	Nil	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil	Nil	0
2	Stock Option	Nil	Nil	Nil	Nil	0
3	Sweat Equity	Nil	Nil	Nil	Nil	0
4	Commission					
	- as % of profit	Nil	Nil	Nil	Nil	0
	others, specify...	Nil	Nil	Nil	Nil	0
5	Others, please specify	Nil	Nil	Nil	Nil	0
	Total	1,72,89,018	46,48,252	27,77,100	70,91,545	3,18,05,915

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / Court]	Appeal made, if any (give details)
A. COMPANY					
Penalty	Nil	N A	N A	N A	N A
Punishment	Nil	N A	N A	N A	N A
Compounding	Nil	N A	N A	N A	N A
B. DIRECTORS					
Penalty	Nil	N A	N A	N A	N A
Punishment	Nil	N A	N A	N A	N A
Compounding	Nil	N A	N A	N A	N A
C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil	N A	N A	N A	N A
Punishment	Nil	N A	N A	N A	N A
Compounding	Nil	N A	N A	N A	N A

On behalf of the Board of Directors
For D B Realty Limited

Date: 9th June, 2017
Place: Mumbai

Vinod K. Goenka
Chairman & Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS**ECONOMIC REVIEW****Global Economy**

According to The International Monetary Fund (IMF) update, the global economic activity is expecting a pick up after a long-awaited cyclical recovery in manufacturing and trade. The global output growth is estimated at about 3 percent, which remained unchanged in the first two quarters of the year. This stable average growth rate, however, masquerade different divergent developments in different country groups.

The world economy gained speed in the fourth quarter of 2016 and momentum is expected to continue. The world growth is estimated 3.5% in 2017 and 3.6% in 2018 as against 3.1% of 2016. Activity is projected to pick up in emerging market and developing economies. Among advanced economies, projected growth has been revised upward in United States, reflecting the assumed fiscal policy easing and an uptick in confidence, especially after the November elections, which, if it persists, will reinforce the cyclical momentum. The outlook has also improved for Europe and Japan based on a cyclical recovery in global manufacturing and trade that started in the second half of 2016.

Advanced economies are now projected to grow by 1.9 percent in 2017 and 2.0 percent in 2018. However, this forecast is particularly uncertain in light of potential changes in the policy stance of the United States under the new administration. As per first Bi-monthly Monetary statement, 2017-18, of Reserve Bank of India, India is projected to grow at 7.4 percent as compared to 6.7 percent in 2016-17.

Indian Economy

As per World Bank Report, the India's economic growth is expected to see an uptick at 7.2% in FY 2017-18 followed by further acceleration to 7.5% in FY 2018-19 underpinned by a recovery in private investments due to change in investment climate and increased public capex.

With the improvement in the economic scenario, there have been various investments leading to increased M&A activity. M&A activity in India more than doubled year-on-year to reach US\$ 61.26 billion in 2016-17. Early-stage start-ups in India are expected to raise US\$ 800 million in 2017, due to greater focus on profitability and sustainable growth, as per a report by InnoVen Capital.

The Government of India are taking various incentives like Make in India and Digital India to enhance the manufacturing sector of Indian economy. This would attract various multinational companies to set up their facilities in India which would further boost the demand and purchasing power of a consumer, leading to development across various sectors in the country. The Government of India, under the Make in India initiative, is trying to give boost to the contribution made by the manufacturing sector and aims to take it up to 25 per cent of the GDP from the current 17 per cent. Besides, the Government has also come up with Digital India initiative, which focuses on three core components: creation of digital infrastructure, delivering services digitally and to increase the digital literacy.

India continues to be one of the fastest growing large economies despite the slowdown due to the government's decision of demonetization. The Indian economy is on a strong growth trajectory, which coupled with its commitment to fiscal discipline exhibited over the last three years suggests that its deficit and debt ratios are likely to decline significantly going forward.

Real Estate Industry Review

The real estate and construction sector plays a crucial part in the economy. The sector is considered to be the second largest employment generator after agriculture. Its impact on the overall economy has been deepening over the past few years, mainly because of the rising population on the demand side and enhanced government initiatives as an enabler. The real estate sector comprises four sub sectors - housing, retail, hospitality and commercial. The growth of this sector is well complemented by the growth of the corporate environment and the demand for office space as well as urban and semi-urban accommodations.

India's real estate market is expected to reach US\$ 180 billion by 2020 from US\$ 93.8 billion in 2014. Emergence of nuclear families, rapid urbanisation and rising household income are likely to remain the key drivers for growth in all spheres of real estate, including residential, commercial and retail.

The housing sector alone contributes 5-6 per cent to the country's Gross Domestic Product (GDP). The private equity investments in real estate increased 26 per cent to a nine-year high of nearly ₹ 40,000 crore (US\$ 6.01 billion) in 2016.

The Government of India has been supportive to the real estate sector and the Key Policy initiatives undertaken are as under:

1. FDI Policy – 100% FDI is allowed for townships and settlement development projects.
2. Real Estate Regulation Act – To establish a real estate regulatory authority for regulating and promoting the sector

3. Housing for all scheme – 4 crore houses are to be built in rural areas and 2 crore in urban areas by 2022 aggregating to 6 crores houses.
4. Land Acquisition Bill – The ordinance would speed up the process for industrial corridors, social infra, rural infra, housing for the poor and defence capabilities.
5. Widening the scope of real estate market – SEBI released draft guidelines for investments by Real Estate Investment Trusts (REITs) in non – residential segment and Infrastructure Investment Trusts.

Mumbai Real Estate

During 2016-17, overall, the sector showed a sluggish growth. The year being the year of landmark decisions for the real estate industry, the sector saw concerted efforts by the Government to bring in transparency as well as boost customer sentiment in the sector. Except for the brief period of de-monetisation, Mumbai real estate market has shown signs of improvement and increase in off-take of inventory. Further, customers have shown a clear preference to the developers with good track record of timely delivery, quality product and with sound financial stability. In these cases developers have seen regular demand throughout 2016-17.

COMPANY STRENGTHS

The Company 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 key strengths include:

Quality of Execution

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.

Focus on Performance

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.

Highly Qualified Execution Team

The Project management team comprises of international resources reflecting expertise and 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 for a high quality state-of-art construction and delivery of projects. Despite the subdued performance due to de-monetisation of overall sector, the progress on our key business parameters continues at reasonable pace. The Company simultaneously had evolved looking for strategic investment/ joint ventures/tie-ups for various projects with various other real estate developers. During FY 2016-17, Company was able to close on the Joint Development for its project DB Garden situated at Mahajanwadi, Thane and is looking for its various upcoming/ongoing projects.

The project wise development status is as below:

DB Ozone

DB Ozone has been carefully designed to enhance comfort and connectivity for its residents. The project is located in Dahisar adjoining the Western Express Highway, amidst the scenic and tranquil hills of the National Park.

Total units in project: 3,662

Cumulative units sold: 3,334

Total Sales Value: ₹ 9,500 mn, of which ₹ 7,911 mn has been realized.

DB Crown

DB Crown is one of the most distinguished address in South Mumbai. It's designed by the sought after name like Hafeez Contractor works at crafting these living spaces. It has luxury of amplexness of space and an endless view of the sea. It offers to its resident's state of the art amenities and the added luxury of access to a multitude of prominent shopping areas in the vicinity.

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

Total units in project: 708

Cumulative units sold: 291

Total Sales Value: ₹ 13,274 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 space along with an 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: 432

Cumulative units sold: 165

Total Sales Value: ₹ 10,974 mn. There is no revenue recognition from this project as the project is yet to reach the requisite threshold limit.

DB Skypark

DB Skypark situated at the centre of the hospitality district of Mumbai International Airport, is luxury residential project located at Sahar, Andheri. The project is being developed on ~1.5 acres of land with 6 residential wings. The project site is minutes away from a range of hotels, ITC Grand Maratha and Hilton International Airport Hotel and is well connected by way of Metro, road network and railways.

Total units in project: 223

Cumulative units sold: 66

Total Sales Value: ₹ 1231 mn. There is no revenue recognition from this project as the project is yet to reach the requisite threshold limit.

X BKC

The project is placed in the premium business hub of Mumbai with easy connectivity to Santacruz, Chembur Link Road and a few minute drive to Chhatrapati Shivaji International Airport. Ten BKC is an iconic residential address that offers variety of spacious residential apartments ranging from 1 BHK to 6 BHK (Duplex). The project is a 5 acre development with 3 acres of elevated landscaping. It is truly an oasis of convenience, space and luxury with 45,000 sq.ft clubhouse and Sky Gym. This project is being developed in a joint venture with Radius Estates and Developers Private Limited (earlier known as Vishwaroop Estate & Developers Private Limited).

DB Share units in project: 394

Cumulative units sold: 124

Total Sales Value: ₹ 5,693 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 2017 vs. FY 2016 Consolidated Balance Sheet is provided below:

	2017	2016	Increase / (Decrease)	% Increase / (Decrease)
₹ Mn				
EQUITY AND LIABILITIES				
Shareholders Fund				
Share capital	2,433	2,433	0	0%
Reserves and surplus	25,288	26,329	-1,041	-4%
Net worth	27,721	28,762	-1,041	-4%
Non Controlling Interest	-940	-87	-853	-
Non- current liabilities	13,074	13,096	-23	0%
Current liabilities	25,239	18,187	7,052	39%
Total	65,094	59,958	5,135	9%

	2017	2016	Increase / (Decrease)	% Increase / (Decrease)
ASSETS				
Non-current assets	25,522	25,465	57	0%
Current assets	39,571	34,493	5,078	15%
Total	65,094	59,958	5,135	9%

A. Non-Current Liabilities:

	2017	2016	Increase / (Decrease)	% Increase / (Decrease)
Long-term Borrowings	11,118	8,443	2,675	32%
Other Long Term Liabilities	1,918	4,601	-2,683	-58%
Long-term Provisions	38	52	-15	-28%
Total	13,074	13,096	-23	0%

B. Current Liabilities:

	2017	2016	Increase / (Decrease)	% Increase / (Decrease)
Short-term Borrowings	2,622	3,477	-855	-25%
Trade Payables	1,451	1,347	104	8%
Other Current Liabilities	20,680	12,870	7,810	61%
Short-term Provisions	486	493	-7	-1%
Total	25,239	18,187	7,052	39%

C. Non-Current Assets:

	2017	2016	Increase / (Decrease)	% Increase / (Decrease)
Fixed Assets including CWIP	1,127	802	325	41%
Goodwill on Consolidation	3,116	1,925	1,191	62%
Non-current Investments	15,727	15,544	182	1%
Deferred Tax Assets (net)	2,002	2,124	-122	-6%
Long-term Loans and Advances	2,031	3,569	-1,539	-43%
Other Non-current Assets	1,520	1,500	19	1%
Total	25,522	25,465	57	0%

D. Current Assets:

	2017	2016	Increase / (Decrease)	% Increase / (Decrease)
Current Investments	71	72	-1	-1%
Inventories	23,235	21,936	1,299	6%
Trade Receivables	741	578	163	28%
Cash and Bank Balances	117	221	-104	-47%
Short-term Loans and Advances	13,657	9,469	4,187	44%
Other Current Assets	1,751	2,217	-466	-21%
Total	39,571	34,493	10,653	15%

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

2. Profit and Loss analysis:

A comparative table showing synopsis of FY 2017 vs. FY 2016 statement of Profit and Loss is provided below:

	₹ Mn			
	2017	2016	Increase / (Decrease)	% Increase/ (Decrease)
Revenue from Operations	1,354	2,032	-677	-33%
Other Income	1,381	1,424	-43	-3%
Total Revenue	2,735	3,455	-720	-21%
Total Expenses	3,291	3,653	-362	-10%
Profit before tax	-497	-192	-304	-
Share of Profit/(Loss) in Associates	59	80	-21	-27%
Profit after tax	-766	-230	-537	-
Other Comprehensive Income	-421	-134	-287	-
Profit for the period	-1,188	-363	-824	-
Basic and diluted EPS (₹)	-2.55	-0.76	-2	-

A. Revenue from operations:

	2017	2016	Increase / (Decrease)	% Increase/ (Decrease)
Revenue from Projects	223	1,038	-815	-79%
Sale of Transferable Development Rights (TDRs)	62	706	-644	-91%
Trading Sales - Transferable Development Rights (TDRs)	1070	288	-	-
Total	1,354	2,032	-677	-33%

B. Expenses:

	₹ Mn			
	2017	2016	Increase / (Decrease)	% Increase/ (Decrease)
Operating Costs	1,323	1,107	216	19%
Employee Benefits Expenses	198	218	-20	-9%
Finance Costs	956	861	95	11%
Depreciation and Amortization Expenses	108	144	-36	-25%
Exceptional items	0	-75	75	-100%
Prior period items	0	0	0	0%
Other Expenses	706	1,322	-616	-47%
Total	3,291	3,578	-287	-8%

3. Cash Flow analysis:

A comparative table of FY 2017 vs. FY 2016 Cash Flows is provided below:

	₹ Mn	
	2017	2016
Opening Cash and Cash Equivalents	122	54
Net Cash Inflow from Operating activities	4,763	-886
Net Cash Outflow from Investing activities	-5,862	-3769
Net Cash Outflow from Financing activities	1,013	4,723
Closing Cash and Cash Equivalents	36	122

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 M/s JMT & Associates. The Audit Committee and the Board of Directors review the internal audit reports. The statutory audit of the company is conducted by Haribhakti & Co. LLP 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.

D B Realty Ltd implements a culture of continuous improvement, sponsored by top management and supported by technology excellence and innovation. The company has also focused 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

A cyclical downturn combined with demonetization, REITs and the implementation of the Real Estate (Regulation and Development) Act, 2016 and GST has created short term uncertainty in the sector. However 2017 will be a big year for the Indian real estate sector. These same factors will lead to consolidation and improved governance in the sector, which in turn will drive improved consumer confidence. The combination of this improved consumer confidence with far improved affordability that is the result of rising incomes, stagnant prices, and reduced interest rates will propel the sector in a very positive direction over the next several years. The infrastructure status accorded to affordable housing is a game changing move that will open up more institutional sources for developers to raise funds at competitive price supported by steady interest rates. This move will encourage leading developers to enter this segment. We see that Real estate sector will involve into a more mature sector and 2017 to be a transition year for the sector with things starting out slow but seeing a dramatic improvement during the year.

Cautionary Statement:

Ind AS has replaced the previous Indian GAAP prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014. Ind AS is applicable to the Company from April 1, 2016. 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 2016-2017 OF D B REALTY LIMITED

Pursuant to Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), we provide the information of the governance systems and processes of the Company followed for the year ended 31st March, 2017:

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 and its Committees**A] Composition and Category of Directors/Attendance of Meetings/Directorships and Committee Memberships in other Companies as on March 31, 2017**

Your Company has the combination of Executive and Non-Executive Directors in conformity with Regulation 17 of the Listing Regulations.

The present strength of the Board of Directors is 10 out of which 5 (five) are Independent Directors. The Chairman of the Board is an Executive Director and belongs to the Promoter group.

As per the declarations received by the Company from each of the Directors, none of them are disqualified under Section 164(2) of the Companies Act, 2013.

The Independent Directors of the Company are in compliance with the provisions of Regulation 16(1)(b) of the Listing Regulations. Further, disclosures have been made by the Directors regarding their Chairmanships/Memberships of the mandatory Committees of the Board and that the same are within the maximum permissible limit as stipulated under Regulation 26(1) of the Listing Regulations.

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 (Promoter)
3	Mr. Mahesh M. Gandhi	Non-Executive Independent Director w.e.f. 01.11.2010 (appointed w.e.f. 27.09.2014 for a period of five years pursuant to Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules 2014)
4	Mr. Jagat A. Killawala	Non Executive Independent Director w.e.f. 17.05.2011 (appointed w.e.f. 27.09.2014 for a period of five years pursuant to Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules 2014)
5.	Mr. Janak I. Desai	Non Executive Independent Director w.e.f. 17.05.2011 (appointed w.e.f. 27.09.2014 for a period of five years pursuant to Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules 2014)

No.	Name of the Director	Category
6.	Mr. Nasir M. Rafique	Non Executive Independent Director w.e.f. 17.05.2011 (appointed w.e.f. 27.09.2014 for a period of five years pursuant to Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules 2014)
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
9.	Ms. Sunita K. Goenka	Non Executive Non Independent Director (Promoter Group) w.e.f.30.03.2015
10.	Mr. Sundaram Rajagopal	Additional Director, and to be appointed as Independent Director at the ensuing Annual General Meeting of the Company for a period of 5 years w.e.f. 09.12.2016 (Non Executive Independent Director) pursuant to Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules 2014)

The Composition of Board of Directors as on March 31, 2017 and other relevant details are as under:

Name	Category	Attendance Particulars			No. of other Directorships ^(A) and Committee Memberships / Chairmanships including DBRL ^(B)		
		Number of Board Meetings		Last AGM	^^ Other Directorship ^{(C) (D)}	^^ Committee Chairmanship ^(E)	^^ Committee Membership ^(E)
		Held	Attended				
Mr. Vinod K. Goenka	ED** Chairman & Managing Director	4	3	Yes	2	Nil	1
Mr. Shahid U. Balwa	ED** Vice Chairman & Managing Director	4	4	Yes	Nil	Nil	2
Mr. Mahesh M. Gandhi	NE & ID*	4	4	Yes	1	1	1
Mr. Jagat A. Killawala	NE & ID*	4	4	No	4	Nil	5
Mr. Janak I. Desai	NE & ID*	4	2	No	Nil	1	1
Mr. Nasir M Rafique	NE & ID*	4	4	Yes	5	Nil	6
Mr. Salim U. Balwa	NE & NID ¹	4	1	No	1	Nil	Nil
Mr. Jayvardhan V. Goenka	NE & NID ¹	4	1	No	Nil	Nil	Nil
Ms. Sunita K. Goenka	NE & NID ¹	4	3	No	1	Nil	Nil
Mr. Sundaram Rajagopal	NE & ID*	4	2 ^{***}	N.A.	Nil	Nil	Nil
Mr. Omprakash H. Agrawal	NE & ID*	4	1 ^{***}	N.A.	N.A.	N.A.	N.A.

- 1) * Non-Executive & Independent Director
- 2) ** Executive Director
- 3) “ Non Executive and Non Independent
- 4) *** Indicates the number of meetings held and attended after the appointment / before ceasing to be Director.

Notes:

- 1 Excluding separate meetings of Independent Directors, in which non Independent Directors were not eligible to participate.
 - A Directorships in Foreign Companies, Section 8 Companies and Private Limited Companies, Alternate Directorships and membership in governing councils, chambers, other bodies corporate are not included.
 - B Mandatory committees are the committees prescribed under the Listing Regulations i.e. Audit Committee and Stakeholders Relationship Committee of public companies.
 - C Excluding D B Realty Limited.
 - D Private Company which is a subsidiary of public company is considered as a public company.
 - E Including D B Realty Limited

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 as per regulation 26(1).

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

Except Mr. Vinod K. Goenka, Mr. Jayvardhan V. Goenka and Ms. Sunita K. Goenka, who are related to one another and Mr. Shahid Balwa and Mr. Salim Balwa who are related to each other, no other Directors are related to each other in terms of the definition of 'relative' given under Companies Act, 2013. Mr. Jayvardhan V. Goenka is son of Mr. Vinod Goenka and Ms. Sunita Goenka is sister of Mr. Vinod Goenka. Mr. Shahid Balwa and Mr. Salim Balwa are brothers.

None of the Independent Directors has any pecuniary relationship, transaction or association with the Company.

III. No. of Board Meetings and dates of Board Meetings

The Board oversees the entire functioning of the Company and is involved in strategic decision-making on a collective basis.

Your Board meets at least four times a year and the interval between any such two meetings has not been more than one hundred and twenty days. The Company Secretary under the direction of the Chairman and in consultation with Chief Financial Officer prepares the agenda for the meetings along with the notes thereto and circulates it to the Directors, along with the notice of the meeting. During FY 2016-17, meetings of the Board of Directors were held on:

- May 27, 2016
- September 14, 2016
- December 9, 2016
- February 14, 2017

Additionally four Circular Resolutions were also passed on 10.05.2016, 23.05.2016, 04.06.2016 and 11.07.2016.

The Independent Directors hold their informal meetings prior the commencement of Board Meeting and hold brief discussion amongst them on agenda items in which non independent Directors and members of the management were not present. The meeting also discusses matters relating to the performance of the non independent Directors, the Board as a whole and Chairman and also the flow of information to the members of the Board.

IV. Procedure of Board/ Committee Meeting

The Notices of the Board and Committee Meetings are circulated to the Directors/Committee Members about 10-15 days in advance through electronic means. The agenda of the Meetings with all relevant papers and notes on the items are circulated seven days in advance through electronic means to the Directors/ Committee Members to enable them to have discussion and take informed decisions.

V. Shareholding of Directors in the Company as on March 31, 2017

Name	Number of Equity Shares	% of total paid up share capital
Mr. Vinod K. Goenka	15364216	6.32
Mr. Shahid U. Balwa	0	0
Mr. Mahesh M. Gandhi	0	0
Mr. Jagat A. Killawala	0	0
Mr. Janak I. Desai	0	0
Mr. Nasir M. Rafique	0	0
Mr. Salim U. Balwa	74340	0.03
Mr. Jayvardhan V. Goenka	0	0
Ms. Sunita K. Goenka	1669327	0.69
Mr. Sundaram Rajagopal	0	0

The Company has not issued any convertible securities.

VI. Familiarization Programme for Independent Directors

The Independent Directors are familiarized, inter alia, with the Company, their rights, roles and responsibilities, the nature of the industry and the business model of the Company. The details of the same can be accessed at http://www.dbrealty.co.in/pdfs/Familiarisation_Programme.pdf.

VII. Subsidiary Monitoring Mechanism

The Company has no material non-listed subsidiary company as on 31st March, 2017 within the meaning of Listing Regulations.

The performance and management of the Subsidiary Companies is monitored inter alia by the following means:

- a) 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.

- b) A statement containing all significant transactions and arrangements entered into by the unlisted subsidiary company is placed before the Board for its review.
- c) The minutes of the Board of Directors of the Subsidiary Companies are placed and circulated as part of the agenda papers periodically to the Directors.
- d) The policy on Material Subsidiaries has been framed and displayed on the Company's website http://www.dbrealty.co.in/pdfs/DBRL_Policy%20on%20Material%20Subsidiaries.pdf .
- e) The policy of dealing with Related Party has been framed and displayed on the Company's website at http://www.dbrealty.co.in/pdfs/DBRL_Policy%20of%20Related%20Party%20Transaction.pdf

Disclosures on materially significant related party transactions, i.e. the Company's transactions that are of material nature, with its Promoters Directors and the management, their relatives or subsidiaries, among others that may have potential conflict with the Company's interests at large.

During the period under review, the Company has entered into material transaction with its related parties as mentioned in Form AOC-2 attached with the Directors Report. Except this, the Company had not entered into any material transaction with any of its related parties, excepting transactions in the ordinary course of business of the nature of project advances / loans to subsidiaries / associates given / taken and the guarantees / mortgages / charges on behalf of such entities and premises taken on leave and license basis for the Company. Attention of members is drawn to the disclosure of transactions with related parties as set out in Notes to the Standalone Financial Statements, forming part of Annual Report.

None of the transactions with any of related parties were in conflict with the Company's interest. Attention of members is drawn to the disclosure of transactions with related parties.

The Company's major related party transactions are generally with its subsidiaries and associates. The related party transactions are entered into based on consideration of various business exigencies, such as synergy in operations, sectoral specialization and the Company's long – term strategy for sectoral investments, optimization of market share, profitability, legal requirements, liquidity and capital resources of subsidiaries and associates.

The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. The Company has a vigil mechanism and Whistle blower policy under which the employees are free to report violation of applicable laws and regulations and the Code of Conduct. The reportable matters shall be investigated under the supervision of the Audit Committee. Employees may also report to the Chairman of the Audit Committee. The Chairman of the Audit Committee shall recommend to the Board of Directors to take corrective/ disciplinary action. During the year under review, no employee was denied access to the Audit Committee

VIII. Audit Committee

The composition of the Audit Committee as on March 31, 2017 is as under :

Name of Member	Category
Mr. Mahesh M. Gandhi (Chairman)	Non-Executive Independent Director
Mr. Shahid U. Balwa	Executive Director
Mr. Nasir M. Rafique	Non-Executive Independent Director
Mr. Omprakash H. Agrawal (ceased to be Member w.e.f. May 27, 2016)	Non-Executive Independent Director

The Chief Financial Officer, Internal Auditor and the Statutory Auditors are invitees to the relevant meetings of the Audit Committees in respect of businesses related to them.

During the year under review, the Audit Committee met five times on:

- May 27, 2016
- August 20, 2016
- September 14, 2016
- December 9, 2016
- February 14, 2017

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

The attendance of members of Audit Committee at the committee meetings during the year ended March 31, 2017 is as under:

Name of Member	Audit Committee Meetings	
	Held	Attended
Mr. Mahesh M. Gandhi	5	5
Mr. Shahid U. Balwa	5	5
Mr. Nasir. M. Rafique	5	5
Mr. Omprakash H. Agrawal*	1*	1

* Ceased to be member of Audit Committee w.e.f. closing of business on May 27, 2016, on resignation as Director and also member of the Committee.

The Audit Committee met five times in a year and the time interval between any two Audit Committee meetings was not more than 120 days.

The terms of reference and powers of the Audit Committee are in accordance with the requirements of Regulation 18 read with Part C of Schedule II of the Listing Regulations and Section 177 of the Companies Act, 2013 and includes overseeing the Company's financial reporting process, internal financial control, reviewing with the management the adequacy of the internal audit function, recommending the appointment/ reappointment of statutory auditor, cost auditor and internal auditor and recommending/fixation of audit fees, reviewing the significant internal audit findings, related party transactions, reviewing the Management Discussions and Analysis of financial condition and results of operations, scrutiny of inter-corporate loans and investments.

The Committee discusses with the auditors their audit methodology, audit planning and significant observations/ suggestions made by them and management responses and action taken by them.

IX. Nomination and Remuneration Committee

The composition of this Committee as on March 31, 2017 is as under:

Name of Member	Category
Mr. Mahesh M. Gandhi (Chairman)	Non-Executive Independent Director
Mr. Jagat A. Killawala	Non-Executive Independent Director
Mr. Janak I. Desai	Non-Executive Independent Director

During the year under review, the Committee meeting was held twice on August 22, 2016 & December 09, 2016.

The attendance of members of Nomination and Remuneration Committee at the committee meeting during the year ended March 31, 2017 is as under:

Name of Member	Nomination & Remuneration Committee meetings	
	Held	Attended
Mr. Mahesh M. Gandhi	2	2
Mr. Jagat A. Killawala	2	2
Mr. Janak I. Desai	2	1

The terms of reference and power of the Nomination and Remuneration Committee is in accordance with the requirements of Regulation 19 read with Part D of Schedule II of Listing Regulations and Section 178 of the Companies Act, 2013.

The role of the Committee, inter alia, is to approve/ recommend the remuneration/ packages of the Executive and Non-Executive Directors and of Senior Management Personnel and to lay down the criteria for performance evaluation of Board of Directors as a whole, individual directors and the committees of the Board. Under the said performance evaluation framework, the Committee has identified the criteria upon which every Director shall be evaluated. The Policy also provides the manner in which the Directors, as a collective unit in the form of Board Committees and the Board function and perform.

X. Stakeholders Relationship Committee

The composition of this Committee as on March 31, 2017 is as under:

Name of Member	Category
Mr. Janak I. Desai (Chairman)	Non-Executive Independent Director
Mr. Jagat A. Killawala	Non-Executive Independent Director
Mr. Shahid U. Balwa	Executive Director

Mr. S.A.K. Narayanan, the Company Secretary is the Compliance Officer under the Listing Regulations.

During the year under review, the Committee meeting was held once on February 14, 2017.

The attendance of members of Stakeholders Relationship Committee at the committee meetings during the year ended March 31, 2017 is as under:

Name of Member	Stakeholders Relationship Committee meetings	
	Held	Attended
Mr. Janak I. Desai	1	0
Mr. Jagat A. Killawala	1	1
Mr. Shahid U. Balwa	1	1

The Committee has been constituted to specifically look into the matter of the redressal of stakeholder's, security holders and investor's complaints and grievances, including but not limited, those relating to 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 Stakeholders Relationship 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 details of shareholder's complaints received and disposed off during the year under review are as under:

Number of Investor Complaints	
• Pending at the beginning of the financial year	NIL
• Received during the financial year	1
• Disposed off during the financial year	1
• Pending at the end of the financial year	NIL

XI. Corporate Social Responsibility Committee

The composition of this Committee as on March 31, 2017 is as under:

Name of Member	Category
Mr. Mahesh M. Gandhi (Chairman)	Non-Executive Independent Director
Mr. Jayvardhan V. Goenka	Non-Executive Non-Independent Director
Mr. Nasir. M. Rafique	Non-Executive Independent Director

During the year under review, the Committee meeting was held once on February 14, 2017.

The attendance of members of the Committee at the committee meetings during the year ended March 31, 2017 is as under:

Name of the Member	CSR Committee meetings	
	Held	Attended
Mr. Mahesh M. Gandhi	1	1
Mr. Jayvardhan V. Goenka	1	0
Mr. Nasir M. Rafique	1	1

The role of the Committee is to formulate and recommend to the Board a Corporate Social Responsibility Policy, recommend the amount of yearly CSR expenditure and also monitor the implementation and functioning of Corporate Social Responsibility Policy.

XII. Finance & Investment Committee

The composition of this Committee as on March 31, 2017 is as under:

Name of Member	Category
Mr. Vinod K. Goenka (Chairman)	Executive Director
Mr. Mahesh M. Gandhi	Non-Executive Independent Director
Mr. Jagat A. Killawala	Non-Executive Independent Director

During the year under review, this Committee met five times on:

- May 02, 2016
- July 01, 2016

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

- August 20, 2016
- January 25, 2017
- March 27, 2017

The attendance of members of the Committee at the committee meetings during the year ended March 31, 2017 is as under:

Name of the Member	Finance/Investment Committee meetings	
	Held	Attended
Mr. Vinod K. Goenka (Chairman)	5	3
Mr. Mahesh M. Gandhi	5	5
Mr. Jagat A. Killawala	5	5

Directors' Appointment, Tenure and Remuneration

In terms of Section 152 read with Section 149(13) of the Companies Act, 2013, Ms. Sunita Goenka & Mr. Salim Balwa, Directors are liable to retire by rotation. The said Directors have offered themselves for reappointment and resolutions for their reappointment, are incorporated in the Notice of the ensuing Annual General Meeting. The brief profile and other information as required under Regulation 36(3) of the Listing Regulations relating to Ms. Sunita Goenka and Mr. Salim Balwa appears elsewhere in this Report.

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. No remuneration other than sitting fees for attending the meetings of the Board or committee(s) of the Board was paid during the year to non executive Directors.

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

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.

The details of remuneration of the Executive and Non-Executive Directors for the year ended March 31, 2017 is as follows:

Name of Director	Category	Remuneration paid during 2016-2017		Total (₹)
		Sitting Fees (₹)	Salary & perquisites (₹)	
Mr. Vinod K. Goenka	ED** Managing Director, Chairman	N.A.	Nil	Nil
Mr. Shahid U. Balwa	ED** Vice Chairman & Managing Director	N.A.	Nil	Nil
Mr. Mahesh M. Gandhi	NE & ID*	3,40,000	N.A.	3,40,000
Mr. Jagat A. Killawala	NE & ID*	2,40,000	N.A.	2,40,000
Mr. Janak I. Desai	NE & ID*	60,000	N.A.	60,000
Mr. Nasir M. Rafique	NE & ID*	2,00,000	N.A.	2,00,000
Mr. Salim U. Balwa	NE & NID***	20,000	N.A.	20,000
Mr. Jayvardhan V. Goenka	NE & NID***	20,000	N.A.	20,000
Ms. Sunita K. Goenka	NE & NID***	60,000	N.A.	60,000
Mr. Sundaram Rajagopal	NE & ID*	40,000	N.A.	40,000
Mr. Omprakash H. Agrawal	NE & ID*	40,000	N.A.	40,000

* Non-Executive & Independent Director

** Executive Director

*** Non-Executive & Non-Independent Director

Brief about Remuneration Policy:

The Nomination and 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 Nomination and Remuneration Committee shall have full access to information contained in the records of the Company and external professional advice, if necessary

- a. Evaluation of the performance of the Directors;
- b. To fix and finalise remuneration including salary, perquisites, benefits, bonuses, allowances, etc.;
- c. Fixed and performance linked incentives along with performance criteria;
- d. Increments and Promotions;
- e. Service contracts, notice period, severance fees; and
- f. Ex-gratia payments.

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 SEBI (LODR) Regulations, 2015 as well as the regulations and guidelines of SEBI and other statutory authorities except Regulation 25(6) regarding appointment of new Independent Director in place of resigning Independent Director within prescribed time. However, Company has appointed new Independent Director in place of resigning Independent Director. There were no strictures or penalties imposed on any matter relating to capital markets during the last three years.

Prohibition of Insider Trading

The Company has adopted code of conduct for prohibition of Insider Trading with a view to regulate the trading in Securities by the Directors and designated employees

Establishment of Vigil Mechanism & Whistle Blower Policy

Your Company has a Whistleblower Policy in place. During the year under review no personnel have either approached the Audit Committee or been denied access to the Audit Committee.

The CEO/CFO certification in terms of Regulation 17(8) read with Part B of Schedule II of the Listing Regulations forms part of the Annual Report.

Details of Compliance with mandatory requirements and adoption of the non-mandatory requirements

Your Company has complied with all the mandatory requirements of the Listing Regulations relating to corporate governance. Further, your Company has adopted two non-mandatory corporate governance requirements relating to (i) endeavor to have financial statements with unmodified audit opinion, and (ii) direct reporting of the Internal Auditor to the Audit Committee.

Compliance of requirements of Corporate Governance Report of sub-paras (2) to (10) of Schedule V Part C

The Company has complied with the requirement of Corporate Governance Report of sub-para (2) to (10) of Schedule V part 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 Listing Regulations. 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:

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

Declaration on Code of Conduct

This is to certify that your Company has in place a Code of Conduct applicable to the Board Members as well as the Senior Management Personnel and that the same has been hosted on the Company's website. All the Board Members and the Senior Management Personnel have affirmed compliance with the Code of Conduct for the FY 2016-17.

Mumbai, 9th June, 2017

Vinod K. Goenka
Chairman & Managing Director

Disclosure of compliance with Corporate Governance requirements under Regulation 17 to 27 & Regulation 46(2)(b) to (i)

As on Financial Year ended 31st March, 2017, the Company has complied with all the Regulations except 25 (6) and 21 (1), (2), (3), (4) which are not applicable to the Company.

General Shareholder's Information

1. Details of Directors retiring by rotation

- Ms. Sunita Goenka
- Mr. Salim Balwa

• Ms. Sunita Goenka :

Ms. Sunita Goenka, aged 55 years, is a Non Executive & Non-Independent Director of our Company. She has been on the Board of our Company since March 30, 2015. She hails from promoter family and is the sister of Mr. Vinod Goenka. She has more than a decade of experience in Management of Educational institutions and also construction industry. She is in charge of construction / operation of the family business of Goenka Group. Ms. Sunita Goenka holds 1669327 shares of D B Realty Limited as on 31st March, 2017.

• Mr. Salim Balwa :

Mr. Salim Balwa, aged 44 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 brother of Mr. Shahid Balwa. He has more than a decade of experience in hospitality and construction industry. He along with Mr. Shahid Balwa led the business foray into hospitality. He is in charge of construction / operation of the family business of hotels. Mr. Salim Balwa holds 74340 shares in D B Realty Limited as on 31st March, 2017.

Ms. Sunita Goenka	Mr. Salim Balwa
The details of directorship (other than in DBRL) of Ms. Sunita Goenka are as follows: 1. Conwood Agencies Pvt. Ltd. 2. Hiracon Properties Pvt. Ltd. 3. Dynamix Clubs & Resorts Pvt. Ltd. 4. Excon Developers Pvt. Ltd. 5. The Crescent Iron and Steel Corporation Ltd. 6. Hillside Constructions Company Pvt. Ltd. 7. Goan Real Estate and Construction Pvt. Ltd. 8. Aniline Construction Company Pvt. Ltd. 9. Astalakshmi Financial and Investment Services Pvt. Ltd. 10. Consort Hotels Pvt. Ltd. 11. Dense Wood Pvt. Ltd. 12. Modern Hi-tech Developers Pvt. Ltd. 13. Maldunge Farming and Agro Produce Pvt. Ltd. 14. Maldunge Retreat and Farming Pvt. Ltd. 15. Sahapur Plantations and Orchard Pvt. Ltd. 16. Kalpataru Plaza Pvt. Ltd. 17. Sahyadri Agro and Dairy Pvt. Ltd. Ms. Sunita Goenka does not hold position of Chairmanship or membership of Committees of any other Company	The details of directorship (other than in DBRL) of Mr. Salim Balwa are as follows: 1. Glossy Inn Hotels Pvt. Ltd. 2. Success Inn Hotels Pvt. Ltd. 3. Close Hotels Pvt. Ltd. 4. Thanks Inn Hotels Pvt. Ltd. 5. Aassma Realtors Pvt. Ltd. 6. Sunday Inn Hotels Pvt. Ltd. 7. Bed Inn Hotels Pvt. Ltd. 8. UBS Vision Builders Pvt. Ltd. 9. Hotel Balwas Pvt. Ltd. 10. SB Gemini Hotels Pvt. Ltd. Mr. Salim Balwa does not hold position of Chairmanship or membership of Committees of any other Company

1.1 The following information relates to Mr. Sundaram Rajagopal who has been appointed as Additional Director, and to be appointed as Independent Director at the ensuing Annual General Meeting of the Company for a period of 5 years w.e.f. 09.12.2016 (Non Executive Independent Director)

• **Mr. Sundaram Rajagopal**

Mr. Sundaram Rajagopal, aged 49 years is a Non-Executive Independent Director of our Company and has been on the Board of our Company since 09.12.2016. He was appointed as an Additional Director (independent and Non Executive Director) w.e.f. 09.12.2016, to hold office as Additional Director upto the date of the ensuing Annual General Meeting. He holds a degree of B S in Civil Engineering from University of Texas, USA and M S in Structural Engineering from University of California at Berkeley (USA) and also MBA degree with Distinction from Harvard Business School. Mr. Sundaram Rajagopal has over 20 years of Real Estate experience and was responsible for design and management of over thirty buildings and infrastructure projects. He was also Senior Partner and CEO of APA Investments. Prior to this, he was a Managing Director responsible for Asia including India for Starwood Capital Group and CEO Real Estate of private equity, Greenwich, CT. He is associated with Sundaram Architects Private Limited, Bangalore. He has also served as Nominee Director of Private Equity Investor earlier in D B Realty Limited from 20.06.2007 to 30.10.2010 and was Independent Director from 01st November, 2010 to 20th March, 2011. Mr. Sundaram Rajagopal does not hold any share in D B Realty Limited as on 31.03.2017.

Mr. Sundaram Rajagopal has confirmed his eligibility to be appointed as Independent Director U/s 164(2) of the Companies Act, 2013 and also under the SEBI (LO&DR) Regulations 2015. A resolution for his appointment as Independent Non Executive Director for a period of 5 years upto 08.12.2021 by the members is appearing in the Notice of the Annual General Meeting.

Other Directorship of Mr. Sundaram Rajagopal

1. Mr. Sundaram Rajagopal is a Director of Sundaram Architects Private Limited and does not hold position of Chairmanship or membership of committees of any other Company.

2. General Body Meetings

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

Year & AGM	Location	Date of Meeting	Time
2015- 2016 10 th Annual General Meeting	Lakshdham High School Auditorium, Lakshdham High School, Gokuldham, Goregaon (East), Mumbai 400063	29.09.2016	03.00 P.M
2014- 2015 9 th Annual General Meeting	Lakshdham High School Auditorium, Lakshdham High School, Gokuldham, Goregaon (East), Mumbai 400063	26.09.2015	03.00 P.M
2013- 2014 8 th Annual General Meeting	Lakshdham High School Auditorium, Lakshdham High School, Gokuldham, Goregaon (East), Mumbai 400063	27.09.2014	03.00 P.M

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
2015- 2016 29-09-2016	10 th Annual General Meeting	None
2014- 2015 26-09-2015	9 th Annual General Meeting	None
2013-2014 27-09-2014	8 th Annual General Meeting	1. Introduction of "ESOP Scheme 2014" 2. To extend the benefits of "ESOP Scheme 2014" to the employees of the Company's Subsidiaries or holding company.

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

Special Resolution passed through Postal Ballot during the year (2016-2017):

Date of Passing Resolution	Sr. No	Particulars	Voting Description	No. of Members Participated	No. of Votes	Votes %
13/04/2016	1	Consent pursuant to Section 188 of the Companies Act, 2013 to the extent applicable and Clause 49 of the Listing Agreement and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 read with SEBI Circulars for transactions in respect of Related Parties	Assenting	65	23318139	68.11
			Dissenting	25	10918400	31.89
Total				90	34236539	100

Mr. Vicky M. Kundaliya (FCS no. 7716, COP no. 10989), Practicing Company Secretary was appointed as the Scrutinizer for the purpose who conducted the postal Ballot exercise in the above Postal Ballot.

As on date, the Company does not have any proposal to pass any **special resolution** by way of postal ballot.

3. Company's Means of Communication:

Website	Your Company maintains a website www.dbrealty.co.in , wherein there is dedicated section 'Investors'. The website provides details, inter alia, about the Company, its performance including quarterly financial results, annual reports, press release, unpaid dividend details, if any shareholding pattern, Policies required to be published under SEBI (LODR) Regulations, contact details, etc.
Quarterly/ Annual Financial Results	The Audited / unaudited Financial Results of the Company [quarterly as well as yearly] during the year were published in the Financial Express, English Newspaper and Loksatta, Marathi newspaper, and would normally continue to be published. The results are also uploaded by BSE and NSE on their website www.bseindia.com and www.nseindia.com respectively.
Stock Exchanges	All periodical information, including the statutory filings and disclosures, are filed with BSE and NSE. The filings required to be made under the Listing Regulations, including the Shareholding pattern and Corporate Governance Report for each quarter are also filed on BSE Listing Centre and NSE Electronic Application Processing System (NEAPS) and also displayed on the Company's website.
Investor Servicing	A separate e-mail id investors@dbg.co.in has been designated for the purpose of registering complaints by shareholders or investors.

4. Other Information:

CIN	L70200MH2007PLC166818
Registered Office and Address	DB House, Gen A. K. Vaidya Marg, Goregaon (East), Mumbai- 400 063 Maharashtra
Date, Time and Venue of Annual General Meeting	29 th September, 2017. 3 P.M. at Lakshdham High School Auditorium, Lakshdham High School, Gokuldham, Goregaon (East) Mumbai – 400 063
Financial Year	The Financial Year of the Company starts from April 1, and ends on March 31, of the succeeding year.
Rate of Dividend and dividend declaration date	Dividend Not declared
Listing on Stock Exchanges	The Equity Shares of the Company are listed on BSE and NSE. The BSE Limited, address- Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001 and National Stock Exchange of India Limited address, Exchange Plaza, Bandra Kurla Complex, Bandra (West), Mumbai – 400 051.
Listing fees	The listing fees of BSE and NSE for FY 2017-18 has been paid.
Stock Code	The BSE scrip code of equity shares is 533160 The NSE scrip code of equity shares is DBREALTY
ISIN Number	INE879I01012

Custodian Fees	The custodian fees payable to each of the depositories based on the number of folios as on March 31, 2017 has been paid.
Suspension of trading in securities	There was no suspension of trading in securities of the Company during the year under review.
Registrar and Transfer agents	M/s. Link Intime India Private Limited C 101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai – 400 083, India Tel No: 022 – 4918 6000 Website: www.linkintime.co.in E-mail: rnt.helpdesk@linkintime.co.in
Share Transfer System	For shares held in physical form, all requisite documents for share transfer should be sent to the Registrar and Transfer agents of the Company. The share transfers in physical form will be generally approved within 15 days from the date of receipt subject to all documents being in order. For shares held in dematerialized form, kindly contact your depository participant with whom your demat account is held.
Outstanding GDR's/ ADR's / Warrants/ Convertible Instruments and their Impact on Equity	There are no outstanding GDRs / ADRs / Warrants or any convertible instruments as on 31 st March, 2017, which would have impact on the equity share capital of the company.
Commodity price risk or foreign exchange risk and hedging activities	The Company is subject to commodity price risk like any other industry. Moreover, since the Company procures all the input commodities used in Construction from third parties, it is all the more subject to risk and rewards of price variations. The Company is, to a certain extent, able to manage the risks of adverse price movements by giving all inclusive construction contracts, with a built in mechanism for moderation of any substantial price movement of key components of the contract. In respect of contract for finishing and facade items, the Company keeps on evaluating on continuous basis opportunities for price risk minimisations. In respect of inward remittances from eligible overseas buyers of the residential units constructed by the Company, all billing is in INR and hence the Company is immune to foreign exchange risk on this account.
Plant Locations	The Company does not have any plants.
Tentative calendar of the Board Meetings for FY 2017-18	For the quarter ended June 30, 2017 – by the mid of August, 2017. For the quarter and half year ended September 30, 2017 - by the mid of November 2017. For the quarter ended December 31, 2017 - by the mid of February 2018. For the quarter and year ended March 31, 2018 - by the end of May 2018.

5. Market Price Data

Month	Stock Exchanges					
	BSE			NSE		
	Share Price		Sensex	Share Price		Nifty
	High (₹)	Low (₹)	Close	High (₹)	Low (₹)	Close
April, 2016	53.15	42.50	25606.62	53.20	42.50	7849.80
May, 2016	56.45	46.10	26667.96	56.45	45.60	8160.10
June, 2016	53.60	44.50	26999.72	53.70	41.60	8287.75
July, 2016	62.45	50.25	28051.86	62.40	50.25	8638.50
August, 2016	56.05	48.05	28452.17	56.00	48.40	8786.20
September, 2016	52.80	43.05	27865.96	52.70	42.95	8611.15
October, 2016	52.20	44.60	27930.21	52.35	44.65	8625.70
November, 2016	48.45	36.25	26652.81	48.45	36.00	8224.50
December, 2016	42.00	35.00	26626.46	41.80	35.00	8185.80
January, 2017	43.00	36.60	27655.96	43.00	36.60	8561.30
February, 2017	45.55	39.60	28743.32	45.60	39.70	8879.60
March, 2017	44.00	40.50	29620.50	44.00	40.50	9173.75

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

6. Distribution of Shareholding as on March 31, 2017

Equity Shares held	No. of Shareholders	Percent (%) of shareholders	No. of Equity Shares	Percent (%) of Shareholding
1 – 500	19,190	80.1554	2747722	1.1295
501 – 1000	2146	8.9637	1808483	0.7434
1001 – 2000	1121	4.6823	1756156	0.7219
2001 – 3000	396	1.6541	1027282	0.4223
3001 – 4000	214	0.8939	775748	0.3189
4001 – 5000	180	0.7518	864286	0.3553
5001 – 10000	297	1.2405	2229884	0.9167
10001 and above	397	1.6582	232049221	95.3919
	23941	100.0000	243258782	100.0000

7. Shareholding Pattern as on March 31, 2017

Category		Number of Equity Shares	Percentage of Holding
A	Promoter's Holding		
1	Indian Promoter	151539767	62.30
	Sub Total (A)	151539767	62.30
B	Non Promoter's Holding		
	Institutional Investors		
1	Mutual Funds/UTI	0	0.00
2	Financial Institution/Banks	1586948	0.65
3	Venture Capital Funds	1490538	0.61
4	Foreign Institutional Investors/ Foreign Portfolio Investor Corporate	25191597	10.36
	Non Institutional Investors		
1	Bodies Corporate	6353174	2.61
2	Individuals	22561534	9.27
3	Non-resident Individuals	2299114	0.95
4	Trusts	157500	0.06
5	Foreign Company	30316193	12.46
6	Clearing Members	818240	0.34
7	Hindu Undivided Family	944177	0.39
	Sub Total (B)	91719015	37.70
	Grand Total (A+B)	243258782	100.00

8. Status of dematerialization of shares

As at 31st March, 2017, 243258181 (99.99%) Equity Shares were held in dematerialized form with NSDL and CDSL, while 601 (Nil %) Equity Share was held in physical form.

9. Reconciliation of Share Capital Audit

As stipulated by SEBI, a qualified Practicing Company Secretary carries out the Reconciliation of Share Capital to reconcile the total capital held with the National Security Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The Audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges. The report, inter alia, confirms that the total listed and paid-up share capital of the Company is in agreement with the aggregate of the total dematerialized shares and those in physical mode.

10. Address for correspondence

For query relating to financial statements/investor relations, please contact:

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

On behalf of the Board of Directors
For D B Realty Limited

Date: 9th June, 2017

Place: Mumbai

Vinod K. Goenka
Chairman & Managing Director

CORPORATE GOVERNANCE CERTIFICATE

To,
The Members of
D B REALTY LIMITED
Mumbai

We have examined the compliance of conditions of Corporate Governance by **D B REALTY LIMITED** ("Company") as per the relevant provisions in the Regulations 17 to 27, 46 (2) (b) to (i) and para C, D and E of Schedule V of Chapter IV of the Securities and Exchange Board of India (Listing Obligation And Disclosure Requirements) Regulations, 2015 for the Financial Year ended March 31, 2017.

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 SEBI (Listing Obligation And Disclosure Requirements) Regulations, 2015 *except in one case where the Company has appointed new Independent Director in place of resigning Independent Director beyond the prescribed period as per Regulation 25 of SEBI (LODR) Regulations, 2015.*

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.

This certificate is issued solely for the purposes of complying with the aforesaid Regulations and may not be suitable for any other purpose.

For **V. M. KUNDALIYA & ASSOCIATES**
Company Secretaries

Vicky M. Kundaliya
Proprietor
(FCS-7716 & COP - 10989)

Date:- 9th June, 2017
Place:- Mumbai

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

CHIEF EXECUTIVE OFFICER (CEO) / CHIEF FINANCIAL OFFICER (CFO) CERTIFICATE

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

Dear Sirs,

Sub: MD / CFO Certificate

(Regulation 17.8)

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, 2017 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 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 internal control over financial reporting during the year
 - (ii) Significant changes in accounting policies made during the quarter and the year that the same have been disclosed suitably in the notes to the financial statements, wherever applicable: and
 - (iii) That there were no instances of significant fraud of which we have become aware.

Yours sincerely,

Sd/-

Vinod K. Goenka
Chairman & Managing Director

Sd/-

Shahid Balwa
Vice Chairman & Managing Director

Sd/-

A. Anil Kumar
C.F.O

Place: Mumbai
Date : 9th June, 2017

Annual Report on CSR Activities

[Pursuant to Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. A brief outline of the Company's CSR Policy, including an overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programmes

The Company through its CSR initiatives, will enhance value creation in the society and in the community in which it operates, through its services, conduct initiatives, so as to promote sustained growth in the society and community around it along with environmental concern. The objective of this policy is to operate its business in an economically, socially & environmentally sustainable manner, while recognizing the interests of all its stakeholders and other objects of the Company

Further, take up those programmes that directly or indirectly, benefit the communities and society at large, over a period of time, in enhancing the quality of life & economic well being of the local populace.

The following are brief outline of the Company's CSR Policy, including an overview of projects or programmes proposed to be undertaken: Education, healthcare and social Welfare, Environmental Sustainability including protection of flora and fauna, infrastructure development and social reform, Arts/Sports and culture, socio- economic development, Rural development project etc

During the year under review, the Company has spent a sum of Rs. 50,000 by way of contribution to National Association for the Blind towards cause of welfare of the Blind to mitigate their hardships. An amount of Rs.56.36 lakhs had been incurred on the beautification of Bandra Worli Sea Link

The CSR Policy of the Company is available on the website of the Company at [http://www.dbrealty.co.in/pdfs/DBRL_Corporate_Social_Responsibility_\(CSR\)_Policy.pdf](http://www.dbrealty.co.in/pdfs/DBRL_Corporate_Social_Responsibility_(CSR)_Policy.pdf)

2. Composition of CSR Committee-

The CSR Committee comprises of following members:

- a) Mr. Mahesh Gandhi, (Chairman, Independent Director)
- b) Mr. Jayvardhan Goenka, (Non-Independent Director)
- c) Mr. N.M Rafique, (Independent Director)

3. Average Net Profit of the Company for last three financial years: ₹ 5,37,70,171/-

4. Prescribed CSR Expenditure: ₹ 10,75,403/-

5. Details of CSR Spend during the financial year:

- a) Total amount to be spent for the Financial Year: ₹10,75,400/-
- b) Amount unspent, if any: Nil

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

c) Manner in which the amount spent during the Financial Year

S. No.	CSR project / activity identified	Sector in which the Project is covered	Projects / Programmes 1. Local area/ others- 2. Specify the state and district where projects or programs were undertaken	Amount outlay (budget) project/ program wise (₹)	Amount spent on the project /programs Subheads (1) Direct Expenditure on Projects or Program (2) Overheads (₹)	Cumulative spend up to the reporting period (₹)	Amount spent: Direct /through implementing agency
1.	National Association of the Blind	Socio economic development for the welfare of the Blind and to mitigate their hardships in Maharashtra State	Maharashtra	50,000	50,000	50,000	Through National Association for the Blind
2.	Bandra Worli Sea Link	Environmental Sustainability and protection of flora and fauna	Maharashtra, Mumbai	56,36,088	56,36,088	56,36,088	Direct

6. **In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount:** The CSR Committee has considered certain expenditures being incurred and proposed to be incurred by the Company on the development of environmental beautification with flora and fauna in a landmark location in Mumbai towards CSR expenditure, the accounting effect thereof are given/yet to be given in the current / coming year's financial statements. Your Company shall ensure all efforts will be made to fulfill the Corporate Social Responsibility for the well being of the Society.
7. **A Responsibility Statement of CSR Committee of Board:** The CSR Committee confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and Policy of your Company.

Vinod K. Goenka
Chairman & Managing Director

Mahesh Gandhi
Chairman of CSR Committee

Place: Mumbai
Date: 9th June, 2017

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2017

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies Appointment and Remuneration Personnel) Rules, 2014]

To,
 The Members,
 D B REALTY LIMITED
 DB House, Gen. A. K. Vaidya Marg,
 Goregaon (East), Mumbai – 400063.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **D B REALTY LIMITED** (Hereinafter called the “Company”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2017 (‘Audit Period’) generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on March 31, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings -- **Not Applicable as the Company has no Foreign Investment/Borrowings during the Financial Year under review;**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 -- **Not Applicable as the Company has not issued further capital during the Financial Year under review;** However, with respect to the listing of the 8% Redeemable Non-convertible Preference Shares issued pursuant to the sanctioned Scheme of Amalgamation by the Hon’ble High Court, Mumbai to the minority Shareholders of the said Subsidiary/ Amalgamated Company, the Securities and Exchange Board of India (SEBI) has not granted relaxation under Regulation 19(2)(b)/19(7) of Securities Contracts (Regulation) Rules, 1957.
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28th October, 2014. -- **Not Applicable since the Company has not introduced any schemes under the said Rules / Guidelines during the Financial year under review;**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 -- **Not Applicable as the Company has not issued Debt Securities during the Financial Year under review;**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client ;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 -- **Not Applicable as the Company has not delisted / proposes to delist its equity shares from any stock exchanges during the Financial Year under review;** and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 -- **Not Applicable as the Company has not bought back / propose to buy-back any of its securities during the Financial Year under review.**

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

(vi) For the other applicable laws :

We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The management has identified and confirmed the list of major head/groups of Acts, Laws and Regulations as specifically applicable to the Company as given in **Annexure A**.

I further report that, for all the above laws and in relation to the compliances for Service Tax and Maharashtra Value Added Tax, I rely on the Certificates given by Independent Consultants, Independent Professionals and Management/respective Department Heads and placed before the Board on quarterly basis and accepted by the Board of Directors in their respective Meetings.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015.

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, to the extent applicable, subject to the following:

- a) *The Company has appointed new Independent Director in place of resigning Independent Director beyond the prescribed period as per Regulation 25 of SEBI (LODR) Regulations, 2015.*
- b) *The Company has generally complied with the provisions of Section 93 of the Companies Act, 2013 except at two instances, whereas, the Company has inadvertently skipped to file Form MGT-10 with respect to change in promoter's shareholding.*

I further report that, the compliance by the Company of applicable financial laws, like direct and indirect tax law, has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.

I further report that, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act *except as reported above*.

I further report that as per the information provided, the Company has generally given adequate notice to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

I further report that as per the information provided and as per minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

I further report that there are generally adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that the Management is responsible for compliances of all business laws and other applicable laws. This responsibility includes maintenance of Statutory Registers/files as required by the concerned authorities and internal control of the concerned department.

I further report that during the audit period the Company has no specific events like Public Issue/Right Issue/Sweat Issue, etc/ Redemption / Buy-back of Securities / Foreign Technical Collaborations.

For **V.M.Kundaliya & Associates**
Company Secretaries

Date:- 9th June, 2017

Place:- Mumbai

Vicky M. Kundaliya
Proprietor
(FCS-7716 & COP-10989)

This report is to be read with our letter of even date which is annexed as '**Annexure B**' and forms an integral part of this report.

ANNEXURE A
Laws considered for the purposes of applicability to the Company:
Applicable to the segment of Business:

Sr. No	Statute
1	Maharashtra Regional and Town Planning Act, 1966
2	Development Control Regulations for Greater Mumbai, 1991
3	Mumbai Municipal Corporation Act, 1888
4	Maharashtra Ownership Flats (Regulation of the Promotion, Construction, Sale, Management and Transfer) Act, 1963
5	Maharashtra Apartment Ownership Act, 1970
6	Urban Land Ceiling & Regulation Act, 1976
7	Forest Conservation Act, 1960/ 1980
8	National Green Tribunal Act, 2010
9	Housing Board Act, 1965
10	Maharashtra Cooperative Societies Act
11	Maharashtra Value Added Tax Act, 2002
12	Standard Weight and Measurement Act, 1976
13	New Township Development Plan (Preparation, Publication and Sanction) Rules
14	Maharashtra Land Revenue Code, 1966
15	Bombay Stamp Act, 1958
16	Indian Stamp Act, 1899
17	The Transfer of Property Act, 1882
18	Bombay Rent Control Act
19	Consumer Protection Act, 1986
20	Land Acquisition Act, 1894
21	Environment Protection Act, 1986 and the Rules and Notifications there under
22	Registration Act, 1908
23	National Buildings Code, 2005 and Local Building Bye Laws
24	Land Acquisition, Rehabilitation and Resettlement Act, 2013
25	Right to fair compensation & Transparency in Land Acquisition, Rehabilitation & Resettlement Act, 2013
26	Indian Easement Act, 1882

Labour Laws

Sr. No	Statute
1	Industrial Disputes Act, 1947
2	Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996
3	Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Welfare Cess Act, 1996
4	Payment of Wages Act
5	Minimum Wages Act
6	Payment of Bonus Act
7	The Employees (Provident Fund and Miscellaneous Provisions) Act, 1952
8	The Employees Pension Fund Scheme, 1976
9	The Employees Deposit Linked Insurance Scheme, 1976
10	The Contract Labour (Regulation & Abolition) Act, 1970
11	The Employees State Insurance Act, 1948, Rules and Regulations made thereunder
12	Equal Remuneration Act, 1976 and Rules made thereunder
13	Maternity Benefit Act, 1961
14	Child Labour (Prohibition & Regulation) Act, 1986 and Rules made thereunder
15	The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

Annexure B

To,
The Members,
D B REALTY LIMITED
DB House, Gen. A. K. Vaidya Marg,
Goregaon (East), Mumbai – 400063.

My report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules, regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, Rules, Regulations, standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **V.M.Kundaliya & Associates**
Company Secretaries

Date:- 9th June, 2017

Place:- Mumbai

Vicky M. Kundaliya
Proprietor
(FCS-7716 & COP-10989)

DISCLOSURE OF REMUNERATION DETAILS

- Ratio of the remuneration of each director to the median remuneration of the employees-** Not Applicable since no remuneration except sitting fees has been paid to Directors.
- The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:**

As stated above, no remuneration has been paid to Directors except sitting fees. The details about the percentage increase in remuneration of KMPs are as under:

Name of Key Managerial Personnel	Designation	% increase in remuneration
Mr. Vipul Bansal (upto 30.09.2016)	Chief Executive Officer	Nil
Mr. N.M,Gattu (upto 31.08.2016)	Chief Financial Officer	Nil
Mr. A. Anil Kumar (w.e.f.01.09.2016)	Chief Financial Officer	N.A.
Mr. S.A.K Narayanan	Company Secretary	Nil

- The percentage increase in the median remuneration of employees in the financial year:** Nil
- Number of permanent employees on the rolls of the Company:**

There were total 87 nos. of employees on the pay rolls of the Company as on 31st March, 2017.

- Explanation on the relationship between average increase in remuneration and the Company's performance:**

The base increment given to employees during FY 2016-17 wherever applicable were based on the performance evaluation and appraisal of such employee, which apart from various individual linked factors also takes into account the inflation adjustment.

- Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:**

Particulars	Mr. Vipul Bansal (Chief Executive Officer) (upto 30.09.2016)	Mr. N.M. Gattu (Chief Financial Officer) (upto 31.08.2016)	Mr. A. Anil Kumar (Chief Financial Officer) (w.e.f. 01.09.2016)	Mr. S.A.K. Narayanan (Company Secretary)
Remuneration in FY 2016-17 (Amount in ₹)	1,72,89,018	27,77,100	70, 91,545	46,48,252
Revenues of Company (Amount in ₹)	138.80 crores			
Remuneration as % of revenue	1.25	0.20	0.51	0.33

- Stock price related information:**

Particulars	As on 31st March, 2017 (Current F.Y.)	As on 31st March, 2016 (Previous F.Y.)
Approx. Market Capitalization(as per NSE closing stock price)	₹ 1014.39 crores	₹ 1040.00 crores
Price Earnings Ratio (as per NSE closing stock price)	0.014	0.51
Percentage increase / (decrease) in the market quotations of the shares of the Company (closing stock price on NSE) as on March 31, 2017 compared to last public offer.	(91.09)	(90.87)

- Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and Percentage increase/decrease in the managerial remuneration and Justification, including any exceptional circumstances, for increase in the managerial remuneration:**

The average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year was Nil. The percentage increase in the managerial remuneration was Nil.

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

9. The key parameters for variable component of remuneration availed by the directors:

As stated earlier no remuneration has been paid to Directors except sitting fees and therefore none of the Directors has drawn any variable component remuneration during the year under review.

10. The details of the employees who are not a director, but has received remuneration in excess of the highest paid director:

As stated earlier, no remuneration has been paid to Directors except sitting fees.

Affirmation:

I, Vinod Goenka, Managing Director of D B Realty Limited hereby confirm that the remuneration paid during FY 2016-17 is as per the remuneration policy of the Company.

On behalf of the Board of Directors
For D B Realty Limited

Date: 9th June, 2017
Place: Mumbai

Vinod K. Goenka
Chairman & Managing Director

INDEPENDENT AUDITOR'S REPORT

To the Members of D B Realty Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying Standalone Ind AS Financial Statements of D B Realty Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS Financial Statements").

Management's Responsibility for the Standalone Ind AS Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these Standalone Ind AS Financial Statements based on our audit.

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

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

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

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

Basis for Qualified Opinion

- a. As stated in Note 62 regarding non recognition/ re-measurement of financial guarantees aggregating ₹ 43,238,126,800/- issued to banks/ financial institutions on behalf of various entities at fair value as required under Ind AS 109 – Financial Instruments. In absence of measurement of financial guarantees at fair value, we are unable to comment on the effects on the loss for the reported periods.
- b. As stated in Note 54, the Company has not evaluated whether any impairment provision is required for expected credit losses in accordance with Ind AS 109 – 'Financial Instruments', for loans and advances amounting to ₹ 6,252,598,617/- as on March 31, 2017 to certain subsidiaries and an associate, which have incurred losses and have negative net worth.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, the aforesaid Standalone Ind AS Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Company as at 31st March, 2017, its loss (financial performance including other comprehensive income), its cash flows and changes in equity for the year ended on that date.

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

Emphasis of Matter

We draw attention to the following matter in the notes to the Standalone Ind AS Financial Statements:

- a. Note 53(b) regarding no adjustment having been made in the value of inventory, pending outcome of the matter referred by the Company to the Supreme Court.
- b. Note 7.2 regarding return on investments of ₹ 5,613,858,167/- in preference shares in a subsidiary company as on March 31, 2017 as explained by the Management, such investments are considered strategic and long term in nature and the current market value and future prospects of such investments are significantly in excess of Company's investment in the investee company.
- c. Note 9.2 regarding security deposits aggregating ₹ 1,138,170,442/- as on March 31, 2017, given to various parties for acquisition of development rights, as explained by Management, the Company is in process of obtaining necessary approvals with regard to these properties and that their current market values are significantly in excess of their carrying values and are expected to achieve adequate profitability on substantial completion of such projects.
- d. Note 13(i) regarding status of inventory consisting of projects having aggregate value of ₹ 2,861,992,735/- as on March 31, 2017 and the opinion framed by the Management about realizable value of the cost incurred, being a technical matter, has been relied upon by us.
- e. Notes 49, 50, 51, 52 and 53(a) regarding loans and advances aggregating ₹ 577,205,925/- (including amount inventorised ₹ 36,100,000) granted by the Company and the investments aggregating ₹ 384,078,720/- as on March 31, 2017 which are under litigation and are sub-judice. Based on Management's assessment of the outcome, no adjustments are considered necessary in respect of recoverability of these balances. The impact, if any, of the outcome is unascertainable at present.
- f. Note 54 regarding Company's investments aggregating ₹ 2,585,050,052/- as on March 31, 2017 in certain subsidiaries, associates and jointly controlled entities, which have incurred losses and have negative net worth. As explained to us, these entities are in early stages of real estate development and the investments are considered good and recoverable based on Management's assessment of the projects under execution.
- g. Note 55 as regards certain allegations made by the Enforcement Directorate against the Company and one of its Key Managerial Persons, in a matter relating to Prevention of Money Laundering Act, 2002, this matter is sub-judice and the impact, if any, of the outcome is unascertainable at this stage.
- h. Note 63 as regards the status of various ongoing projects, recognition of expense and income and the realizable value of the costs incurred are as per the judgment of Management of the Company and certified by their technical personnel and being of technical nature, have been relied upon by us.
- i. Note 57 as regards attachment order issued by adjudicating authority under Prevention of Money Laundering Act, 2002, by which the Company's assets amounting to ₹ 753,220,671/- have been attached on August 30, 2011. Consequently, the adjudicating authority has taken over the bank balance of ₹ 6,892,967/- and Investment in Redeemable Optionally Convertible Cumulative Preference Shares – Series A & Series C of an entity of ₹ 736,705,009/- in earlier years. This matter is sub-judice and the impact, if any, of its outcome is currently unascertainable.
- j. Note 58 regarding the manner of recognition of the Company's share in Association of Persons ('AOPs'), such share of profit/loss, as the case may be, are being recognized only when the AOP debits/credits the Company's account in its books.
- k. Note 48(A)(iii)(1) & (2) as regards the Audited Financial Statements of a Firm where the Company is one of the partners has following disclosures:
 - i. Allegations made by the Central Bureau of Investigation (CBI) relating to the 2G spectrum case and regarding attachment order issued by adjudicating authority under Prevention of Money Laundering Act, 2002.
 - ii. As regards recoverability of trade receivables of ₹ 366,404,105/-, the partners of the Firm had taken effective steps for recovery and are not expecting any short realisation. In the event of shortfall in realisation, the same shall increase the debit balance of the Partners.

These matters are sub-judice and the impact, if any, of its outcome is currently unascertainable.

- l. Note 48(B)(ii) as regards order passed by Appellate Committee of Ministry of Civil Aviation in one of the Partnership Firm where the Company is a partner for demolition of the floors beyond the permissible height. The firm is in appeal before the Honourable Delhi High Court against the said order. In the opinion of the Management, the firm is hopeful for favourable outcome and hence it does not expect any financial outflow in this matter.

Our opinion is not modified in respect of these matters.

Other Matter

Notes 48 regarding share of loss (net) from investment in three partnership firms, one Limited Liability Partnerships and one joint venture aggregating ₹ 29,424,159/-, included in the statement, is based on the financial statements of such entities. These financial Statements have been audited by the auditors of these entities, whose reports have been furnished to us by the management and our audit report on the Statement is based solely on such audit reports of the other auditors.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

- (1) As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- (2) As required by Section 143(3) of the Act, we report as under, to the extent applicable:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit except for matters described in the Basis for Qualification and matter stated in sub paragraphs h(iv) below;
 - b. Except for possible effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss, Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - d. Except for possible effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant Rules framed there under;
 - e. The matters described under the Basis of Qualification and under the Emphasis of Matter above, in our opinion, may have an adverse effect on the functioning of the Company;
 - f. On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
 - g. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give our separate Report in "Annexure 2";
 - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS Financial Statements – Refer Note 47 on Contingent Liabilities and Notes 49 to 53, 55 and 57 on litigations to the Standalone Ind AS Financial Statements;
 - (ii) The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;
 - (iii) There has been no delays in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company;
 - (iv) The Company has provided requisite disclosures in its Standalone Ind AS Financial Statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. However, we are unable to obtain sufficient and appropriate audit evidence to report on whether the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management. (Refer Note 41 to the Standalone Ind AS Financial Statements)

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W /W100048

Snehal Shah

Partner

Membership No. 48539

Mumbai: June 9, 2017

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of D B Realty Limited ("the Company") on the Standalone Ind AS Financial Statements for the year ended March 31, 2017.]

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets. In case of identification and situation of fixed assets, the Company is in the process of tagging individual assets based on their specific location.
- (b) During the year, fixed assets have been physically verified by the Management as per the 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) The title deeds of immovable properties recorded as fixed assets in the books of account of the Company are held in the name of the Company, except for the details given below:

Particulars	Total number of cases	Leasehold/ Freehold	Gross Block as on March 31, 2017	Net Block as on March 31, 2017	Remarks
Sales Office – Pune	1	Freehold	31,812,134	1,590,607	Company has acquired Development Rights on the said property.

- (ii) The Inventories comprising of expenditure incurred on acquisition of lands & tenancy rights, development rights, material at site, Transferrable Development Rights and other expenditure on construction and development thereof have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. As informed, no material discrepancies were noticed on physical verification carried out during the year.
- (iii) The Company has granted loans, secured or unsecured, to companies, firms, Limited Liability Partnerships and Joint Ventures covered in the register maintained under Section 189 of the Act.
- (a) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of aforesaid loans granted by the Company to five parties covered in the register maintained under Section 189 of the Act, (Total loan amount granted of ₹ 1,671,974,903/- and balance outstanding as on March 31, 2017 is ₹ 358,650,635/-) are prejudicial to the Company's interest on account of the fact that the loans have been granted interest free.
- (b) The schedule of repayment of principal and payment of interest in respect of such loans has not been stipulated. These loans are repayable on demand and principal and interest thereon have been received whenever demanded by the Company. Thus we are unable to comment whether the repayments or receipts are regular and report on amounts overdue for more than ninety days, if any, as required under paragraph 3(iii)(c) of the Order.
- (iv) Based on information and explanation given to us in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of Section 185 of the Act. Further, the provisions of Section 186 of the Act are not applicable to the Company as it is engaged in the business of Real Estate development.
- (v) 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 provisions of Sections 73 to 76 of the Act and the rules framed there under.
- (vi) We have broadly reviewed the books of account maintained by the Company in respect of products where the maintenance of cost records has been specified by the Central Government under sub-section (1) of Section 148 of the Act and the rules framed there under and we are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- (vii) The Company is not regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, service tax, value added tax, cess and other material statutory dues applicable to it, and there have been serious delays in a few cases. As explained to us, the provisions regarding sales tax, customs duty and excise duty are presently not applicable to the Company.

- (a) According to the information and explanations given to us, undisputed dues in respect of provident fund, employees' state insurance, income tax, service tax, value added tax, cess and any other material statutory dues applicable to it, which were outstanding, at the year end for a period of more than six months from the date they became payable are as follows:

Name of the statute	Nature of the dues	Amount ₹	Period to which the amount relates	Due Date	Date of Payment
Finance Act, 1994	Service Tax Liability and interest thereon	455,163	April 2010 to March 2012	Various Dates	Not Paid
Wealth Tax Act, 1957	Wealth Tax	937,610	April 2013 to March 2015	Various Dates	Not Paid
Mumbai Municipal Corporation Act, 1888	Property Tax	56,567,197	April 2010 to September 2016	Various Dates	Not paid
The Maharashtra Value Added Tax Act, 2002	Value Added Tax	1,006,642	March 2016	21 st April, 2016	Not Paid

- (b) According to the information and explanation given to us, the dues outstanding with respect to, income tax, service tax and value added tax on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount ₹	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	27,548,990	A.Y. 2012-13	ITAT, Mumbai
Income Tax Act, 1961	Income Tax	21,752,440	A.Y. 2013-14	Commission of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	17,055,160	A.Y. 2014-15	Commission of Income Tax (Appeals)

- (viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institutions and banks, except for details given below:

Sr No	Particulars	Amount of Default as at 31st March, 2017 (₹)	Period of Default
1	Reliance Capital Limited		
	Interest	134,745,484	Since January 2017
2	LIC Housing Finance Limited		
	Principal	306,303,767	Since January 2016
	Interest	64,177,300	Since January 2016
3	ICICI Bank Limited		
	Principal	22,327,330	Since January 2017
	Interest	2,633,975	Since January 2017
	Interest	2,411,176	Since February 2017
	Interest	2,701,770	Since March 2017
4	Indiabulls Housing Finance Ltd.		
	Interest	3,228,012	Since March 2017

- (ix) In our opinion and according to the information and explanation given to us, the Company has not raised money by way of initial public issue offer/further public offer (including debt instruments) during the year. However, the Company has obtained term loans and, utilized the same for the purposes for which they were raised.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management. However, we are informed that 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 57) which is alleged to have paid an amount of ₹ 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. Also, the Company is in receipt of Summons from Special Court for Prevention of Money

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

Laundrying Act (PMLA), Mumbai as one of the accused in connection with a complaint filed by Enforcement Directorate under ECIR No. ECIR/MBZO/07/2015 & ECIR/MBZO/08/2015. The Hon'ble Court has also now summoned one of the KMP's of the Company as one of the accused as per the said complaint. The matter in relation to the Company and the KMP involves certain advances given by the Company in the ordinary course of its business to another company, which was subsequently refunded fully upon cancellation of the understanding (Refer Note 55).

- (xi) According to the information and explanations given to us, the Company has not paid / provided for managerial remuneration. Accordingly, paragraph 3(xi) of the Order is not applicable to the Company.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanation given to us, all transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, paragraph 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year.
- (xvi) According to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Snehal Shah
Partner
Membership No. 48539

Mumbai: June 9, 2017

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of **D B Realty Limited** on the standalone IndAS financial statements for the year ended March 31, 2017]

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

We have audited the internal financial controls over financial reporting of **D B Realty Limited** ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone IndAS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No.103523W/W100048

Snehal Shah
Partner
Membership No. 48539
Mumbai : June 09, 2017

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

BALANCE SHEET AS AT MARCH 31, 2017

(Amount in ₹)

	Note No	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
I. ASSETS				
1 Non-current assets				
(a) Property, Plant and Equipment	3	50,835,993	73,321,953	97,362,735
(b) Investment Property	4	65,595,684	66,598,041	65,749,116
(c) Intangible assets	5	190,923,808	2,748,945	25,929,988
(d) Intangible assets under development	5	-	206,145,711	210,990,518
(e) Investment in subsidiaries, associates and joint venture	6	8,739,888,519	8,696,137,195	10,095,975,496
(f) Financial Assets				
(i) Investments	7	9,695,800,573	9,762,849,859	9,453,863,612
(ii) Loans	8	304,585,250	262,178,353	225,563,714
(iii) Other Financial Assets	9	1,126,836,942	2,743,883,276	2,517,058,717
(g) Deferred tax assets (net)	10	1,193,875,605	1,443,607,938	1,683,063,146
(h) Non current tax asset	11	58,037,978	60,788,404	65,963,687
(i) Other non-current assets	12	1,325,806,849	1,357,535,221	2,047,349,692
2 Current assets				
(a) Inventories	13	2,903,707,772	2,928,795,684	2,882,729,760
(b) Financial Assets				
(i) Investments	14	984,452,475	858,275,191	1,808,309,533
(ii) Trade receivables	15	389,380,428	441,102,972	433,135,032
(iii) Cash and cash equivalents	16	9,329,502	44,439,286	38,893,847
(iv) Bank balance other than (iii) above	16A	52,537,499	53,759,775	30,450,073
(v) Loans	17	9,184,293,959	7,020,975,764	3,766,589,971
(vi) Other Financial Assets	18	179,498,361	336,195,197	108,070,040
(c) Other current assets	19	587,219,123	600,424,395	664,953,673
TOTAL		37,042,606,320	36,959,763,161	36,222,002,348
II. EQUITY AND LIABILITIES				
1 Equity				
(a) Equity Share capital	20	2,432,587,820	2,432,587,820	2,432,587,820
(b) Other Equity	21	27,001,237,741	27,382,269,580	26,608,236,860
2 Non-current liabilities				
(a) Financial Liabilities				
(i) Borrowings	22	1,195,621,279	1,498,742,457	387,530,139
(ii) Trade Payables	23	-	43,134,705	32,597,144
(iii) Other financial liabilities	24	2,130,519	1,753,361	932,250
(b) Provisions	25	17,159,980	31,880,171	33,783,262
3 Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	26	1,556,790,468	2,384,349,260	2,021,241,517
(ii) Trade and other payables	27	261,689,844	228,106,508	281,277,204
(iii) Other financial liabilities	28	4,456,099,883	2,811,536,964	4,148,072,223
(b) Other current liabilities	29	104,005,724	126,628,060	255,649,703
(c) Provisions	30	15,283,062	18,774,276	21,124,576
Significant accounting policies	2			
TOTAL		37,042,606,320	36,959,763,161	36,222,002,348

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

As per our report of even date.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Regn No. 103523W/ W100048

For and on behalf of the Board

Vinod Goenka
Chairman & Managing Director
DIN 00029033

Shahid Balwa
Vice Chairman & Managing Director
DIN 00016839

Mahesh Gandhi
Director
DIN 00165638

Snehal Shah
Partner
Membership No. 048539

S A K Narayanan
Company Secretary
M. No. A2424

A. Anil Kumar
Chief Financial Officer

Place: Mumbai
Date: June 9, 2017

Place: Mumbai
Date: June 9, 2017

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017

		(Amount in ₹)		
Particulars	Note No.	For the Year ended 31st March, 2017	For the Year ended 31st March, 2016	
I	Revenue from Operation	31	137,790,940	1,770,350,525
II	Other Income	32	1,250,241,437	765,071,352
III	Total Revenue (I+II)		1,388,032,377	2,535,421,877
IV	Expenses:			
	Project Expenses	33	70,316,444	499,724,960
	Purchases of Stock-in-Trade	34	-	359,786,700
	Changes in Inventories of Finished Goods, Stock-in-trade, Project Work in Progress and Raw Material	35	35,441,844	(61,401,114)
	Employee Benefits Expenses	36	135,418,506	166,704,109
	Finance Costs	37	528,536,621	501,219,550
	Depreciation and Amortization Expenses	3,4	50,637,874	50,687,147
	Other Expenses	38	200,434,699	116,382,837
	Total Expenses		1,020,785,988	1,633,104,189
V	Profit before exceptional items and tax (III-IV)		367,246,389	902,317,688
VI	Exceptional items	5.1	-	75,000,000
VII	Profit before Tax (V-VI)		367,246,389	827,317,688
VIII	Tax expense:			
	Current tax		-	15,700,000
	Deferred tax	10	351,477,253	272,030,980
	Prior Period Tax Adjustment		1,500,000	11,971,293
IX	Profit for the period from continuing operations (VII-VIII)		14,269,136	527,615,415
X	Profit/ (Loss) from discontinued operations		-	-
XI	Profit for the year (IX+X)		14,269,136	527,615,415
XII	Other Comprehensive Income / (Loss) for the year		(395,300,974)	(129,640,569)
	A. Items that will not be reclassified to profit or loss			
	(i) Remeasurement of net defined benefit plans		6,277,043	8,163,031
	Tax Impact on above		1,939,606	2,522,377
	(ii) Notional loss on fair value adjustment in the value of investments		(503,322,935)	(170,379,374)
	(iii) Income tax relating to items that will not be reclassified to profit or loss	10	99,805,312	30,053,398
XIII	Total Comprehensive Income / (Loss) for the year (XI-XII)		(381,031,838)	397,974,846
XIV	Earnings per equity share (Nominal Value Per Share ₹ 10 Each (Previous Year ₹ 10)):			
	Basic	39	0.06	2.17
	Diluted	39	0.06	2.17

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

As per our report of even date.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Regn No. 103523W/ W100048

For and on behalf of the Board
Vinod Goenka
Chairman & Managing Director
DIN 00029033

Shahid Balwa
Vice Chairman & Managing Director
DIN 00016839

Mahesh Gandhi
Director
DIN 00165638

Snehal Shah
Partner
Membership No. 048539

S A K Narayanan
Company Secretary
M. No. A2424

A. Anil Kumar
Chief Financial Officer

Place: Mumbai
Date: June 9, 2017

Place: Mumbai
Date: June 9, 2017

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2017**Equity Share Capital**

Particulars	Amount (₹)
Balance as at April 1, 2015	2,432,587,820
Changes in equity share capital during FY 2015-16	-
Balance as at March 31, 2016	2,432,587,820
Changes in equity share capital during FY 2016-17	-
Balance as at March 31, 2017	2,432,587,820

Other Equity

(Amount in ₹)

Particulars	Attributable to owners of D B Realty Limited					Total
	Equity component on Compound Financial Instrument	Reserves & Surplus			Other Comprehensive Income	
		Retained Earnings	Capital Reserve on account of merger	Securities Premium Reserve		
Balance as at April 1, 2015	-	739,315,945	504,631,445	23,843,290,192	1,520,999,278	26,608,236,860
Profit/(Loss) for the year FY 2015-16	-	527,615,415	-	-	-	527,615,415
Other Comprehensive Income for the year, net of income tax	-	5,640,654	-	-	(135,281,223)	(129,640,569)
Total Comprehensive Income for the year	-	533,256,069	-	-	(135,281,223)	397,974,846
Equity component on Compound Financial Instrument	376,057,875	-	-	-	-	376,057,875
Balance as at March 31, 2016	376,057,875	1,272,572,014	504,631,445	23,843,290,192	1,385,718,055	27,382,269,579
Adjustment due to Merger						
Profit/(Loss) for the year FY 2015-16	-	14,269,136	-	-	-	14,269,136
Other Comprehensive Income for the year, net of income tax	-	4,337,437	-	-	(399,638,411)	(395,300,974)
Total Comprehensive Income for the year	-	18,606,572	-	-	(399,638,411)	(381,031,838)
Balance as at March 31, 2017	376,057,875	1,291,178,586	504,631,445	23,843,290,192	986,079,644	27,001,237,741

As per our report of even date.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Regn No. 103523W/ W100048

For and on behalf of the Board

Vinod Goenka
Chairman & Managing Director
DIN 00029033

Shahid Balwa
Vice Chairman & Managing Director
DIN 00016839

Mahesh Gandhi
Director
DIN 00165638

Snehal Shah
Partner
Membership No. 048539

S A K Narayanan
Company Secretary
M. No. A2424

A. Anil Kumar
Chief Financial Officer

Place: Mumbai
Date: June 9, 2017

Place: Mumbai
Date: June 9, 2017

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED ON MARCH 31, 2017

(Amount in ₹)		
Particulars	For the Year ended 31st March, 2017	For the Year ended 31st March, 2016
A. CASH FLOWS FROM THE OPERATING ACTIVITIES		
NET PROFIT BEFORE TAX AND AFTER EXCEPTIONAL ITEMS	367,246,389	827,317,688
Adjustments for:		
Depreciation and amortisation expense	51,033,262	51,314,579
Finance cost	528,536,621	501,219,550
Unrealised foreign exchange gain/ (loss)	(244,219)	848,803
Interest Income	(438,428,417)	(484,666,425)
Share of loss from partnership firms	62,029,660	172,912,210
Fair value change in financial assets	(19,520,843)	16,205
Loss on disposal of PPE	402,044	1,039,358
Diminution in value of investment	1,087,735	-
Sundry Debit Balance Written Off	14,893,039	431,038
Advances witten off	34,794,896	-
Provision for doubtful debts	23,454,229	-
Liabilities no longer required- written back	(300,000)	-
Operating Profit Before Working Capital Changes	624,984,395	1,070,433,006
Adjustments for:		
(Increase)/ Decrease in Inventories	25,087,912	(46,065,924)
(Increase)/ Decrease in Trade Receivable	28,268,315	(7,967,941)
(Increase)/ Decrease in Short Term Loans and Advances	279,865,811	612,739,569
(Increase)/ Decrease in Other Current Financial Assets	519,480	(26,496,802)
(Increase)/ Decrease in Other Current Assets	13,042,523	64,529,278
Increase/ (Decrease) in Borrowings	(812,102,108)	724,552,302
Increase/ (Decrease) in Trade Payable	34,127,556	(54,019,500)
Increase/ (Decrease) in Other Financial Liabilities	2,104,147,980	(1,872,839,777)
Increase/ (Decrease) in Other current liabilities	(22,622,337)	(129,021,643)
Increase/ (Decrease) in Provision	(8,394,706)	(14,299,665)
Cash Generated From Operations	2,266,924,821	321,542,903
Income-tax Paid	(2,289,230)	(3,256,354)
Excpetional Item	-	75,000,000
Net Cash (Outflow) From Operating Activities	2,264,635,591	393,286,549
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	(299,145,125)	(219,196,095)
Redemption of Investments	64,319,609	2,396,156,528
Interest Income	155,860,185	(196,327,550)
Investment in Fixed deposit	1,222,276	(23,309,702)
Loans and Advances given	(2,512,810,187)	(3,904,171,039)
Receipts from security deposits	1,636,729,927	(226,840,764)
Loans, advances and deposits received	16,511,646	15,073,761
Loans, advances and deposits (given)	(3,000,475)	674,740,710
Purchase of Fixed Assets (including WIP)	(10,352,470)	(75,247,347)
Proceeds from sale of fixed assets	446,107	1,001,072
Purchase of Investment Property	(69,778)	(1,889,956)
Net Cash Inflow From Investing Activities	(950,288,285)	(1,560,010,383)

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED ON MARCH 31, 2017

	(Amount in ₹)	
Particulars	For the Year ended 31st March, 2017	For the Year ended 31st March, 2016
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Finance cost	(160,490,796)	(720,836,922)
Repayment of Long term borrowing	(1,824,653,616)	(136,959,252)
Proceeds of Long term borrowing	687,000,000	1,999,729,438
Proceeds from other financial liabilities	377,158	821,111
Proceeds of trade payable	-	14,901,581
(Repayment) of trade payable	(36,233,152)	-
Net Cash Inflow/(Outflow) From Financing Activities	(1,334,000,406)	1,157,655,957
Net (decrease) in cash and cash equivalents	(19,653,100)	(9,067,877)
Cash and cash equivalents at the beginning of the year	17,952,246	27,020,122
Cash and cash equivalents at the end of the year	(1,700,854)	17,952,246
Components of cash and cash equivalents: (Refer Note No. 16)	As at 31/03/17	As at 31/03/16
a. Balances with banks in current accounts	9,218,629	44,076,178
b. Cash on hand	110,873	363,108
c. Cash at Site	-	-
Total	9,329,502	44,439,286
Less: Overdrawn bank balance (considered as cash and cash equivalent for cashflow)	(11,030,356)	(26,487,040)
Cash and cash equivalents as at the end of the year	(1,700,854)	17,952,246

Explanatory notes to Statements of cashflow:

- Statement of cashflow is prepared in accordance with the format prescribed by Securities and Exchange Board of India and as per IND -AS 7 as notified by Ministry of Corporate Affairs.
- In Part A of the Cashflow Statement, figures in bracket indicates deduction made from the net profit for deriving the net cash flow from operating activities.
- In Part B and Part C, figures in brackets indicate cash outflows.

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

As per our report of even date.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Regn No. 103523W/ W100048

For and on behalf of the Board
Vinod Goenka
Chairman & Managing Director
DIN 00029033

Shahid Balwa
Vice Chairman & Managing Director
DIN 00016839

Mahesh Gandhi
Director
DIN 00165638

Snehal Shah
Partner
Membership No. 048539

S A K Narayanan
Company Secretary
M. No. A2424

A. Anil Kumar
Chief Financial Officer

Place: Mumbai
Date: June 9, 2017

Place: Mumbai
Date: June 9, 2017

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

1 Company Background

DB Realty Limited (the "Company") is public company domiciled in India and was incorporated under the provisions of the Companies Act, 1956. 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 has its principal place of business in Mumbai and its Registered Office is at DB House, Gen. A. K. Vaidya Marg, Goregaon (East), Mumbai - 400063. The Company is jointly promoted by Mr. Vinod K. Goenka and Mr. Shahid Balwa.

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

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

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

(A) Significant Accounting Policies:

2.1 Basis of preparation of Ind-AS Financial Statements:

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

For all periods up to and including the year ended 31 March 2016, the company prepared its financial statements in accordance with Indian GAAP, including accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended). These financial statements for the year ended 31 March 2017 are the first the Company has prepared in accordance with Ind-AS. Refer Note No. 65 for information on how the Company adopted Ind AS, including the details of the first time adoption exemptions availed by the company.

The Ind-AS financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value (refer accounting policy no. 2.11 regarding financial instruments). Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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

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

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

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

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

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

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

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

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

An asset is considered as current when it is:

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

All other assets are classified as non-current.

A liability is considered as current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

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

2.3 Property, plant and equipment:

Property, Plant and Equipment are recorded at their cost of acquisition, net of modvat/cenvat, less accumulated depreciation and impairment losses, if any. The cost thereof comprises of 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.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit or Loss when the asset is derecognised.

For transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognised as on 1st April, 2015 measured as per previous GAAP as its deemed cost on the date of transition.

2.4 Capital Work in Progress and Capital Advances:

Expenses incurred for acquisition of capital assets outstanding at each balance sheet date are disclosed under capital work-in-progress. Advances given towards the acquisition of fixed assets are shown separately as capital advances under the head Other Non-Current Assets.

2.5 Depreciation:

Depreciation on Property, Plant and Equipment is provided on Straight Line Method in accordance with the provisions of Schedule II to the Companies Act, 2013 including depreciation on new sales office, which is considered as temporary structure and has been amortized over a period of four years on a straight line basis. The Management believes that the estimated useful lives as per the provisions of Schedule II to the Companies Act, 2013, are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

2.6 Intangible Assets and amortisation thereof:

The cost relating to Intangible assets, with finite useful lives, which are capitalised and amortised on a straight line basis upto the period of three to five years, is based on their estimated useful life.

An item of Intangible Asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit or Loss when the asset is derecognised.

For transition to Ind AS, the Company has elected to continue with the carrying value of all its Intangible Assets recognised as on 1st April, 2015 measured as per previous GAAP as its deemed cost on the date of transition.

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

2.7 Impairment of Tangible and Intangible Assets:

Carrying amount of tangible and intangible assets are reviewed at each Balance Sheet date. These are treated as impaired when the carrying cost thereof exceeds its recoverable value. Recoverable value is higher of the asset's net selling price or 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 receivable 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.

2.8 Investment Properties

Investment Properties are properties held to earn rentals and / or for capital appreciation and are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Depreciation on Investment Property is provided on Straight Line Method basis in accordance with the provisions of Schedule II to the Companies Act, 2013. The Management believes that the estimated useful life as per the provisions of Schedule II to the Companies Act, 2013, are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The residual values, useful lives and methods of depreciation of investment property are reviewed at each financial year end and adjusted prospectively, if appropriate.

An item of investment property initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit or Loss when the asset is derecognised.

For transition to Ind AS, the Company has elected to continue with the carrying value of all its investment property recognised as on 1st April, 2015 measured as per previous GAAP as its deemed cost on the date of transition.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes.

2.9 Inventories:

Inventories comprise of: (i) Finished Realty Stock representing unsold premises in completed projects (ii) Realty Work-In-Progress representing properties under construction/development (iii) Raw Material representing inventory yet to be consumed and (iv) Transferable Development Rights.

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

Cost of Realty construction / development is charged to the Statement of Profit and Loss in proportion to the revenue recognised during the period and the balance cost is carried over under Inventory as part of either Realty Work in Progress or Finished Realty Stock. Cost of Realty construction / development includes all costs directly related to the Project (including finance cost attributable to the project) and other expenditure as identified by the Management which are incurred for the purpose of executing and securing the completion of the Project (net off incidental recoveries / receipts) up to the date of receipt of Occupation Certificate of Project from the relevant authorities.

2.10 Revenue Recognition:

(i) Sale of Properties:

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

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

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

(ii) Interest Income:

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

(iii) Revenue from sale of development rights and TDR is recognised in the financial year in which the agreements of sale are executed and there exists no uncertainty in the ultimate collection of consideration from buyers.

(iv) Rent income is accounted on accrual basis as per agreed terms on straight line basis.

(v) Dividend Income:

Dividend income is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

2.11 Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial Assets:

Initial Recognition and Measurement:

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent Measurement:

For purposes of subsequent measurement, financial assets are classified in following categories:

- Financial assets at Amortised Cost.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

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

Financial Assets at Amortised Cost:

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

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

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

Financial Assets at FVTOCI:

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

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

Financial Assets at FVTPL:

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

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

Equity Instruments at FVTOCI:

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

Investments in associates, subsidiaries and joint ventures:

These are carried at cost subject to provision for impairment, if any.

Derecognition

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

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

Impairment of financial assets

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

- Financial assets at amortised cost.
- Financial guarantee contracts.

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

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

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

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

ii) Financial Liabilities:

Initial Recognition and Measurement:

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

Subsequent Measurement:

This is dependent upon the classification thereof as under:

Loans and Borrowings:

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

Derecognition:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(iii) Offsetting of Financial Instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise an asset and settle the liabilities simultaneously.

(iv) Equity Instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity in accordance with the substance of the contractual arrangements. These are recognised at the amount of the proceeds received, net of direct issue costs.

(v) Compound Financial Instruments:

These are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements.

On the date of the issue, the fair value of the liability component is estimated using the prevailing market rate for similar non-convertible instruments and recognised as a liability on an amortised cost basis using the EIR until extinguished upon conversion or on maturity. The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole and recognised as equity, net of the tax effect and remains in equity until the conversion option is exercised, in which case the balance recognised in equity will be transferred to another component of equity. If the conversion option remains unexercised on the maturity date, the balance recognised in equity will be transferred to retained earnings and no gain or loss is recognised in profit or loss upon conversion or expiry of the conversion option.

Transaction costs are allocated to the liability and equity component in proportion to the allocation of the gross proceeds and accounted for as discussed above.

2.12 Employee Benefits:

Short term employee benefits are those which are payable wholly within twelve months of rendering service are recognised as an expense at the undiscounted amount in Statement of Profit and Loss of the year in which the related service is rendered.

Contribution paid/ payable for the year/ period to Defined Contribution Retirement Benefit Plans is charged to Statement of Profit and Loss or Project Work in Progress, if it is directly related to a project.

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 immediately in the Balance Sheet with a corresponding effect in the SOCI. Past service cost is recognised immediately in the Statement of Profit or Loss.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**2.13 Leases:**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

As a Lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term, unless the payments are structured to increase in line with the expected general inflation to compensate the lessor.

As a Lessor:

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

2.14 Foreign Currency Transactions:

Transactions in foreign currencies are initially recorded at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Differences arising on settlement or translation of monetary items are recognised as income or expenses in the period in which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

2.15 Borrowing Costs:

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

2.16 Taxes on Income:*Current Income Taxes:*

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

Current income tax relating to items recognised directly in equity is recognised in other comprehensive income / equity and not in the statement of profit and loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Taxes:

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

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

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

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

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

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

MAT:

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

2.17 Provisions and Contingent Liabilities:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

When the Company expects some or all of a provision to be reimbursed, the same is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A Contingent Liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of enterprise or a present obligation that arises from past events that may, but probably will not, require an outflow of resources.

Both provisions and contingent liabilities are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent Liabilities are not recognized but are disclosed in the notes.

2.18 Earnings Per Share:

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

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

2.19 Cash and Cash Equivalent:

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

2.20 Cash Flow Statement

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

2.21 Commitments

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

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

2.22 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker regularly monitors and reviews the operating result of the whole Company as one segment of "Real Estate Development".

(B) Significant Accounting Judgements, Estimates and Assumptions:

The preparation of Financial Statements is in conformity with the recognition and measurement principles of Ind AS which requires the management to make judgements for estimates and assumptions that affect the amounts of assets, liabilities and the disclosure of contingent liabilities on the reporting date and the amounts of revenues and expenses during the reporting period and the disclosure of contingent liabilities. Differences between actual results and estimates are recognized in the period in which the results are known/ materialize.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**2.23 Judgements:**

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

- a) Assessment of the status of various legal cases/claims and other disputes where the Company does not expect any material outflow of resources and hence these are reflected as contingent liabilities (Refer Note 47) (wherever applicable)
- b) In several cases, assessment of the management regarding executability of the projects undertaken. (Refer Note 53) (wherever applicable)
- c) Assessment of the recoverability of various financial assets.
- d) For "Control" of D B Realty Ltd in Marine Drive Hospitality & Realty Private Limited (MDHRPL):

Total 24,70,600 nos. of ROCCPS Series A and 29,415 nos. of ROCCPES Series C of Marine Drive Hospitality & Realty Private Limited (MDHRPL) held by DB Realty Ltd (DBRPL) amounting to Rs 110.40 lakhs appx. has been attached by an attachment order issued by adjudicating authority under PMLA and therefore, all the rights of DBRL as a shareholder have been suspended till the time attachment continues. Therefore, the Company is of the view that the aforesaid shares cannot be considered while applying the test of "Control" on MDHRPL.

The Company is presently holding 92,600 nos of CCCPS – Series C. The CCCPS - Series C which shall be convertible, in part or full in the ratio of 1:100 viz. 100 (One Hundred) fully paid up new Equity shares of ₹ 10/- each against 1 (one) CCCPS – Series C of ₹ 10/- each held by DBRL. As per existing terms, the latest date of conversion of the aforesaid CCCPS – Series C is July, 2018. However, this being strategic investment the Company has decided not to exercise the option of conversion before July, 2020.

The Company is presently holding (i) 2,17,630 nos. of ROCCPS - Series C and (ii) 74,443 nos. of CRCPS, which are having option of either redemption or conversion on different dates varying between January 2018 to March, 2021. The Company has decided that it will exercise only the option of redemption of aforesaid shares on maturity date.

The Company has not nominated any director on the Board of MDHRPL and as represented to the Company, the Board of MDHRPL is an independent Board comprising of Nominee Director of a Financial Institution shareholder who is exercising power through affirmative voting right on all material decisions pertaining to the business of MDHRPL in accordance with executed Agreement read with existing Article of Association of MDHRPL

On the basis of the above facts, the management is not having effective control over MDHRPL. In view of the same, MDHRPL is not considered as subsidiary of the Company and accordingly investments in MDHRPL are measured at FVTPL or FVTOCI , as applicable.

2.24 Estimates and Assumptions:

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

(a) Project estimates

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

(b) Deferred Tax Assets

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

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

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

(c) Defined benefit plans

The cost and present value of the gratuity obligation and compensated absences are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, attrition rate and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(C) Recent Accounting Pronouncements:

Standard issued but not yet effective:

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

3 Property, Plant & Equipment

(Amount in ₹)

Particulars	"Buildings- Flat (Note No. 3.2)"	Sales Office-Building	Plant & equipment	Furniture & Fittings	"Vehicles (Note No. 3.1, 3.3)"	Office Equipment	Computer	Improvement on Leasehold Property	Total
Deemed cost									
As at April 1, 2015	9,970,065	13,945,045	483,031	25,504,506	42,939,937	4,139,506	380,645	-	97,362,735
Additions 2015-16	-	-	204,392	139,419	3,420,576	569,513	562,836	-	4,896,736
Disposal	-	-	(0)	20,715	2,019,716	-	-	-	2,040,431
As at March 31, 2016	9,970,065	13,945,045	687,424	25,623,210	44,340,797	4,709,019	943,481	-	100,219,041
Additions	-	-	-	-	-	232,998	463,489	-	696,487
Deductions	-	-	-	-	762,652	85,498	-	-	848,150
As at March 31, 2017	9,970,065	13,945,045	687,424	25,623,210	43,578,145	4,856,519	1,406,970	-	100,067,378
Accumulated Depreciation									
As at April 1, 2015									-
Depreciation charged during the year	173,923	7,065,194	384,642	6,215,546	10,428,487	2,359,644	269,652	-	26,897,087
Disposals	-	-	-	-	-	-	-	-	-
As at March 31, 2016	173,923	7,065,194	384,642	6,215,546	10,428,487	2,359,644	269,652	-	26,897,087
Depreciation charged during the year	173,448	5,289,244	46,946	6,171,913	9,510,261	793,646	348,839	-	22,334,297
Disposals	-	-	-	-	-	-	-	-	-
As at March 31, 2017	347,370	12,354,438	431,587	12,387,459	19,938,747	3,153,290	618,491	-	49,231,384
Net carrying amount									
As at April 1, 2015	9,970,065	13,945,045	483,031	25,504,506	42,939,937	4,139,506	380,645	-	97,362,735
As at March 31, 2016	9,796,142	6,879,851	302,782	19,407,664	33,912,311	2,349,375	673,829	-	73,321,953
As at March 31, 2017	9,622,695	1,590,607	255,836	13,235,750	23,639,398	1,703,228	788,479	-	50,835,993

Notes:

- 3.1 During the year depreciation inventorised ₹ 3,95,388 (FY 15-16 - ₹ 6,27,432, FY 14-15 ₹ 2,48,902)
- 3.2 The said flats are attached by Enforcement Directorate under Prevention of Money Laundering Act, 2002. (Refer Note No. 57)
- 3.3 **Property, plant and equipment pledged**

carrying amount of property, plant and equipment pledged as security by the Company are as follows:

(Amount in ₹)

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Vehicles (Refer Note No 22.8)	9,816,682	11,359,083	9,381,636

- 3.4 The company has elected to use the exemption available under Ind AS 101 to continue the carrying value for all its Property, Plant and Equipment as recognised in the financial statements as at the date of transition to Ind AS(s), measured as per previous GAAP and use that as its deemed cost as at the date of transition (April 1, 2015) as per the following details:-

Particulars	Gross Block (At Cost)	Accumulated Depreciation	Net Block as per Previous GAAP/ Deemed cost as per Ind AS	Ind AS adjustment	Gross block as per Ind AS
As at 1st April 2015					
Buildings- Flat	11,015,400	1,045,335	9,970,065	-	9,970,065
Sales Office-Building	31,812,134	17,867,089	13,945,045	-	13,945,045
Plant & equipment	11,872,230	11,389,199	483,031	-	483,031
Furniture & Fittings	49,417,881	23,913,375	25,504,506	-	25,504,506
Vehicles	81,484,820	38,544,883	42,939,937	-	42,939,937
Office Equipment	17,557,431	13,417,925	4,139,506	-	4,139,506
Computer	13,424,102	13,043,457	380,645	-	380,645
Improvement on Leasehold Property	136,509,243	136,509,243	-	-	-
Total	353,093,241	255,730,507	97,362,735	-	97,362,735

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

4 Investment property

(Amount in ₹)

Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Gross carrying amount			
Opening Balance	67,639,072	65,749,116	65,749,116
Addition	69,778	1,889,956	-
Closing Balance	67,708,850	67,639,072	65,749,116
Less : Accumulated Depreciation			
Opening Balance	1,041,031	-	-
Depreciation charged during the year	1,072,135	1,041,031	-
Closing Balance	2,113,166	1,041,031	-
Net carrying amount	65,595,684	66,598,041	65,749,116

(i) Amount recognised in Statement of Profit and Loss for investment properties

(Amount in ₹)

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Rental income derived from investment properties	3,154,000	2,642,000
Less: Depreciation charged during the year	(1,072,135)	(1,041,031)
Profit/ (Loss) from investment properties	2,081,865	1,600,969

(a) The Company had executed lease deeds for certain Units forming part of a Project for a period of 25 years. In terms of agreements, the lease rentals shall become due and payable on possession being granted.

(b) The future minimum lease payments are as under:

(Amount in ₹)

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Lease payments recognized in the Statement of Profit & Loss, for non- cancellable lease arrangement		
Future Lease Payments		
(a) Not later than one year.	3,108,000	3,108,000
(b) Later than one year but not later than five years.	12,742,800	12,432,000
(c) Later than five years.	63,801,510	68,367,000
Total of future lease payments.	79,652,310	83,907,000

(ii) Fair Value

(Amount in ₹)

Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Investment Property#	65,595,684	66,598,041	65,749,116

Estimation of Fair value

In view of the recent capitalization of investment property, the management is of the opinion that the carrying value can be considered as fair value which would be considered as Level 3 valuation. The Company has elected to apply exemption available under IndAS 101 to continue the carrying value for all its investment properties as recognised in the financial statements as at the date of transition to IndAS measured as per the previous GAAP and use that as its deemed cost as at the date of transition (1st April, 2015).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017
5 Intangible Assets

(Amount in ₹)

Particulars	Intangible Asset		Total	Intangible asset under development		Total
	Computer Software	Beautification-Bandra-Worli Sea Link		Computer Software	Beautification-Bandra-Worli Sea Link	
Deemed cost						
As at April 1, 2015	25,929,988	-	25,929,988	-	210,990,518	210,990,518
Additions 2015-16	195,418	-	195,418	7,087,500	63,067,693	70,155,193
Disposal	-	-	-	-	-	-
Impairment loss (Refer Note 5.1)	-	-	-	-	(75,000,000)	(75,000,000)
As at March 31, 2016	26,125,406	-	26,125,406	7,087,500	199,058,211	206,145,711
Additions	7,087,500	208,714,194	215,801,694	-	-	-
Deductions	-	-	-	7,087,500	199,058,211	206,145,711
As at March 31, 2017	33,212,906	208,714,194	241,927,099	-	-	-
Accumulated Depreciation						
As at April 1, 2015	-	-	-	-	-	-
Depreciation charged during the year	23,376,461	-	23,376,461	-	-	-
As at March 31, 2016	23,376,461	-	23,376,461	-	-	-
Depreciation charged during the year	5,006,014	22,620,816	27,626,830	-	-	-
As at March 31, 2017	28,382,475	22,620,816	51,003,291	-	-	-
Net carrying amount						
As at April 1, 2015	25,929,988	-	25,929,988	-	210,990,518	210,990,518
As at March 31, 2016	2,748,945	-	2,748,945	7,087,500	199,058,211	206,145,711
As at March 31, 2017	4,830,430	186,093,378	190,923,808	-	-	-

- 5.1 Out of the cost of beautification of Bandra Worli Sea Link, impairment loss in the financial year 2015-16 of ₹75,000,000/- has been charged during that year as an exceptional item to the Statement of Profit and Loss. The asset was treated as Intangible Asset under development in the previous year. As per agreement with MSRDC, the Company has a right to commercial use of such area for defined purposes as per agreement for next 8 years. The management is of the opinion that the future revenue from this would be higher than the carrying value.
- 5.2 The company has elected to use the exemption available under Ind AS 101 to continue the carrying value for all its Property, Plant and Equipment as recognised in the financial statements as at the date of transition to Ind AS(s), measured as per previous GAAP and use that as its deemed cost as at the date of transition (April 1, 2015) as per the following details:-

Particulars	Gross Block (At Cost)	Accumulated Depreciation	Net Block as per Previous GAAP/ Deemed cost as per Ind AS	Ind AS adjustment	Gross block as per Ind AS
As at April 1, 2015					
Computer Software	60,053,126	34,123,138	25,929,988	-	25,929,988
Total	60,053,126	34,123,138	25,929,988	-	25,929,988

6 Investment in Subsidiaries, Associates & Joint Ventures
A At Cost

(Amount in ₹)

Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Investment in subsidiaries			
(i) Investment in equity shares	2,151,156,036	2,145,413,473	2,123,872,492
(ii) Investment in preference shares	-	-	1,243,400,000
(iii) Investment in partnership firms	1,000,000,000	1,050,000,000	1,050,000,000
(iv) Others (AOP)	320,230,584	317,783,620	519,959,732
Total	3,471,386,620	3,513,197,093	4,937,232,224
Investment in Associates			
(i) Investment in equity shares	2,271,530,065	2,208,292,065	2,206,542,065
Total	2,271,530,065	2,208,292,065	2,206,542,065

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

(Amount in ₹)

Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Investment in Joint ventures			
(i) Investment in equity shares	987,253,899	986,878,899	986,503,899
(ii) Investment in partnership firms	3,550,000	3,550,000	3,550,000
(iii) Others	24,440,294	24,274,641	24,525,800
Total	1,015,244,193	1,014,703,540	1,014,579,699
Grand Total	6,758,160,878	6,736,192,698	8,158,353,988

B At Amortised cost

(Amount in ₹)

Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Investment in subsidiaries			
(i) Investment in preference shares	178,532,298	153,981,906	132,807,520
Total	178,532,298	153,981,906	132,807,520

C At Fair Value Through Profit and Loss

(Amount in ₹)

Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Investment in Subsidiary			
(i) Investment in Debentures	-	987,735	1,003,940
Investment in Associate			
(i) Investment in preference shares	122,468,105	123,902,297	123,386,781
Investment in Joint venture			
(i) Investment in preference shares	1,680,727,237	1,681,072,559	1,680,423,267
Total	1,803,195,343	1,805,962,591	1,804,813,988
Grand Total (A+B+C)	8,739,888,519	8,696,137,195	10,095,975,496

A Investment in subsidiaries, Associates and Joint Ventures at Cost

I Investment in subsidiaries

(i) Investment in equity shares (At cost, trade, fully paid & unquoted)

Sr. No.	Name of the Body Corporate	Nominal Value per share	No. of Shares/ Units		(Amount in ₹)		
			As at 31st March 2017	As at 31st March 2016	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
1	Esteem Properties Private Limited	100	10,000	10,000	312,018,720	312,018,720	312,018,720
2	Goregaon Hotel & Realty Private Limited (Refer Note No. 6.5)	10	10,000	10,000	100,000	100,000	100,000
3	NeelKamal Realtors Suburban Private Limited (Refer Note 6.4)	10	435,600	435,600	51,874,238	51,524,238	51,376,327
4	NeelKamal Shantinagar Properties Private Limited	10	16,000	16,000	160,401	160,401	160,401
5	D B Man Realty Limited	10	12,740,000	12,740,000	71,960,000	71,960,000	71,960,000
6	Real Gem Buildtech Private Limited	10	10,000	10,000	1,564,377,110	1,562,119,410	1,560,268,046
7	Saifee Bucket Factory Private Limited	1,000	248	248	70,174,999	70,174,999	70,174,999
8	Priya Constructions Private Limited	10	10,000	10,000	100,000	100,000	100,000
9	N.A. Estate Private Limited	100	1,000	1,000	-	100,000	100,000
10	Royal Netra Constructions Private Limited	100	75,600	75,600	7,560,000	7,560,000	7,560,000
11	Nine Paradise Erectors Private Limited	10	10,000	10,000	100,000	100,000	100,000
12	MIG Bandra Realtor & Builder Private Limited (Formerly DB MIG Realtors & Builders Private Limited) (Refer Note No. 6.3)	10	1,903,400	1,903,400	71,945,705	68,945,705	49,554,000
13	Spacecon Realty Private Limited(Formerly DB Spacecon Private Limited)	10	10,000	10,000	100,000	100,000	100,000
14	Vanita Infrastructure Private Limited	10	10,000	10,000	184,863	100,000	100,000
15	DB Contractors & Builders Private Limited	10	10,000	10,000	100,000	100,000	100,000
16	DB View Infracon Private Limited	10	10,000	10,000	400,000	250,000	100,000
	Total				2,151,156,036	2,145,413,473	2,123,872,492

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

(ii) Investments in Preference Shares (At cost, trade, fully paid & unquoted)

Sr. No.	Name of the Body Corporate	Nominal Value per share	No. of Shares/ Units			(Amount in ₹)		
			As at 31st March 2017	As at 31st March 2016	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015	
1	MIG Bandra Realtor & Builder Private Limited (Formerly DB MIG Realtors & Builders Private Limited) Redeemable Optionally Convertible Cumulative Preference Shares of Rs.10 each fully paid-up	10	-	-	-	-	-	1,243,400,000
Total			-	-	-	-	-	1,243,400,000

(iii) Investments in partnership firms (At cost, trade & unquoted)

Sr. No.	Name of the Body Corporate	Nominal Value per share	No. of Shares/ Units			(Amount in ₹)		
			As at 31st March 2017	As at 31st March 2016	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015	
1	Mira Real Estate Developers	N.A.	N.A.	N.A.	1,000,000,000	1,050,000,000	1,050,000,000	1,050,000,000
Total					1,000,000,000	1,050,000,000	1,050,000,000	1,050,000,000

(iv) Others (At cost, trade & unquoted)

Sr. No.	Name of the Body Corporate	Nominal Value per share	No. of Shares/ Units			(Amount in ₹)		
			As at 31st March 2017	As at 31st March 2016	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015	
1	Conwood - DB Joint Venture (AOP)	N.A.	N.A.	N.A.	-	5,910,000	197,509,732	197,509,732
2	ECC - DB Joint Venture (AOP)	N.A.	N.A.	N.A.	317,730,584	309,373,620	319,950,000	319,950,000
3	Turf Estate Joint Venture (AOP)	N.A.	N.A.	N.A.	2,500,000	2,500,000	2,500,000	2,500,000
Total					320,230,584	317,783,620	519,959,732	519,959,732

II Investment in Associates

(i) Investment in equity shares (At cost, trade, fully paid & unquoted)

Sr. No.	Name of the Body Corporate	Nominal Value per share	No. of Shares/ Units			(Amount in ₹)		
			As at 31st March 2017	As at 31st March 2016	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015	
1	NeelKamal Realtors Tower Private Limited (Refer Note No 6.1)	10	1,125,153	1,125,153	660,905,778	659,155,778	657,405,778	
2	Sangam City Town Ship Private Limited	10	8,000	8,000	253,026,363	253,026,363	253,026,363	
3	D B Hi-Sky Construction Private Limited	10	5,000	5,000	209,484,923	209,484,923	209,484,923	
4	Mahal Pictures Private Limited	10	3,600	3,600	892,225,001	892,225,001	892,225,001	
5	Shiva Realtors Suburban Private Limited	10	8,885	6,750	85,296,000	64,800,000	64,800,000	
6	Shiva Buildcon Private Limited	10	8,885	6,750	85,296,000	64,800,000	64,800,000	
7	Shiva Multitrade Private Limited	10	8,885	6,750	85,296,000	64,800,000	64,800,000	
Total					2,271,530,065	2,208,292,065	2,206,542,065	

III Investment in Joint Ventures

(i) Investment in equity shares (At cost, fully paid & unquoted unless otherwise specified)

Sr. No.	Name of the Body Corporate	Nominal Value per share	No. of Shares/ Units			(Amount in ₹)		
			As at 31st March 2017	As at 31st March 2016	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015	
1	DB (BKC) Realtors Private Limited	10	187,015	187,015	987,253,899	986,878,899	986,503,899	
Total					987,253,899	986,878,899	986,503,899	

(ii) Investments in partnership firms (At cost, trade & unquoted)

Sr. No.	Name of the Body Corporate	Nominal Value per share	No. of Shares/ Units			(Amount in ₹)		
			As at 31st March 2017	As at 31st March 2016	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015	
1	M/s Dynamix Realty (Project II)	N.A.	N.A.	N.A.	250,000	250,000	250,000	
2	M/s DBS Realty	N.A.	N.A.	N.A.	3,300,000	3,300,000	3,300,000	
Total					3,550,000	3,550,000	3,550,000	

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

(iii) Other non-current investments (At cost, trade & unquoted)

Sr. No.	Name of the Body Corporate	Nominal Value per share	No. of Shares/ Units		(Amount in ₹)		
			As at 31st March 2017	As at 31st March 2016	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
1	Lokhandwala Dynamix-Balwas JV	N.A.	N.A.	N.A.	24,331,494	24,165,841	24,117,000
2	DB Realty and Shreepati Infrastructures Limited Liability Partnership	N.A.	N.A.	N.A.	58,800	58,800	58,800
3	Ahmednagar Warehousing Developers & Builders Limited Liability Partnership	N.A.	N.A.	N.A.	-	-	50,000
4	Aurangabad Warehousing Developers & Builders Limited Liability Partnership	N.A.	N.A.	N.A.	-	-	50,000
5	Daund Warehousing Developers & Builders Limited Liability Partnership	N.A.	N.A.	N.A.	-	-	50,000
6	Latur Warehousing Developers & Builders Limited Liability Partnership	N.A.	N.A.	N.A.	-	-	50,000
7	Saswad Warehousing Deveopers & Builders Limited Liability Partnership	N.A.	N.A.	N.A.	-	-	50,000
8	Solapur Warehousing Developers & Builders Limited Liability Partnership	N.A.	N.A.	N.A.	-	-	50,000
9	Lokhandwala DB Realty LLP(Fixed Cap)	N.A.	N.A.	N.A.	50,000	50,000	50,000
Total					24,440,294	24,274,641	24,525,800

B Investment in Subsidiary, Associate & Joint Venture at Amortised cost

I Investment in Subsidiary

(i) Investments in Preference Shares (At Amortised cost, trade, fully paid & unquoted)

Sr. No.	Name of the Body Corporate	Nominal Value per share	No. of Shares/ Units		(Amount in ₹)		
			As at 31st March 2017	As at 31st March 2016	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
1	"NeelKamal Realtors Suburban Private Limited (10.50% Redeemable Cumulative Preference Shares) (Refer Note No 47 (iv))"	100	1,050,000	1,050,000	78,032,105	67,269,056	57,990,565
2	Real Gem Buildtech Private Limited (0.01% Redeemable Cumulative Preference Shares)	10	13,500,000	13,500,000	100,500,193	86,712,850	74,816,954
Total					178,532,298	153,981,906	132,807,520

C Investment in Subsidiary, Associate & Joint Venture at Fair Value Through Profit and Loss Account

I Investment in Subsidiaries

(i) Investments in Debentures (Fully paid, trade & unquoted)

Sr. No.	Name of the Body Corporate	Nominal Value per share	No. of Shares/ Units		(Amount in ₹)		
			As at 31st March 2017	As at 31st March 2016	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
1	N.A. Estate Private Limited (Interest free fully and compulsory convertible unsecured debentures)	100	70,000	70,000	-	987,735	1,003,940
Total					-	987,735	1,003,940

II Investment in Associates

(i) Investments in Preference Shares (Fully paid, trade & unquoted)

Sr. No.	Name of the Body Corporate	Nominal Value per share	No. of Shares/ Units		(Amount in ₹)		
			As at 31st March 2017	As at 31st March 2016	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
1	NeelKamal Realtors Tower Private Limited (0.002% Redeemable Optionally Convertible Cumulative Preference Shares)	10	660,918	660,918	122,468,105	123,902,297	123,386,781
Total					122,468,105	123,902,297	123,386,781

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

III Investment in Joint Ventures

(i) Investments in Preference Shares (Fully paid, trade & unquoted)

Sr. No.	Name of the Body Corporate	Nominal Value per share	No. of Shares/ Units		(Amount in ₹)		
			As at 31st March 2017	As at 31st March 2016	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
1	DB (BKC) Realtors Private Limited (Refer Note No. 6.2)						
	i) 0.001% Redeemable Optionally Convertible Cumulative Preference Shares	10	304,518	304,518	891,409,452	891,790,099	891,790,099
	ii) 0.001% Compulsory Convertible Cumulative Preference Shares	10	70,652	70,652	789,317,785	789,282,459	788,633,167
	Total				1,680,727,237	1,681,072,559	1,680,423,267

- 6.1 The Company has pledged its investment of 986,618 (PY 986,618) equity shares of Neelkamal Realtors Tower Private Limited, an associate company, in favour of Yes Bank which provided term loan of ₹ 3,500,000,000, to the said associate.
- 6.2 The Company has pledged 88.79% of its investment in equity and 54.53% of its investment in ROCCPS of DB (BKC) Realtors Private Limited joint venture, in favour of banks which sanctioned term loans of ₹ 750,000,000 (PY 750,000,000) to the said joint venture.
- 6.3 The Company has pledged its investment of 3,000 equity shares of MIG (Bandra) Realtors and Builders Private Limited, in favour of Yes Bank Ltd. which sanctioned a Term Loan of ₹ 6,000,000,000/- (PY ₹ 6,000,000,000) to the said Subsidiary. (Refer Note No. 47(iii))
- 6.4 The Company has pledged its investment of 435,600 equity shares of Neelkamal Realtors Suburban Private Limited, in favour of Edelweiss Housing Finance Ltd which provided term loan of ₹ Nil (PY ₹44,00,00,000) and in favour of ECL Finance Ltd which provided term loan of ₹ NIL (PY ₹26,00,00,000) to the said Subsidiary Company. (Refer Note No. 47)
- 6.5 The Company has pledged its investment of 10,000 equity shares in Goregaon Hotel and Realty Private Limited in favour of Reliance Capital Limited which sanctioned a Term Loan of ₹ 1,400,000,000/- to the said subsidiary.

6.6 Details of investment in Partnership Firms:

(i) M/s Dynamix Realty *

Name of the Partners	As at 31st March 2017		As at 31st March 2016
	Share of each Partner	Total Capital	Share of each Partner
	(%)	(Amount in ₹)	(%)
DB Realty Ltd	50.00	250,000	50.00
Eversmile Construction Company	50.00	125,000	50.00
Total Capital	100.00	375,000	100.00

*DB Realty Ltd. is only a partner in Project II of Dynamix Realty

(ii) M/s DBS Realty

Name of the Partners	As at 31st March 2017		As at 31st March 2016
	Share of each Partner	Total Capital	Share of each Partner
	(%)	(Amount in ₹)	(%)
DB Realty Ltd.	33.33	3,300,000	33.33
Bharat Shah	8.33	825,000	8.33
Manakchand Loonkar	8.33	825,000	8.33
Real Street Developers	16.67	1,650,000	16.67
Vision Finstock Limited	16.67	1,650,000	16.67
Ramesh Shah	16.67	1,650,000	16.67
Total Capital	100.00	9,900,000	100.00

(iii) M/s Mira Real Estate Developers

Name of the Partners	As at 31st March 2017		As at 31st March 2016
	Share of each Partner	Total Capital	Share of each Partner
	(%)	(Amount in ₹)	(%)
DB Realty Ltd	99.00	1,000,000,000	99.00
DB View Infracon Pvt Ltd.	1.00	-	1.00
Total Capital	100.00	1,000,000,000	100.00

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

(iv) **DB Realty and Shreepati Infrastructures Limited Liability Partnership**

Name of the Partners	As at 31st March 2017		As at 31st March 2016	
	Share of each Partner	Total Capital	Share of each Partner	Total Capital
	(%)	(Amount in ₹)	(%)	(Amount in ₹)
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

(v) **Ahmednagar Warehousing Developers & Builders Limited Liability Partnership #**

Name of the Partners	As at 31st March 2017		As at 31st March 2016	
	Share of each Partner	Total Capital	Share of each Partner	Total Capital
	(%)	(Amount in ₹)	(%)	(Amount in ₹)
DB Realty Ltd.	-	-	-	50,000
Nihar Constructions Private Limited	-	-	-	50,000
Total Capital	-	-	-	100,000

(vi) **Aurangabad Warehousing Developers & Builders Limited Liability Partnership #**

Name of the Partners	As at 31st March 2017		As at 31st March 2016	
	Share of each Partner	Total Capital	Share of each Partner	Total Capital
	(%)	(Amount in ₹)	(%)	(Amount in ₹)
DB Realty Ltd	-	-	-	-
Nihar Constructions Private Limited	-	-	-	-
Total Capital	-	-	-	-

(vii) **Daund Warehousing Developers & Builders Limited Liability Partnership #**

Name of the Partners	As at 31st March 2017		As at 31st March 2016	
	Share of each Partner	Total Capital	Share of each Partner	Total Capital
	(%)	(Amount in ₹)	(%)	(Amount in ₹)
DB Realty Ltd	-	-	-	-
Nihar Constructions Private Limited	-	-	-	-
Total Capital	-	-	-	-

(viii) **Latur Warehousing Developers & Builders Limited Liability Partnership #**

Name of the Partners	As at 31st March 2017		As at 31st March 2016	
	Share of each Partner	Total Capital	Share of each Partner	Total Capital
	(%)	(Amount in ₹)	(%)	(Amount in ₹)
DB Realty Ltd	-	-	-	50.00
Nihar Constructions Private Limited	-	-	-	50.00
Total Capital	-	-	-	100.00

(ix) **Saswad Warehousing Developers & Builders Limited Liability Partnership #**

Name of the Partners	As at 31st March 2017		As at 31st March 2016	
	Share of each Partner	Total Capital	Share of each Partner	Total Capital
	(%)	(Amount in ₹)	(%)	(Amount in ₹)
DB Realty Ltd	-	-	-	-
Nihar Constructions Private Limited	-	-	-	-
Total Capital	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017
(x) Solapur Warehousing Developers & Builders Limited Liability Partnership #

Name of the Partners	As at 31st March 2017		As at 31st March 2016
	Share of each Partner	Total Capital	Share of each Partner
	(%)	(Amount in ₹)	(%)
DB Realty Ltd	-	-	-
Nihar Constructions Private Limited	-	-	-
Total Capital	-	-	-

(xi) Lokhandwala DB Realty LLP

Name of the Partners	As at 31st March 2017		As at 31st March 2016
	Share of each Partner	Total Capital	Share of each Partner
	(%)	(Amount in ₹)	(%)
Lokhandwala Infrastrucutre Private Limited	5.00	50,000	5.00
Viceroy Builders Private Limited	45.00	450,000	45.00
DB Realty Limited	5.00	50,000	5.00
DB Contractors & Builders Private Limited	45.00	450,000	45.00
Total Capital	100.00	1,000,000	100.00

The company has cease to be co-partner in these LLP's from 1st July, 2015, since these LLP's have not carried on any business activities

7 Non-current investments

Particulars	(Amount in ₹)		
	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
(i) Investment in equity shares	3,821,800,190	4,313,266,621	4,479,632,461
(ii) Investment in preference shares	92,199,968	104,056,472	108,070,006
(iii) Investment in preference shares	5,781,800,415	5,345,526,766	4,866,161,145
Total	9,695,800,573	9,762,849,859	9,453,863,612

A Fair Value Through Other Comprehensive Income (FVTOCI)
(i) Investment in Equity Instruments (Non Trade, Fully paid & unquoted)

Sr. No.	Name of the Body Corporate	Nominal Value per share	No. of Shares/ Units		(Amount in ₹)		
			As at	As at	As at	As at	As at
			31st March 2017	31st March 2016	31st March 2017	31st March 2016	1st April 2015
1	Marine Drive Hospitality & Realty Private Limited (Formerly DB Hospitality Private Limited (Refer note 7.1))	10	3,838,382	3,838,382	3,821,800,190	4,313,266,621	4,479,632,461
	Total				3,821,800,190	4,313,266,621	4,479,632,461

(ii) Investments in Preference Shares (Non Trade, Fully paid & unquoted)

Sr. No.	Name of the Body Corporate	Nominal Value per share	No. of Shares/ Units		(Amount in ₹)		
			As at	As at	As at	As at	As at
			31st March 2017	31st March 2016	31st March 2017	31st March 2016	1st April 2015
1	Marine Drive Hospitality Private Limited (Formerly DB Hospitality Private Limited) (Note no. 7.2)						
	i) 0.002% Compulsory Convertible Cumulative Preference Shares	10	92,600	92,600	92,199,968	104,056,472	108,070,006
	Total				92,199,968	104,056,472	108,070,006

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

B Fair Value Through Profit and Loss

(i) Investments in Preference Shares (Non Trade, Fully paid & unquoted)

Sr. No.	Name of the Body Corporate	Nominal Value per share	No. of Shares/ Units			(Amount in ₹)		
			As at 31st March 2017	As at 31st March 2016	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015	
1	Marine Drive Hospitality Private Limited (Formerly DB Hospitality Private Limited) (Note no.7.2)							
	i) Series C- 0.002% Redeemable Optionally Convertible Cumulative Preference Shares	10	217,630	217,630	64,131,208	69,097,525	71,141,071	
	ii) Series A- 0.002% Redeemable Optionally Convertible Cumulative Preference Shares (Refer Note No. 7.3)	10	2,470,600	2,470,600	728,036,408	784,415,500	807,614,434	
	iii) Cumulative Redeemable Convertible Preference Shares	10	74,443	74,443	4,729,490,583	4,222,759,449	3,769,150,473	
2	Konarc Realtech Private Limited (0.01% Redeemable Optionally Convertible Preference Shares) (Refer Note No. 7.4)	10	1,163,739	1,163,739	260,142,216	269,254,292	218,255,168	
	Total				5,781,800,415	5,345,526,766	4,866,161,145	

- 7.1 The Company had pledged its investment of 3,838,382 equity shares of Marine Drive Hospitality & Realty Private Limited., in favour of IL & FS Financials Services Ltd which provided term loan of 350,000,000(PY 950,000,000) to the Company.
- 7.2 There is no return on investments in preference shares of Marine Drive Hospitality & Realty Private Limited("MDH") during the year. In view of the management, investments in this entity is considered strategic and long term in nature and the market value and future prospects of these investment are significantly in excess of Company's investment in MDH.
- 7.3 2,470,000 shares Series A 0.002% ROCCPS of Marine Drive Hospitality & Realty Private Limited which are held by the Company have been handed over to Enforcement Directorate (ED) under PMLA case. (Refer Note No. 57)
- 7.4 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. In the opinion of the management, having regard to the state of affairs of the said company, there is no fall in the value of the Company's investment.

8 Non-current financial assets: Loans

A Loans

Particulars	(Amount in ₹)		
	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Loans and advances to related parties (Unsecured, considered good)			
Project Advances to Associates (Refer Note No. 8.1)	304,585,250	262,178,353	225,563,714
Total	304,585,250	262,178,353	225,563,714

- 8.1 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 or a member

Particulars	(Amount in ₹)		
	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Private Companies in which director is a member or director	304,585,250	262,178,353	225,563,714
Total	304,585,250	262,178,353	225,563,714

9 Other Financial Assets

Particulars	(Amount in ₹)		
	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Unsecured, considered good			
a. Deposits having maturity more than 12 Months*	-	-	31,128,693
b. Security Deposits			
To Related Parties (Refer Note No. 9.1 & 9.2)	599,137,931	2,288,518,312	2,088,430,373
To Others (Refer Note No. 9.2)	527,699,010	455,364,964	395,598,699
c. Interest accrued but not due	-	-	1,900,951
Total	1,126,836,942	2,743,883,276	2,517,058,717

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

- 9.1** 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 or a member

Particulars	As at	As at	As at
	31st March 2017	31st March 2016	1st April 2015
Private Company and Firms in which director is a member or director or partner	1,023,275,862	2,654,154,460	2,403,633,948
Total	1,023,275,862	2,654,154,460	2,403,633,948

- 9.2** Security deposits includes ₹ 1,138,170,442/- (PY ₹2,747,539,442/-) given to the various parties for acquisition of development rights. The Company or land owner is in process of obtaining necessary approvals with regard to the said properties and the said properties are having current market value significantly in excess of their carrying values and are expected to achieve adequate profitability on substantial completion of these projects.

* Kept as margin money for guarantees/ other securities with banks.

10 Deferred Tax Asset (Net)

- (i) Movement in Deferred tax assets (net)

Particulars	At 1st April, 2015	Recognised in Profit or loss	Recognised in OCI	At 31st March, 2016	Recognised in Profit or loss	Recognised in OCI	At 31st March, 2017
Disallowance under the Income Tax Act, 1961	20,395,735	166,949	-	20,562,684	(5,325,122)	-	15,237,562
Related to Depreciation (including unabsorbed depreciation)	44,370,387	3,754,677	-	48,125,064	(3,495,571)	-	44,629,492
Fair value adjustment of financial liabilities	(8,756,335)	3,727,066	-	(5,029,269)	3,227,720	-	(1,801,549)
Fair value adjustment of Financial Asset	409,272,725	(116,940,865)	-	292,331,860	(237,121,627)	-	55,210,232
Fair value adjustment of Investments	1,211,780,634	(79,993,554)	35,098,151	1,166,885,231	(89,302,318)	103,684,524	1,181,267,439
Equity component of compound financial instrument	-	(113,859,172)	-	(113,859,172)	17,258,570	-	(96,600,602)
Other adjustments	-	3,836,294	(5,044,753)	(1,208,459)	(918,905)	(1,939,606)	(4,066,970)
MAT credit entitlement/reversal	6,000,000	29,800,000	-	35,800,000	(35,800,000)	-	-
Total	1,683,063,146	(299,308,605)	30,053,398	1,443,607,938	(351,477,253)	101,744,918	1,193,875,605

11 Non current tax asset

(Amount in ₹)

Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Advance payment of Tax (Net of Provision for Tax)	58,037,978	60,788,404	65,963,687
Total Tax Assets	58,037,978	60,788,404	65,963,687

12 Other Non current assets

(Amount in ₹)

Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Unsecured, considered good			
a. Capital Advances	-	15,000,000	15,000,000
b. Advances other than capital advances			
(i) Security Deposits			
To Related Parties (Refer Note No. 12.1 and 9.2)	75,500,000	75,500,000	75,500,000
To Others (Refer Note No. 9.2)	81,865,274	63,957,000	78,657,000
(ii) Other advances			
Advance against Share Purchase (Refer Note No. 49)	400,000,000	400,000,000	400,000,000
Other Loans & Advances			
Advance for Development Rights (Related Party Refer Note No. 61)	210,183,246	210,183,246	-
Advance for Development Rights	405,694,500	438,819,500	438,819,500
Advance for Development Rights to Related Party (Refer Note No. 61)	33,125,000	33,125,000	33,125,000
Service tax	3,338,829	18,217,201	18,590,962
Others	149,225,000	135,858,274	1,020,782,230
Total	1,325,806,849	1,357,535,221	2,047,349,692

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

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 or a member

(Amount in ₹)

Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Private Company and Firms in which director is a member or director or partner	75,500,000	75,500,000	75,500,000
Total	75,500,000	75,500,000	75,500,000

13 Inventories (Valued at cost or net realisable value whichever is lower).

(Amount in ₹)

Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
a. Project Work in Progress	2,861,992,735	2,786,245,906	2,862,863,454
b. Material at Site	-	4,646,068	20,712,351
c. Transferable Development Right	-	61,785,360	-
d. Finished Goods	41,715,037	76,118,350	-
Total	2,903,707,772	2,928,795,684	2,882,729,760

(i) All projects are under initial stage of development & expected to have net realisable value greater than the cost.

(ii) Refer note 22 for projects given as securities by the Company.

(iii) Refer note 53 for projects under litigation.

14 Current Investments at cost

(Amount in ₹)

Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
(a) Investments in Partnership Firms	-	8,280,198	345,994,281
(b) Other Current Investments	984,452,475	849,994,993	1,462,315,252
Total	984,452,475	858,275,191	1,808,309,533

A Investment in Partnership Firms

(Amount in ₹)

Sr. No.	Name of the Body Corporate	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
(a)	Investments in partnership firms			
	Mira Real Estate Developers	-	8,280,198	345,994,281
	Total (a)	-	8,280,198	345,994,281
(b)	Other Current Investments			
	Turf Estate Joint Venture (AOP)	913,890,481	779,303,588	1,391,493,588
	DB Realty and Shreepati Infrastructures LLP	64,280,111	64,404,994	64,110,079
	Lokhandwala DB Realty LLP	6,281,883	6,286,411	6,292,073
	Ahmednagar Warehousing Developers & Builders LLP*	-	-	118,440
	Aurangabad Warehousing Developers & Builders LLP*	-	-	23,456
	Latur Warehousing Developers & Builders LLP*	-	-	103,551
	Saswad Warehousing Developers & Builders LLP*	-	-	70,240
	Solapur Warehousing Developers & Builders LLP*	-	-	103,825
	Total (b)	984,452,475	849,994,993	1,462,315,252
	Total (a + b)	984,452,475	858,275,191	1,808,309,533

* The Company ceased to be co-partner in these LLPs since July 01, 2015, since these LLPs' have not carried out any business activity.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

15 Trade Receivables

(Amount in ₹)			
(i) Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Unsecured, considered good	389,380,428	441,102,972	433,135,031
Doubtful	23,454,229	-	-
Less: Provision for doubtful trade receivables	(23,454,229)	-	-
Total	389,380,428	441,102,972	433,135,031

15.1 Trade and other receivables from directors or other officers of the Company either severally or jointly with any other person is disclosed as part of Note- 61 Related Party Transaction along with other related party transactions.

15.2 Refer Note 22 giving details of secured loans for which the trade receivables are pledged as security .

16 Cash and Bank Balances

(Amount in ₹)			
Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
1. Cash & Cash Equivalents			
a. Balances with banks in current accounts	9,218,629	44,076,178	38,836,934
b. Cash on hand	110,873	363,108	56,913
Total	9,329,502	44,439,286	38,893,847
16A Bank balance other than (iii) above			
Fixed Deposits with bank (Note 16.1)	52,537,499	53,759,775	30,450,073
Total	52,537,499	53,759,775	30,450,073

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.

16.1 Fixed Deposit having maturity more than 3 months but less than 12 months kept, as security for guarantees/ other facilities with banks.

17 Loans

(Amount in ₹)			
Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Unsecured, Considered Good Loans			
Loan to subsidiaries (Refer Note No. 17.1 & 17.2)	9,017,095,285	6,546,691,995	2,679,135,595
Loan to other related parties (Refer Note No.61)	165,698,674	456,430,518	400,121,091
Considered good	1,500,000	17,853,251	687,333,285
Doubtful	12,326,245	-	-
Less: Provision for doubtful loans and advances	(12,326,245)	-	-
Total (A)	9,184,293,959	7,020,975,764	3,766,589,971

17.1 Loans and Project 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 or a member.

(Amount in ₹)			
Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Other Officers	500,000	548,462	548,462
Private Company and Firms in which director is a member or director or partner	4,932,840,952	2,551,475,934	2,104,926,579
Total	4,933,340,952	2,552,024,396	2,105,475,041

17.2 Refer Note 61 for loans to related parties

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**18 Other Financial assets**

(Amount in ₹)

Particulars	As at	As at	As at
	31st March 2017	31st March 2016	1st April 2015
Service Tax Receivable from customers	455,163	455,163	455,163
Interest Accrued but not due	976,183	1,224,104	1,196,233
Interest Accrued and due	149,211,379	300,889,361	99,288,878
Other Receivable (Note No. 18.1)			
Receivable from related party (Refer note no. 61)	9,358,610	9,356,101	-
Others - Considered good	19,497,028	24,270,467	7,129,766
Others Considered Doubtful	4,251,450	-	-
Less: Provision for doubtful loans and advances	(4,251,450)	-	-
Total	179,498,363	336,195,196	108,070,040

18.1 During the financial year 2013-2014, the Directorate of Enforcement has taken physical possession of bank balance of ₹ 6,892,967, against which the Company had 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 receivable. (Refer Note No. 57)

19 Other Current assets

(Amount in ₹)

Particulars	As at	As at	As at
	31st March 2017	31st March 2016	1st April 2015
Unsecured, considered good			
a. Advances other than capital advances			
Security Deposits	-	162,750	162,750
Mobilisation Advance to related parties (Refer Note No. 19.1)	113,159,717	113,777,662	113,159,717
Advance for TDR purchase	290,000,000	290,000,000	300,000,000
Advance to Related Party (Refer Note No.61)	2,413,482	2,413,482	2,413,482
Other Advances Considered Doubtful	10,000,000	10,000,000	10,000,000
Less:Provision for Doubtful Security Deposits & Advances	(10,000,000)	(10,000,000)	(10,000,000)
b. Others			
Prepaid Expenses	1,586,870	1,919,145	114,116
Others	180,059,053	192,151,356	249,103,608
Total	587,219,122	600,424,395	664,953,673

19.1 Loans and Project 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 or a member.

(Amount in ₹)

Particulars	As at	As at	As at
	31st March 2017	31st March 2016	1st April 2015
Private Company and Firms in which director is a member or director or partner	113,159,717	113,777,662	113,159,717
Total	113,159,717	113,777,662	113,159,717

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

20 Share Capital

Particulars	As at 31st March 2017		As at 31st March 2016		As at 1st April 2015	
	Number	Amount in ₹	Number	Amount in ₹	Number	Amount in ₹
Authorised						
Equity Shares of ₹ 10/- each	270,000,000	2,700,000,000	270,000,000	2,700,000,000	270,000,000	2,700,000,000
8% Redeemable Preference shares of ₹ 10/- each	75,000,000	750,000,000	75,000,000	750,000,000	75,000,000	750,000,000
Total		3,450,000,000		3,450,000,000		3,450,000,000
Issued, Subscribed & Fully Paid up (Refer note no 20.4)						
Equity Shares of ₹ 10/- each	243,258,782	2,432,587,820	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	243,258,782	2,432,587,820

20.1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity Shares:

Particulars	As at 31st March 2017		As at 31st March 2016		As at 1st April 2015	
	Number	Amount in ₹	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	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	243,258,782	2,432,587,820

20.2 Rights, preferences and restriction attached to shares

Equity Shares:

Equity shares have equal rights to dividend. The Company has only one class of Equity Shares having a par value of ₹ 10/- per share. Each equity shareholder is entitled to one vote 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.

20.3 Details of shares held by shareholders holding more than 5% shares in the company

Equity :

Name of Shareholder	As at 31st March 2017		As at 31st March 2016		As at 1st April 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Neelkamal Tower Construction LLP	80,314,871	33.02%	102,389,871	42.09%	104,564,838	42.99%
Walkinson Investment Limited	13,662,731	5.62%	14,582,650	5.99%	14,582,650	5.99%
Vinod Goenka*	15,364,216	6.32%	15,364,216	6.32%	15,364,216	6.32%
Sanjana Vinod Goenka	22,382,108	9.20%	8,750,000	3.60%	8,750,000	3.60%
Aseela Vinod Goenka	14,769,958	6.07%	6,657,742	2.74%	6,657,742	2.74%

*Out of the said above shareholding 13,732,108 shares (5.64%) are jointly held by Vinod Goenka and Aseela Goenka.

20.4 The Company has paid up capital in the form of 71,755,740 8% Redeemable Cumulative Preference Shares of ₹ 10/- each which have been reclassified as part of "Other Equity" and "Borrowings".

21(a) Other Equity

(Amount in ₹)

Particulars	Note No.	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Capital Reserve	21(b)(i)	504,631,445	504,631,445	504,631,445
Securities Premium Reserve	21(b)(ii)	23,843,290,192	23,843,290,192	23,843,290,192
Retained Earnings	21(b)(iii)	1,291,178,586	1,272,572,014	739,609,306
Equity Component of Compound Financial Instrument	21(c)(i)	376,057,875	376,057,875	-
Other Comprehensive Income	21(c)(ii)	986,079,644	1,385,718,055	1,520,705,917
Total		27,001,237,741	27,382,269,580	26,608,236,860

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

21(b) Reserves & Surplus

(i) Capital Reserve

Capital Reserve is created on account of merger of Gokuldharm Real Estate Development Co. Pvt. Ltd. into the Company.

Particulars	As at 31st March 2017	As at 31st March 2016
Balance at the beginning of the year	504,631,445	504,631,445
Movement during the year	-	-
Balance at the end of the year	504,631,445	504,631,445

(ii) Securities Premium Reserve

Securities Premium Reserve is used to record premium on issue of shares. The reserve is utilised as per the provisions of the Companies Act, 2013.

Particulars	As at 31st March 2017	As at 31st March 2016
Balance at the beginning of the year	23,843,290,192	23,843,290,192
Movement during the year	-	-
Balance at the end of the year	23,843,290,192	23,843,290,192

(iii) Retained Earnings

Retained Earnings represent the surplus/ accumulated earnings of the Company and are available for distribution to shareholders.

Particulars	As at 31st March 2017	As at 31st March 2016
Balance at the beginning of the year	1,272,572,014	739,315,945
Net profit the year	14,269,136	527,615,415
Employee Benefit (Net of Tax)	4,337,437	5,640,654
Balance at the end of the year	1,291,178,586	1,272,572,014

21(c) Other Reserves

(i) Equity Component of Compound Financial Instrument

Represents equity component of 8% Redeemable Non-cumulative Preference Shares. Refer Note No. 22.9 for terms of redemption.

Particulars	As at 31st March 2017	As at 31st March 2016
Balance at the beginning of the year	376,057,875	-
Movement during the year	-	376,057,875
Balance at the end of the year	376,057,875	376,057,875

(ii) Other Comprehensive Income

Other Comprehensive Income represents income that will not be reclassified to Retained Earning.

Particulars	As at 31st March 2017	As at 31st March 2016
Balance at the beginning of the year	1,385,718,055	1,520,999,278
Movement during the year		
Related to employee benefits	-	-
Tax effect related to employee benefits above	-	-
Others	(399,638,411)	(135,281,223)
Balance at the end of the year	986,079,644	1,385,718,055

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

22 Borrowings

Particulars	(Amount in ₹)		
	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
<u>I. Secured</u>			
(a) Term Loans			
From Bank			
ICICI Bank Limited (Refer note 22.1 for terms of the said loan) (Default: Interest amount of ₹ 77,46,922/- and Principal amount of ₹ 22,327,330/- from January, 2017; Previous year default: Interest ₹ 68,87,821/- from February, 2016)	99,015,003	197,971,836	297,520,239
From Others			
STCI Finance Ltd (Refer note 22.2 for terms of the said loan) (Default: Previous year: Interest of ₹ 8,102,543/- Principal of ₹ 61,165,488/- from February 2016) (Default: Financial Year 2014-15: Interest of ₹ 2,611,553/- for the month of March 2015)	-	-	-
Reliance Capital Limited (Refer note 22.3 for terms of the said loan) (Default: Interest default: ₹ 13,47,45,484; Previous year: Nil)	-	897,500,000	-
Reliance Home Finance Ltd (Refer note 22.4 for terms of the said loan)	667,000,000	-	-
Reliance Commercial Finance (Refer note 22.5 for terms of the said loan)	20,000,000	-	-
Indiabulls Housing Finance Limited (Refer note 22.6 for terms of the said loan) (Default: Interest Rs, 3,228,012/- from March, 2017. Previous Year: Interest of ₹ 2,095,969/- Principal of ₹ 8,649,907/- from March, 2016)	-	47,530,509	83,907,726
LIC Housing Finance Limited (Refer note 22.7 for terms of the said loan) (Default: Interest of ₹ 6,41,77,300/- since December 2015 and Principal of ₹ 306,303,767/- from February, 2015) Previous Year: Interest of ₹ 11,645,034/- from December 2015 and Principal of ₹ 306,303,767/- from February, 2015) (Default: Financial Year 2014-15: Interest of ₹ 10,893,206/- and Principal of ₹ 306,303,767/- from February, 2015)	-	-	52,871
(b) Vehicle Loans			
Vehicle Loans from Banks (Refer note 22.8 for terms of Vehicle loan)	4,672,182	6,658,996	6,049,303
<u>II. Unsecured</u>			
Liability component of compound financial instruments			
8% Redeemable Preference shares of ₹ 10/- each (Refer note 22.9)	404,934,094	349,081,115	-
Total	1,195,621,279	1,498,742,457	387,530,139

22.1 The said loan was received for the purpose of financing the cost of constructions of the project DB Skypark, Sahar, Andheri - East a joint venture in which the Company is a venturer and carries floating effective interest rate of 13.80% p.a. linked to I-Base, payable monthly. The loan is repayable in 12 quarterly installments commencing from April 1st 2016. A certain portion of the loan of ₹ 122,333,246/- has been reclassified into current maturities of long term debt. The loan is secured by :-

1. Exclusive charge on the land situated at project of one of the subsidiary, DB Skypark, Sahar, Andheri East which is a property of co-venturer (Eversmile Construction Company Pvt Ltd) 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.
5. Personal guarantee of one of the Managing Directors of the Company.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

- 22.2 The said loan was received for General Corporate Purpose. The loan was secured by pledge of 13,117,020 shares of the company held by Neelkamal Tower Construction LLP. The loan carried fixed interest rate of 9.75% p.a on monthly rest. The loan was repayable at the end of 36 months from the date of disbursement. The interest cost was payable on monthly basis. Redemption premium was payable at the end of the tenure so as to yield a normal IRR of 14.75% p.a. on monthly rest. (The said loan had been classified as current maturity of long term debt in FY 2015-16).
- 22.3 The said loan was received in FY 2015-16 for general purpose and carried interest rate of 15% p.a. Loan is repayable in 24 months with bullet repayment at the end of the loan tenure. Interest to be paid annually. The loan has been reclassified into current maturities of long term debts. The said loan is secured by :-
1. An exclusive charge on the project land of Orchid Golf View Park Sino. 191A/2A/1/2, Plot No.2 at yewada, Pune. together with all buildings and structures thereon, both present and future.
 2. An exclusive charge on the scheduled receivables under the documents entered into with customer by the Borrower, all such proceeds both present and future.
 3. An exclusive charge over all rights, titles, interest claim, benefits, demands under the project documents both present and future.
 4. An exclusive charge over escrow account, all monies credited / deposited, therein and all investments in respect thereof (in whatever form they may be).
 5. An exclusive charge on TDR - transferable development rights till the same is loaded on the project.
 6. Hypothecation of Future receivables from Sale of proposed residential development project 'Orchid Golf View Park S.No. 191A/2A/1/2, Plot No.2 at yewada, Pune'.
 7. Personal Guarantee of both the Managing Directors."
- 22.4 The said loan was received in the current year for general purpose and carry interest rate of 18% p.a. Loan is repayable in 24 months with bullet repayment at the end of the loan tenure. Interest to be paid annually. The said loan is secured by :-
1. An exclusive charge on the project land of Orchid Golf View Park S.No. 191A/2A/1/2, Plot No.2 at Yewada, Pune. together with all buildings and structures thereon, both present and future.
 2. An exclusive charge on the scheduled receivables under the documents entered into with customer by the Borrower, all such proceeds both present and future.
 3. An exclusive charge over all rights, titles, interest claim, benefits, demands under the project documents both present and future.
 4. An exclusive charge on TDR - transferable development rights till the same is loaded on the project.
 5. Personal Guarantee of both the Managing Directors."
- 22.5 The said loan was received in the current year for general purpose and carry interest rate of 18% p.a. Loan is repayable in 24 months with bullet repayment at the end of the loan tenure. Interest to be paid annually. The said loan is secured by :-
1. An exclusive charge on the project land of Orchid Golf View Park S.No. 191A/2A/1/2, Plot No.2 at Yewada, Pune. together with all buildings and structures thereon, both present and future.
 2. An exclusive charge on the scheduled receivables under the documents entered into with customer by the Borrower, all such proceeds both present and future.
 3. An exclusive charge over all rights, titles, interest claim, benefits, demands under the project documents both present and future.
 4. An exclusive charge on TDR - transferable development rights till the same is loaded on the project.
 5. Personal Guarantee of both the Managing Directors."
- 22.6 The said loan is repayable upto 36 months from the date of first disbursement i.e. 02.08.2014. The effective rate of interest for the year is 16.% p.a. Secured by Pledge /charges of shares of the Company worth minimum 2.00 times of the loan amount , as acceptable to the lender, to be pledged in a depository as suggested by lender. Further, one of the managing director has given personal guarantee for securing the repayment of loans and dues thereon. The said loan is also secured by 7,000,000 number of equity shares held by Ms. Sanjana Goenka in the Company.
- 22.7 The said loan was received for the purpose of financing the costs of construction and other project implementation costs in 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 and again on April 27, 2015. The loan tenure has been extended by 12 months and hence the outstanding balance is due on January 31, 2016 and will carry floating interest rate LHPLR Plus 75 bps (Currently 16.25% p.a.). The Loan is guaranteed by personal guarantees of Managing Directors of the Company and corporate guarantee of Esteem Properties Private Limited, a wholly owned subsidiary company, which has also mortgaged its land at Sahar, Andheri in this regard. The loan has been reclassified into current maturities of long term debts. Amount - ₹ 306,303,767/-.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

22.8 Terms of Vehicle Loan

Vehicle loans are secured by way of hypothecation of vehicles purchased.

(Amount in ₹)

Sr No.	Particulars	No of EMI's Payable from 31/03/2017	No of EMI's Payable from 31/03/2016	No of EMI's Payable from 31/03/2015	EMI Amount
1	Bank Of India (BMW)	34	46	58	156,586
2	OBC (Skoda)	39	51	0	60,520
3	ICICI Bank (Indigo Manza - Aura)	0	0	6	10,390
4	ICICI Bank (Linea - Emotion)	0	0	6	15,635
5	ICICI Bank (Toyota Camry)	0	0	8	47,400
6	ICICI Bank (Toyota Altis)	0	0	6	22,980
7	ICICI Bank (Tata Aria)	0	0	8	27,510

22.9 Rights, preferences and restriction attached to shares

Preference Shares:

- (i) The Non Cumulative Redeemable Preference Shares shall carry coupon rate of 8% per annum, if declared. The said shares shall be redeemed at par at the end of the five years from the date of allotment, 6th February, 2016. The company has option to redeem the Preference Shares at any time after the end of one year from the date of allotment at par with dividend if any declared. The preference shares have no other rights attached except dividend if any declared.

(ii) Details of shares held by shareholders holding more than 5% shares in the company

Name of Shareholder	As at 31st March 2017		As at 31st March 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Konark Realtech Private Limited	71,750,000	99.99%	71,750,000	99.99%

(iii) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year:

Particulars	As at 31st March 2017		As at 31st March 2016	
	Number	Amount in ₹	Number	Amount in ₹
Shares outstanding at the beginning of the year	71,755,740	717,557,400	-	-
Shares Issued / (bought back) during the year	-	-	71,755,740	717,557,400
Shares outstanding at the end of the year	71,755,740	717,557,400	71,755,740	717,557,400

(iv) Aggregate number of shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

Particulars	As at 31st March 2017 (Number)	As at 31st March 2016 (Number)
Fully paid up preference shares issued pursuant to Merger	71,755,740	71,755,740

23 Non-current Trade Payable

(Amount in ₹)

Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Others:			
Retention Money Payable for parties other than Micro, Small and Medium Enterprise	-	43,134,705	32,597,144
Total	-	43,134,705	32,597,144

24 Other Financial Liabilities

(Amount in ₹)

Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Deposits	2,130,519	1,753,361	932,250
Total	2,130,519	1,753,361	932,250

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

25 Provisions

Particulars	(Amount in ₹)		
	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Provision for Employee Benefits (Refer Note No. 25.1)			
Gratuity (unfunded)	8,865,986	16,861,079	18,302,239
Leave Encashment (unfunded)	8,293,994	15,019,092	15,481,023
Total	17,159,980	31,880,171	33,783,262

25.1 During the year, some of the employees of the group have been transferred from the Company. Gratuity and Leave Encashment liability related to these employees is transferred from the Company to the transferee companies.

26 Borrowings

Particulars	(Amount in ₹)		
	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
A. Loan Repayable on Demand from Banks			
Secured			
(i) Overdraft Facility from Oriental Bank of Commerce (Refer Note 26.1 for terms of loan)	14,187,270	26,487,040	11,873,725
Other Loans & Liabilities			
Secured			
Reliance Capital Limited (Refer note 26.2 for terms of the said loan) Default - Nil (Previous year: Interest of ₹ 2,10,09,375/- from January, 2016)	-	675,000,000	610,000,000
IL&FS Financial Services Ltd (Refer note 26.3 for terms of the said loan) (Default: Nil (Previous year: Interest of ₹ 148,441/- from December, 2015))	-	329,277,001	540,589,132
B. From related party			
Unsecured			
(i) Deposits			
Inter-Corporate Deposit	492,313,444	444,099,226	357,578,518
(ii) Loans from Subsidiaries			
Interest Free (Refer note 26.4)	1,019,917,542	-	-
Loan from subsidiary	-	879,485,993	501,200,143
C. Loans from Others			
Total	1,556,790,468	2,384,349,260	2,021,241,518

26.1 Secured by lien on fixed deposit of ₹ 1,40,00,000/- placed by Neelkamal Realtors & Builders Private Limited with Oriental Bank of Commerce.

26.2 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 12 months from the date of disbursement i.e. October 31, 2015. 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 October 31, 2015. 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 secured by registered mortgage of immovable property of pune land situated at S.No. 191/A/2A/1/2, Plot No. 2 & 3(Block A+C) at Yerwada, Pune. The said loan is secured by Personal Guarantee of both the Managing Directors. The said loan has been repaid during the current year.

26.3 The loan was repayable within 12 months from the date of first disbursement i.e. 21.11.2014. However, the said loan has been rolled over upto 21.05.2016. The rate of interest for the year is 15% p.a. The said loan was secured by:

- Pledge of fully paid up, de-materialised, unencumbered, freely transferable equity share of the Company, in favour of IFIN, equivalent to 2 times of outstanding principal amount.
- Pledge of 3,838,382 Shares of Marine Drive Hospitality Pvt. Ltd., constituting 15.53% of the paid up share capital of MDHRPL held by the Company.
- Mortgage and Hypothecation of two TDR Certificates of 85,287 square meters along with escrow of receivables emanating from sale of these TDR certificates held by Dynamix Realty on a pari passu basis for the term loan granted by IL&FS Financial Services Ltd to the Company.
- First ranking hypothecation and escrow receivables from 614 sold units and 10 unsold units in the project. Out of the said 10 units the Company has already sold 7 units to customers.
- Mortgage of and Hypothecation of receivables from approx 9000 square meters freehold land near Mumbai Central, owned by N.A. Estates Pvt. Ltd.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

- f) Personal Guarantee of both the Managing Directors.
g) Pledge of 22,000,000 shares of the Company which are held by Neelkamal Tower Construction LLP.
The said loan has been repaid during the year.

26.4 Interest free and repayable on demand.

27 Trade Payables

Particulars	(Amount in ₹)		
	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Trade Payables			
(a) Dues outstanding of micro and small enterprises (Note 27.1)	1,336,234	648,430	6,082,163
(b) Others	260,353,610	227,458,078	275,195,041
Total	261,689,844	228,106,508	281,277,204

27.1 The Company has sent confirmation to suppliers for their registration as MSME. However, the Micro and Small 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	(Amount in ₹)		
	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
a) Principal amount remaining unpaid as at year end	1,260,000	648,430	6,082,163
b) Interest due thereon as at year end	-	-	-
c) Interest paid by the Company in terms of section 16 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 year end	76,234	-	-
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.	-	-	-
Total	1,336,234	648,430	6,082,163

28 Other Financial Liability - Current

Particulars	(Amount in ₹)		
	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Current maturities of long-term debt (Refer Note 22.1, 22.3, 22.6, 22.7, 22.8)	1,368,802,165	591,171,788	975,234,134
Interest accrued and due on borrowings	253,034,010	106,486,562	102,864,694
Interest accrued but not due on borrowings	65,011,306	45,755,610	6,163,586
Amount Refundable on Cancellation of Flats	3,902,721	3,401,721	25,369,709
Employee benefits payable	62,685,131	52,190,124	44,822,319
Payables for purchase of fixed assets	15,312,610	6,609,207	12,634,426
Tenancy rights & Hardship Compensation payable	76,425,300	76,425,300	57,527,950
Expenses payable	239,993,996	246,650,477	823,457,097
Current Account balance with Partnership Firms & LLP's	2,370,932,643	1,682,846,174	2,099,998,308
Total	4,456,099,883	2,811,536,964	4,148,072,223

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

29 Other Current Liabilities

Particulars	(Amount in ₹)		
	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
(a) Revenue received in advance			
(i) Advance received from Customers	8,057,374	12,101,727	208,777,225
(ii) Advance income received for advertisement	3,333,333	-	-
(b) Other advances			
Advance Received for Development Right	74,750,000	74,750,000	-
(c) Other payables			
Duties and taxes	17,865,017	39,776,333	46,872,477
Total	104,005,724	126,628,060	255,649,702

30 Provisions

Particulars	(Amount in ₹)		
	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
(a) Provision for employee benefit (Refer Note No. 25.1)			
Gratuity (Unfunded)	6,155,776	6,800,583	7,252,871
Leave Encashment (Unfunded)	8,189,676	7,496,427	11,903,744
(b) Others			
Provision for Income Tax	-	3,539,656	-
Provision for Wealth Tax	937,610	937,610	937,610
Total	15,283,062	18,774,276	20,094,225

31 Revenue from Operations

Particulars	(Amount in ₹)	
	For the Year ended 31st March, 2017	For the year ended 31st March 2016
(a) Revenue from sale of Products		
Sale of Flats	69,759,494	727,182,027
Sale of Transferable Development Rights	61,785,360	706,216,421
Sale of Development Rights	-	287,500,000
	131,544,854	1,720,898,448
(b) Other operating Revenues		
Compensation received	-	41,581,080
Lease rental income	3,154,000	2,642,000
Other income	3,092,086	5,228,997
	6,246,086	49,452,077
Total	137,790,940	1,770,350,525

32 Other Income

Particulars	(Amount in ₹)	
	For the Year ended 31st March, 2017	For the year ended 31st March 2016
(a) Other income		
Interest Income on fixed deposits with banks	3,934,282	96,331,996
Share of Profit / (Loss) from Investment in Partnership Firms & LLP (Net) (Refer note. 48)	(62,029,660)	(172,912,210)
Liabilities no longer required- written back	300,000	-
Advertisement Income	31,666,667	-
Interest Income on loans to Related Parties (Refer Note 61)	813,905,892	434,808,426
Miscellaneous Income	8,449,278	18,524,916
Total other income	796,226,459	376,753,128
(b) Other gain/ (losses)		
Gain/ (Loss) on financial assets mandatorily measured at Fair value through Profit or Loss	19,520,843	(16,205)
Fair valuation gain on investments measured at FVTPL	434,494,135	388,334,429
Total other gain/ (loss)	454,014,978	388,318,224
Total	1,250,241,437	765,071,352

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

33 Project Expenses

(Amount in ₹)		
Particulars	For the Year ended 31st March, 2017	For the year ended 31st March 2016
Direct Cost of Construction	9,639,393	243,013,322
Land acquisition and purchase of tenancy rights	-	31,500,000
Hardship Compensation	54,188,600	75,969,106
Project Salaries, Wages and Bonus	14,484,626	37,837,161
Depreciation (Note no. 3.1)	395,388	627,432
Other construction expenses #	(8,391,563)	110,777,939
Total	70,316,444	499,724,960

Other Construction Expenses

(Amount in ₹)		
Particulars	For the Year ended 31st March, 2017	For the year ended 31st March 2016
Construction and Site Development Expenses	(1,605,220)	3,958,388
Rates & Taxes	(25,209,470)	76,048,778
Rent	3,363,217	3,659,910
Finance Cost	571,911	702,002
Legal and Professional Fees	2,096,763	2,959,000
Electricity Expenses	294,746	596,070
Security Charges	2,917,827	2,407,406
Repairs & Maintainance	340,573	412,739
Printing and Stationery and Telephone Charges	3,195,077	4,025,730
Travelling and Conveyance Expenses	3,315,416	3,990,372
Insurance Expenses	817,120	1,151,321
Commission & Brokerage	700,000	-
Miscellaneous Expenses	810,477	10,866,223
Total	(8,391,563)	110,777,939

34 Purchase of Stock in Trade

(Amount in ₹)		
Particulars	For the Year ended 31st March, 2017	For the year ended 31st March 2016
Purchase of Transferable Development Right	-	359,786,700
Total	-	359,786,700

35 Changes in Inventories of Project Work in Progress, Raw Material, Stock-in-Trade and Finished Goods

(Amount in ₹)		
Particulars	For the Year ended 31st March, 2017	For the year ended 31st March 2016
Project Work in Progress		
Opening Inventory	2,786,245,906	2,543,129,919
Less : Transferred to Advances recoverable in cash or kind	-	-
Add/(Less): Movement during the year	-	-
Add/(Less): Transfer from Raw Material at Site	-	(16,066,283)
Add: Adjustment on account of Merger	-	319,618,583
Add/(Less): Inventories from New Project	15,000,000	-
Closing	(2,861,992,735)	(2,786,245,906)
(Increase) / Decrease in Project Work in Progress (a)	(60,746,829)	60,436,313
(b) Transferrable Development Rights		
Opening Inventory	61,785,360	-
Less: Transferred to advance	-	-
Closing Inventory	-	(61,785,360)
(Increase) / Decrease in Transferrable Development Rights (b)	61,785,360	(61,785,360)

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	(Amount in ₹)	
	For the Year ended 31st March, 2017	For the year ended 31st March 2016
(c) Raw Material At Site:		
Opening	4,646,068	-
Add: Adjustment on account of Merger/ Others		20,712,351
Add: Movement during the year	(4,646,068)	
Closing	-	(4,646,068)
(Increase) / Decrease in Raw Material At Site (c)	-	16,066,283
(d) Finished Goods:		
Opening	76,118,350	-
Closing	(41,715,037)	(76,118,350)
(Increase) / Decrease in Finished Goods (d)	34,403,313	(76,118,350)
Total Changes in Inventories (a+b+c+d)	35,441,844	(61,401,114)

36 Employee Benefits Expense

Particulars	(Amount in ₹)	
	For the Year ended 31st March, 2017	For the year ended 31st March 2016
Salaries and wages (Refer Note 42)	128,513,513	159,950,888
Contribution to Provident and other funds (Refer Note 42)	1,980,833	2,400,198
Staff welfare expenses	4,924,160	4,353,023
Total	135,418,506	166,704,109

37 Finance Cost

Particulars	(Amount in ₹)	
	For the Year ended 31st March, 2017	For the year ended 31st March 2016
Interest expense	524,007,590	467,305,372
Other borrowing costs	4,529,031	33,914,178
Total	528,536,621	501,219,550

38 Other Expenses

Particulars	(Amount in ₹)	
	For the Year ended 31st March, 2017	For the year ended 31st March 2016
Rent (Refer Note No. 44A)	25,867,830	25,388,598
Repairs and Maintenance - others	1,302,469	1,600,107
Legal and Professional Charges (Refer Note No. 38.1)	35,325,706	31,525,012
Donations	121,000	262,500
Corporate Social Responsibility (Refer Note No. 59)	5,636,088	1,000,000
Advertisement and Publicity	1,558,710	3,529,093
Business Promotion Expenses	4,943,713	4,959,991
Books, Periodicals, Subscription & Membership Fees	2,739,025	2,365,393
Directors' Sitting Fees	1,020,000	1,360,000
Printing and Stationery and Telephone Charges	1,333,384	1,541,148
Travelling and Conveyance Expenses	1,689,680	1,676,159
House Keeping Expenses	883,379	1,944,616
Electricity Expenses	1,967,855	2,145,226
Insurance	269,250	383,774
Security Charges	2,125,882	5,750,249
Sundry Debit Balance Written Off	14,893,039	431,038
Commission & Brokerage	765,440	11,615,870
Loss on sale of Property Plant and Equipment	402,044	1,039,358

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	(Amount in ₹)	
	For the Year ended 31st March, 2017	For the year ended 31st March 2016
Foreign Exchange Loss/ (Gain)	(244,219)	848,803
Rates and Taxes	14,900,000	-
Miscellaneous Expenses	23,597,564	6,497,146
Fair Value of Non Current investment	1,087,735	-
Advances witten off	34,794,896	-
Provision for doubtful debts	23,454,229	-
Compensation on Cancellation of Flats	-	10,518,756
Total	200,434,699	116,382,837

38.1 Auditor's Remuneration

Payment to auditors - (exclusive of service tax)	(Amount in ₹)	
	For the Year ended 31st March, 2017	For the year ended 31st March 2016
a) Audit Fee (including Limited Review)	4,750,000	7,400,000
b) For other services (Certification and other services)	69,000	65,000
c) For reimbursement of expenses	60,242	53,006
Total	4,879,242	7,518,006

39 Earning Per Share

Basic and diluted earnings/ loss per share is calculated by dividing the profit/ loss attributable to equity holders of the Company by the weighted average of equity shares outstanding during the year.

Particulars	(Amount in ₹)	
	As at 31st March 2017	As at 31st March 2016
a) Basic earning per share		
From continuing operations attributable to equity shareholders	0.06	2.17
Total basic earning per share	0.06	2.17
b) Diluted earning per share		
From continuing operations attributable to equity shareholders	0.06	2.17
Total diluted earning per share	0.06	2.17
c) Reconciliation of earning used in calculating EPS		
Basic earning per share		
Profit attributable to the equity shareholders of the company used in calculating basic earning per share		
- From continuing operations	14,269,136	527,615,415
	14,269,136	527,615,415
Diluted earning per share		
Profit attributable to the equity shareholders of the company used in calculating basic earning per share		
- From continuing operations	14,269,136	527,615,415
	14,269,136	527,615,415
d) Weighted average number of shares		
Weighted average number of shares used for calculating basic earning per share	243,258,782	243,258,782
Weighted average number of shares used for calculating diluted earning per share	243,258,782	243,258,782

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

40 Income Tax

(a) Income tax expense is as follows:

Particulars	For the Year ended 31st March, 2017	For the year ended 31st March 2016
Statement of Profit and Loss		
Current tax:		
Tax for the year	-	15,700,000
Prior period tax adjustment	1,500,000	11,971,293
Total current tax expense	1,500,000	27,671,293
Deferred tax:		
Deferred tax expense	351,477,253	272,030,980
Total deferred tax expense	351,477,253	272,030,980
Income tax expense	352,977,253	299,702,273
Other comprehensive Income		
Deferred tax related to OCI items:		
Fair value adjustment of Investments	103,684,524	35,098,151
Net loss/ (gain) on remeasurements of defined benefit plans	(1,939,606)	(5,044,753)
Total	101,744,918	30,053,398

(b) Reconciliation of tax expense and the accounting profit computed by applying the Income tax rate:

Particulars		For the Year ended 31st March, 2017		For the year ended 31st March 2016
Profit before tax		367,246,389		827,317,688
Tax at the Indian tax rate of 34.608%	35%	127,096,630	35%	286,318,105.46
Tax effect on amounts which are not deductible (taxable) in calculating taxable income:				
Non-deductible expenses as per Income tax Act		75,841,095		147,070,938
Depreciation and notional income not chargeable to tax		(467,032,631)		(309,768,182)
Unabsorbed Depreciation Loss		264,094,906		(123,620,861)
Adjustment of current tax for prior periods		1,500,000		11,971,293
Minimum alternate tax ('MAT') on current year's income		-		15,700,000
Fair value adjustment of financial liabilities		(3,227,720)		(3,727,066)
Fair value adjustment of Financial Asset		237,121,627		116,940,865
Fair value adjustment of Investments		89,302,318		79,993,554
Equity component of compound financial instrument		(17,258,570)		113,859,172
Deferred tax on expenses not deductible as per Income tax Act		8,820,693		(3,921,626)
Other adjustments		918,905		(3,836,294)
Income tax expense	86%	317,177,253	40%	326,979,896

40.1 Above workings are based on provisional computation of tax expense and subject to finalisation including that of tax audit or otherwise in due course.

41 Disclosure on Specified Bank Notes

During the year, the Company had specified bank notes as defined in MCA notification dated 31 March 2017 on the detail of Specified Bank Notes ('SBN') held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination wise SBN and other notes as per the specification is given below:

Particulars	SBNs*	Other denomination notes	Total
Closing cash in hand as on 8th November 2016	800,000	2,887	802,887
(+) Permitted receipts	-	190,000	190,000
(-) Permitted payments	-	118,763	118,763
(-) Amount deposited in Banks	800,000	22,000	822,000
Closing cash in hand as on 31st December 2016	-	52,124	52,124

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

42 As per Indian Accounting Standard-19 "Employee Benefits", the disclosures of Employee Benefits as defined in the Indian Accounting Standard are given below:

A Defined Contribution Plan:

Contribution to Defined Contribution Plan recognized as expense for the year are as under:

Particulars	(Amount in ₹)	
	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Employer's Contribution to Provident Fund and Allied Funds	1,888,033	2,349,853
Employer's Contribution to ESIC and MLWF	92,800	50,345
Total	1,980,833	2,400,198

B Defined Benefit Plan:

The Company provides gratuity benefits to its employees as per the statute. Present value of gratuity obligation (Non-Funded) 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 additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for compensated absences (Non-funded) is recognized in the same manner as gratuity.

I. Reconciliation of opening and closing balances of Defined Benefit obligation.

Particulars	(Amount in ₹)	
	Gratuity (Un-Funded)	
	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Defined Benefit obligation at the beginning of the year	23,661,662	25,555,112
Acquisition Adjustment	56,919	177,314
Interest Cost	1,793,035	1,921,606
Past Service Cost	(6,395,586)	-
Current Service Cost	3,942,771	4,760,290
Settlement Cost/(Credit)	(644,545)	(1,790,828)
Benefits paid	(1,054,241)	(434,580)
Impact of transfer of employees	(61,210)	-
Actuarial (gain)/loss	(6,277,043)	(6,527,252)
Defined Benefit obligation at the end of the year	15,021,762	23,661,662
Net Liability		
- Current	6,155,776	6,800,583
- Non-Current	8,865,986	16,861,079

II. Expense recognized during the year.

Particulars	(Amount in ₹)	
	Gratuity (Un-Funded)	
	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Current Service Cost	3,942,771	4,760,290
Past Service Cost	(6,395,586)	-
Settlement Cost	(53,122)	(16,217)
Interest Cost	1,793,035	1,921,606
Other Impact	-	1,635,779
Acquisition adjustment	6,135	38,484
Expense recognized in Statement of Profit and Loss*	(706,767)	8,339,942

* Out of the above, amount inventorised during the year Nil (Previous year ₹ 48,000/-)

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

III. Recognised in retained earnings for the year.

(Amount in ₹)

Particulars	Gratuity (Un-Funded)	
	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Experience (Gain) / Loss on plan liabilities	(6,780,572)	(2,955,120)
Demographic (Gain) / Loss on plan liabilities	126,482	2,256,269
Financial (Gain) / Loss on plan liabilities	377,047	(7,464,180)
Actuarial (gain)/loss	(6,277,043)	(8,163,031)

IV. Actuarial assumptions.

Particulars	Gratuity (Un-Funded)		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Mortality table	IALM (2006-08) ult.	IALM (2006-08) ult.	IALM (2006-08) ult.
Discount Rate	6.80%	7.80%	7.80%
Rate of Escalation in Salary	10.00%	10.00%	15.00%
Expected Average remaining working lives of Employees (in years)	3.44	6.85	5.22
<u>Withdrawal Rate</u>			
Age upto 30 years	26.00%	12.00%	17.00%
Age 31-40 years	26.00%	12.00%	17.00%
Age 41-50 years	26.00%	12.00%	17.00%
Age above 50 years	26.00%	12.00%	17.00%

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 Actuary.

V. Expected Future Benefit Payments.

(Amount in ₹)

Particulars	Gratuity (Un-Funded)	
	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Within the next 12 months (next annual reporting period)	6,156,000	6,801,000
Between 2 and 5 years	9,098,000	11,616,000
Between 6 and 10 years	5,232,000	22,606,000

VI. Quantitative sensitivity analysis for significant assumption is as below

Sensitivity analysis indicates the influence of a reasonable change in certain significant assumptions on the outcome of the Defined Benefit Obligations (DBO) and aids in understanding the uncertainty of reported amounts. Sensitivity analysis is done by varying one parameter at a time and studying its impact.

VII. Experience Adjustments

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015	As at 31st March, 2014	As at 31st March, 2013
Present value of defined benefit obligation	15,021,762	23,661,662	21,976,801	4,387,562	4,762,602
Fair value of plan asset	-	-	-	-	-
Experience Adjustments on actuarial (gain)/loss	-	-	-	-	-
Plan liabilities (gain)/loss	(6,780,572)	(2,955,120)	(4,414,145)	(767,981)	10,322,525
Plan assets (gain)/loss	-	-	-	-	-
Other	503,529	3,572,132	(4,838,691)	1,525,785	109,952

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

- 1 Increase/ (Decrease) on present value of defined benefits obligation at the end of the year

Particulars	Gratuity (Un-Funded)	
	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
One percentage point increase in discount rate	(377,048)	(1,068,421)
One percentage point decrease in discount rate	401,207	1,187,197
One percentage point increase in salary rate	185,784	972,638
One percentage point decrease in salary rate	(188,235)	(895,724)
One percentage point increase in withdrawal rate	(8,547)	(113,863)
One percentage point decrease in withdrawal rate	8,808	124,988

- 2 The sensitivity analysis presented above may not be representative of the actual change in the defined obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some assumption may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the project unit credit method at the end of the reporting period, which is same as that applied in calculation of defined benefit obligation liability recognised in the balance sheet.

- 3 Sensitivity analysis is done by varying one parameter at a time and studying its impact.

VII. Risk Exposure and Asset Liability Matching

Provision of a defined benefit scheme poses certain risks, some of which are detailed hereunder, as companies take on uncertain long term obligations to make future benefit payments.

1 Liability Risks

a. **Asset-liability Mismatch Risk -**

Risk which arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the Company is successfully able to neutralize valuation swings caused by interest rate movements. Hence companies are encouraged to adopt asset-liability management.

b. **Discount Rate Risk -**

Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practise can have a significant impact on the defined benefit liabilities.

c. **Future Salary Escalation and Inflation Risk -**

Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at management's discretion may lead to uncertainties in estimating this increasing risk.

2 Unfunded Plan Risk

This represents unmanaged risk and a growing liability. There is an inherent risk here that the Company may default on paying the benefits in adverse circumstances, Funding the plan removes volatility in company's financials and also benefit risk through return on the funds made available for the plan.

Notes:

- 1 The obligation towards Gratuity is unfunded and therefore, the following disclosures are not given:
- Reconciliation of Opening and Closings Balance of fair value of plan assets.
 - Details of Investments
- 2 The obligation of Leave Encashment is provided for on actuarial valuation by an independent valuer and the same is unfunded. The amount debited /(recognized) in the Statement of Profit & Loss for the year is (₹ 26,97,851/-)* (Previous Year (₹ 28,75,568/-)).

* The amount are shown as negative due to excess recovery from group entities on account of transfer of employees

43 **Segment Reporting:**

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

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

44 Operating Lease:

As per Ind AS (AS-17) 'Leases', the disclosure of transactions with respect to lease of premises is disclosed as follows:

A Assets taken on Operating Lease :

- (i) The Company has taken commercial premises on Non Cancellable Operating Lease and lease rent of ₹ 25,867,830/- (Previous Year ₹ 25,388,598/-) has been debited to Statement of Profit and Loss and ₹ 3,353,217/- (Previous Year ₹ 3,659,910) has been inventorised for the current year.
- (ii) The future minimum lease payments are as under:

Particulars	(Amount in ₹)	
	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Lease payments recognized in the Statement of Profit & Loss, for cancellable lease arrangement		
Future Lease Payments		
(a) Not later than one year.	-	27,319,524
(b) Later than one year but not later than five years.	-	-
(c) Later than five years.	-	-
Total of future lease payments.	-	27,319,524

Note: There are no exceptional/restrictive covenants in the lease agreement.

- (iii) There are no exceptional/ restrictive covenants in the lease agreement.
- (iv) The above mentioned amounts debited to Statement of Profit & Loss and future minimum lease payments are exclusive of service tax to the extent applicable.
- (v) The above future minimum lease rental includes normal escalation rate based on the agreements. Further, normal escalation rates are 5% every year.
- (vi) The Company does not have any contingent lease rental expenses/ income.

B Assets given on Operating Lease :

- (i) The Company had executed lease deeds for certain Units forming part of the Project for a period of 25 years. In terms of agreements, the lease rentals shall become due and payable on possession being granted.
- (ii) The future minimum lease payments are as under:

Particulars	(Amount in ₹)	
	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Lease payments recognized in the Statement of Profit & Loss, for non- cancellable lease arrangement	3,154,000	2,642,000
Future Lease Payments		
(a) Not later than one year.	3,108,000	3,108,000
(b) Later than one year but not later than five years.	12,742,800	12,432,000
(c) Later than five years.	63,801,510	68,367,000
Total of future lease payments.	79,652,310	83,907,000

- (iii) The lease deeds are for 25 years and the lease rental is subject to increase by 5% every 5 years. Lease rent recognized during the year in the statement of Profit & Loss amount of ₹ 31,54,000/- (Previous Year: ₹ 26,42,000/-). Accordingly, the future lease rentals are disclosed based on the Management's estimate of the amounts that it would receive.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

45 Financial Instruments

The significant accounting policies, including the criteria of recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset and financial liability are disclosed in note 2.8 of the Ind AS financial statements.

45.1 Financial assets and liabilities:

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

(Amount in ₹)									
Particulars	See Note	Fair Value through Profit and Loss	Fair Value through OCI	Amortised Cost	Carrying amount As at March 31, 2017	Level 1	Level 2	Level 3	Total
Financial assets:									
Non-current									
Other investments	7	5,781,800,415	3,914,000,158	-	9,695,800,573	-	-	9,695,800,573	9,695,800,573
Loans	8	-	-	304,585,250	304,585,250	-	304,585,250	-	304,585,250
Other financial assets	9	-	-	1,126,836,942	1,126,836,942	-	-	-	-
		5,781,800,415	3,914,000,158	1,431,422,192	11,127,222,765	-	304,585,250	9,695,800,573	10,000,385,823
Current									
Loans	17	-	-	9,184,293,959	9,184,293,959	-	9,184,293,959	-	9,184,293,959
Investments	14	-	-	984,452,475	984,452,475	-	984,452,475	-	984,452,475
Trade receivables	15	-	-	389,380,428	389,380,428	-	-	-	-
Cash and cash equivalents	16	-	-	9,329,502	9,329,502	-	-	-	-
Bank balance other than above	16A	-	-	52,537,499	52,537,499	-	-	-	-
Other financial assets	18	-	-	179,498,361	179,498,361	-	-	-	-
		-	-	10,799,492,224	10,799,492,224	-	10,168,746,434	-	10,168,746,434
Total		5,781,800,415	3,914,000,158	12,230,914,416	21,926,714,989	-	10,473,331,685	9,695,800,573	29,560,347,581
Financial liabilities:									
Non-current									
Borrowings	22	-	-	1,195,621,279	1,195,621,279	-	1,195,621,279	-	1,195,621,279
Other financial liability	24	-	-	2,130,519	2,130,519	-	-	-	-
		-	-	1,197,751,798	1,197,751,798	-	2,395,503,596	3,593,255,394	5,988,758,990
Current									
Trade and other payables	27	-	-	261,689,844	261,689,844	-	-	-	-
Borrowings	26	-	-	1,556,790,468	1,556,790,468	-	1,556,790,468	-	1,556,790,468
Other financial liabilities	28	-	-	4,456,099,883	4,456,099,883	-	-	-	-
		-	-	6,274,580,194	6,274,580,194	-	1,556,790,468	-	1,556,790,468
Total		-	-	7,472,331,992	7,472,331,992	-	3,952,294,064	3,593,255,394	7,545,549,458

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

Particulars	See Note	Fair Value through Profit and Loss	Fair Value through OCI	Amortised Cost	Carrying amount As at March 31, 2016	Level 1	Level 2	Level 3	Total
Financial assets:									
Non-current									
Other investments	7	5,345,526,766	4,417,323,093	-	9,762,849,859	-	-	9,762,849,859	9,762,849,859
Loans	8	-	-	262,178,353	262,178,353	-	262,178,353	-	262,178,353
Other financial assets	9	-	-	2,743,883,276	2,743,883,276	-	2,743,883,276	-	2,743,883,276
		5,345,526,766	4,417,323,093	3,006,061,629	12,768,911,489	-	3,006,061,629	9,762,849,859	12,768,911,489
Current									
Loans	17	-	-	7,020,975,764	7,020,975,764	-	7,020,975,764	-	7,020,975,764
Investments	14	-	-	858,275,191	858,275,191	-	858,275,191	-	858,275,191
Trade receivables	15	-	-	441,102,972	441,102,972	-	-	-	-
Cash and cash equivalents	16	-	-	44,439,286	44,439,286	-	-	-	-
Bank balance other than above	16A	-	-	53,759,775	53,759,775	-	-	-	-
Other financial assets	18	-	-	336,195,197	336,195,197	-	-	-	-
		-	-	8,754,748,185	8,754,748,185	17,509,496,370	35,018,992,740	61,283,237,295	113,811,726,405

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	See Note	Fair Value through Profit and Loss	Fair Value through OCI	Amortised Cost	Carrying amount As at March 31, 2016	Level 1	Level 2	Level 3	Total
Total		5,345,526,766	4,417,323,093	11,760,809,814	21,523,659,674	17,509,496,370	38,025,054,369	71,046,087,154	126,580,637,894
Financial liabilities:									
Non-current									
Borrowings	22	-	-	1,498,742,457	1,498,742,457	-	1,498,742,457	-	1,498,742,457
Trade Payable	23	-	-	43,134,705	43,134,705	-	-	-	-
Other financial liability	24	-	-	1,753,361	1,753,361	-	-	-	-
		-	-	1,543,630,522	1,543,630,522	-	1,498,742,457	-	1,498,742,457
Current									
Trade and other payables	27	-	-	228,106,508	228,106,508	-	-	-	-
Borrowings	26	-	-	2,384,349,260	2,384,349,260	-	2,384,349,260	-	2,384,349,260
Other financial liabilities	28	-	-	2,811,536,964	2,811,536,964	-	-	-	-
		-	-	5,423,992,731	5,423,992,731	-	2,384,349,260	-	2,384,349,260
Total		-	-	6,967,623,254	6,967,623,254	-	3,883,091,716	-	3,883,091,716

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

Particulars	See Note	Fair Value through Profit and Loss	Fair Value through OCI	Amortised Cost	Carrying amount As at April 1, 2015	Level 1	Level 2	Level 3	Total
Financial assets:									
Non-current									
Other investments	7	4,866,161,145	4,587,702,467	-	9,453,863,612	-	-	9,453,863,612	9,453,863,612
Loans	8	-	-	225,563,714	225,563,714	-	225,563,714	-	225,563,714
Other financial assets	9	-	-	2,517,058,717	2,517,058,717	-	-	-	-
		4,866,161,145	4,587,702,467	2,742,622,431	12,196,486,043	-	225,563,714	9,453,863,612	9,679,427,326
Current									
Loans	17	-	-	3,766,589,971	3,766,589,971	-	3,766,589,971	-	3,766,589,971
Investments	14	-	-	1,808,309,533	1,808,309,533	-	1,808,309,533	-	1,808,309,533
Trade receivables	15	-	-	433,135,032	433,135,032	-	-	-	-
Cash and cash equivalents	16	-	-	38,893,847	38,893,847	-	-	-	-
Bank balance other than above	16A	-	-	30,450,073	30,450,073	-	-	-	-
Other financial assets	18	-	-	108,070,040	108,070,040	-	-	-	-
		-	-	6,185,448,496	6,185,448,496	-	5,574,899,504	-	5,574,899,504
Total		4,866,161,145	4,587,702,467	8,928,070,927	18,381,934,539	-	5,800,463,218	9,453,863,612	15,254,326,830
Financial liabilities:									
Non-current									
Borrowings	22	-	-	387,530,139	387,530,139	-	387,530,139	-	387,530,139
Trade Payable	23	-	-	32,597,144	32,597,144	-	-	-	-
Other financial liability	24	-	-	932,250	932,250	-	-	-	-
		-	-	421,059,533	421,059,533	-	387,530,139	-	387,530,139
Current									
Trade and other payables	27	-	-	281,277,204	281,277,204	-	-	-	-
Borrowings	26	-	-	2,021,241,517	2,021,241,517	-	2,021,241,517	-	2,021,241,517
Other financial liabilities	28	-	-	4,148,072,223	4,148,072,223	-	-	-	-
		-	-	6,450,590,945	6,450,590,945	-	2,021,241,517	-	2,021,241,517
Total		-	-	6,871,650,478	6,871,650,478	-	2,408,771,657	-	2,408,771,657

Fair Value Hierarchy

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

Level	Nature of Inputs
Level 1	Inputs are quoted prices (unadjusted) in active markets for identical assets and liabilities.
Level 2	Inputs are other than quoted prices included within level 1 that are observable for the asset or liability either directly (i.e. prices) or indirectly (i.e. derived from prices).
Level 3	Inputs are not based on observable market data unobservable inputs. Fair value are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Note: The investment included in Level 3 of fair value hierarchy has been valued using the cost approach to arrive at their fair value. The cost of unquoted investment approximate the fair value because there is a wide range of possible fair value measurements and the cost represents estimate of fair value within that range.

Level 3 Fair values

Reconciliation of Level 3 Fair values

The following tables shows a reconciliation of the opening and closing balance of Level 3 fair values

Particulars	Equity Securities
Opening Balance (1st April, 2015)	9,453,863,612
Net change in fair values (unrealised)	308,986,248
Closing balance (31st March, 2016)	9,762,849,859
Opening Balance (1st April, 2016)	9,762,849,859
Net change in fair values (unrealised)	(67,049,286)
Closing balance (31st march, 2017)	9,695,800,573

45.2 Financial Risk Management:

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

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

(A) Interest Risk:

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

The interest rate profile of the Company's interest bearing financial instruments is as follows:

Exposure to Interest Rate Risk

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Financial Liability			
Variable rate Instrument			
Long Term Borrowings	99,015,003	197,971,836	297,573,110
Short Term Borrowings	1,556,790,468	26,487,040	11,873,725
Current Maturity of Long Term Debt	480,970,892	406,303,767	306,303,767
Fixed Rate Instruments			
Long Term Borrowings	1,096,606,275	1,300,770,620	1,240,546,161
Short Term Borrowings	-	2,357,862,220	858,778,661
Current Maturity of Long Term Debt	887831273	184868021	668930366
Total	4121213912	4474263504	3384005790
Financial Assets			
Fixed Rate Instruments			
Fixed Deposit	52,537,499	53,759,775	30,450,073
Loans and advances to related parties	9,160,375,910	6,546,691,995	2,709,367,514
Loans to others	36,244,294	474,283,769	1,057,222,457
Project Advance	304,585,250	262,178,353	225,563,714
Security Deposit (Related Parties)	943,965,517	2,585,783,473	2,344,693,442
Security Deposit (Others)	182,871,424	158,099,803	139,335,630
Total	10,680,579,894	10,080,797,168	6,506,632,830

Interest Rate Sensitivity:

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

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	100 BP Increase	100 BP Decrease
31-Mar-17		
Financial Liabilities		
Variable Rate Instruments		
Borrowings	(2,596,600)	2,596,600
31-Mar-16		
Financial Liabilities		
Variable Rate Instruments		
Borrowings	(2,977,460)	2,977,460

(B) Credit risk and default risk:

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

Trade Receivables

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

Based on prior experience and an assessment of the current economic environment, management believes there is no credit risk provision required, other than those made in the accounts. Also the Company does not have any significant concentration of credit risk.

The ageing of Trade Receivable is as follows:

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
More than 6 months	387,789,118	330,108,592	56,989,312
Others	-	124,008,935	392,218,209
Total	387,789,118	454,117,527	449,207,521

The movement in the expected credit loss allowances on Trade Receivables is as follows:

Particulars	Amount
Balance as on 1st April, 2015	-
Impairment Loss recognised in FY 15-16	-
Amounts written off/(back)	-
Balance as on 31st March, 2016	-
Impairment Loss recognised in FY 16-17	23,454,229
Amounts written off/(back)	-
Balance as on 31st March, 2017	23,454,229

(C) Liquidity Risk:

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans and preference shares. The Company's management regularly reviews expected future cash inflows and outflows. Accordingly, based on the projections, the management takes necessary steps for raising fresh debt and recovery from existing financial assets to meet its obligations.

Particulars	Amount payable during below period					Amount payable during below period					Amount payable during below period				
	As at 31st March 2017	Within 1 year	1-2 years	2-5 years	more than 5 years	As at 31st March 2016	Within 1 year	1-2 years	2-5 years	more than 5 years	As at 1st April 2015	Within 1 year	1-2 years	2-5 years	more than 5 years
Long Term Borrowings:															
I. Secured															
ICICI Bank Limited	99,015,003	-	99,015,003	-	-	197,971,836	-	97,971,836	100,000,000	-	297,520,239	-	97,520,239	200,000,000	-
STCI Finance Ltd	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reliance Capital Limited	-	-	-	-	-	897,500,000	-	897,500,000	-	-	-	-	-	-	-
Reliance Home Finance Ltd	667,000,000	-	667,000,000	-	-	-	-	-	-	-	-	-	-	-	-
Reliance Commercial Finance	20,000,000	-	20,000,000	-	-	-	-	-	-	-	-	-	-	-	-
Indiabulls Housing Finance Limited	-	-	-	-	-	47,530,509	-	47,530,509	-	-	83,907,726	-	31,143,135	52,764,591	-
IL & FS Financial Services Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LIC Housing Finance Limited	-	-	-	-	-	-	-	-	-	-	52,871	-	52,871	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	Amount payable during below period					Amount payable during below period					Amount payable during below period				
	As at 31st March 2017	Within 1 year	1-2 years	2-5 years	more than 5 years	As at 31st March 2016	Within 1 year	1-2 years	2-5 years	more than 5 years	As at 1st April 2015	Within 1 year	1-2 years	2-5 years	more than 5 years
Short Term Borrowings:															
Overdraft Facility from Oriental Bank of Commerce	14,187,270	14,187,270	-	-	-	26,487,040	26,487,040	-	-	-	11,873,725	11,873,725	-	-	-
Reliance Capital Limited	-	-	-	-	-	675,000,000	675,000,000	-	-	-	610,000,000	610,000,000	-	-	-
IL&FS Financial Services Ltd	-	-	-	-	-	329,277,001	329,277,001	-	-	-	540,589,132	540,589,132	-	-	-
II Unsecured															
Inter-Corporate Deposits from related parties	492,313,444	492,313,444	-	-	-	444,099,226	444,099,226	-	-	-	-	-	-	-	-
Loans from Subsidiaries	1,019,917,542	1,019,917,542	-	-	-	879,485,993	879,485,993	-	-	-	501,200,143	501,200,143	-	-	-
Loans from Others	30,372,212	30,372,212	-	-	-	30,000,000	30,000,000	-	-	-	357,578,518	357,578,518	-	-	-
Current Maturities of long term borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Indiabulls Housing Finance Limited	52,333,879	52,333,879	-	-	-	121,899,516	121,899,516	-	-	-	156,666,927	156,666,927	-	-	-
LIC Housing Finance Ltd	306,303,767	306,303,767	-	-	-	306,303,767	306,303,767	-	-	-	306,303,767	306,303,767	-	-	-
ICICI Bank Limited	122,333,246	122,333,246	-	-	-	100,000,000	100,000,000	-	-	-	858,804	858,804	-	-	-
Reliance Capital Ltd	885,828,119	885,828,119	-	-	-	-	-	-	-	-	-	-	-	-	-
Bank of India	1,461,410	1,461,410	-	-	-	1,314,388	1,314,388	-	-	-	1,210,697	1,210,697	-	-	-
OBC Bank Ltd.	541,744	541,744	-	-	-	488,629	488,629	-	-	-	-	-	-	-	-
STCI Finance Limited	-	-	-	-	-	61,165,488	61,165,488	-	-	-	351,646,365	351,646,365	-	-	-
IL&FS Financial Services Ltd	-	-	-	-	-	-	-	-	-	-	108,502,612	108,502,612	-	-	-
Debt Redemption Premium Payable (STCI) A/c	-	-	-	-	-	-	-	-	-	-	50,044,962	50,044,962	-	-	-
(b) Vehicle Loans															
Vehicle Loans from Banks	4,672,182	-	4,672,182	-	-	6,658,996	-	6,658,996	-	-	6,049,303	-	6,049,303	-	-
II. Unsecured															
Liability component of compound financial instruments															
8% Redeemable Preference shares of ₹ 10/- each	404,934,094	-	-	404,934,094	-	349,081,115	-	-	349,081,115	-	-	-	-	-	-
Total	4,121,213,911	2,925,592,633	790,687,185	404,934,094	-	4,474,263,504	2,975,521,048	1,049,661,341	449,081,115	-	3,384,005,790	2,996,475,651	134,765,548	252,764,591	-
Non Current															
Trade Payables	-	-	-	-	-	43,134,705	-	43,134,705	-	-	32,597,144	-	-	32,597,144	-
Other financial liabilities	2,130,519	-	-	-	2,130,519	1,753,361	-	-	-	1,753,361	932,250	-	-	-	932,250
Total	2,130,519	-	-	-	2,130,519	44,888,066	-	43,134,705	-	-	33,529,394	-	-	32,597,144	932,250
Current															
Trade and other payables	261,689,844	261,689,844	-	-	-	228,106,508	228,106,508	-	-	-	281,277,204	281,277,204	-	-	-
Other financial liabilities	4,456,099,883	4,456,099,883	-	-	-	2,811,536,964	2,811,536,964	-	-	-	4,148,072,223	4,148,072,223	-	-	-

(D) Foreign Risk

The following table shows foreign currency exposures in USD on financial instruments at the end of the reporting period.

(Amount in USD)

Particulars	Foreign Currency Exposure		
	March 31, 2017	March 31, 2016	April 1, 2015
Retention Money-Liabilities	270,000	270,000	270,000

Sensitivity analysis of 1% change in exchange rate at the end of reporting period:

Particulars	Foreign Currency Sensitivity	
	March 31, 2017	March 31, 2016
1% Depreciation in INR		
Impact on Profit and Loss/Equity	(175,585)	(179,698)
1% Appreciation in INR		
Impact on Profit and Loss/Equity	175,585	179,698

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

45.3 Capital Management:

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

The debt equity ratio of the Company is as follows:

Particulars	31 March, 2017	31 March, 2016	01 April, 2015
Equity Capital	2,432,587,820	2,432,587,820	2,432,587,820
Capital Reserve	504,631,445	504,631,445	504,631,445
Securities Premium Reserve	23,843,290,192	23,843,290,192	23,843,290,192
Retained Earnings	1,291,178,586	1,272,572,014	739,609,306
Equity Component of Compound Financial Instrument	376,057,875	376,057,875	
Other Comprehensive Income	986,079,644	1,385,718,055	1,520,705,917
Equity	29,433,825,562	29,814,857,400	29,040,824,680
Non-Current Liabilities	1,195,621,279	1,498,742,457	387,530,139
Short Term Borrowings	1,556,790,468	2,384,349,260	2,021,241,517
Current maturities of long term borrowing	1,368,802,165	591,171,788	975,234,134
Total Liability	4,121,213,912	4,474,263,504	3,384,005,790
Debt to Equity	0.14	0.15	0.12

46 Disclosure as per Guidance Note on " Accounting for Real Estate Transactions"

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
The amount of project revenue recognized as revenue during the year	69,759,494	1,014,682,027	-
The amount of advances received	5,750,000	8,143,700	12,643,700
The amount of work in progress	2,861,992,735	2,786,245,906	2,862,863,454
Excess of revenue recognized over actual bills (unbilled revenue)	-	-	-

Note: DB Woods project had been completed in FY 2015-16. Hence, the same has not been considered for the disclosure of advances received, cost incurred to date and profit recognised to date.

47. Contingent Liabilities and commitments:

(Amount in ₹)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Contingent Liabilities:			
A. Claims against the company not acknowledged as debt			
Appeal Filed in respect of disputed demand of income tax for Assessment Year 2012-13	27,548,990	27,548,990	-
Appeal Filed in respect of disputed demand of income tax for Assessment Year 2013-14	21,752,440	21,752,440	-
Appeal Filed in respect of disputed demand of income tax for Assessment Year 2014-15	17,055,160	-	-
B. Guarantees and Securities provided to banks and financial institutions (in India and overseas) against credit facilities extended to:			
a) Subsidiaries			
Real Gem Buildtech Private Limited. (Guarantee for ₹ 450 Crs and Security for ₹ 300 Crs Given) (Refer note 47 (i)) (Loan outstanding ₹ 4,198,022,002/-) as on March 31, 2017.	4,500,000,000	4,500,000,000	3,000,000,000
Real gem Buildtech Private Limited (Guarantee Given) (Refer Note 47 (ii)) (Loan outstanding is ₹ 5,501,273/- as on March 31, 2017.	15,400,000	15,400,000	-
MIG(Bandra) Realtors & Builders Private Limited (Guarantee & Security Given) (Refer note 47 (iii)) (Loan outstanding is ₹ 4,033,365,473/- as on March 31, 2017	6,000,000,000	6,000,000,000	-
Neelkamal Realtors Suburban Private Limited ((Guarantee & Security Given) (Refer note 47 (iv)) (Loan Outstanding is NIL as on March 31, 2017)	260,000,000	260,000,000	-
Neelkamal Realtors Suburban Private Limited ((Guarantee & Security Given) (Refer note 47 (v)) (Loan Outstanding is NIL as on March 31, 2017)	440,000,000	440,000,000	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

(Amount in ₹)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
DB View Infracon Private Limited. (Guarantee Given) (Loan Outstanding is Nil as on March 31, 2017)	-	-	300,000,000
DB View Infracon Private Limited. (Security Given) (Refer note 47 (vi)) (Loan Outstanding is Nil as on March 31, 2017)	300,000,000	300,000,000	300,000,000
Goregaon Hotels & Realty Private Limited (Security given) (Refer Note 47(vii)) (Loan outstanding is ₹ 568,647,050/- as on March 31, 2017)	1,400,000,000	-	-
Vanita Infrastructure Private Limited (Guarantee and security given) (Refer Note 47(viii)) (Loan outstanding is ₹ 346,471,743/- as on March 31, 2017)	350,000,000	-	-
Sub Total (a)	13,265,400,000	11,515,400,000	3,600,000,000
b) Associates			
Neelkamal Realtors Tower Private Limited (Guarantee & Security provided) (Refer note 47 (ix)) (Loan outstanding is ₹ 3,496,632,736/-)	3,500,000,000	3,500,000,000	3,500,000,000
Sub Total (b)	3,500,000,000	3,500,000,000	3,500,000,000
c) Jointly Controlled Entities			
DB (BKC) Realtors Private Limited (Guarantees given & Securities provided) (Refer note 47 (x) below) (Loan Outstanding is Nil)	750,000,000	750,000,000	750,000,000
Sub Total (c)	750,000,000	750,000,000	750,000,000
d) Companies under the same management			
YJ Realty & Aviation Private Limited (Guarantee given and Securities provided) (Refer note 47(xi) below) (Loan Outstanding is ₹ 845,600,000 as on March 31, 2017) (Loan outstanding ₹ 849,500,000 and USD 6,727,000,000 as on March 31, 2016 and March 31, 2016 respectively).	850,000,000	850,000,000	-
Majestic Infracon Private Limited (Refer Note 47(xii) below) (Guarantee and security provided for ₹ 425 Crs and further guarantee provided for ₹ 428 Crs) (Loan Outstanding is ₹ 681,146,682 as on March 31, 2017) (Loan Outstanding is ₹ 681,146,682 as on March 31, 2016) (Loan Outstanding is ₹ 652,111,989 as on March 31, 2015)	8,530,000,000	8,530,000,000	8,530,000,000
Bamboo Hotel and Global Centre (Delhi) Private Limited (Guarantee and security given) (Refer Note 47(xiii))(Loan Outstanding is ₹ NIL)	-	-	1,700,000,000
Pune Buildtech Private Limited (Refer Note 47(xiv) below) (Guarantee given & security provided) (Loan Outstanding is ₹ 2,370,673,293/- (including interest) as on March 31, 2017) (Loan Outstanding is ₹ 2,398,211,293 as on March 31, 2016) (Loan Outstanding is ₹ 2,240,700,000 as on March 31, 2015)	2,250,000,000	2,250,000,000	2,250,000,000
BD&P Hotels (India) Private Limited (Refer Note 47(xiv) below) (Loan Outstanding is ₹ 376,550,424/- as on March 31, 2017)	650,000,000	650,000,000	650,000,000
Milan Theatres Private Limited (Guarantee and security given) (Refer Note 47(xv) below) (Loan Outstanding ₹ 1,765,359,904/- as on March 31, 2017)	1,745,000,000	1,745,000,000	1,745,000,000
Bamboo Hotel and Global Centre (Delhi) Private Limited (Guarantee given) (Refer Note 47(xvi)) (Loan Outstanding is ₹ 2,750,000,000/- as on March 31, 2017)	2,750,000,000	-	-
Sub Total (d)	16,775,000,000	14,025,000,000	14,875,000,000
e) Others (Guarantee given & security provided)			
Delux Hospitality Limited, Mauritius (Term Loan of USD 138 Million) & YJ Realty & Aviation Private Limited (Stand by Letter of Credit of USD 65 Million) (Overall Guarantee of the Company of USD 138 million and security for USD 65 million) (Refer 47(xvii) below) (Loan Outstanding is USD 19.97 million as on March 31, 2017)	8,944,387,200	9,153,940,200	8,637,530,400
Sub Total (e)	8,944,387,200	9,153,940,200	8,637,530,400
Grand Total (a+b+c+d+e)	43,234,787,000	38,944,340,200	31,362,530,400

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

(Amount in ₹)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
A. 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	Amount unascertainable
ii) Provisional attachment of assets under Prevention of Money Laundering Act, 2002 for: D B Realty Limited (Refer Note 57) Dynamix Realty (Refer Note 48A(iii)1)	Amount unascertainable	Amount unascertainable	Amount unascertainable
iii) Property tax for various projects	Amount unascertainable	Amount unascertainable	Amount unascertainable
iv) Interest on delay in payment of dues of service tax upto March 2012	12,768,254	12,768,254	-
v) Interest on delay in payment of dues of service tax from March 2012 to March 2017	Amount unascertainable	Amount unascertainable	Amount unascertainable
vi) Criminal Complaint filed at Metropolitan Magistrate Court, Borivali for offence of cheating against Roofi Bhure and Ors	10,000,000	10,000,000	-
The Company is a party to various legal proceedings 51 Nos. (Previous year 24 Nos.) (Year 2015-16 - 13 Nos.) in the normal course of business and does not expect the outcome of these proceedings to have any adverse effect on its financial conditions, results of operations or cash flows. (Refer Note 49 to 53 & 55)			

Notes:

- (i) The Company has granted guarantee and security to Housing Development Finance Corporation Limited for securing the financial assistance of ₹ 3,000,000,000/- granted to Real Gem Buildtech Private Limited, a subsidiary company. During financial year 2015-16, the Company had given Corporate Guarantee in respect of additional loan availed by a subsidiary company from HDFC Limited for ₹ 1,500,000,000. The loan is primarily secured by Mortgage of the subsidiary Company assets, scheduled receivables, pledge of 4,000,000 shares of the Company held by the Neelkamal Tower Construction LLP. 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 and personal guarantee of Mr. Vinod Goenka. The outstanding principal amount of the loan whose principal amount is of ₹3,000,000,000/- in the books of Real Gem Buildtech Private Limited as of 31st March 2017 is ₹ 2,739,027,532/- (Previous Year ₹ 2,820,161,128/-) (FY 2014-15 ₹ 2,861,117,709/-). The outstanding principal amount of the loan whose principal amount is of ₹1,500,000,000/- in the books of Real Gem Buildtech Private Limited as of 31st March 2017 is ₹1,458,994,470/- (Previous Year ₹921,654,493/-) (FY 2014-15 NIL).
- (ii) The Company has given "Guarantee" to Daimler Financial Services India Private Limited against the car finance facility of Rs 15,400,000/- sanctioned to Real Gem Buildtech Private Limited, a subsidiary company. The same is secured against hypothecation of respective vehicle. The outstanding principal amount of the facility in the books of Real Gem Buildtech Private Limited as of 31st March 2017 is ₹ 5,501,273/- (Previous year ₹ 8,172,134/-) (FY 2014-15 ₹ 10,487,379/-).
- (iii) During financial year 2015-16, the Company had given Corporate Guarantee and pledged its holding in the subsidiary Company, MIG (Bandra) Realtors & Builders Private Limited in respect of loan from Yes Bank Limited. for ₹ 6,000,000,000. The loan is primarily secured by Mortgage of the subsidiary Company assets, its scheduled receivables, extension of charge on the Grand Hyatt, Goa, and personal guarantee of Mr. Vinod Goenka and Shahid Balwa. The outstanding principal amount of the facility in the books of MIG (Bandra) Realtors & Builders Private Limited is ₹ 4,033,365,473/- (Previous year ₹ 3,356,049,458/-) (FY 2014-15 NIL).
- (iv) The Company had given Corporate Guarantee on behalf of Neelkamal Realtors Suburban Private Limited, the subsidiary Company. The Company had also pledged entire shares of Neelkamal Realtors Suburban Private Limited. The loan is secured by (i) Exclusive charge on the land owned by the Subsidiary Company; (ii) All movables and fixed assets of the Subsidiary Company; (iii) Exclusive charge on the receivables of the project; the Escrow Accounts, together with money lying in Escrow Accounts. (iv) Personal Guarantee of the Mr. Vinod Goenka and Mr. Shahid Balwa. The outstanding principal amount of the facility in the books of Neelkamal Realtors Suburban Private Limited is NIL (Previous year NIL) (FY 2014-15 NIL)..
- (v) During financial year 2015-16 the Company had extended Corporate Guarantee on behalf of Neelkamal Realtors Suburban Private Limited. The Company had also extended its pledge of entire shares of Neelkamal Realtors Suburban Private Limited for a loan sanctioned by Edelweiss Housing Finance Limited for an amount of ₹ 440,000,000/- which was reduced to ₹380,809,936/- as on the date of Guarantee. The said loan is secured by (i) Extension of charge on the land owned by the Subsidiary Company; (ii) All moveables and fixed assets of the Subsidiary Company; (iii) Extension of charge on the receivables of the project; (iv) pledge of 66% share holding (v) Personal Guarantee of the Mr. Vinod Goenka and Mr. Shahid Balwa, The outstanding principal amount of the facility in the books of Neelkamal Realtors Suburban Private Limited is NIL (Previous year NIL) (FY 2014-15 NIL).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

- (vi) 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 subsidiary company, DB View Infracon Private Limited has repaid the loan and the present outstanding is Nil in the books of the said company, however, the said Company is still in process of satisfaction of charge. The Company does not expect any outflow of resources. The outstanding principal amount of the facility in the books of DB View Infracon Private Limited is NIL (Previous year NIL) (FY 2014-15 NIL)..
- (vii) During the year, the Company has extended security on behalf of Goregaon Hotels & Realty Private Limited, the subsidiary company and pledged its entire holding in the subsidiary Company in respect of loan from Reliance Capital Limited of ₹ 1,400,000,000/-. The loan is primarily secured by (i) An exclusive charge on the scheduled receivables under the documents entered into with customers by the Borrower, all such proceeds both present and future, (ii) An exclusive charge over all rights, titles, interest, claims, benefits, demands under the Project documents both present and future, (iii) An exclusive charge on the escrow account, all monies credited/ deposited therein and all investments in respect thereof (in whatever form they may be), (iv) Registered Mortgage on residential units falling under the share of Goregaon Hotels & Realty Private Limited in the proposed project located at land bearing CTS No- A/791(pt) of Mahim Bandra Reclamation Area, Bandra (West), (v) Hypothecation of receivables from sale of residential units falling under the share of Goregaon Hotels & Realty Private Limited in the proposed project located at land bearing CTS No- A/791(pt) of Mahim Bandra Reclamation Area, Bandra (West). The outstanding principal amount of the facility in the books of Goregaon Hotels & Realty Private Limited is ₹ 568,647,050/-.
- (viii) During the year, the Company has extended Corporate Guarantee and security on behalf of Vanita Infrastructure Private Limited, the subsidiary Company in respect of loan from IL & FS Financial Services Limited (IFIN) of ₹ 350,000,000. The loan is primarily secured by (i) First ranking hypothecation and escrow of balance receivables from all the units in DB Woods Project of the Company, (ii) Mortgage of 5 units of MIG Bandra Realtors & Builders Pvt. Ltd. backed up Corporate Guarantee of MIG (Bandra) Realtors & Builders Pvt. Ltd, (iii) Pledge of 22 million fully paid up, de-materialised, unencumbered, freely transferable equity shares of the Company held by Neelkamal Tower Construction LLP, (iv) Personal guarantee of Mr. Shahid Balwa and Mr. Vinod Goenka. The outstanding principal amount of the facility in the books of Vanita Infrastructure Private Limited is ₹ 346,471,743 /-. The outstanding principal amount of the facility in the books of Vanita Infrastructure Private Limited for the period 2015-16 was nil.
- (ix) The Company had given Corporate Guarantee and security on behalf of Neelkamal Realtors Tower Private Limited, an associate company. The Company had also pledged 986,618 shares of Neelkamal Realtors Tower Private Limited. The said facility is also secured by (i) Exclusive charge in respect of all that pieces and parcels of land of Byculla Division CS No.1906 admeasuring 19,434.10 Square Meters and structure constructed or to be constructed thereon. (ii) All moveable fixed and current assets including receivable (present and future) of the project "Orchid Heights"(iii) Escrow Account of project receivables (Orchid Heights). (iv) Personal Guarantee of Mr Shahid Balwa and Mr Vinod Goenka. The outstanding balance of loan as on March 31, 2017 is ₹ 2,622,376,561/- (Previous Year ₹ 2,621,548,599/-) (FY 2014-15 3,113,536,577/-).
- (x) The Company had given a corporate guarantee of ₹ 750,000,000 on behalf of DB (BKC) realtors Private Limited, Jointly Controlled Company for loan taken from Punjab National Bank. The Company has pledged its investment in the shares of the jointly controlled Company as security. The said Jointly Controlled Entity is still in the process of satisfaction of charge. The said Jointly Controlled Company does not expect any outflow of resources. The outstanding balance of loan as on March 31, 2017 is NIL (Previous Year NIL) (FY 2014-15 NIL).
- (xi) During financial year 2015-16, the Company had given Corporate Guarantee in respect of loan availed by YJ Realty & Aviation Private Limited from ICICI Bank Limited for ₹ 850,000,000. The loan is primarily secured against the monthly receivables of the YJ Mall. Other Securities include (i) Mortgage of the assets of the borrowing Company; (ii) All the moveable assets of the borrowing Company; (iii) Second charge on the 10 flats of DB Crown flats backed by Corporate Guarantee of Real Gem Buildtech Private Limited; (iv) first pari-passu charge over Bacchuwadi property, Mumbai. (v) Personal Guarantee of Mr. Vinod Goenka and Mr. Shahid Balwa. The outstanding balance of loan as on March 31, 2017 is ₹ 845,600,000/-. (Loan outstanding ₹ 849,500,000 and USD 6,727,000,000 as on March 31, 2016 and March 31, 2015 respectively).
- (xii) In 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) (As on March, 31 2015 – ₹ 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) including all development rights, unutilized Floor Space Index (FSI) / or such other FSI that may be granted in future for ₹ 4,250,000,000 out of total loan amounting to ₹ 8,530,000,000.
- The said facility is also secured by (a) pledge of Majestic Infracon Private Limited shareholding consisting of 45,934,000 equity shares in Etisalat DB Telecom Private Limited; (b) a pari passu charge on the 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 including all development rights, unutilized Floor Space Index (FSI) / or such other FSI that may be granted in future.
- The liability of Punjab National Bank is ₹ NIL and of Bank of India is ₹ 681,146,682/- (Previous Year 681,146,682/-) (as on March, 31 2015- ₹ 652,111,989/-) as on March 31, 2017. The Company is confident that this company would fulfill the obligations under the credit facilities and does not expect any outflow of resources.
- (xiii) The liability under the said loan is Nil as on March 31, 2017 (Previous Year ₹ Nil) (as on March, 31 2015 Nil), the Company has also obtained No Dues Certificate from IL&FS Financial Services Limited.
- (xiv) 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 Private Limited which is not a part of DB consolidated group.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

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 along with the following common securities (iv) a pari passu charge on its property consisting of Hotel Hilton, Mumbai. The outstanding balance of loan as on March 31, 2017 is ₹ 376,550,424/-.

(xv) The Company has given corporate guarantee to ECL Finance Limited on behalf of Milan Theatres Private Limited.

The said facility is secured by (i) Pledge of 20,000,000 shares of D B Realty Limited.; (ii) First Mortgage and Charge on the land admeasuring 3,442.20 Sq mtr. situated at Santacruz, Mumbai; (iii) First Mortgage and Charge on the land admeasuring 72,000 sq. yards situated at S. No. 92, Mahajan wadi, Thane; (iv) First charge on the existing and future receivables; (v) Pledge of 66.67% shares of Milan Theatres Private Limited.; (vi) Corporate Guarantee of Conwood Construction & Developers Private Limited; and (vii) Personal Guarantee of Mr. Shahid Balwa and Mr. Vinod Goenka. The outstanding balance of loan as on March 31, 2017 is ₹ 1,765,359,904/- (Previous year ₹ 1,266,639,800).

(xvi) During the year, the Company has given corporate guarantee in respect of facilities availed by Bamboo Hotel and Global Centre (Delhi) Private Limited from Reliance Commercial Finance for ₹ 2,750,000,000/-. The loan is primarily secured by (i) charge on all buildings and structures, (ii) charge on the scheduled receivables, both present and future, (iii) charge over all the rights, titles, interest, claims, benefits, demands under the Project, both present and/future, (iv) charge on the escrow account, all monies credited/ deposited therein and all investments in respect thereof, (v) charge on the Transferrable Development Rights till the same is loaded on the project, (vi) mortgage on the assets proposed and located at Asset Area 13, Aerocity Delhi, (vii) Hypothecation of receivables from assets proposed and located at Asset Area 13, Aerocity Delhi, (viii) Charge over security deposit of ₹ 268 crores paid by Heaven Star Hotels (Delhi) Private Limited to DIAL. The outstanding balance of loan as on March 31, 2017 is ₹ 2,750,000,000/-.

(xvii) The Company has given corporate guarantee in respect of facilities availed by Delux Hospitality Limited, Mauritius ('DBH, Mauritius') & YJ Realty & Aviation Private Limited from ICICI Bank UK PLC and ICICI Bank Limited respectively of USD 138 millions – ₹ 8,944,387,200 as at the year end March 31, 2017 (Previous Year ₹ 9,153,940,200) (FY 2014-15 ₹ 8,637,530,400) and security in respect of Bacchuwadi Property of the Company against stand by letter of credit issued by ICICI Bank Limited as an integral part of the arrangement of USD 65 millions. The current outstanding of the loan is USD 19,973,142.85 as on March 31, 2017 (Previous year USD 20,354,984.61) (As on March, 31, 2015- USD 67,274,668) in ICICI Bank UK PLC. 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 guarantee issued by the Company.

The said facilities are secured by (a) mortgage of its property consisting of Dynamix Mall in YJ Realty & Aviation Private Limited and (b) pledge of its entire shareholding of Marine Drive Hospitality & Realty Private Limited in DBH, Mauritius (being a wholly owned subsidiary of DBHPL) and (c) Pledge of 50,409,641 shares of the Company held by Neelkamal Tower Construction LLP (Previous year 33,997,818), one of the Managing Director and his relatives (16,411,823 shares).

For all the above Contingent Liabilities the Company is confident that these companies will fulfill their obligations under the credit facilities and does not expect any outflow of resources.

Commitments

(Amount in ₹)

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Estimated amount of contracts remaining to be executed on Intangible Assets under Development	20,46,000	119,446,507	99,000,000
Other Commitments			
Investment in Redeemable Optionally Convertible Cumulative Preference Shares of Konark Realtech Pvt. Ltd.	281,405,280	281,405,280	-
Estimated amount of contracts remaining to be executed other than capital account and not provided	-	-	-

48. 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 respective auditors. 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 have reported certain significant matters as under (Refer note 32):

A. Dynamix Realty:

i. Notes to financial statements regarding to property tax liability:

The Firm has disputed its liability for property tax on the land on which it has constructed the Project as the said land was conveyed to the Municipal Corporation of Greater Mumbai (MCGM), though it provided for such property tax as upto 31st March, 2012 and accordingly, has not paid ₹ 1,02,34,515/- (Previous year ₹1,02,34,515/-) (As on March, 31 2015- ₹1,02,34,515/-). Without prejudice to the same, in any view of the matter, in terms of the agreement with Slum Rehabilitation Authority as well as with MCGM, the Firm is not liable for property tax effective April 2012. Accordingly, the amounts of ₹ 33,74,099/- (Previous Year ₹ 33,74,099/-) (As on March, 31 2015- ₹ 3,374,099/-) paid under protest on or after April 2012 are carried forward as recoverable from MCGM. Adjustment entries shall be passed once the outcome is finalized.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

ii. Notes to Financial statements relating to procedures regarding direct confirmations:

Balances of trade receivables and payables are subject to confirmation and reconciliation, wherever applicable, if any.

iii. Notes to financial statements and reference in Auditors' report regarding a matter which is sub-judice:

1. The Firm had granted Loan to Kusegaon Realty Private Limited aggregating to ₹ 2,092,500,000/-, (the said loans) as upto 31.03.2010, as of 31.03.2017, which along with interest thereon stands recovered. 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 Realty Private Limited 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/-) (As on March, 31 2015- ₹ 1,338,900,000/-) were provisionally attached, out of which, trade receivable of ₹ 497,100,000/- (Previous year ₹497,100,000/-) are realised by BD, Delhi. An appeal has been preferred against the Order before the Appellate Tribunal under the PML Act. The Directorate of Enforcement has taken physical possession of bank balance of ₹ 3,599,925/- (Previous Year ₹3,599,925/-) (As on March, 31 2015- ₹3,599,925/-) and has realised the trade receivable (The Phonix Mills Limited) of ₹ 345,120,750/- (Previous Year ₹345,120,750/-)(As on March, 31 2015- ₹345,120,750/-) . Against such recoveries the Firm has made a representation to convert the amount so recovered into fixed deposits to be held by them in trust, which is pending. These recoveries by Directorate of Enforcement are shown as receivable from Directorate of Enforcement in the firm's financial statements.

Further, on 24.04.2014, the Directorate of Enforcement has filed a complaint before the Hon'ble Special Court in connection with the Prevention of Money Laundering Case relating to the 2G Spectrum Case against 19 accused including the Firm and its partners. The Hon'ble Special Court by an Order have framed charges against the accused persons, including the Firm. The Firm has been alleged to have paid illegal gratification of ₹ 2,000,000,000/- to Kalaingar on behalf of an accused public servant, through the process of layering and received back the same again through the process of layering from Kalaingar as ₹ 2,235,500,000/-. Thus, the Firm is alleged to be involved as also alleged to have committed an offence of money laundering under section 3 of the PML Act, which is punishable under section 4 of the PML Act.

As upto the date of signing of the financial statements, the outcome of 2G Spectrum Case/ Money Laundering Case are sub-judice.

2. Trade Receivables, considered good outstanding more than 6 Months of ₹366,404,105/- (Previous year ₹ 379,109,500/-) (net of provision for expected credit loss) attached under the PML Act. The Firm has filed legal cases against these parties before the Hon' High Court of Bombay for recovery of outstanding amounts along with interest thereon, which are pending. The Firm is confident that the outcome of these cases would be in its favour and hence, the outstanding amount shall stand realised in the due course of time. Under the circumstances, provision for doubtful debts, if any, is not considered necessary to be provided for.

As regards trade receivable, considered doubtful of ₹ 63,243,892/- (Previous year ₹ 63,243,892/-) (As on March, 31 2015 - 90,743,892/-), the Partners of the Firm have taken effective steps for recovery and do not expect any short realization. Therefore, the Partners of the Firm have framed their opinion that the same are good for recovery..

B. DBS Realty:

i. Notes to financial statement regarding property tax liabilities:

During the earlier years, the firm has received special notice from Municipal Corporation of Greater Mumbai (M.C.G.M) with regard to payment of property tax. In response to said notice the firm has filed complaint to M.C.G.M stating that the said property belongs to Government of Maharashtra and therefore the assessment for property tax made on the firm is bad in law and void.

- ii. As regards order passed by Appellate Committee of Ministry of Civil Aviation in one of the Partnership Firms where the Company is a partner for demolition of floors beyond the permissible height. The firm is in appeal before the Hon'ble Delhi High Court against the said order. In the opinion of the Management, the firm is hopeful for favorable outcome and hence it does not expect any financial outflow in this manner.

iii. Certain Trade Payables, Contractors' Retention Money and Mobilization Advance in the Financial Statements are subject to confirmation.

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 regarding direct confirmations:

Certain Trade Payables, Contractors' Retention Money and Mobilisation Advance in the Financial Statements are subject to confirmation.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

49. 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 favorably and accordingly the said advance paid is considered to be good of recovery.
50. 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, 2017, the Company's investment in and Loan to this subsidiary aggregate ₹ 312,018,720 (Previous year ₹ 312,018,720) (As on March, 31 2015 ₹ 312,018,720) and ₹ 1,130,115,542 (Previous year ₹ 1,129,615,130) (As on March, 31 2015- 1,127,380,130) 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 can 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.
51. One of the Company's wholly owned subsidiary, DB Man Realty Private Limited has not written off the inventory amount though LOA stands cancelled, as the said company expects positive outcome from the writ petition. As of March 31, 2017, the Company's investment in and loan to this subsidiary aggregate ₹ 71,960,000 (Previous year ₹ 71,960,000) (As on March 31, 2015 ₹ 71,960,000) and ₹ 443,924 (Previous year ₹ 423,306) (As on March, 31 2015 ₹ 390,000) respectively. 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.
52. One of the Company's subsidiary, Spacecon Realty Private Limited had bid for development of the Government Colony Plot 'Part – I' in Bandra (East), Mumbai which had been accepted by Govt. of Maharashtra's P.W.Department in year 2010. For execution of work order for the said project, the P.W.Department has asked the said subsidiary company to pay minimum upfront amount (including maintenance corpus) of ₹ 8,029,500,000/-. Against the said demand, the said subsidiary company has offered to pay an amount of ₹ 3,629,500,000/- simultaneously with the execution of concession agreement with P.W.Department for issuance of work order as per the said subsidiary company's understanding of the provisions contained in the Tender. The P.W.Department cancelled the tender on 26th February, 2015. The said subsidiary Company has filed writ petition No. 2120/2015 in the Bombay High Court in respect of arbitrary cancellation of the tender for development of Government Colony "Part-I". As on March 31, 2017, the Company's investment in and loan to this subsidiary aggregate ₹ 100,000 (Previous Year ₹ 100,000/-) (As on March, 31 2015 ₹ 1,00,000) and ₹ 177,160,124/- (Previous Year ₹ 577,138,288/-) (As on March, 31 2015 ₹ 577,043,288/-) respectively. The management expects positive outcome of the matter and does not believe that there is any diminution in the value of its investments and considers the loan given as good of recovery."
53. a) The Company has incurred a sum of ₹ 176,762,001/- (Previous Year ₹ 174,652,001/-) (As on March, 31 2015- 139,346,834/-) 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..
- b) In respect of project under development having a value of ₹ 351,585,508/-(Previous Year ₹ 351,338,711/-) (forming a part of inventory) the Bombay High Court has ordered payment of money under the award as and by way of part compensation of ₹72,888,368/- towards land acquisition (included under current liabilities) the Company has moved to Supreme Court against such order of the High Court seeking further compensation of ₹216,813,968/-. The company also expects to recover amounts paid to other parties towards the project. Pending outcome of the matter, no adjustment have been made in the accounts in this regard..
54. The Company has investments in certain subsidiaries, jointly controlled entities and associates aggregating ₹ 2,585,050,052/- (Previous year ₹ 2,510,427,009/-) and loans and advances outstanding aggregating ₹ 6,252,598,617/- (Previous year ₹ 3,674,433,300/-) as at March 31, 2017. 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 and for expected credit losses in respect of loans and advances advanced to such entities, which are considered good and fully recoverable.
55. The Company has received summons from Special Court for Prevention of Money Laundering Act (PMLA), Mumbai as one of the accused in connection with a complaint filed by Enforcement Directorate under ECIR No. ECIR/MBZO/07/2015 & ECIR/MBZO/08/2015. The Hon'ble Court had also summoned one of the KMP's of the Company as one of the accused as per the said complaint. The matter in relation to the Company and the KMP involves certain advances given by the Company in the ordinary course of its business to another company, which was subsequently refunded fully upon cancellation of the understanding. The Company does not expect any financial liability.
56. **Managerial remuneration:**
- a) In view of inadequate profit during the current and previous year, the Company has not paid any managerial remuneration to any managing director in both years.
- b) Contributions to provident and other funds are not made as per declarations of non deduction received from the respective directors. Further, 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.
- c) Sitting fees amounting to ₹ 1,020,000/- (Previous Year ₹ 1,360,000/-) have been paid to the independent directors..

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

57. Dynamix Realty ("Partnership Firm") in which the Company is a partner, had granted Loan to Kusegaon Realty Private Limited aggregating to ₹ 2,092,500,000/- (the said loan) as up to 31st March 2010. As of 31st March, 2017, the outstanding balance due from Kusegaon Realty Private Limited is ₹ Nil (Previous year Nil) (As on March 31, 2015 Nil), 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 was paid as illegal gratification to M/s Kalaingar TV Private Limited through Kusegaon Realty Private Limited and M/s Cineyug Films Private Limited., in lieu of the undue favours by accused public servant 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 is being inadequate is a favour to a government servant, hence, it 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 key management 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 and the Company.

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 ₹ 6,892,967/- . 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 is ₹ 10,765,400/- at the time of attachment (WDV as on 31st March, 2017 is ₹ 9,622,695/- (Previous year 9,796,142/-) (As on March, 31 2015- 9,970,065). Also, a loan amounting to ₹ 503,963,329/- (at the time of attachment) advanced to Goan Hotels & Clubs Private Limited (now Goan Hotels & Realty Pvt. Ltd.) has also been provisionally attached. However, the above loan was converted into the Redeemable Optionally Convertible Cumulative Preference Shares (ROCCPS) of Marine Drive Hospitality & Realty Private Limited ("MDHRPL") 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 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 said appeal is sub-judice.

In an earlier year, the Directorate of Enforcement had 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 financial assets. (Note No. 18.1)

Further, on 24th April, 2014, the Directorate of Enforcement has filed a complaint before the Hon'ble Special Court in connection with the Prevention of Money Laundering Case relating to the 2G Spectrum Case against 19 accused including the Firm and its partners. The Hon'ble Special Court by an Order have framed charges against the accused persons, including the Firm. The Firm has been alleged to have paid illegal gratification of ₹ 2,000,000,000 to Kalaingar on behalf of an accused public servant, through the process of layering and received back the same again through the process of layering from Kalaingar as ₹ 2,235,500,000. Thus, the Firm is alleged to be involved as also alleged to have committed an offence of money laundering under section 3 of the PML Act, which is punishable under section 4 of the PML Act. During the year 2014, 2,470,000 Series A ROCCPS shares of the value of ₹ 728,036,408/- in lieu of loan advanced to Goan Hotels & Club Pvt. Ltd., held by the Company have been handed over to Enforcement Directorate by letter dated 28th October, 2014 (Note No. 7.3). During the year 2015-16, 29,415 ROCCPS shares of the value of ₹ 8,668,601/- in lieu of loan advanced to Marine Drive Hospitality & Realty Private Limited, held by the Company have been handed over to Enforcement Directorate vide letter dated September 28, 2015.

As upto the date of signing of these financial statements, the outcome of 2G Spectrum Case/Money Laundering Case are sub-judice.

58. In respect of company's investment in Association of Person (AOP), each executing a single project, the Company's share in the uninventorised expenses of such projects and 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.

59. Corporate Social Responsibility:

- a) Gross Amount required to be spent Nil (Previous Year ₹ 1,245,179/-)
b) Amount spent during the year on

Particulars	In Cash	Yet to be paid in cash	Total
(i) Environmental sustainability and protection of flora and fauna	55,86,088	-	55,86,088
	(-)	(-)	(-)
(ii) National Association for Blind	50,000	-	50,000
	(-)	(-)	(-)
(iii) Chief Minister Relief Fund	-	-	-
	(1,000,000)	(-)	(1,000,000)
Total	56,36,088	-	56,36,088
	(1,000,000)	(-)	(1,000,000)

Amount in brackets represent previous year figures

The Company has Corporate Social Responsibility (CSR) policy and is required to incur expenditure towards CSR activity on the basis of last three years profitability statements as per section 135 of the Companies Act, 2013 and the rules made there under. During the Financial Year Company has spent ₹ 56,36,088/- towards CSR expenditure.

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

60. Additional information pursuant to the provisions of Guidance Note on Derivative Contracts

The foreign currency exposures that are not hedged by a derivative instrument or otherwise as at year end are given below:

Particulars	Foreign Currency	As at 31 st March, 2017			As at 31 st March, 2016			As at 1 st April, 2015		
		Exchange Rate	Amount in Foreign Currency	Amount in ₹	Exchange Rate	Amount in Foreign Currency	Amount in ₹	Exchange Rate	Amount in Foreign Currency	Amount in ₹
Contingent Liabilities (Corporate Guarantee)										
Hedged	-	-	-	-	-	-	-	-	-	-
Unhedged										
Contingent Liabilities (Corporate Guarantee)	USD	64.8144	138,000,000	8,944,387,200	66.3329	138,000,000	9,153,940,200	62.5908	138,000,000	8,637,530,400
Retention money	USD	64.8144	270,904	17,558,480	66.3329	270,904	17,969,848	62.5908	270,904	16,956,098
Total	USD	64.8144	138,270,904	8,961,945,680	66.3329	138,270,904	9,171,910,048	62.5908	138,270,904	8,654,486,498

61. 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 Parties
	Subsidiary Companies
1.	Conwood DB JV
2.	D B Contractors & Builders Pvt Ltd
3.	DB Man Realty Pvt Ltd
4.	DB View Infracon Pvt Ltd
5.	ECC DB JV
6.	Esteem Properties Pvt Ltd
7.	Evergreen Industrial Estate
8.	Goregaon Hotel And Realty Pvt Ltd
9.	MIG (Bandra) Realtors & Builders Pvt Ltd
10.	Mira Real Estate Developers
11.	N A Estates Pvt Ltd
12.	Neelkamal Realtors Suburban Pvt Ltd
13.	Neelkamal Shantinagar Properties Pvt Ltd
14.	Nine Paradise Erectors Pvt Ltd
15.	Priya Constructions Pvt Ltd
16.	Real Gem Buildtech Pvt Ltd
17.	Royal Netra Constructions Pvt Ltd
18.	Saifee Bucket Factory Pvt Ltd
19.	Shree Shantinagar Venture (Step down Subsidiary of Neelkamal Shantinagar Properties Private Limited)
20.	Spacecon Realty Pvt Ltd
21.	Turf Estate JV
22.	Vanita Infrastructure Pvt Ltd
23.	Gokuldham Real Estate Development Company Private Limited (Merged with D B Realty Limited w.e.f. April 01, 2013)
	Associates
24.	DB Hi-Ski Constructions Pvt Ltd
25.	Mahal Pictures Pvt Ltd
26.	Neelkamal Realtors Tower Pvt Ltd
27.	Sangam City Township Pvt Ltd
28.	Shiva Buildcon Pvt Ltd
29.	Shiva Multitrade Pvt Ltd
30.	Shiva Realtors Suburban Pvt Ltd

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Sr No.	Name of the Related Parties
	Jointly Controlled Entities
31.	Ahmednagar Warehousing Developers & Builders LLP (upto 30.06.2015)
32.	Aurangabad Warehousing Developers & Builders LLP (upto 30.06.2015)
33.	Daund Warehousing Developers & Builders LLP (upto 30.06.2015)
34.	DB (BKC) Realtors Pvt Ltd
35.	DB Realty And Shreepati Infrastructure LLP
36.	DBS Realty
37.	Dynamix Realty
38.	Latur Warehousing Developers & Builders LLP (upto 30.06.2015)
39.	Lokhandwala DB Realty LLP
40.	Lokhandwala Dynamix Balwas Joint Venture
41.	National Tiles
42.	Om Metal Consortium
43.	Saswad Warehousing Developers & Builders LLP (upto 30.06.2015)
44.	Sneh Developers (Jointly Control Entity of DB View Infracon Private Limited)
45.	Solapur Warehousing Developers & Builders LLP (upto 30.06.2015)
46.	Suraksha DB Realty
	Entity in respect of which the Company is an Associate
47.	Neelkamal Tower Construction LLP
	Key Management Personnel (KMP)
48.	Vinod Goenka (Chairman & Managing Director)
49.	Shahid Balwa (Vice Chairman & Managing Director)
	Relatives of KMP
50.	Aaliya S Balwa (Daughter of Vice Chairman)
51.	Arshad S Balwa (Son of Vice Chairman)
52.	Aseela V Goenka (Wife of Chairman)
53.	Jayvardhan V Goenka (Son of Chairman)
54.	Krishna Murari Goenka (Father of Chairman)
55.	Pramod Goenka (Brother of Chairman)
56.	Sakina U Balwa (Mother of Vice Chairman)
57.	Salim Balwa (Brother of Vice Chairman)
58.	Sanjana V Goenka (Daughter of Chairman)
59.	Shabana Balwa (Wife of Vice Chairman)
60.	Shanita D Jain (Sister of Chairman)
61.	Sunita Goenka (Sister of Chairman)
62.	Usman Balwa (Father of Vice Chairman)
	Enterprises where individuals i.e. KMP and their relatives have significant interest
63.	A G Mercantile Pvt Ltd
64.	Balwas Charitable Trust
65.	BD & P Hotels (India) Pvt Ltd
66.	Conwood Agencies Pvt Ltd
67.	Conwood Associates
68.	Conwood Construction & Developers Pvt Ltd
69.	Delux Hospitality Limited, Mauritius
70.	Dynamix Clubs And Resorts Pvt Ltd
71.	Dynamix Contractors & Builders Pvt Ltd
72.	Dynamix Securities & Holdings Pvt Ltd
73.	Eon Aviation Pvt Ltd
74.	Eversmile Construction Company Pvt Ltd
75.	Eversmile Properties Pvt Ltd

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Sr No.	Name of the Related Parties
76.	Goan Hotels & Realty Pvt Ltd (Previously Known as Goan Hotels & Clubs Pvt Ltd)
77.	Goan Real Estate And Construction Pvt Ltd
78.	Goenka Family Trust
79.	Heaven Star Hotels (Delhi) Pvt Ltd
80.	Hotels Balwas Pvt Ltd
81.	K G Enterprises
82.	Majestic Infracon Pvt Ltd
83.	Marine Drive Hospitality & Realty Pvt Ltd
84.	Milan Theatres Pvt Ltd
85.	Mystical Constructions Pvt Ltd (Nihar Constructions Pvt Ltd Amalgamted with Mystical Constructions Pvt Ltd w.e.f 11.04.2014)
86.	Neelkamal Realtors & Builders Pvt Ltd
87.	Pony Infrastructure & Contractors Limited
88.	Pune Buildtech Pvt Ltd
89.	Top Notch Buildcon LLP
90.	Vinod Goenka HUF
91.	YJ Realty And Aviation Pvt Ltd

Notes:

The aforesaid related parties are identified by the management of the Company and relied upon by the auditors.

Nature of Transaction	Subsidiaries	Associates	Entities under Joint Control of Company/its subsidiaries	Enterprises over which KMP and their relatives have significant influence.	KMP and their Relatives	Total
Transaction during the Year						
Loans and Advances Granted						
Current Year						
Given during the year	5,513,909,975	1,042,160,625	-	1,409,305,718	-	7,965,376,318
Returned during the year	2,817,302,250	928,880,000	-	1,813,154,982	-	5,559,337,232
Previous Year						
Given during the year	7,597,259,137	18,000,000	-	177,014,139	-	7,792,273,276
Returned during the year	3,729,702,737	-	-	1,898,409,115	-	5,628,111,852
Loans and Advances Taken						
Current Year						
Taken during the year	411,542,832	-	-	176,904,914	-	588,447,746
Given during the year	35,125,290	-	-	1,000,000	-	36,125,290
Previous Year						
Taken during the year	837,557,777	-	-	-	-	837,557,777
Given during the year	459,271,928	-	-	-	-	459,271,928
Interporate Deposits Taken						
Current Year						
Given during the year	-	-	2,428,618	214,690,080	-	217,118,698
Returned during the year	-	-	-	89,544,432	-	89,544,432
Previous Year						
Given during the year	-	-	18,880,000	342,850,000	-	361,730,000
Returned during the year	-	-	650,000	447,600,708	-	448,250,708
Project Advances						
Current Year						
Given during the year	-	990,691	-	-	-	990,691
Returned during the year	-	-	-	-	-	-
Previous Year						
Given during the year	-	1,430,000	-	-	-	1,430,000
Returned during the year	-	-	-	-	-	-
Investments in Equity Shares						
Current Year						
Investments purchased during the year	-	61,488,000	-	-	-	61,488,000
Transferred (to)/from	-	-	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Nature of Transaction	Subsidiaries	Associates	Entities under Joint Control of Company/its subsidiaries	Enterprises over which KMP and their relatives have significant influence.	KMP and their Relatives	Total
Previous Year						
Given during the year	18,934,000	-	-	-	-	18,934,000
Returned during the year	-	-	-	-	-	-
Investment in Jointly Contrlled Entities and Partnership firms						
Current Year						
Investments purchased during the year	863,190,662	-	176,856,355	-	-	1,040,047,017
Transferred (to)/from	1,432,150,805	-	279,348,156	-	-	1,711,498,961
Share of Profit / Loss during the year	(57,820,902)	-	(2,446,641)	-	-	(60,267,543)
Previous Year						
Given during the year	538,113,610	-	932,727,581	-	-	1,470,841,191
Returned during the year	1,678,679,722	-	545,435,012	-	-	2,224,114,734
Share of Profit / Loss during the year	(11,514,083)	-	(191,880,046)	-	-	(203,394,129)
Other Receivable						
Current Year						
Investments purchased during the year	2,509	-	-	-	-	2,509
Transferred (to)/from	-	-	-	-	-	-
Previous Year						
Given during the year	2,345,623	-	-	-	-	2,345,623
Returned during the year	2,318,075	-	-	-	-	2,318,075
Other Payables						
Current Year						
Investments purchased during the year	-	-	-	-	-	-
Transferred (to)/from	2,551,422	-	-	-	-	2,551,422
Previous Year						
Given during the year	-	-	-	2,833	-	2,833
Returned during the year	-	-	-	162,209	-	162,209
Advance Received Against Sale of Flat						
Current Year	-	-	-	-	1,573,852	1,573,852
Previous Year	-	-	-	-	-	-
<i>(The above amount represents monies received against sale of flats, where a relative of the KMP is a joint holder and for which revenue is recognised on percentage of completion basis on overall progress of the project. Hence the debits on account of such receipts are not accounted on individual basis.)</i>						
Rent Paid						
Current Year	-	-	-	22,525,003	-	22,525,003
Previous Year	-	-	-	25,388,598	-	25,388,598
Interest Income						
Current Year	-	-	-	-	-	-
Previous Year	-	-	-	90,305,674	-	90,305,674
Interest Expense						
Current Year	33,556,137	-	-	-	-	33,556,137
Previous Year	35,495,046	-	-	-	-	35,495,046
Travelling Expenses						
Current Year	-	-	-	-	-	-
Previous Year	162,209	-	-	-	-	162,209
Reimbursement From Others Companies						
Current Year	2,509	-	-	-	-	2,509
Previous Year	2,345,623	-	-	-	-	2,345,623
Reimbursement to Others Companies						
Current Year	255,142	-	-	-	-	255,142
Previous Year	4,295,552	-	-	-	-	4,295,552
Preference Share Issues						
Current Year	-	-	-	-	-	-
Previous Year	-	-	-	57,400	-	57,400
Purchase of TDR						
Current Year	-	-	-	-	-	-
Previous Year	-	-	359,786,700	-	-	359,786,700

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Nature of Transaction	Subsidiaries	Associates	Entities under Joint Control of Company/its subsidiaries	Enterprises over which KMP and their relatives have significant influence.	KMP and their Relatives	Total
Compensation Received						
Current Year	-	-	-	-	-	-
Previous Year	41581080	-	-	-	-	41,581,080
Sale of Flat						
Current Year	-	-	-	-	30,629,652	30,629,652
Previous Year	-	-	-	-	-	-
Nature of Transaction	Subsidiaries	Associates	Entities under Joint Control of Company/its subsidiaries	Enterprises over which KMP and their relatives have significant influence.	KMP and their Relatives	Total
Balance Outstanding As At Year Ended						
Loans and Advances Granted						
Current Year	9,247,848,080	131,280,625	7,930	35,100,330	-	9,414,236,965
Previous Year	6,546,691,995	18,000,000	7,930	438,949,594	-	7,003,649,519
F.Y. 2014-2015	2,679,135,595	-	7,930	2,280,645,024	-	4,959,788,549
Loans and Advances Taken						
Current Year	1,019,917,542	-	-	175,904,914	-	1,195,822,456
Previous Year	879,485,993	-	-	-	-	879,485,993
F.Y. 2014-2015	501,200,144	-	-	-	-	501,200,144
Intercompany Deposits Taken						
Current Year	-	-	189,100,382	127,424,578	-	316,524,960
Previous Year	-	-	191,529,000	252,570,225	-	444,099,225
F.Y. 2014-2015	-	-	209,759,000	147,819,517	-	357,578,517
Project Advances						
Current Year	-	304,585,250	-	-	-	304,585,250
Previous Year	-	262,178,353	-	-	-	262,178,353
F.Y. 2014-2015	-	225,563,714	-	-	-	225,563,714
Investments in Equity Shares						
Current Year	2,151,156,036	2,271,530,065	987,253,899	3,821,800,190	-	9,231,740,190
Previous Year	2,145,413,473	2,208,292,065	986,878,899	4,313,266,621	-	9,653,851,058
F.Y. 2014-2015	2,123,872,492	2,206,542,065	986,503,899	4,479,632,461	-	9,796,550,917
Investment in Preference Shares						
Current Year	178,532,298	122,468,105	1,680,727,237	5,613,858,167	-	7,595,585,808
Previous Year	153,981,906	123,902,297	1,681,072,559	5,180,328,946	-	7,139,285,708
F.Y. 2014-2015	1,376,207,520	123,386,781	1,680,423,267	4,755,975,984	-	7,935,993,552
Investment on Debenture						
Current Year	-	-	-	-	-	-
Previous Year	987,735	-	-	-	-	987,735
F.Y. 2014-2015	1,003,940	-	-	-	-	1,003,940
Investment in Jointly Contrlled Entities and Partnership firms						
Current Year	1,528,586,361	-	(1,566,845,651)	-	-	(38,259,290)
Previous Year	2,155,367,406	-	98,516,046	-	-	2,253,883,452
F.Y. 2014-2015	3,307,447,601	-	98,897,464	-	-	3,406,345,065
Other Receivable						
Current Year	1,122,610	8,236,000	292,150	-	-	9,650,760
Previous Year	1,120,101	8,236,000	292,150	-	-	9,648,251
F.Y. 2014-2015	1,092,553	8,236,000	-	-	-	9,328,553
Other Payables						
Current Year	2,551,422	20,000,000	165,976	833,333	-	23,550,731
Previous Year	582,821	20,000,000	165,976	-	-	20,748,797
F.Y. 2014-2015	-	20,000,000	28,024,799	-	-	48,024,799
Interest Receivable						
Current Year	87,130,688	-	-	62,080,691	-	149,211,379
Previous Year	87,130,688	-	-	213,758,673	-	300,889,361
F.Y. 2014-2015	-	-	-	111,302,999	-	111,302,999

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Nature of Transaction	Subsidiaries	Associates	Entities under Joint Control of Company/its subsidiaries	Enterprises over which KMP and their relatives have significant influence.	KMP and their Relatives	Total
Interest Payable						
Current Year	33,556,137	-	-	-	-	33,556,137
Previous Year	54,070,982	-	-	-	-	54,070,982
F.Y. 2014-2015	18,575,936	-	-	-	-	18,575,936
Advance for Development Rights						
Current Year	74,750,000	-	-	-	-	74,750,000
Previous Year	74,750,000	-	-	-	-	74,750,000
F.Y. 2014-2015	10,000,000	-	-	-	-	10,000,000
Interest free security deposits given						
Current Year	-	17,241,379.00	-	657,396,552	33,125,000	707,762,931
Previous Year	-	14,863,258.00	-	2,349,155,054	33,125,000	2,397,143,312
F.Y. 2014-2015	-	12,813,153.00	-	2,035,547,461.00	33,125,000	2,081,485,614
Trade Payable						
Current Year	159,376	-	-	49,964,137	-	50,123,513
Previous Year	159,376	-	-	37,842,577	-	38,001,953
F.Y. 2014-2015	-	-	-	29,171,438	-	29,171,438
Advance Received Against Sale of Flat						
Current Year	-	-	-	-	-	-
Previous Year	-	-	-	-	29,055,800	29,055,800
F.Y. 2014-2015	-	-	-	-	29,055,800	29,055,800

(The above amount represents monies received against sale of flats, where a relative of the KMP is a joint holder and for which revenue is recognised on percentage of completion basis on overall progress of the project. Hence the debits on account of such receipts are not accounted on individual basis.)

Mobilisation Advance						
Current Year	-	-	-	113,159,717	-	113,159,717
Previous Year	-	-	-	113,777,662	-	113,777,662
F.Y. 2014-2015	-	-	-	113,777,662	-	113,777,662
Advance for Purchase of TDR						
Current Year	-	-	210,183,246	-	-	210,183,246
Previous Year	-	-	210,183,246	-	-	210,183,246
F.Y. 2014-2015	-	-	-	-	-	-

Guarantee/ Securitites given by the Company to the lenders on behalf of varoius entities. (Refer note 30)

	Subsidiary	Associates	Entities under Joint Control of Company/its subsidiaries	Enterprises over which KMP and their relatives have significant influence.		
Opening Balance as on 1st April 2016	11,515,400,000	3,500,000,000	750,000,000	USD 138 million and ₹ 14,025,000,000	-	-
	(3,315,400,000)	(3,500,000,000)	(750,000,000)	USD 138 million and ₹ 14,875,000,000	(-)	(-)
Given during the year	1,750,000,000	-	-	2,750,000,000	-	-
	(8,200,000,000)	(1,745,000,000)	-	(850,000,000)	(-)	(-)
Released during the year	-	-	-	-	-	-
	-	(-)	-	(1,700,000,000)	(-)	(-)
Closing Balance as on March 31, 2017	13,265,400,000	3,500,000,000	750,000,000	USD 138 million and ₹ 16,775,000,000	-	-
	(11,515,400,000)	(3,500,000,000)	(750,000,000)	USD 138 million and ₹ 14,025,000,000	(-)	(-)
Irrevocable and unconditional personal guarantee by each Managing Director to the Company (Refer Note 30(xv))	-	-	-	(USD 138 million)	-	-
	(-)	(-)	(-)	(USD 138 million)	(-)	(-)
Sharing of Resources/Infrastructure**	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)

(Figures in brackets denote Previous Year's balances)

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

iii. Guarantees and securities received by the Company for Loans taken from lenders

Name	Relation	Opening Balance as on 1st April, 2016	Received during the year	Adjustment due to Merger	Released during the year	Closing Balance as on 31st March, 2017
Dynamix Realty	Joint Venture	350,000,000	-	-	-	350,000,000
Vinod Goenka	KMP	-	-	-	-	-
Shahid Balwa	KMP	-	-	-	-	-
		(350,000,000)	(-)	(-)	(-)	(350,000,000)
Marine Drive Hospitality and Realty Private Limited	Enterprises where individuals i.e. KMP and their relatives have significant interest	600,000,000	-	-	600,000,000	-
Dynamix Realty	Joint Venture					
N.A.Estate Private Limited	Subsidiary					
Shahid Balwa	KMP					
Vinod Goenka	KMP					
		(600,000,000)	-	-	-	(600,000,000)
Sanjana Goenka (7,000,000 Shares of the Company)	Relative of KMP	300,000,000	-	-	300,000,000	-
Vinod Goenka	KMP					
		(300,000,000)	-	-	-	(300,000,000)
Neelkamal Realtors & Builders Private Limited	Enterprises where individuals i.e. KMP and their relatives have significant interest	29,000,000	-	-	-	29,000,000
		(-)	(-)	(-)	(-)	(-)
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.					
Shahid Balwa	KMP					
		(300,000,000)	(-)	(-)	(-)	(300,000,000)
Esteem Properties Private Limited	Subsidiary	2,000,000,000	-	-	-	2,000,000,000
Vinod Goenka	KMP					
Shahid Balwa	KMP					
		(2,000,000,000)	(-)	(-)	(-)	(2,000,000,000)
Vinod Goenka	KMP	675,000,000	-	-	-	675,000,000
Shahid Balwa	KMP					
		(675,000,000)	(-)	(-)	(-)	(675,000,000)
Vinod Goenka	KMP	897,500,000		-	-	897,500,000
Shahid Balwa	KMP					
		(-)	(897,500,000)	(-)	(-)	(897,500,000)
Neelkamal Tower Construction LLP	Entity in respect of which the Company is an Associate					
Neelkamal Realtors & Tower Pvt Ltd	Associate	443,200,000	-	-	-	443,200,000

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

(iii) Disclosure under Regulation 34(3) of SEBI (Listing Obligation and Disclosure Requirements, 2015) :

Loans and Advances	Opening Balance as on 1st April, 2016	Given during the year	Returned during the year	Closing Balance as on 31st March, 2017	Maximum Balance Outstanding during the year
Loans to Subsidiaries					
D B Man Realty Limited	423,306	20,618	-	443,924	443,924
	(390,000)	(33,306)	-	(423,306)	(423,306)
Neelkamal Realtor Sub P.Ltd	-	594,786,866	152,840,982	441,945,884	594,786,866
	-	-	-	-	-
Neelkamal Shantinagar Properties Pvt.Ltd.	104,330,956	35,027,412	-	139,358,368	139,358,368
	(60,544,316)	(108,686,640)	(64,900,000)	(103,427,676)	(169,230,956)
Spacecon Realty Private Limited	577,138,288	11,836	399,990,000	177,160,124	577,150,124
	(577,043,288)	(95,000)	-	(577,138,288)	(577,138,288)
DB View Infracon Private Limited	2,569,446,116	1,071,527	332,190,000	2,238,327,643	2,569,446,116
	-	(2,569,446,116)	-	(2,569,446,116)	(2,569,446,116)
Esteem Properties Private Limited	1,129,615,130	500,412	-	1,130,115,542	1,130,115,542
	(1,127,380,130)	(2,235,000)	-	(1,129,615,130)	(1,129,615,130)
N. A. Estate Private Limited	79,343,299	16,524	-	79,359,823	79,359,823
	(79,313,299)	(30,000)	-	(79,343,299)	(79,343,299)
Nine Paradise Erectors Private Limited	133,985,000	559,856,310	4,310	693,837,000	693,837,000
	(171,220,000)	(190,000)	(37,425,000)	(133,985,000)	(171,335,000)
Priya Construction Private Limited	266,987,232	9,030,412	51,545,893	224,471,751	267,012,232
	(225,356,152)	(41,631,080)	-	(266,987,232)	(266,987,232)
Royal Netra Construction Private Limited	394,845,203	9,284,000	-	404,129,203	404,129,203
	(377,377,203)	(17,468,000)	(-)	(394,845,203)	(396,957,203)
	(377,377,203)	(17,468,000)	(-)	(394,845,203)	(396,957,203)
Saifee Buckets Factory Private Limited	1,162,467	102,612	100,000	1,165,079	1,265,079
	(1,102,467)	(62,300)	(2,300)	(1,162,467)	(1,162,467)
Goregaon Hotels & Realty Pvt Ltd	2,661,740	770,412,383	122,003,505	651,070,618	682,867,803
	-	(2,661,740)	-	(2,661,740)	(2,661,740)
Vanita Infrastructure Private Limited	39,799,000	379,556,975	362,807,013	56,548,962	315,920,929
	(39,279,000)	(520,000)	-	(39,799,000)	(39,799,000)
MIG (Bandra) Realtors and Builders Private Limited	589,261,380	3,754,018,131	976,528,159	3,366,751,352	3,379,651,352
	-	(4,094,633,312)	(3,505,371,932)	(589,261,380)	(3,451,761,380)

Particulars	Opening Balance as on 1st April, 2016	Given during the year	Returned during the year	Addition Due to Merger	Closing Balance as on 31st March, 2017	Maximum Balance Outstanding during the year
Loans to Associates						
Mahal Pictures Private Limited	18,000,000	-	-	-	18,000,000	18,000,000
	-	(18,000,000)	-	-	(18,000,000)	(18,000,000)
Neelkamal Realtors Tower Pvt Ltd	-	1,042,160,625	928,880,000	-	113,280,625	1,042,160,625
	-	-	-	-	-	-
Loans given to companies where directors are interested						
Y J Realty Pvt. Ltd.	527,006	1,650,000	2,177,006	-	-	2,177,006
	(658,588,222)	(69,094,643)	(727,155,859)	-	(527,006)	(486,433,860)
Marine Drive & Realty Hospitality Pvt Ltd	206,347,619	-	201,937,500	-	4,410,119	-
	223,989	-	-	-	206,347,619	-
Milan Theatres Pvt. Ltd.	201,384,758	1,407,655,718	1,609,040,476	-	-	-
	(369,889,172)	(107,919,496)	(155,209,256)	-	(322,599,412)	(235,161,678)
Majestic Infracon Pvt. Ltd.	30,510,131	-	-	-	30,000,000	30,000,000
	30,000,000	510,131	-	-	30,510,131	30,510,131

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

LOAN AND ADVANCES TO SUBSIDIARY

Name	Op. Balance	Given during the year	Returned during the year	Closing Balance	Maximum Balance O/s
D B Man Realty LTD	423,306	20,618	-	443,924	443,924
	(390,000)	(33,306)	-	(423,306)	
D B View Infracon Pvt Ltd	2,569,446,116	1,071,527	332,190,000	2,238,327,643	2,569,446,116
	-	(2,569,446,116)	-	(2,569,446,116)	(2,569,446,116)
Esteem Properties Pvt.Ltd.	1,129,615,130	500,412	-	1,130,115,542	1,130,115,542
	(1,127,380,130)	(2,235,000)	-	(1,129,615,130)	(1,129,615,130)
N. A. Estate Pvt. Ltd.	79,343,299	16,524	-	79,359,823	79,359,823
	(79,313,299)	(30,000)	-	(79,343,299)	(79,343,299)
Neelkamal Shantinagar Properties Pvt.Ltd.	103,879,316	30,479,052	-	134,358,368	134,358,368
	(60,544,316)	(108,686,640)	(64,900,000)	(103,879,316)	(147,294,316)
Nine Paradise Erectors P. Ltd.	133,985,000	559,856,310	4,310	693,837,000	693,837,000
	(171,220,000)	(190,000)	(37,425,000)	(133,985,000)	(171,335,000)
Priya Construction Pvt Ltd	266,987,232	9,030,412	51,545,893	224,471,751	267,012,232
	(225,356,152)	(41,631,080)	-	(266,987,232)	(266,987,232)
Royal Netra Construction Pvt. Ltd.	404,129,203	17,500,000	-	421,629,203	421,629,203
	(394,845,203)	(9,284,000)	-	(404,129,203)	(404,129,203)
Saifee Buckets Factory Pvt Ltd	1,162,467	102,612	100,000	1,165,079	1,265,079
	(1,102,467)	(62,300)	(2,300)	(1,162,467)	(1,162,467)
Spacecon Realty Pvt Ltd	577,138,288	11,836	399,990,000	177,160,124	577,150,124
	(577,043,288)	(95,000)	-	(577,138,288)	(577,138,288)
DB MIG Realtors & Builders Pvt. Ltd.	589,261,380	3,754,018,131	976,528,159	3,366,751,352	3,379,651,352
	-	(4,094,633,312)	(3,505,371,932)	(589,261,380)	(3,451,761,380)
Goregaon Hotels & Realty Pvt Ltd	651,070,618	166,958,700	541,295,893	276,733,425	651,070,618
	(2,661,740)	(770,412,383)	(122,003,505)	(651,070,618)	(682,867,803)
Vanita Infrastructure Pvt Ltd.	39,799,000	379,556,975	362,807,013	56,548,962	315,920,929
	(39,279,000)	(520,000)	-	(39,799,000)	(39,799,000)
Neelkamal Realtor Sub P.Ltd	-	594,786,866	152,840,982	441,945,884	-
	-	-	-	-	-
Neelkamal Shantinagar properties Pvt.Ltd.	451,640	4,548,360	-	5,000,000	-
	-	-	-	(451,640)	-

LOAN AND ADVANCES TO ASSOCIATES

Name	Op. Balance	Given during the year	Returned during the year	Closing Balance	Maximum Balance O/s
Mahal Pictures Private Limited	18,000,000	-	-	18,000,000	
	-	(18,000,000)	-	(18,000,000)	(18,000,000)
Neelkamal Realtors Tower Pvt Ltd	-	1,042,160,625	928,880,000	113,280,625	
	-	-	-	-	-

LOANS GIVEN TO ENTERPRISE OVER WHICH KMP AND THEIR RELATIVE HAVE SIGNIFICANT INFLUENCE

Name	Op. Balance	Given during the year	Returned during the year	Closing Balance	Maximum Balance O/s
Y. J. Realty & Aviation Pvt Ltd.	527,006	1,650,000	2,177,006	-	2,177,006
	(658,588,222)	(69,094,643)	(727,155,859)	(527,006)	(527,006)
Marine Drive & Realty Hospitality Pvt Ltd	206,347,619	-	201,937,500	4,410,119	
	(1,222,167,630)	-	(1,016,044,000)	(206,347,619)	(1,222,167,630)
Neelkamal Realtors & Builders Pvt.Ltd.	180,080	-	-	180,080	
	-	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

LOANS GIVEN TO ENTERPRISE OVER WHICH KMP AND THEIR RELATIVE HAVE SIGNIFICANT INFLUENCE

Name	Op. Balance	Given during the year	Returned during the year	Closing Balance	Maximum Balance O/s
Majestic Infracon Pvt. Ltd.	30,000,000	-	-	30,000,000	
	(30,000,000)	-	-	(30,000,000)	-
Milan Theatres Private Limited	201,384,758	1,407,655,718	1,609,040,476	-	
	(369,889,172)	(107,919,496)	(155,209,256)	(322,599,412)	(423,667,694)
Majestic Infracon Pvt. Ltd.	510,131	-	-	510,131	
	-	-	-	(510,131)	-

LOANS GIVEN TO JOINTLY CONTROL ENTITIES

Name	Op. Balance	Given during the year	Returned during the year	Closing Balance	Maximum Balance O/s
Suraksha DB Realty	7930	0	0	7930	0
	-	(7,930)	-	(7,930)	-

LOANS TAKEN FROM SUBSIDIARIES

Name	Op. Balance	Returned during the year	Given during the year	Closing Balance	Maximum Balance O/s
Gokuldharm Real Estate Dev. Co.P Ltd	-	-	-	-	
	-	-	-	-	-
Real Gem Buildtech Pvt Ltd	643,500,000	33,092,000	55,065,252	665,473,252	
	-	-	(643,500,000)	(643,500,000)	(643,500,000)
Real Gem Buildtech Pvt. Ltd	-	1,431,161	1,422,580	(8,581)	
	-	-	-	-	-
DB MIG Realtors & Builders Pvt. Ltd	-	-	-	-	
	(54,739,931)	(54,739,931)	-	-	(54,739,931)
	(188,348,779)	(350,461,015)	(162,112,236)	-	(188,348,779)
	-	602,129	355,055,000	354,452,871	
Vanita Infrastructure Pvt Ltd	-	-	-	-	
	-	-	-	-	-
Neelkamal Realtor Sub P.Ltd	201,384,758	1,407,655,718	1,609,040,476	-	
	(258,111,434)	(54,070,982)	(31,945,541)	(235,985,993)	-

INTER CORPORATE DEPOSIT TAKEN

Name	Op. Balance	Given during the year	Returned during the year	Closing Balance	Maximum Balance O/s
DB(BKC) Realtors Pvt. Ltd.	191,529,000	2,428,618		189,100,382	
	(209,759,000)	(18,880,000)	(650,000)	(191,529,000)	(209,759,000)
Neelkamal Realtors & Builders Pvt Ltd	252,570,226	214,690,080	89,544,432	127,424,578	
	(147,819,517)	(342,850,000)	(447,600,708)	(252,570,225)	(487,910,037)

LOANS TAKEN FROM ENTERPRISE OVER WHICH KMP AND THEIR RELATIVE HAVE SIGNIFICANT INFLUENCE

Name	Op. Balance	Return during the year	Taken During The Year	Closing Balance	Maximum Balance O/s
Y. J. Realty & Aviation Pvt Ltd.		1,000,000	40,932,994	39,932,994	40,232,994
	-	-	-	-	-
Milan Theatres Private Limited		224,971,934	112,616,430	112,355,504	112,616,430
	-	-	-	-	-

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Name of the Entity	Op. Balance	Investments purchased during the year	Transferred (to)/ from	Profit / (Loss)	Closing Balance
INVESTMENT IN EQUITY SHARES					
MIG Bandra Realtors & builders Ltd (Equity Shares)	68,488,000	-	-	-	68,488,000
	(49,554,000)	(18,934,000)	-	-	(68,488,000)
INVESTMENTS IN ASSOCIATES - EQUITY					
Shiva Realtors Suburban Pvt. Ltd. (Eq Shares)	64,800,000	20,496,000	-	-	85,296,000
	(64,800,000)	-	-	-	(64,800,000)
Shiva Buildcon Pvt Ltd (Eq Shares)	64,800,000	20,496,000	-	-	85,296,000
	(64,800,000)	-	-	-	(64,800,000)
Shiva Multitrade Pvt Ltd (Eq Shares)	64,800,000	20,496,000	-	-	85,296,000
	(64,800,000)	-	-	-	(64,800,000)
INVESTMENT IN SUBSIDIARIES JOINTLY CONTRLLED ENTITIES AND PARTNERSHIP FIRMS					
Conwood D B- JV	5,910,000	539,773,560	1,137,471,060	(32,404,718)	(624,192,218)
	(197,509,732)	(11,735,000)	(203,334,732)	-	(5,910,000)
ECC DB- JV	309,373,620	46,755,816	38,398,852	-	317,730,584
	(319,950,000)	(349,268,610)	(359,844,990)	-	(309,373,620)
Mira Real Estate Developer	1,058,280,198	100,443,500	214,650,000	(25,416,184)	918,657,514
	(1,395,994,281)	(89,300,000)	(415,500,000)	11,514,083	(1,058,280,198)
Turf Estate JV	781,803,588	176,217,786	41,630,893	-	916,390,481
	(1,393,993,588)	(87,810,000)	(700,000,000)	(1,069,794,281)	(781,803,588)
INVESTMENT IN JOINTLY CONTRLLED ENTITIES AND PARTNERSHIP FIRMS					
D B REALTY AND SHREEPATI INFRASTRUCTURES LLP(CA)	64,463,794	7,712	-	(132,595)	64,338,911
	(64,168,879)	(103,227)	-	191,688	(64,463,794)
Dynamix Realty (Current A/c with Partnership Firm)	(897,101,962)	175,582,760	279,348,156	(2,475,171)	(1,003,592,529)
	1,418,059,536	(932,303,054)	(602,450,360)	191,104,880	897,101,962
DBS Realty	(659,771,293)	1,265,883	-	-	(658,505,410)
	525,768,194	(80,771)	(134,710,527)	626,657	659,771,293

Name	Op. Balance	Given during the year	Returned during the year	Closing Balance
PROJECT ADVANCE TO ASSOCIATES				
D.B. Hi-Sky Constructions Pvt Ltd(project adv)	324,375,000	790,691	-	325,165,691
	(324,045,000)	(330,000)	-	(324,375,000)
Sangam city town ship P Ltd(Dharadhar)Project adv	365,000,000	200,000	-	365,200,000
	(363,900,000)	(1,100,000)	-	(365,000,000)

OTHER PAYABLE				
Name	Op. Balance	Received during the year	Given during the year	Closing Balance
Income Billed in Advance	-	-	2,500,000	2,500,000
	-	-	-	-
Goregaon Hotel & Realty Pvt Ltd -Epayment	-	-	51,422	51,422
	-	-	-	-
Real Gem Buildtech Pvt. Ltd. (OCL)	-	-	-	-
	-	(3,712,731)	(4,295,552)	(582,821)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Name	Op. Balance	Received during the year	Given during the year	Closing Balance
Mahal Pictures	20,000,000			20,000,000
	(20,000,000)			(20,000,000)
Hotel Balwas Private Limited	6,600	-	-	6,600
	(6,600)	-	-	(6,600)
Eon Aviation Pvt Ltd	159,376	-	-	159,376
	-	(2,833)	(162,209)	(159,376)

Other Receivable				
Name	Op. Balance	Given during the year	Returned during the year	Closing Balance
Income Billed in Advance	-	833,333	-	833,333
	-	-	-	-
D B Contractors & Builders P Ltd (OCA)	1,120,101	2,509		1,122,610
	(1,092,553)	(27,548)		(1,120,101)
Neelkamal Realtors Towers Pvt. Ltd. (CRS)	8,236,000	-	-	8,236,000
	(8,236,000)			(8,236,000)
Dynamix Realty	292,150		-	292,150
	-	(292,150)	-	(292,150)

Mobilisation Advance				
Majestic Infracon Pvt. Ltd.-Golf View (MA)	94,754,829	-	-	94,754,829
	(94,754,829)	-	-	(94,754,829)
Majestic Infracon Pvt. Ltd.-Orchid Centre(MA)	18,404,888	-	-	18,404,888
	(18,404,888)	-	-	(18,404,888)

Interest Receivable				
Nine Paradise Erectors Pvt. Ltd.(ICD)	87,130,688		-	87,130,688
	-	(87,130,688)	-	(87,130,688)
Majestic Infracon Pvt. Ltd. (ICD)	12,150,000	-	-	12,150,000
	-	(12,150,000)	-	(12,150,000)
Milan thetres Pvt Ltd	151,677,982		151,677,982	-
	(121,214,654)	(30,463,328)		(151,677,982)
Y J Realty & Aviation Pvt Ltd	49,930,691			49,930,691
	9,911,655	-	-59842346	(49,930,691)

Interest Payable				
NAME	OPENING BALANCE	GIVEN DURING THE YEAR	PAID DURING THE YEAR	CLOSING BALANCE
Neelkamal Realtor Sub. Pvt Ltd	54,070,982			
	(18,575,936)	-	(35,495,046)	(54,070,982)
Vanita	-	33,556,137		33,556,137
	-	-	-	-

Advance for Purchase of TDR				
NAME	OPENING BALANCE	GIVEN DURING THE YEAR	PAID DURING THE YEAR	CLOSING BALANCE
Dynamix Realty	-	210,183,246	-	210,183,246
	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

62. The Company carries out its business ventures through various entities. The funds required for projects in those entities are secured through financial guarantees of the Company. The bankers/ financial institutions provide a restrictive covenant while lending, not to charge guarantee commission for the financial guarantees provided by the Company. As per Ind AS 109 – Financial Instruments there has to be fair valuation of the financial guarantees and subsequent measurements thereof as per expected credit loss method. However, considering the restrictive covenants and its model of execution of the projects through such entities, the Management is of the opinion that there cannot be fair valuation of the financial guarantees issued aggregating to ₹ 43,238,126,800.
63. 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.
64. Figures of the previous year have been regrouped/ reclassified wherever necessary to conform to the presentation of the current year.

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

These are Company's first standalone financial statements prepared in accordance with Ind AS.

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

A. Exemption and exceptions availed**A.1 Ind AS mandatory exceptions**

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

a. Estimates:

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustment to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 1st April, 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP.

- (i) Investments in equity instruments carried as FVTPL or FVOCI.
- (ii) Investments in debt instruments carried as FVTPL
- (iii) Impairment of financial assets based on the expected credit loss model;
- (iv) Discounting of advances

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

b. Derecognition of financial assets and liabilities:

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

c. Classification and measurement of financial assets and liabilities:

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instrument) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

A.2 Ind AS optional exemptions

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

a. Deemed Cost

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

b. Investment in subsidiaries and associates

Ind AS 101, provides the option to measure investments in subsidiaries and associates at previous GAAP carrying amount as the deemed cost, if the Company in its separate financial statements have elected to account for its investments in subsidiaries and associates at cost. The Company has opted the previous GAAP carrying amount as deemed cost for investments in subsidiaries and associates.

c. Business Combination

Ind AS 101, provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date. The Company has opted to apply Ind AS 103 prospectively from the transition date and therefore, the balances have been restated accordingly on the transition date.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

65.1 First-time Ind AS adoption reconciliations

In preparing our opening Ind AS balance sheet, we have adjusted amounts reported in financial statements prepared in accordance with previous GAAP. An explanation of how the transition from previous GAAP to Ind AS has affected our financial performance, cash flows and financial position is set out in the following tables and the notes that accompany the tables. On transition, we did not revise estimates previously made except where required by Ind AS.

Effect of Ind AS Adoption on Balance Sheet as at April 1, 2015

(Amount in ₹)

Particulars	Notes to Reconciliation Note No. 64.4	As at April 1, 2015		
		Previous GAAP	Effect of transition to Ind AS	As per Ind AS Balance Sheet
ASSETS				
1 Non Current Assets				
(a) Property, Plant and Equipment	A	95,337,065	2,025,670	97,362,735
(b) Investment Property		65,749,116	-	65,749,116
(c) Intangible Assets	A	25,731,181	198,807	25,929,988
(d) Intangible assets under development		210,990,518	-	210,990,518
(e) Investment in subsidiaries, associates & joint venture	A,B	7,771,555,169	2,324,420,327	10,095,975,496
(f) Financial Assets				
(i) Investments	B	15,526,389,452	(6,072,525,840)	9,453,863,612
(ii) Loans	A,C	687,945,000	(462,381,286)	225,563,714
(iii) Others	A,C	3,838,540,477	(1,321,481,760)	2,517,058,717
(g) Deferred Tax Assets (Net)	A,H	69,452,710	1,613,610,436	1,683,063,146
(h) Non Current tax Assets	A	60,785,951	5,177,736	65,963,687
(i) Other Non Current Assets	A	2,077,800,439	(30,450,747)	2,047,349,692
Total Non Current Assets (A)		30,430,277,077	(3,941,406,658)	26,488,870,420
2 Current Assets				
(a) Inventories	A	2,543,129,919	339,599,841	2,882,729,760
(b) Financial Assets				
(i) Investments		1,808,309,533	-	1,808,309,533
(ii) Trade Receivables	A	-	433,135,032	433,135,032
(iii) Cash and Cash Equivalents	A	18,916,359	19,977,488	38,893,847
(iv) Bank balance other than (iii) above			30,450,073	30,450,073
(v) Loans	A	3,736,358,052	30,231,919	3,766,589,971
(vi) Other Financial Assets	A	8,781,162	99,288,878	108,070,040
(c) Current tax asset		-	-	-
(d) Other Current Assets	A	440,616,655	224,337,017	664,953,673
Total Current Assets (B)		8,556,111,681	1,177,020,248	9,733,131,929
Total Assets (C) = (A)+(B)		38,986,388,758	(2,764,386,410)	36,222,002,348
LIABILITIES				
1 Equity				
(a) Equity Share Capital		2,432,587,820	-	2,432,587,820
(b) Other Equity	A to H	31,073,902,009	(4,465,665,149)	26,608,236,860
Total Equity (D)		33,506,489,829	(4,465,665,149)	29,040,824,680
2 Non Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	A,D	306,049,303	81,480,836	387,530,139
(ii) Trade Payables	A,C	-	32,597,144	32,597,144
(iii) Other financial liabilities	A	-	932,250	932,250
(b) Long-term provisions	A	28,396,974	5,386,288	33,783,262
Total Non Current Liabilities (E)		334,446,277	120,396,518	454,842,795

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

(Amount in ₹)

Particulars	Notes to Reconciliation Note No. 64.4	As at April 1, 2015		
		Previous GAAP	Effect of transition to Ind AS	As per Ind AS Balance Sheet
3 Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	A,D	1,820,854,884	200,386,634	2,021,241,517
(ii) Trade payables	A	125,866,269	155,410,935	281,277,204
(iii) Other financial liabilities	A	3,135,600,357	1,012,471,866	4,148,072,223
(b) Other Current Liabilities	A	42,771,339	212,878,364	255,649,703
(c) Short-term provisions	A	20,359,803	(265,578)	20,094,225
Total Current Liabilities (F)		5,145,452,652	1,580,882,221	6,726,334,873
Total Equity & Liabilities (G)= (D)+(E)+(F)		38,986,388,758	(2,764,386,410)	36,222,002,348

(*) The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note

Effect of Ind AS Adoption on Balance Sheet as at April 1, 2016

Particulars	Notes to Reconciliation Note No. 64.4	As at March 31, 2016		
		Previous GAAP	Effect of transition to Ind AS	As per Ind AS Balance Sheet
ASSETS				
1 Non Current Assets				
(a) Property, Plant and Equipment		73,321,954	-	73,321,954
(b) Investment Property		66,598,041	-	66,598,041
(c) Intangible Assets		2,748,945	-	2,748,945
(d) Intangible assets under development		206,145,711	-	206,145,711
(e) Investment in subsidiaries, associates & joint venture	B	7,950,269,822	745,867,373	8,696,137,195
(f) Financial Assets				
(i) Investments	B	15,685,183,493	(5,922,333,634)	9,762,849,859
(ii) Loans	C	689,375,000	(427,196,647)	262,178,353
(iii) Others	C	3,689,941,074	(946,057,798)	2,743,883,276
(g) Deferred Tax Assets (Net)	G	68,687,748	1,374,920,190	1,443,607,938
(h) Non Current tax Assets		60,788,404	-	60,788,404
(i) Other Non Current Assets		1,184,182,326	(36,830,351)	1,147,351,975
Total Non Current Assets (A)		29,677,242,518	(5,211,630,867)	24,465,611,651
2 Current Assets				
(a) Inventories		3,138,978,930	-	3,138,978,930
(b) Financial Assets				
(i) Investments		858,275,191	-	858,275,191
(ii) Trade Receivables	F	454,117,527	(13,014,555)	441,102,972
(iii) Cash and Cash Equivalents		44,439,286	-	44,439,286
(iv) Bank balance other than (iii) above		53,759,775	-	53,759,775
(v) Loans		7,020,975,764	-	7,020,975,764
(vi) Other Financial Assets		336,195,196	-	336,195,197
(c) Current tax asset		-	-	-
(d) Other Current Assets		600,424,395	-	600,424,395
Total Current Assets (B)		12,507,166,064	(13,014,555)	12,494,151,510
Total Assets (C) = (A)+(B)		42,184,408,581	(5,224,645,422)	36,959,763,161
LIABILITIES				
1 Equity				
(a) Equity Share Capital	G	3,150,145,220	(717,557,400)	2,432,587,820
(b) Other Equity	B to H	32,346,665,948	(4,964,396,369)	27,382,269,579
Total Equity (D)		35,496,811,168	(5,681,953,769)	29,814,857,399

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	Notes to Reconciliation Note No. 64.4	As at March 31, 2016		
		Previous GAAP	Effect of transition to Ind AS	As per Ind AS Balance Sheet
2 Non Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	B	1,156,923,587	341,818,870	1,498,742,457
(ii) Trade Payables	C	50,036,258	(6,901,553)	43,134,705
(iii) Other financial liabilities	C	932,250	821,111	1,753,361
(b) Long-term provisions		31,880,171	-	31,880,171
Total Non Current Liabilities (E)		1,239,772,265	335,738,428	1,575,510,694
3 Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	D	2,386,657,563	(2,308,303)	2,384,349,260
(ii) Trade payables		228,106,507	-	228,106,508
(iii) Other financial liabilities	D	2,686,628,391	124,908,573	2,811,536,964
(b) Other Current Liabilities		126,628,060	-	126,628,060
(c) Short-term provisions		19,804,627	(1,030,352)	18,774,276
Total Current Liabilities (F)		5,447,825,148	121,569,919	5,569,395,068
Total Equity & Liabilities (G)= (D)+(E)+(F)		42,184,408,581	(5,224,645,422)	36,959,763,161

(*) The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note

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

Particulars	Notes to Reconciliation Note No. 64.4	Standalone	Standalone
		As at 31st March 2016	As at 1st April 2015
Net Worth as reported under previous GAAP		35,496,811,168	33,506,489,829
Adjustment on account of Ind AS			
Effect due to merger	A	-	1,272,832,522
Equity component of compound financial instrument	G	368,476,285	-
Fair value adjustment of financial liabilities	C	16,472,101	28,337,654
Reclassification of Preference Shares to Financial Liability	G	(717,557,400)	-
Fair value adjustment of Financial Asset	C	(910,873,159)	(1,324,507,199)
Share of profit/ loss from Joint Venture	C,F,H	(122,422,919)	-
Fair value adjustment of Investments	B	(5,699,938,554)	(6,035,220,944)
Interest as per EIR on Amortized cost Instrument	D	56,359,026	-
Prior period adjustment	I	(11,589,339)	(19,404,206)
Deferred tax on the above transactions	H	1,339,120,191	1,612,297,024
Net worth as per Ind AS		29,814,857,399	29,040,824,680

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

(Amount in ₹)

Particulars	Notes to Reconciliation	For the Year Ended March 31, 2016		
		Previous GAAP	Effect of transition to Ind AS	As per Ind AS
I Revenue from operations		1,770,350,525	-	1,770,350,525
II Other income	B,C	(92,892,539)	857,963,891	765,071,352
III Total Income (I)+(II)		1,677,457,986	857,963,891	2,535,421,877
IV Expenses				
Project Related Expenses		499,724,960	-	499,724,960
Purchase of Stock-in-trade		359,786,700	-	359,786,700.00
Changes in inventories of finished goods, work in progress and stock-in-trade		(61,401,114)	-	(61,401,113.97)
Employee benefits expense	E	158,541,079	8,163,030	166,704,109
Finance costs	D,C	480,951,296	20,268,254	501,219,550
Depreciation and amortisation expense		50,687,147	-	50,687,147
Other Expenses		116,382,837	-	116,382,837
Total Expenses (IV)		1,604,672,905	28,431,284	1,633,104,189

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

(Amount in ₹)

Particulars	Notes to Reconciliation	For the Year Ended March 31, 2016		
		Previous GAAP	Effect of transition to Ind AS	As per Ind AS
V Profit/(Loss) before exceptional items and tax (III-IV)		72,785,081	829,532,607	902,317,688
VI Exceptional items		75,000,000	-	75,000,000
VII Profit/(Loss) before Tax (V-VI)		(2,214,919)	829,532,607	827,317,688
VIII Tax expense				
(a) Current tax		15,700,000	-	15,700,000
(b) Deferred tax	H	268,109,353	3,921,627	272,030,980
(c) Prior year tax adjustment		11,971,293	-	11,971,293
IX (Loss) for the year (VII)-(VIII)		(297,995,565)	825,610,980	527,615,415
VIII Other Comprehensive Income				
A (i) Items that will not be reclassified to Profit or Loss				
Remeasurement of defined benefits liability/ Assets	E	-	8,163,031	8,163,031
Tax impact on above		-	2,522,377	2,522,377
(ii) Notional loss on fair value adjustment in the value of investments	B	-	(170,379,374)	(170,379,374)
(iii) Income tax relating to items that will not be reclassified to Profit or Loss	H	-	30,053,398	30,053,398
B (i) Items that will be reclassified to Profit or Loss				
(ii) Income tax relating to items that will be reclassified to Profit or Loss		-	-	-
Total Other Comprehensive Income [A (i)-(ii) + B (i)-(ii)] (VIII)		-	(129,640,569)	(129,640,569)
IX Total Comprehensive Income for the year (VII)+(VIII)		(297,995,565)	695,970,411	397,974,846

(*) The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note

65.4 Reconciliation of Statement of Cash Flow

Impact of Ind AS adoption on the statement of cash flow for the year ended 31st March, 2016

Particulars	Notes to Reconciliation 64.4	For the Year Ended March 31, 2016		
		Previous GAAP	Effect of transition to Ind AS	As per Ind AS
Net cash from operating activities	C,I	289,778,329	3,714,555,262	(3,424,776,933)
Net cash (used in) investing activities	B	(548,361,598)	(3,342,719,216)	2,794,357,618
Net cash generated from/(used in) financing activities	C,D	264,128,707	(357,222,733)	621,351,440
Net Increase/(Decrease) in cash and cash equivalents		5,545,438	14,613,314	(9,067,876)
Cash and cash equivalents as at the beginning of the year	I	1,201,436	-	27,020,122
Cash and Cash equivalents on account of amalgamation		37,692,412	-	-
Cash and cash equivalents as at the end of the year		44,439,286	14,613,314	17,952,246

65.5 Notes to the reconciliation of equity as at April 1, 2015 and March 31, 2016 and total comprehensive income for the year ended March 31, 2016
A Merger of Gokuldharm Real Estate Development Co. Pvt. Ltd. with the Company

The Scheme of Amalgamation of Gokuldharm Real Estate Development Company Pvt. Ltd. (Gokuldharm) with the Company, under Section 391 to 394 of the Companies Act, 1956 was accorded sanction by the Hon'ble High Court of Bombay on October 16, 2015 with appointed date being April 1, 2013. The Scheme became effective on filing of the said order with the Registrar of Companies, Maharashtra and the Registrar of Companies taking the same on record on December 23, 2015. Accordingly, under previous GAAP, the figures of Financial year 2015-16 included the operations of Gokuldharm. However, as per Ind AS 103, since the Company was already controlling Gokuldharm from its inception the effect of Merger has been given as if the merger was effective April 1, 2013, the Appointed Date. Therefore there are variations in figures reported as per previous GAAP and as per Ind AS as on April 1, 2015.

B Investments

Under previous GAAP, investments in equity instruments, redeemable preference shares and compulsory convertible debentures were recorded at cost. Under Ind AS, investments are required to be valued at fair value. The Company has classified these investments as fair value through Other Comprehensive Income / through Statement of Profit and Loss and adjusted the amounts as on transition date accordingly.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

C Fair Value of Financial Assets and Liabilities

Under previous GAAP, financial assets and financial liabilities were carried at book value. Under Ind-AS 109, all financial assets and financial liabilities are required to be initially carried at fair value. The fair value changes are taken to the profit and loss account in respect of financial assets and financial liabilities carried at amortised cost.

D Borrowings:

Ind AS 109 requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the Consolidated Statement of Profit and Loss over the tenure of the borrowing as part of the interest expenses by applying the effective interest rate method. Under previous GAAP, these transaction costs were charged off to the Statement of Profit and Loss. Accordingly, these transaction costs charged off under previous GAAP have been adjusted to borrowings as at each Balance Sheet date.

E Actuarial Gain and Losses on employee benefits

Under Ind AS, actuarial gains and losses are recognised in the OCI as compared to being recognised in the Statement of Profit and Loss under the previous GAAP.

F Trade Receivables

As per Ind AS 109, the group is required to apply expected credit loss model for recognising the allowance for doubtful debts. As a result, the group has estimated lifetime expected credit losses and recorded the same as at the transition date.

G Reclassification of Financial Instruments

Under previous GAAP, Redeemable Cumulative Preference Shares were classified as Share Capital. Under Ind-AS 32, Redeemable portion of preference shares is reclassified as Financial Liabilities.

H Deferred Tax

Under Previous GAAP, deferred tax was recognized based on the profit and loss method. Under Ind-AS 12, deferred tax is recognized based on the balance sheet method for all differences between the accounting and tax base. Consequentially, deferred tax have been recognised for the adjustments made on transition to Ind AS, wherever applicable.

I Prior Period Expenses/Income

Ind AS 8 requires restatement to correct errors to be made retrospectively, to the extent practicable. Accordingly, prior period expenses/income have been adjusted to the opening balance of retained earnings.

I Bank Overdraft

Under Ind AS, bank overdraft repayable on demand and which form part of the cash management process are included in cash and cash equivalents for the purpose of presentation of statement of cash flows. Under previous GAAP, bank overdraft were considered as part of other current liabilities. Consequently, cash and cash equivalents for the purpose of cash flow have reduced under Ind AS.

66. In compliance with Ind AS 27 "Separate Financial Statements" the required information is as under:

(i) Name of entity	Principal place of business/ country of origin	subsidiary/ associate/ Joint Venture	Percentage of ownership		
			Interest as on		
			As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
			%	%	%
Conwood DB Joint Venture	India	Subsidiary	90.00	90.00	90.00
DB Contractors & Builders Pvt Ltd	India	Subsidiary	100.00	100.00	100.00
DB Man Realty Ltd.	India	Subsidiary	91.00	91.00	91.00
DB View Infracon Pvt Ltd	India	Subsidiary	100.00	100.00	100.00
ECC DB Joint Venture	India	Subsidiary	75.00	75.00	75.00
Esteem Properties Pvt Ltd	India	Subsidiary	100.00	100.00	100.00
Goregaon Hotel and Realty Private Limited	India	Subsidiary	100.00	100.00	100.00
MIG (Bandra) Realtors and Builders Private Limited	India	Subsidiary	100.00	100.00	100.00
Mira Real Estate Developers#	India	Subsidiary	99.00	99.00	99.00
N.A. Estate Private Limited	India	Subsidiary	100.00	100.00	100.00
Neelkamal Realtors Suburban Pvt Ltd	India	Subsidiary	66.00	66.00	66.00
Neelkamal Shantinagar Properties Pvt Ltd	India	Subsidiary	100.00	100.00	100.00
Nine Paradise Erectors Pvt. Ltd.	India	Subsidiary	100.00	100.00	100.00
Priya Constructions Pvt Ltd	India	Subsidiary	100.00	100.00	100.00
Real Gem Buildtech Pvt Ltd	India	Subsidiary	100.00	100.00	100.00
Royal Netra Construction Pvt Ltd	India	Subsidiary	50.40	50.40	50.40

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

(i) Name of entity	Principal place of business/ country of origin	subsidiary/ associate/ Joint Venture	Percentage of ownership		
			Interest as on		
			As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
			%	%	%
Saifee Bucket Factory Pvt Ltd	India	Subsidiary	100.00	100.00	100.00
Spacecon Realty Pvt Ltd	India	Subsidiary	74.00	74.00	74.00
Turf Estate Joint Venture	India	Subsidiary	66.67	66.67	66.67
Vanita Infrastructure Private Limited	India	Subsidiary	100.00	100.00	100.00
DB (BKC) Realtors Private Limited	India	Joint Venture	40.80	40.80	40.80
DB Realty and Shreepati Infrastructures LLP	India	Joint Venture	60.00	60.00	60.00
DBS Realty	India	Joint Venture	33.33	33.33	33.33
Dynamix Realty	India	Joint Venture	50.00	50.00	50.00
Lokhandwala Dynamix Balwas JV	India	Joint Venture	50.00	50.00	50.00
D B HI-SKY Constructions Pvt Ltd	India	Associate	50.00	50.00	50.00
Mahal Pictures Private Limited	India	Associate	33.33	33.33	33.33
Neelkamal Realtors Tower Pvt Ltd	India	Associate	42.81	42.81	42.81
Sangam City Township Pvt Ltd	India	Associate	26.67	26.67	26.67
Shiva Buildcon Pvt Ltd	India	Associate	44.43	33.75	33.75
Shiva Multitrade Pvt. Ltd	India	Associate	44.43	33.75	33.75
Shiva Realtors Suburban Pvt. Ltd	India	Associate	44.43	33.75	33.75
Warehousing LLP's [§]	India	Joint Venture	-	-	50.00

Remaining 1% stake is held by DB View Infracon Pvt Ltd

§ 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

The Company has ceased to be a partner in above six LLPs w.e.f. July 1, 2015, since these LLPs had not carried on any business activity. The Company's share in loss of these LLPs amounts to ₹ 6,714 for the three months ended on June 30, 2015.

(ii) The Company, through its subsidiaries, has the following step-down Subsidiaries, Joint Ventures and Associates:

(a) Subsidiary of Neelkamal Shantinagar Properties Pvt Ltd is as under:

Name of entity	Principal place of business/ country of origin	subsidiary/ associate/ Joint Venture	Percentage of ownership Interest as on		
			As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
			%	%	%
Shree Shantinagar Venture	India	Subsidiary	100.00	100.00	100.00

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

(b) Subsidiary of Priya Constructions Pvt. Ltd. is as under:

Name of entity	Principal place of business/ country of origin	subsidiary/ associate/ Joint Venture	Percentage of ownership interest as on		
			As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
			%	%	%
Evergreen Industrial Estate*	India	Subsidiary	66.66	66.66	66.66

** Further 0.01% holding is held by Turf Estate*

(c) Joint Ventures of DB View Infracon Pvt. Ltd. are as under:

Name of entity	Principal place of business/ country of origin	subsidiary/ associate/ Joint Venture	Percentage of ownership interest as on		
			As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
			%	%	%
Sneh Developers*	India	Joint Venture	48.00	48.00	48.00
Suraksha DB Realty	India	Joint Venture	50.00	50.00	50.00

**Further, 1% holding is held by Nine Paradise Erectors Pvt. Ltd.*

(d) Subsidiary of DB Contractors & Builders Pvt. Ltd. is as under:

Name of entity	Principal place of business/ country of origin	subsidiary/ associate/ Joint Venture	Percentage of ownership interest as on		
			As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
			%	%	%
Lokhandwala D B Realty LLP	India	Joint Venture	45.00	45.00	45.00

**Further, 5% shares are held by D B Realty Ltd.*

(e) Subsidiary of Nine Paradise Pvt. Ltd. is as under:

Name of entity	Principal place of business/ country of origin	subsidiary/ associate/ Joint Venture	Percentage of ownership interest as on		
			As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
			%	%	%
Horizontal Realty and Aviation Pvt Ltd	India	Subsidiary	63.00	-	-

Signature to Notes 1 to 66.

As per our report of even date.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Regn No. 103523W/ W100048

For and on behalf of the Board

Vinod Goenka
Chairman & Managing Director
DIN 00029033

Shahid Balwa
Vice Chairman & Managing Director
DIN 00016839

Mahesh Gandhi
Director
DIN 00165638

Snehal Shah
Partner
Membership No. 048539

S A K Narayanan
Company Secretary
M. No. A2424

A. Anil Kumar
Chief Financial Officer

Place: Mumbai
Date: June 9, 2017

Place: Mumbai
Date: June 9, 2017

CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To the Members of D B Realty Limited

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of **D B Realty Limited** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and jointly controlled entities comprising of the Consolidated Balance Sheet as at March 31, 2017, the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Ind AS Financial Statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its associates, jointly controlled entities and joint operations in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and its associates, jointly controlled entities and joint operations are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Ind AS Financial Statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

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

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

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

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their report referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated Ind AS financial statements.

Basis for Qualified Opinion

- a. As stated in Note 60 regarding non recognition/ re-measurement of financial guarantees aggregating ₹ 26,166,726,800/- issued to banks / financial institutions on behalf of various entities at fair value as required under Ind AS 109 – Financial Instruments. In absence of measurement of financial guarantees at fair value, we are unable to comment on the effects on the loss for the reported periods.
- b. As stated in Note 49 the Holding Company has not evaluated whether any impairment provision is required for expected credit losses in accordance with Ind AS 109 – Financial Instruments for loans & advances amounting to ₹ 154,752,678/- as on March 31, 2017 to an associate which have incurred losses and have negative net worth.
- c. As stated in Note 48B(iv) one of the Subsidiaries has not accounted for its share of profit/loss in a Partnership Firm ('Firm') for FY 2016-17, as the financial statements of the firm for the year ended March 31, 2017 is not available.
- d. As stated in Note 62 the financial statements of one of the joint ventures where a subsidiary is a partner have not been consolidated in the Consolidated Financial Statements due to non-availability of its financial statements.
- e. As stated in Note 47(c) the financial statements of one of the Subsidiary Companies and its subsidiaries/associates/ joint ventures have not been consolidated in the consolidated financial statements. The Holding Company controls the subsidiary company in terms of Ind AS 110. In absence of the availability of the consolidated financial statements of such subsidiary company, we are unable to quantify the effects on the consolidated financial statements of the Group and its associates and joint ventures.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate Ind AS financial statements and on the other financial information of the subsidiaries, associates and jointly controlled entities/ joint ventures and joint operations, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and except for the possible effects of the matter described in Basis for Qualified Opinion paragraph above, the aforesaid Consolidated Ind AS Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates, jointly controlled entities and joint operations as at 31st March, 2017, their consolidated loss, consolidated changes in equity and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to the following matters in the notes to the Consolidated Ind AS Financial Statements:

- (i) Note 47(b) regarding no adjustment having been made in the value of inventory, pending outcome of the matter referred by the Holding Company to the Supreme Court.
- (ii) Note 58 as regards certain allegations made by the Enforcement Directorate against the Holding Company and one of the Key Managerial Persons, in the matter relating to Prevention of Money Laundering Act, 2002. This matter is sub-judice and the impact, if any, of the outcome is unascertainable at this stage.
- (iii) Note 46 & 47(a) in case of the Group, loans and advances aggregating ₹ 540,662,001/- and the project cost carried in inventory aggregating ₹ 1,281,232,652/- as on 31st March, 2017 are under litigation and are sub-judice. Based on assessment done by the Management of the Holding Company, no adjustments are considered necessary in respect of recoverability of these balances. The impact, if any, of the outcome is unascertainable at present.
- (iv) Note 8.3 in case of Holding Company, as regards return on investments of ₹ 5,613,858,167/- in preference shares of a subsidiary company as on 31st March, 2017, as explained by the Management, such investments are considered strategic and long term in nature and the current market value and future prospects of such investments are significantly in excess of the Holding Company's investment in the investee company.
- (v) Note 10.2 in case of Holding Company, as regards security deposits aggregating ₹ 1,138,170,442/- as on 31st March, 2017, given to various parties for acquisition of development rights, as explained by Management, the Holding Company is in process of obtaining necessary approvals with regard to these properties and that their current market values are significantly in excess of their carrying values and are expected to achieve adequate profitability on substantial completion of such projects.
- (vi) Note 14.1 as regards status of inventory consisting of projects of the Holding Company having aggregate value of ₹ 2,861,992,735/- as on March 31, 2017 and the opinion framed by the Management of the Holding Company about realizable value of the cost incurred, being a technical matter, has been relied upon by us.
- (vii) Note 57 as regards the status of various ongoing projects, recognition of expense and income and the realizable value of the costs incurred, are as per the judgment of Management of respective entity and certified by their technical personnel and being of technical nature, have been relied upon by us.
- (viii) Note 54 as regards attachment order issued by adjudicating authority under Prevention of Money Laundering Act, 2002, by which the Holding Company's assets amounting to ₹ 753,220,671/- have been attached on August 30, 2011. Consequently, the adjudicating authority has taken over the bank balance of ₹ 6,892,967/- and Investment in Redeemable Optionally Convertible Cumulative Preference Shares – Series A & Series C of an entity of ₹ 736,705,009/- in earlier years. This matter is sub-judice and the impact, if any, of its outcome is currently unascertainable.
- (ix) Note 49 as regards the Group has investments aggregating ₹ 255,939,631/- as on 31st March, 2017 in certain associates which have incurred losses and have negative net worth. As explained to us, these entities are in early stage of real estate development and the investments are considered good and recoverable based on assessment of the projects under execution made by the Management of the respective entity.
- (x) Note 48(B)(xiii) as regards the claim of a subsidiary over the ownership of salt pan land which is under litigation and is sub-judice, based on assessment of the outcome made by its Management, it has a rightful claim over the ownership of the salt pan land and will be in a position to defend its title.
- (xi) As stated in Note 48(B)(xix) the financial statements of an AOP having been signed by only one partner and that, the present arrangement between the partners is under re-consideration.
- (xii) Note 48(A)(i)(b) & 48(A)(iii) as regards the Audited Financial Statements of a Firm where the Holding Company is one of the partners has following disclosures:
 - a. As regards recoverability of Trade Receivables of ₹ 366,404,105/-, the Partners of the Firm had taken effective steps for recovery and are not expecting any short realisation. In the event of shortfall in realisation, the same shall increase the debit balance of the Partners.
 - b. Allegations made by the Central Bureau of Investigation (CBI) relating to the 2G spectrum case and regarding attachment order issued by adjudicating authority under Prevention of Money Laundering Act, 2002.These matters are sub-judice and the impact, if any, of its outcome is currently unascertainable.
- (xiii) Note 48(A)(viii) as regards to order passed by Appellate Committee of Ministry of Civil Aviation in a Partnership Firm where the Holding Company is a partner for demolition of the floors beyond the permissible height. The firm is in appeal before the Honourable Delhi High Court against the said order. In the opinion of the Management, the firm is hopeful for favourable outcome and hence it does not expect any financial outflow in this matter.
- (xiv) Note 48(B)(v) with respect to work in progress with carrying value of ₹ 740,152,355/- in a subsidiary, a writ filed by Jijamata Nagar Sankalp Co-Operative Housing Society against designating the land under the Draft Development Plan 2034 (Draft DP 2034) dated 25th February 2015, is now being shown as designated for reservation of Public Open Space and Dispensary/Health Post as opposed to existing status of the plot which is partly in residential zone and partly in road and partly reserved for playground, vide letter of Intent (LOI) issued by Slum Rehabilitation Authority dated 15th April, 2009. Draft Development Plan 2034 (Draft DP 2034) dated 25th February 2015 has not been finalized and many changes are done by the Government Authorities in the said draft plan in recent times. The Management is constantly observing the changes and progress to the Draft DP 2034 and is confident that the Final Plan would remove all the anomalies.

- (xv) Note 48(B)(i) as regards a Subsidiary Company which has granted a loan of ₹ 81,400,000/- to a Company whose debts amounting to ₹ 226,654,172/- have been acquired from Yes Bank Ltd. vis-a-vis the opinion framed by the Management that the said loan, though subject to confirmation is good for recovery.
- (xvi) Note 48(B)(ii) as regards a Subsidiary Company which has acquired debts by way of assignment from Yes Bank Ltd. amounting to ₹ 2,503,318,546/- including related matters such as non creation of charge in favour of the Company. Balance is subject to confirmation and in the opinion framed by the management of the subsidiary company are good for recovery.
- (xvii) Note 48(B)(iii) with regards to the status of the amounts due to Housing Development Infrastructure Limited amounting to ₹ 200,000,000/- by one of the subsidiary companies.
- (xviii) Note 48(A)(vi) as regards non conversion/redemption of Redeemable Optionally Convertible Cumulative Preference Shares and Compulsory Convertible Preference Shares in one of the Joint Ventures in which the Company is a Partner. The accounting implications arising due to conversion / redemption would be carried out in the year of reaching finality with the respective shareholders.
- (xix) Note 48(A)(v) as regards advances granted by a Jointly controlled entity (Holding company's share of 40.80%) for acquiring occupancy rights to various parties including associates amounting to ₹ 236,879,496/- in the consolidated financial statements.
- (xx) Note 48(A)(vii) in case of a jointly controlled entity as regards compensation to occupants aggregating ₹ 597,487,000/- with whom execution of agreements for obtaining of release of rights in their premises and possession thereof and/ or obtaining possession, is pending.
- (xxi) Note 48(B)(xx) as regards loan granted by a Subsidiary Company aggregating ₹ 1,570,000,000/- to a related party whose net worth is eroded. The Management of the Subsidiary Company considers this loan as good and recoverable.
- (xxii) Note 48(B)(xxi) as regards interest-free advance payable on demand given by a Subsidiary Company to one related party amounting to ₹ 5,864,323,673/-. As explained by the Management of the subsidiary company, the Net worth of the said related party is positive and is confident of recovering the loan as and when demanded.
- (xxiii) Note 48(B)(xxii) in case of a Subsidiary company, where to discharge the corporate guarantees aggregating ₹ 1,090,000,000/-, the subsidiary company has entered into agreements with a related party and a bank, whereby the Subsidiary company has offered 27 units in its project to the bank for total consideration of ₹ 1,090,000,000/-. The sale agreement for all 27 units have been registered in the name of the bank. The amount is shown as recoverable from the related party as interest free unsecured loan payable on demand and is credited as consideration received for sale of flats under other liability.
- (xxiv) Note 48(B)(xxiii) as regards guarantees and securities provided by a subsidiary company for amounts aggregating ₹ 750,000,000/- to banks and financial institutions on behalf of two group companies as on March 31, 2017, which are significant in relation to the net-worth of the subsidiary company. In the opinion of the Management of the subsidiary company, these are not expected to result into any financial liability on the subsidiary company.
- (xxv) Note 48(A)(ix) with respect to project work in progress of ₹ 644,110,717/- in an Associate Company where such company is currently under process of resolving the internal disputes among the partners of the firm vis-a-vis the Development Agreement, for which appeals have been filed. The Management of associate company expects favorable outcome in the matter and accordingly, is of the opinion that the land shall be available to such company for development.
- (xxvi) Note 48(B)(xxiv) with respect to one of the Subsidiary Companies, its management's estimate for recoverability of advances amounting to Rs 30,675,000/- towards purchase of land/tenancy rights where the Subsidiary Company is yet to enter into definite agreements and/ or conveyance of land yet to happen and monies paid amounting to ₹ 84,110,000/- to land aggregators where the aggregator's are yet to complete their obligation.
- (xxvii) Note 48(B)(xxv) as regards a Subsidiary Company which has granted loan aggregating to ₹ 515,312,812/- to a Related Party for which no provisions for bad and doubtful loan have been made though such related party has incurred losses and has negative net worth as per latest audited financial statements for the year ended March 31, 2016. As explained in said note, the subsidiary company considers above loan as good for recovery based on current values of a property held by the said related party which is in excess of its carrying value. Accordingly, the said loan is considered good and recoverable by the management.

Our opinion is not modified in respect of these matters.

Other Matters

- (a) We did not audit the Ind AS financial statements of 22 subsidiaries (including 2 stepdown subsidiaries) included in the statement, whose Ind AS financial statements reflects total assets of ₹ 42,459,094,814/- as at March 31, 2017, total revenues of ₹ 1,231,394,812/- and total loss (including other comprehensive income) after tax of ₹ 896,524,809/- for the year ended on that date, as considered in the Consolidated Ind AS Financial Statements. The Consolidated Ind AS Financial Statements also include Group's share of net loss (including other comprehensive income) of ₹ 77,902,050/- for the year ended March 31, 2017, as considered in the consolidated Ind AS financial statements, in respect of 6 associates and 7 joint ventures (including 4 step down joint ventures), whose Ind AS financial statements have not been audited by us. These Ind AS financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associates, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, joint ventures and associates, is based solely on the reports of the other auditors.
- (b) We did not audit the Ind AS financial statements of 1 step down subsidiary, whose Ind AS financial statements reflects total assets of ₹ 765,836,288/- as at March 31, 2017 total negative revenues of ₹ 2,394,850/- and total loss (including other comprehensive income) after tax of ₹ 30,243,562/- for the year ended on that date, as considered in the Consolidated Ind AS Financial Statements. The Consolidated Ind AS Financial Statements also include Group's share of net loss (including other comprehensive income) of ₹ 3,461,832 for the year ended March 31, 2017, as considered in the Consolidated Ind AS Financial Statements, in respect of 1 associate and 2 joint ventures, whose Ind AS financial statements have not been audited by us. These Ind AS financial statements are not audited by their auditors and have been

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

furnished to us by the Management and our opinion on the Consolidated Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these step down subsidiary, associate and joint ventures and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid step down subsidiary, associate and joint ventures, is based solely on such unaudited Ind AS financial statements. In our opinion and according to the information and explanations given to us by the Management, these Ind AS financial statements are not material to the Group.

Our opinion on the Consolidated Ind AS Financial Statements and our report on the Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the Ind AS financial statements/financial information certified by the management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, except for the matter described in the Basis for Qualified Opinion paragraph above, we report as under, to the extent applicable, that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Ind AS Financial Statements;
- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS Financial Statements have been kept by the Company so far as it appears from our examination of those books and the reports of the other auditors;
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Ind AS Financial Statements;
- d. In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. The matters described in the Basis for Qualified Opinion paragraph and under the Emphasis of Matter paragraph above, in our opinion, may have an adverse effect on the functioning of the Group;
- f. On the basis of written representations received from the directors of the Holding Company as on March 31, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and joint ventures incorporated in India, none of the directors of the Group companies, its associate companies and joint ventures incorporated in India is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
- g. The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above;
- h. With respect to the adequacy of the internal financial controls over financial reporting of the the Group, its associates and joint ventures and the operating effectiveness of such controls, we give our separate Report in the "Annexure".
- i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Consolidated Ind AS Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and joint ventures – Refer Note 45 to the Consolidated Ind AS Financial Statements;
 - (ii) The Group, its associates and joint ventures did not have any material foreseeable losses on long term contracts including derivative contracts;
 - (iii) There has been no delays in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies and joint ventures incorporated in India.
 - (iv) The Holding Company and its subsidiary companies, associate companies and joint ventures incorporated in India have provided the requisite disclosures in its Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. These are in accordance with the books of account maintained by the subsidiary companies, associate companies, jointly controlled entities and joint operations so far as it appears from the reports of the other auditors. However, in case of the Holding Company, we are unable to obtain sufficient appropriate audit evidence to report on whether the disclosures are in accordance with books of account maintained by the Holding Company and as produced to us by the Management.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W / W100048

Snehal Shah

Partner

Membership No. 48539

Mumbai : June 09, 2017

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of **D B Realty Limited** ("the Company") on the consolidated IndAS financial statements for the year ended March 31, 2017]

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of the Group, its associate companies and jointly controlled companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Group, its associate companies and jointly controlled companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to 16 subsidiary companies, 6 associate companies and 1 jointly controlled company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For Haribhakti & Co. LLP

Chartered Accountants
ICAI Firm Registration No.103523W / W100048

Snehal Shah

Partner
Membership No. 48539
Mumbai : June 09, 2017

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2017

(Amount in ₹)

Particulars	Note No	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
I ASSETS				
1 Non-current Assets				
(a) Property, Plant and Equipment (net)	3	935,824,326	500,854,387	487,221,298
(b) Capital Work-in-progress	3	-	92,198,344	92,198,344
(c) Investment Property	4	65,595,684	66,598,041	65,749,116
(d) Goodwill on consolidation	5	3,116,216,058	1,925,279,083	1,925,279,083
(e) Intangible assets	6	191,148,446	2,877,118	89,957,405
(f) Intangible assets under development	6	-	206,145,711	210,990,518
(g) Investment in associates and joint venture	7	5,360,110,561	5,238,931,520	5,224,482,932
(h) Financial Assets				
(i) Investments	8	10,300,947,011	10,238,906,239	9,942,615,714
(ii) Loans	9	316,787,034	324,851,739	254,908,793
(iii) Other financial assets	10	1,713,836,763	3,244,551,048	2,950,611,630
(i) Deferred Tax Assets (net)	11	2,002,232,759	2,159,925,476	2,133,900,124
(j) Income Tax Assets (Net)	12	96,552,193	77,866,559	75,929,849
(k) Other Non-current Assets	13	1,444,194,710	1,598,536,193	2,926,811,960
		25,543,445,545	25,677,521,458	26,380,656,766
2 Current Assets				
(a) Inventories	14	23,235,382,329	21,726,076,554	18,153,488,673
(b) Financial Assets				
(i) Investments	15	71,284,255	71,888,195	75,873,107
(ii) Trade Receivables	16	740,881,794	577,632,069	530,174,783
(iii) Cash and cash equivalents	17	43,816,465	148,432,708	61,066,004
(iv) Bank balance other than (iii) above	18	72,812,226	72,507,584	45,899,017
(v) Loans	19	13,178,101,804	8,724,885,561	4,899,068,974
(vi) Other Financial Assets	20	165,042,827	427,959,853	236,693,071
(c) Other Current Assets	21	2,042,811,361	2,531,534,128	1,927,591,719
		39,550,133,061	34,280,916,651	25,929,855,347
		65,093,578,606	59,958,438,109	52,310,512,112
II EQUITY AND LIABILITIES				
1 Shareholders' Funds				
(a) Share Capital	22	2,432,587,820	2,432,587,820	2,432,587,820
(b) Other Equity	23	25,288,010,058	26,329,174,876	26,272,406,564
Equity attributable to owners of DBRL		27,720,597,878	28,761,762,696	28,704,994,384
Non Controlling Interest		(939,693,084)	(86,889,575)	(73,751,919)
		26,780,904,795	28,674,873,121	28,631,242,466
2 Non-current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	24	11,118,483,169	8,443,067,972	3,266,156,279
(ii) Trade Payable	25	61,211,894	102,557,455	76,822,215
(iii) Other financial Liabilities	26	1,756,442,401	4,498,369,661	994,965,857
(b) Provisions	27	37,410,936	52,444,651	48,751,537
(c) Other non-current liabilities	28	100,000,000	-	-
		13,073,548,400	13,096,439,738	4,386,695,887
3 Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	29	2,621,992,855	3,477,235,525	3,177,623,633
(ii) Trade and other payables	30	1,450,949,071	1,347,181,704	1,328,216,055
(iii) Other Financial Liabilities	31	10,577,277,704	5,455,323,417	9,272,290,402
(b) Other Current Liabilities	32	10,102,953,209	7,414,542,444	5,140,436,651
(c) Provisions	33	485,952,572	492,842,159	374,007,018
		25,239,125,412	18,187,125,249	19,292,573,760
		65,093,578,606	59,958,438,109	52,310,512,112
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. LLP
Chartered Accountants
ICAI Firm Regn No. 103523W/ W100048

For and on behalf of the Board

Vinod Goenka
Chairman & Managing Director
DIN 00029033

Shahid Balwa
Vice Chairman & Managing Director
DIN 00016839

Mahesh Gandhi
Director
DIN 00165638

Snehal Shah
Partner
Membership No. 048539

S A K Narayanan
Company Secretary
M. No. A2424

A. Anil Kumar
Chief Financial Officer

Place: Mumbai
Date: June 9, 2017

Place: Mumbai
Date: June 9, 2017

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in ₹)

	Note No.	For the year ended March 31, 2017	For the year ended March 31, 2016
I Revenue from Operations	34	1,366,790,901	2,059,026,506
II Other Income	35	1,368,501,845	1,396,008,995
III Total Income (I+II)		2,735,292,746	3,455,035,501
IV Expenses:			
Project Expenses	36	2,822,101,681	3,877,017,164
Purchases of Stock-in-Trade	37	-	359,786,700
Changes in Inventories of Finished Goods, Stock-in-trade, Project Work in Progress and Raw Material	38	(1,498,951,843)	(3,129,391,449)
Employee Benefits Expenses	39	197,685,374	217,678,474
Finance Costs	40	956,009,803	861,452,461
Depreciation and Amortization Expenses	3	107,902,473	143,672,081
Other Expenses	41	706,008,276	1,322,328,517
Total Expenses		3,290,755,763	3,652,543,949
V Profit/(Loss) before exceptional and extraordinary items and tax (III-IV)		(555,463,017)	(197,508,448)
VI Exceptional Items	3(3a)	-	(75,000,000)
VII Profit/(Loss) before extraordinary items and tax (V - VI)		(555,463,017)	(272,508,448)
VIII Prior Period Item (Expenses)/ Income		-	-
IX Share of Profit/(Loss) from associates and joint ventures		58,895,561	80,242,890
X Profit/ (Loss) before tax (VII + VIII + IX)		(496,567,456)	(192,265,558)
XI Tax expense:			
- Current tax	43	(2,221,915)	(28,222,569)
- Deferred tax	43	(267,579,911)	(9,084,671)
Total Tax expense		(269,801,826)	(37,307,240)
XII Profit after tax (X+XI)		(766,369,283)	(229,572,798)
XIII Other Comprehensive Income			
A. Items that will not be reclassified to profit or loss			
(i) Remeasurement of net defined benefit plans		8,238,952	11,135,869
(ii) Tax impact on above	43	1,813,658	2,203,854
(iii) Notional loss on fair value adjustment in the value of investments		(539,278,735)	(180,157,554)
(iv) Income tax relating to items that will not be reclassified to profit or loss		108,073,536	32,906,169
B. Items that will be reclassified to profit or loss			
(i) Income tax relating to items that will be reclassified to profit or loss		-	-
XIV Total Comprehensive income for the year (XII + XIII)		(1,187,521,872)	(363,484,460)
XV Profit after tax			
Attributable to :			
Owners of equity		(619,748,610)	(184,583,918)
Non Controlling Interest		(146,620,673)	(44,988,879)
		(766,369,283)	(229,572,798)
XVI Other Comprehensive Income			
Attributable to :			
Owners of equity		(421,416,209)	(134,705,645)
Non Controlling Interest		102,703	443,693
		(421,313,506)	(134,261,952)
XVII Total Comprehensive income for the year (XII + XIII)			
Attributable to :			
Owners of equity		(1,041,003,902)	(318,939,273)
Non Controlling Interest		(146,517,970)	(44,545,186)
		(1,187,521,872)	(363,484,460)
XVII Earnings per equity share of face value of ₹ 10 each:	42		
Basic		(2.55)	(0.76)
Diluted		(2.55)	(0.76)
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. LLP
Chartered Accountants
ICAI Firm Regn No. 103523W/ W100048

For and on behalf of the Board
Vinod Goenka
Chairman & Managing Director
DIN 00029033

Shahid Balwa
Vice Chairman & Managing Director
DIN 00016839

Mahesh Gandhi
Director
DIN 00165638

Snehal Shah
Partner
Membership No. 048539

S A K Narayanan
Company Secretary
M. No. A2424

A. Anil Kumar
Chief Financial Officer

Place: Mumbai
Date: June 9, 2017

Place: Mumbai
Date: June 9, 2017

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2017**A. Equity Share Capital**

Particulars	Amount (₹)
Balance as at March 31, 2015	2,432,587,820
Changes in equity share capital during FY 2015-16	-
Balance as at March 31, 2016	2,432,587,820
Changes in equity share capital during FY 2016-17	-
Balance as at March 31, 2017	2,432,587,820

B. Other Equity

(Amount in ₹)

Particulars	Attributable to owners of D B Realty Limited					Total	Non-controlling interest	Total
	Equity component of Compound Financial Instrument	Reserves & Surplus			Other Comprehensive Income			
		Retained Earnings	Capital Reserve	Securities Premium Reserve				
Balance as at April 01, 2015	-	225,468,782	504,631,445	23,856,790,192	1,685,516,145	26,272,406,564	(73,751,919)	26,198,654,646
Profit/(Loss) for the year FY 2015-16	-	(170,893,905)	-	-	-	(170,893,905)	(44,988,879)	(215,882,785)
Other Comprehensive Income	-	-	-	-	(148,045,368)	(148,045,368)	443,693	443,693
Equity component on Compound Financial Instrument	376,057,875	-	-	-	-	376,057,875	-	376,057,875
Adjustment during the year	-	-	-	-	-	-	31,407,530	31,407,530
Balance as at March 31, 2016	376,057,875	54,574,876	504,631,445	23,856,790,192	1,537,470,777	26,329,525,166	(86,889,575)	26,242,635,591
Profit/(Loss) for the year FY 2016-17	-	(609,535,083)	-	-	-	(609,535,083)	(146,620,673)	(756,155,755)
Other Comprehensive Income	-	-	-	-	(431,468,819)	(431,468,819)	102,703	102,703
Equity component on Compound Financial Instrument	-	-	-	-	-	-	-	-
Adjustment during the year (Refer Note No. 63)	-	-	-	-	-	-	(706,182,836)	(706,182,836)
Balance as at March 31, 2017	376,057,875	(554,960,206)	504,631,445	23,856,790,192	1,106,001,958	25,719,990,083	(939,693,084)	24,780,297,000

As per our report of even date.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Regn No. 103523W/ W100048

For and on behalf of the Board

Vinod Goenka
Chairman & Managing Director
DIN 00029033

Shahid Balwa
Vice Chairman & Managing Director
DIN 00016839

Mahesh Gandhi
Director
DIN 00165638

Snehal Shah
Partner
Membership No. 048539

S A K Narayanan
Company Secretary
M. No. A2424

A. Anil Kumar
Chief Financial Officer

Place: Mumbai
Date: June 9, 2017

Place: Mumbai
Date: June 9, 2017

CONSOLIDATED CASH FLOW FOR THE YEAR ENDED MARCH 31, 2017

	(Amount in ₹)	
<i>Particulars</i>	For the year ended March 31, 2017	For the year ended March 31, 2016
A. CASH INFLOW/ (OUTFLOW) FROM THE OPERATING ACTIVITIES		
NET PROFIT BEFORE TAX AND AFTER EXCEPTIONAL ITEMS	(555,463,017)	(272,508,448)
Adjustments for:		
Depreciation and amortisation expense	122,331,381	153,895,946
Finance cost	944,266,048	861,452,461
Interest Income	(852,295,929)	(641,079,124)
Dividend Income	(38,984)	(560,298)
Profit on sale of Investment	106,470,770	(269,984)
Loss on sale of Fixed Assets	402,044	1,039,358
Loss on Fair Valuation of Current Investment	7,154,092	2,943,029
Provision for Impairment Loss	92,198,344	-
Share of Profit/(Loss) from Investment in Partnership Firms & LLP (Net)	(29,686,474)	177,111,269
Allowance for credit losses	(235,629,068)	966,729,204
Provision for doubtful advances	334,553,191	-
Fair valuation loss on investments	(8,238,952)	-
Exchange loss (net)	-	905,810
Sundry balance written off	146,051,298	1,098,011
Cenvat credit reversal	18,217,201	-
OPERATING PROFIT BEFORE CHANGE IN OPERATING ASSETS AND LIABILITIES	90,291,943	1,250,757,234
Adjustments for:		
(Increase)/ Decrease in Inventories	(1,509,305,775)	(3,572,587,881)
(Increase)/ Decrease in Trade Receivable	(73,671,955)	(1,014,186,490)
(Increase)/ Decrease in Other Current Financial Assets	262,917,025	(191,266,782)
(Increase)/ Decrease in Other Non Current Assets	136,124,281	1,328,275,767
(Increase)/ Decrease in Other Current Assets	488,722,767	(603,942,410)
(Increase)/ Decrease in Other non- current Financial Assets	1,530,714,284	(293,939,417)
(Increase)/ Decrease in Other non-current Financial liabilities	(2,741,927,260)	3,503,403,804
Increase/(Decrease) in short term borrowing	(839,785,986)	284,998,577
Increase/ (Decrease) in Trade Payable	62,421,806	44,700,889
Increase/ (Decrease) in Other Financial Liabilities	5,121,954,287	(3,816,966,985)
Increase/ (Decrease) in Other current liabilities	2,688,410,765	2,274,105,793
Increase/ (Decrease) in Provision	(24,145,217)	94,305,686
Increase/ (Decrease) in Other non-current liabilities	100,000,000	-
(Increase)/ Decrease in Tax Assets	77,866,559	75,929,849
<i>Cash Generated From Operations</i>	5,292,720,967	(712,342,215)
Tax Paid	17,114,366	(1,936,709)
NET CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES	5,309,835,333	(714,278,924)
B. CASH INFLOW/(OUTFLOW) FROM INVESTMENT ACTIVITIES		
Loans and Advances taken	2,217,993,971	4,973,430,100
Loans and advances repaid	(7,025,523,366)	(9,040,565,431)
Investment/ maturity of Deposits	(304,642)	(26,608,567)
Purchase of Fixed Assets	(1,729,763,599)	(77,492,224)
Purchase of Investment	(738,698,483)	(406,295,625)
Interest Income	852,295,929	641,079,124
Dividend Income	38,984	560,298
NET CASH INFLOW/(OUTFLOW)FROM INVESTING ACTIVITIES	(6,423,961,205)	(3,935,892,324)

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

CONSOLIDATED CASH FLOW FOR THE YEAR ENDED MARCH 31, 2017

<i>Particulars</i>	(Amount in ₹)	
	For the year ended March 31, 2017	For the year ended March 31, 2016
C. CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES		
Interest Paid	(944,266,048)	(861,452,461)
Proceeds from long term borrowing	2,675,415,197	5,552,969,568
Change in Minority Interest	(706,182,836)	31,407,530
NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES	1,024,966,314	4,722,924,637
Net Change in cash and cash equivalents	(89,159,559)	72,753,389
Opening Cash and Cash Equivalent	121,945,668	49,192,279
Closing Cash and Cash Equivalent	32,786,109	121,945,668
Components of cash and cash equivalents: (Refer Note No. 17)		
a. Balances with banks in current accounts	42,600,532	146,958,591
b. Cash on hand	1,215,933	1,474,117
c. Fixed Deposit having maturity less than 3 months	-	-
Total	43,816,465	148,432,708
Less: Overdrawn bank balance (considered as cash and cash equivalent for cashflow)	(11,030,356)	(26,487,040)
Cash and cash equivalents as at the end of the year	32,786,109	121,945,668

Explanatory notes to Statements of cashflow:

- Statement of cashflow is prepared in accordance with the format prescribed by Securities and Exchange Board of India and as per IND -AS 7 as notified by Ministry of Corporate Affairs.
- In Part A of the Cashflow Statement, figures in bracket indicates deduction made from the net profit for deriving the the net cash flow from operating activities.
- In Part B and Part C, figures in brackets indicate cash outflows.

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

As per our report of even date.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Regn No. 103523W/ W100048

For and on behalf of the Board

Vinod Goenka
Chairman & Managing Director
DIN 00029033

Shahid Balwa
Vice Chairman & Managing Director
DIN 00016839

Mahesh Gandhi
Director
DIN 00165638

Snehal Shah
Partner
Membership No. 048539

S A K Narayanan
Company Secretary
M. No. A2424

A. Anil Kumar
Chief Financial Officer

Place: Mumbai
Date: June 9, 2017

Place: Mumbai
Date: June 9, 2017

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

COMPANY BACKGROUND:

DB Realty Limited (the "Company") is public company domiciled in India and was incorporated under the provisions of the Companies Act, 1956. 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 has its principal place of business in Mumbai and its Registered Office is at DB House, Gen. A. K. Vaidya Marg, Goregaon (East), Mumbai - 400063. The Company is jointly promoted by Mr. Vinod K. Goenka and Mr. Shahid Balwa.

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. Information on the Group's structure is provided in Note 61. Information on other related party relationships of the Group is provided in Note 66.

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

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

Note 1: Significant Accounting Policies On Consolidated Financial Statements

a) Basis of preparation:

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

For all periods up to and including the year ended 31 March 2016, the Group prepared its financial statements in accordance with Indian GAAP, including accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended). These financial statements for the year ended 31 March 2017 are the first time the Group has prepared in accordance with Ind-AS. Refer Note No. 65 for information on how the Group adopted Ind AS, including the details of the first time adoption exemptions availed by the group.

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value (refer accounting policy no. 2(j) regarding financial instruments). Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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

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

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

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

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

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

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

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

b) Current and Non-Current Classification of Assets and Liabilities:

An asset is considered as current when it is:

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

All other assets are classified as non-current.

A liability is considered as current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

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

c) Principles of Consolidation:

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 March 2017. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

d) Property, Plant and Equipment**i) Tangible Assets:**

Property, Plant and Equipment are recorded at their cost of acquisition, net of modvat/cenvat, less accumulated depreciation and impairment losses, if any. The cost thereof comprises of 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.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit or Loss when the asset is derecognised.

For transition to Ind AS, the Group has elected to continue with the carrying value of all its property, plant and equipment recognised as on 1st April, 2015 measured as per previous GAAP as its deemed cost on the date of transition.

ii) Capital Work in Progress and Capital Advances:

Expenses incurred for acquisition of capital assets outstanding at each balance sheet date are disclosed under capital work-in-progress. Advances given towards the acquisition of fixed assets are shown separately as capital advances under the head Other Non-Current Assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

iii) Depreciation:

Depreciation on Property, Plant and Equipment is provided on Straight Line Method basis in accordance with the provisions of Schedule II to the Companies Act, 2013 including depreciation on new sales office, which is considered as temporary structure and has been amortized over a period of four years on a straight line basis. The Management believes that the estimated useful lives as per the provisions of Schedule II to the Companies Act, 2013, are realistic and reflect fair approximation of the period over which the assets are likely to be used.

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.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

e) Intangible Assets

The cost relating to Intangible assets, with finite useful lives, which are capitalised and amortised on a straight line basis upto the period of three years, is based on their estimated useful life.

An item of Intangible Asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit or Loss when the asset is derecognised.

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

For transition to Ind AS, the Group has elected to continue with the carrying value of all its Intangible Assets recognised as on 1st April, 2015 measured as per previous GAAP as its deemed cost on the date of transition.

f) Impairment of Tangible and Intangible Assets:

Carrying amount of tangible and intangible assets are reviewed at each Balance Sheet date. These are treated as impaired when the carrying cost thereof exceeds its recoverable value. Recoverable value is higher of the asset's net selling price or 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 receivable 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) Investment Properties

Investment Properties are properties held to earn rentals and / or for capital appreciation and are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Depreciation on Investment Property is provided on Straight Line Method basis in accordance with the provisions of Schedule II to the Companies Act, 2013. The Management believes that the estimated useful life as per the provisions of Schedule II to the Companies Act, 2013, are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The residual values, useful lives and methods of depreciation of investment property are reviewed at each financial year end and adjusted prospectively, if appropriate.

An item of investment property initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit or Loss when the asset is derecognised.

For transition to Ind AS, the Group has elected to continue with the carrying value of all its investment property recognised as on 1st April, 2015 measured as per previous GAAP as its deemed cost on the date of transition.

Though the group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes.

h) Inventories:

Inventories comprise of: (i) Finished Realty Stock representing unsold premises in completed projects (ii) Realty Work-In-Progress representing properties under construction/development (iii) Raw Material representing inventory yet to be consumed and (iv) Transferable Development Rights.

In accordance with the guidance note on Accounting for Real Estate Transaction for entities to whom Ind AS is applicable issued by ICAI, inventories are valued at lower of cost and net realizable value. Raw Materials are valued at weighted average method. 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.

Cost of Realty construction / development is charged to the Statement of Profit and Loss in proportion to the revenue recognised during the period and the balance cost is carried over under Inventory as part of either Realty Work in Progress or Finished Realty Stock. Cost of Realty construction / development includes all costs directly related to the Project (including finance cost attributable to the project) and other expenditure as identified by the Management which are incurred for the purpose of executing and securing the completion of the Project (net off incidental recoveries / receipts) up to the date of receipt of Occupation Certificate of Project from the relevant authorities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017**i) Revenue Recognition:****(i) Sale of Properties:**

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

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

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

(ii) Interest Income:

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

(iii) Revenue from sale of development rights and TDR is recognised in the financial year in which the agreements of sale are executed and there exists no uncertainty in the ultimate collection of consideration from buyers.

(iv) Rent income is accounted on accrual basis as per agreed terms on straight line basis.

(v) Dividend Income:

Dividend income is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

j) Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial Assets:***Initial Recognition and Measurement:***

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent Measurement:

For purposes of subsequent measurement, financial assets are classified in following categories:

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

Financial Assets at Amortised Cost:

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

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

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

Equity Instruments at FVTOCI:

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

Financial Assets at FVTPL:

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

Investments in associates, subsidiaries and joint ventures:

These are carried at cost subject to provision for impairment, if any.

Derecognition:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

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

Impairment of Financial Assets:

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

- Financial assets at amortised cost.
- Financial guarantee contracts.

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

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

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

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

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

ii) **Financial Liabilities:**

Initial Recognition and Measurement:

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

Subsequent Measurement:

This is dependent upon the classification thereof as under:

Loans and Borrowings:

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

Financial Guarantee Contracts:

Financial guarantee contracts issued by the group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of impairment loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortisation.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017*Derecognition:*

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(iii) Offsetting of Financial Instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis.

(iv) Equity Instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity in accordance with the substance of the contractual arrangements. These are recognised at the amount of the proceeds received, net of direct issue costs .

(v) Compound Financial Instruments:

These are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements.

On the date of the issue, the fair value of the liability component is estimated using the prevailing market rate for similar non-convertible instruments and recognised as a liability on an amortised cost basis using the EIR until extinguished upon conversion or on maturity. The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole and recognised as equity, net of the tax effect and remains in equity until the conversion option is exercised, in which case the balance recognised in equity will be transferred to another component of equity. If the conversion option remains unexercised on the maturity date, the balance recognised in equity will be transferred to retained earnings and no gain or loss is recognised in profit or loss upon conversion or expiry of the conversion option.

Transaction costs are allocated to the liability and equity component in proportion to the allocation of the gross proceeds and accounted for as discussed above.

l) Employee Benefits:

Short term employee benefits are those which are payable wholly within twelve months of rendering service are recognised as an expense at the undiscounted amount in Statement of Profit and Loss of the year in which the related service is rendered.

Group's Contribution paid/ payable for the year/ period to Defined Contribution Retirement Benefit Plans is charged to Statement of Profit and Loss or Project Work in Progress, if it is directly related to a project.

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 immediately in the Balance Sheet with a corresponding effect in the SOCI. Past service cost is recognised immediately in the Statement of Profit or Loss.

m) Leases:

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Group as a Lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Group as a Lessor:

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

n) Foreign Currency Transactions:

The Group's consolidated financial statements are presented in INR, which is also the parent company's functional currency.

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss are also recognised in OCI or profit or loss, respectively).

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss.

o) Borrowing Costs:

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

p) Taxes on Income:

Current Income Taxes:

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

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

Deferred Taxes:

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

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

MAT:

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

q) Provisions and Contingent Liabilities:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

When the Group expects some or all of a provision to be reimbursed, the same is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A Contingent Liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of enterprise or a present obligation that arises from past events that may, but probably will not, require an outflow of resources.

Both provisions and contingent liabilities are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent Liabilities are not recognized but are disclosed in the notes.

r) Earnings Per Share:

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

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

s) Cash and Cash Equivalent:

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

t) Cash Flow Statement:

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

u) Commitments

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

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

v) Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker regularly monitors and reviews the operating result of the whole Company as one segment of "Real Estate Development".

Note 2 – Significant Accounting Judgements, Estimates and Assumptions:**(A) Significant Accounting Judgements, Estimates and Assumptions:**

The preparation of Financial Statements is in conformity with the recognition and measurement principles of Ind AS which requires the management to make judgements for estimates and assumptions that affect the amounts of assets, liabilities and the disclosure of contingent liabilities on the reporting date and the amounts of revenues and expenses during the reporting period and the disclosure of contingent liabilities. Differences between actual results and estimates are recognized in the period in which the results are known/ materialize.

1.1 Judgements:

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

- a) Assessment of the status of various legal cases/claims and other disputes where the Company does not expect any material outflow of resources and hence these are reflected as contingent liabilities (Refer Note 45) (wherever applicable)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

- b) In several cases, assessment of the management regarding executability of the projects undertaken. (Refer Note 54) (wherever applicable)
- c) Assessment of the recoverability of various financial assets.
- d) For "Control" of D B Realty Ltd in Marine Drive Hospitality & Realty Private Limited (MDHRPL):

Total 24,70,600 nos. of ROCCPS Series A and 29,415 nos. of ROCCPES Series C of Marine Drive Hospitality & Realty Private Limited (MDHRPL) held by DB Realty Ltd (DBRPL) amounting to Rs 110.40 lakhs appx. has been attached by an attachment order issued by adjudicating authority under PMLA and therefore, all the rights of DBRL as a shareholder have been suspended till the time attachment continues. Therefore, the Company is of the view that the aforesaid shares cannot be considered while applying the test of "Control" on MDHRPL.

The Company is presently holding 92,600 nos of CCCPS – Series C. The CCCPS - Series C which shall be convertible, in part or full in the ratio of 1:100 viz. 100 (One Hundred) fully paid up new Equity shares of ₹ 10/- each against 1 (one) CCCPS – Series C of ₹ 10/- each held by DBRL. As per existing terms, the latest date of conversion of the aforesaid CCCPS – Series C is July, 2018. However, this being strategic investment the Company has decided not to exercise the option of conversion before July, 2020.

The Company is presently holding (i) 2,17,630 nos. of ROCCPS - Series C and (ii) 74,443 nos. of CRCPS, which are having option of either redemption or conversion on different dates varying between January 2018 to March, 2021. The Company has decided that it will exercise only the option of redemption of aforesaid shares on maturity date.

The Company has not nominated any director on the Board of MDHRPL and as represented to the Company, the Board of MDHRPL is an independent Board comprising of Nominee Director of a Financial Institution shareholder who is exercising power through affirmative voting right on all material decisions pertaining to the business of MDHRPL in accordance with executed Agreement read with existing Article of Association of MDHRPL

On the basis of the above facts, the management is not having effective control over MDHRPL. In view of the same, MDHRPL is not considered as subsidiary of the Company and accordingly investments in MDHRPL are measured at FVTPL or FVTOCI, as applicable.

(B) Estimates and Assumptions:

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

(a) Project estimates

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

(b) Deferred Tax Assets

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

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

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

(c) Defined benefit plans

The cost and present value of the gratuity obligation and compensated absences are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, attrition rate and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(C) Recent Accounting Pronouncements:

Standard issued but not yet effective:

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

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

3 Property, Plant & Equipment

Particulars	Free Hold Land	Buildings-Flat (Note 3.1)	Temporary Structures	Buildings (Road)	Sample Flat	Plant & Machinery	Furniture & Fittings	Vehicles (Note 3.2, 3.3)	Aircraft	Office & Other Equipment	Computer	Porta Cabin	Improvement on Leasehold Property	Total	WIP-Cost of Sample Flat	Total
Deemed Cost																
As at April 1, 2015	260,630,000	9,970,065	13,945,045	23,223,741	74,394,805	2,676,043	25,954,190	70,593,200	-	4,526,427	1,272,268	35,514	(0)	487,221,298	92,198,344	92,198,344
Additions 2015-16	-	-	-	-	-	69,748,664	194,857	8,162,466	-	806,738	2,798,999	179,000	-	81,890,724	-	-
Disposal	-	-	-	-	-	(0)	20,714	2,019,716	-	-	-	-	-	2,040,430	-	-
Impairment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2016	260,630,000	9,970,065	13,945,045	23,223,741	74,394,805	72,424,707	26,128,333	76,735,950	-	5,333,165	4,071,267	214,514	(0)	567,071,593	92,198,344	92,198,344
Addition on acquisition of subsidiary	-	-	-	-	-	725,467	359,600	1,071,666	853,296,484	557,022	1,326,406	-	-	857,336,645	-	-
Additions	-	-	-	-	-	212,812	289,307	14,575,000	-	479,335	1,070,038	-	-	16,626,492	-	-
Deductions	-	-	-	-	-	-	-	952,211	-	85,498	-	-	-	1,037,709	-	-
As at March 31, 2017	260,630,000	9,970,065	13,945,045	23,223,741	74,394,805	73,362,986	26,777,240	91,430,405	853,296,484	6,284,024	6,467,711	214,514	(0)	1,439,997,020	92,198,344	92,198,344
Accumulated Depreciation																
As at 01.04.2015	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation charged during the year	-	173,922	7,065,194	379,551	24,798,268	9,389,373	6,345,058	14,628,190	-	2,601,965	807,110	28,575	-	66,217,207	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at 31.03.2016	-	173,922	7,065,194	379,551	24,798,268	9,389,373	6,345,058	14,628,190	-	2,601,965	807,110	28,575	-	66,217,207	-	-
Depreciation charged during the year	-	173,448	5,289,244	379,554	24,798,268	13,511,068	6,329,679	14,138,453	27,084,987	915,637	1,481,119	56,684	-	94,158,141	92,198,344	92,198,344
Opening Depreciation on acquisition of subsidiary	-	-	-	-	-	234,333	116,154	346,158	275,622,619	179,923	428,441	-	-	276,927,628	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adjustments during the year	-	-	-	-	-	-	-	-	66,869,717	-	-	-	-	66,869,717	-	-
As at 31.03.2017	-	347,370	12,354,438	759,106	49,596,536	23,134,774	12,790,891	29,112,801	369,577,323	3,697,525	2,716,671	85,259	-	504,172,693	92,198,344	92,198,344
Net carrying amount																
As at 01.04.2015	260,630,000	9,970,065	13,945,045	23,223,741	74,394,805	2,676,043	25,954,190	70,593,200	-	4,526,427	1,272,268	35,514	-	487,221,298	92,198,344	92,198,344
As at 31.03.2016	260,630,000	9,796,143	6,879,851	22,844,189	49,596,537	63,035,335	19,783,275	62,107,760	-	2,731,200	3,264,157	185,939	-	500,854,386	92,198,344	92,198,344
As at 31.03.2017	260,630,000	9,622,695	1,590,607	22,464,635	24,798,269	50,228,213	13,986,349	62,317,604	483,719,161	2,586,499	3,751,040	129,255	-	935,624,327	-	-

3.1 The flats are attached by Enforcement Directorate under Prevention of Money Laundering Act, 2002 (Refer Note No. 54)

3.2 During the year depreciation inventorised ₹ 14,428,968 (Previous Year - ₹ 10,223,865)

3.3 Property, plant and equipment pledged / hypothecated

Carrying amount of property, plant and equipment pledged as security by the Company are as follows:

(Amount in ₹)

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Vehicles	36,645,478	38,045,186	38,501,474

3.4 The company has elected to use the exemption available under Ind AS 101 to continue the carrying value for all its Property, Plant and Equipment as recognised in the financial statements as at the date of transition to Ind AS(s), measured as per previous GAAP and used that as its deemed cost as at the date of transition (April 1, 2015) as per the following details:-

Particulars	Gross Block (At Cost)	Accumulated Depreciation	Net Block as per Previous GAAP/ Deemed cost as per Ind AS	Ind AS adjustment	Gross block as per Ind AS
As at 01/04/2015					
Free Hold Land	260,630,000	-	260,630,000		260,630,000
Buildings- Flat	11,015,400	1,045,335	9,970,065		9,970,065
Temporary Structures	31,812,134	17,867,089	13,945,045		13,945,045
Buildings(Road)	23,783,994	560,253	23,223,741		23,223,741
Sample Flat	198,545,427	124,150,622	74,394,805		74,394,805
Plant & Machinery	13,983,589	11,307,546	2,676,043		2,676,043
Furniture & Fittings	50,328,109	24,373,919	25,954,190		25,954,190
Vehicles	113,815,926	43,222,726	70,593,200		70,593,200
Office & Other Equipment	20,165,503	15,639,076	4,526,428		4,526,428
Computer	18,829,937	17,557,669	1,272,268		1,272,268
Porta Cabin	710,275	674,761	35,514		35,514
Improvement on Leasehold Property	136,509,243	136,509,243	-		(0)
Total	880,129,537	392,908,239	487,221,298	-	487,221,298

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

4 Investment property

Particulars	(Amount in ₹)		
	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Investment Property			
Opening Balance	66,598,041	65,749,116	65,749,116
Addition	1,110,809	1,889,956	-
Closing Balance	67,708,850	67,639,072	65,749,116
Less : Accumulated Depreciation			
Opening Balance	-	-	-
Depreciation charged during the year	2,113,166	1,041,031	-
Closing Balance	2,113,166	1,041,031	-
Total Investment in Property	65,595,684	66,598,041	65,749,116

(i) Amount recognised in Statement of Profit and Loss for investment properties

	(Amount in ₹)	
	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Rental income derived from investment properties	3,154,000	2,642,000
Less: Depreciation charged during the year	-	-
Profit/ (Loss) from investment properties	3,154,000	2,642,000

(a) The Holding Company had executed lease deeds for certain Units forming part of the Project for a period of 25 years. In terms of agreements, the lease rentals shall become due and payable on possession being granted.

(b) The future minimum lease payments receivable are as under:

Particulars	(Amount in ₹)	
	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Lease payments recognized in the Statement of Profit & Loss, for non- cancellable lease arrangement		
Future Lease Payments		
(a) Not later than one year.	3,108,000	3,108,000
(b) Later than one year but not later than five years.	12,742,800	12,432,000
(c) Later than five years.	63,801,510	68,367,000
Total of future lease payments.	79,652,310	83,907,000

(ii) Fair Value

Particulars	(Amount in ₹)		
	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Investment Property#	65,595,684	66,598,041	65,749,116

Estimation of Fair value

In view of the recent capitalization of investment property, the management is of the opinion that the carrying value can be considered which would be considered as Level 3 valuation.

5 Goodwill on consolidation

Particulars	(Amount in ₹)		
	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Opening Balance	1,925,279,083	1,925,279,083	1,925,279,083
Add: Addition during the year (Refer note no. 63)	1,190,936,975	-	-
Closing Balance	3,116,216,058	1,925,279,083	1,925,279,083

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

6 Intangible Assets

Particulars	Intangible Assets			Total	Intangible asset under development		Total
	Computer Software	Beautification-Bandra-Worli Sea Link	Goodwill (Refer Note 6.3)		Computer Software	Beautification-Bandra-Worli Sea Link (Refer Note No 6.1)	
Deemed Cost							
As at April 1, 2015	26,083,897	-	63,873,510	89,957,407	-	210,990,518	210,990,518
Additions 2015-16	195,418	-	-	195,418	7,087,500	63,067,693	70,155,193
Disposal	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	75,000,000	75,000,000
As at March 31, 2016	60,618,661	-	63,873,510	124,492,171	7,087,500	199,058,211	206,145,711
Additions	7,229,343	208,714,194	-	215,943,536	-	-	-
Deductions	-	-	-	-	7,087,500	199,058,211	206,145,711
As at March 31, 2017	67,848,003	208,714,194	63,873,510	340,435,707	-	-	-
Accumulated Depreciation							
As at April 1, 2015	-	-	-	-	-	-	-
Depreciation charged during the year	23,402,197	-	63,873,510	87,275,707	-	-	-
Disposals	-	-	-	-	-	-	-
As at March 31, 2016	57,741,542	-	63,873,510	121,615,052	-	-	-
Depreciation charged during the year	5,051,393	22,620,816	-	27,672,209	-	-	-
Disposals	-	-	-	-	-	-	-
As at March 31, 2017	62,792,936	22,620,816	63,873,510	149,287,262	-	-	-
Net carrying amount							
As at April 1, 2015	26,083,897	-	63,873,510	89,957,407	-	210,990,518	210,990,518
As at March 31, 2016	2,877,118	-	-	2,877,118	7,087,500	199,058,211	206,145,711
As at March 31, 2017	5,055,068	186,093,378	-	191,148,446	-	-	-

- 6.1 Out of the cost of beautification of Bandra Worli Sea Link, impairment loss in the financial year 2015-16 of ₹ 75,000,000/- has been charged during that year as an exceptional item to the Statement of Profit & Loss. The asset was treated as Intangible Asset under development in the previous year. As per agreement with MSRDC, the Holding Company has a right to commercial use of such area for defined purposes as per agreement for next 8 years. The management is of the opinion that the future revenue from this would be higher than the carrying value.
- 6.2 The Group has elected to use the exemption available under Ind AS 101 to continue the carrying value for all its Property, Plant and Equipment as recognised in the financial statements as at the date of transition to Ind AS(s), measured as per previous GAAP and use that as its deemed cost as at the date of transition (April 1, 2015) as per the following details:-

Particulars	Gross Block (At Cost)	Accumulated Depreciation	Net Block as per Previous GAAP/ Deemed cost as per Ind AS	Ind AS adjustment	Gross block as per Ind AS
As at 01/04/2015					
Intangible Assets					
Computer Software	61,812,966	35190395	26,622,571	538,674	26,083,897
Beautification-Bandra-Worli Sea Link	-	-	-	-	-
Goodwill (Refer Note 6.3)	319367573	255494063	63,873,510	-	63,873,510
Intangible asset under development					
Computer Software	-	-	-	-	-
Beautification-Bandra-Worli Sea Link (Refer Note No 6.1)	210990518	-	210,990,518	-	210,990,518
Total	592,171,057	290,684,458	301,486,599	538,674	300,947,925

- 6.3 The debit balance arising on the amalgamation has been debited to goodwill, as per the order of the Hon Bombay High Court dated 22 March 2012. The same shall be amortised over a period of 5 years beginning with the FY 2011-12. The amortised value of the Goodwill has been added to the cost of Work in Progress and carry forward as Inventory.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

7 Investment in Associate & Joint Venture

A At Cost

Particulars	(Amount in ₹)		
	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Investment in Associates			
(i) Investment in equity shares	2,460,508,321	2,390,245,094	2,407,527,692
Total	2,460,508,321	2,390,245,094	2,407,527,692
Investment in Joint venture			
(i) Investment in equity shares	983,871,580	927,853,202	930,014,581
(ii) Investment in partnership firms	87,806,881	91,254,832	58,508,490
(iii) Others	24,728,437	24,603,536	24,622,120
Total	1,096,406,898	1,043,711,570	1,013,145,191
Grand Total	3,556,915,219	3,433,956,664	3,420,672,883

B At Fair Value Through Statement of Profit and Loss

Particulars	(Amount in ₹)		
	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Investment in Associate			
(i) Investment in preference shares	122,468,105	123,902,297	123,386,781
Investment in Joint venture			
(i) Investment in preference shares	1,680,727,237	1,681,072,559	1,680,423,267
Grand Total	1,803,195,343	1,804,974,856	1,803,810,048

A At Cost

I Investment in Associates

(i) Investment in equity shares (At cost, trade, fully paid & unquoted)

Name of the Body Corporate	Associate / JV/ Controlled Entity / Others	Associate / JV/ Controlled Entity / Others	Trade/ Other than trade	Nominal Value per share	No. of Shares/ Units			Extent of Holding (%)			As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
					As at 31st March 2017	As at 31st March 2016	As at 1st April 2015	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015			
NeelKamal Realtors Tower Private Limited.	Associate	Associate	Trade	10	1,125,153	1,125,153	1,125,153	42.81	42.81	42.81	604,801,840	591,711,656	605,625,114
Sangam City Town Ship Private Limited	Associate	Associate	Trade	10	8,000	8,000	8,000	26.67	26.67	26.67	470,483,007	476,802,798	482,364,335
D B Hi-Sky Construction Private Limited	Associate	Associate	Trade	10	5,000	5,000	5,000	50.00	50.00	50.00	205,788,775	205,823,475	205,847,007
Mahal Pictures Private Limited	Associate	Associate	Trade	10	3,600	3,600	3,600	33.33	33.33	33.33	923,495,068	921,341,825	919,027,302
Shiva multitrade Private Limited	Associate	Associate	Trade	10	8,885	6,750	6,750	44.43	33.75	33.75	85,314,175	64,856,519	64,889,718
Shiva realtor and suburban Private Limited	Associate	Associate	Trade	10	8,885	6,750	6,750	44.43	33.75	33.75	85,312,714	64,854,424	64,887,108
Shiva buildcon Private Limited	Associate	Associate	Trade	10	8,885	6,750	6,750	44.43	33.75	33.75	85,312,742	64,854,397	64,887,108
Total											2,460,508,321	2,390,245,094	2,407,527,692

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

II Investment in Joint venture

(i) Investment in equity shares (At cost, fully paid & unquoted unless otherwise specified)

Name of the Body Corporate	Associate / JV/ Controlled Entity / Others	Associate / JV/ Controlled Entity / Others	Trade/Other than trade	Nominal Value per share	No. of Shares/ Units			Extent of Holding (%)			As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
					As at 31st March 2017	As at 31st March 2016	As at 1st April 2015	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015			
DB (BKC) Realtors Private Limited	Joint Venture	Joint Venture	Trade	10	187,015	187,015	187,015	40.80	40.80	40.80	983,871,580	927,853,202	930,014,581
Total											983,871,580	927,853,202	930,014,581

(ii) Investments in partnership firms (At cost, trade & unquoted)

Name of the Body Corporate	Associate / JV/ Controlled Entity / Others	Associate / JV/ Controlled Entity / Others	Trade/Other than trade	Nominal Value per share	No. of Shares/ Units			Extent of Holding (%)			As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
					As at 31st March 2017	As at 31st March 2016	As at 1st April 2015	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015			
Sneh Developers	Entity under Joint Control	Joint Venture	Trade	N.A.	N.A.	N.A.	N.A.	49	49	49	9,900	(5,145)	4,775
M/s. Suraksha D B Realty (Refer Note 7.6)	Entity under Joint Control	Joint Venture	Trade	N.A.	N.A.	N.A.	N.A.	50.00	50.00	50.00	77,183,055	80,646,051	48,528,375
Om Metal Consortium (Refer Note 7.7)	Entity under Joint Control	Joint Venture	Trade	N.A.	N.A.	N.A.	N.A.	50.00	50.00	50.00	7,063,926	7,063,926	6,425,340
M/s Dynamix Realty (Project II)	Entity under Joint Control	Joint Venture	Trade	N.A.	N.A.	N.A.	N.A.	50.00	50.00	50.00	250,000	250,000	250,000
M/s D B S Realty (entity under Joint control)	Entity under Joint Control	Joint Venture	Trade	N.A.	N.A.	N.A.	N.A.	33.33	33.33	33.33	3,300,000	3,300,000	3,300,000
Total											87,806,881	91,254,832	58,508,490

(iii) Other non-current investments (At cost, trade & unquoted)

Name of the Body Corporate	Associate / JV/ Controlled Entity / Others	Associate / JV/ Controlled Entity / Others	Trade/Other than trade	Nominal Value per share	No. of Shares/ Units			Extent of Holding (%)			As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
					As at 31st March 2017	As at 31st March 2016	As at 1st April 2015	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015			
Lokhandwala Dynamix-Balwas Joint Venture	Joint Venture	Joint Venture	Trade	N.A.	N.A.	N.A.	N.A.	50.00	50.00	50.00	24,331,494	24,165,841	24,117,000
M/s DB Realty and Shreepati Infrastructures LLP	Entity under Joint Control	Joint Venture	Trade	N.A.	N.A.	N.A.	N.A.	60.00	60.00	60.00	60,000	60,000	60,000
Lokhandwala D B Realty Limited LLP	Entity under Joint Control	Joint Venture	Trade	N.A.	N.A.	N.A.	N.A.	50.00	50.00	50.00	336,943	377,695	445,120
Total											24,728,437	24,603,536	24,622,120

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017
B At Fair Value Through Statement of Profit and Loss
I Investments in Associates
(i) Investments in Preference Shares (Fully paid, trade & unquoted)

Name of the Body Corporate	Associate / JV/ Controlled Entity / Others	Associate / JV/ Controlled Entity / Others	Trade/Other than trade	Nominal Value per share	No. of Shares/ Units			Extent of Holding (%)			As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
					As at 31st March 2017	As at 31st March 2016	As at 1st April 2015	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015			
NeelKamal Realtors Tower Private Limited (0.002% Redeemable Optionally Convertible Cumulative Preference Shares)	Associate	Associate	Trade	10	660,918	660,918	660,918	100.00	100.00	100.00	122,468,105	123,902,297	123,386,781
Total											122,468,105	123,902,297	123,386,781

II Investment in Joint Venture
(i) Investments in Preference Shares (Fully paid, trade & unquoted)

Name of the Body Corporate	Associate / JV/ Controlled Entity / Others	Associate / JV/ Controlled Entity / Others	Trade/Other than trade	Nominal Value per share	No. of Shares/ Units			Extent of Holding (%)			As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
					As at 31st March 2017	As at 31st March 2016	As at 1st April 2015	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015			
DB (BKC) Realtors Private Limited													
i) 0.001% Redeemable Optionally Convertible Cumulative Preference Shares	Joint Venture	Joint Venture	Trade	10	304,518	304,518	304,518	66.44	66.44	66.44	891,409,451.96	891,790,099.46	891,790,099.46
ii) 0.001% Compulsory Convertible Cumulative Preference Shares	Joint Venture	Joint Venture	Trade	10	70,652	70,652	70,652	13.30	13.30	13.30	789,317,785.32	789,282,459.32	788,633,167.44
Total											1,680,727,237	1,681,072,559	1,680,423,267

Notes

- 7.1 The Holding Company has pledged its investment of 986,618 (PY 986,618) Class A equity shares 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.
- 7.2 The Holding Company has pledged 1,66,051 shares of its investment in equity & 1,66,054 number of its investment in ROCCPS of DB (BKC) Realtors Private Limited, joint venture, in favour of banks which sanctioned term loans of ₹ 75 crores (PY 75 Crores) to the said joint venture.

8 Non-current investment

(Amount in ₹)

Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
(i) Investment in equity shares	4,022,446,931	4,337,532,203	4,500,064,507
(ii) Investment in preference shares	404,325,196	456,318,710	473,918,473
(iii) Investment in preference shares	5,874,174,884	5,445,055,327	4,968,632,735
Total	10,300,947,011	10,238,906,239	9,942,615,714

(i) Fair Value Through Other Comprehensive Income (FVTOCI)
Investment in Equity Instruments (Non Trade, Fully paid & unquoted)

Name of the Body Corporate	Associate / JV/ Controlled Entity / Others	Associate / JV/ Controlled Entity / Others	Trade/ Other than trade	Nominal Value per share	No. of Shares/ Units			Extent of Holding (%)			As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
					As at 31st March 2017	As at 31st March 2016	As at 1st April 2015	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015			
Marine Drive Hospitality & Realty Private Limited (Formerly DB Hospitality Private Limited) (Refer Note No. 8.2)	Others	Others	Other than trade	10	3,838,382	3,838,382	3,838,382	15.53	15.53	15.53	3,821,800,190	4,313,266,621	4,479,632,461
Investment in shares	Others	Others									172,199,950		
Saraf Chemicals Private Limited	Others	Others	Other than trade	10	310,000	310,000	310,000	4.91	4.91	4.91	28,446,792	24,265,582	20,432,046
Total											4,022,446,931	4,337,532,203	4,500,064,507

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(ii) Fair Value Through Other Comprehensive Income (FVTOCI)

Investments in Preference Shares (Non Trade, Fully paid & unquoted)

Name of the Body Corporate	Associate / JV/ Controlled Entity / Others	Associate / JV/ Controlled Entity / Others	Trade/ Other than trade	Nominal Value per share	No. of Shares/ Units			Extent of Holding (%)			As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
					As at 31st March 2017	As at 31st March 2016	As at 1st April 2015	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015			
Marine Drive Hospitality Private Limited (Refer Note 8.3)													
i) 0.002% Compulsory Convertible Cumulative Preference Shares	Others	Others	Other than trade	10	92,600	92,600	92,600	11.12	11.12	11.12	92,199,968	104,056,472	108,070,006
ii) 0.001% Compulsory Convertible Cumulative Preference Shares	Others	Others	Other than trade	10	313,748	313,748	313,748	13.29	13.29	13.29	312,125,228	352,262,238	365,848,467
Total											404,325,196	456,318,710	473,918,473

(iii) Fair Value Through Statement of Profit and Loss (FVTPL)

Investments in Preference Shares (Non Trade, Fully paid & unquoted)

Name of the Body Corporate	Associate / JV/ Controlled Entity / Others	Associate / JV/ Controlled Entity / Others	Trade/Other than trade	Nominal Value per share	No. of Shares/ Units			Extent of Holding (%)			As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
					As at 31st March 2017	As at 31st March 2016	As at 1st April 2015	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015			
Marine Drive Hospitality Private Limited (Formerly DB Hospitality Private Limited) (Refer Note 8.3)													
i) Series C- 0.002% Redeemable Optionally Convertible Cumulative Preference Shares	Others	Others	Other than trade	10	217,630	217,630	217,630	100.00	100.00	100.00	64,131,208	69,097,525	71,141,071
ii) Series A- 0.002% Redeemable Optionally Convertible Cumulative Preference Shares (Refer Note 8.4)	Others	Others	Other than trade	10	2,470,600	2,470,600	2,470,600	22.27	22.27	22.27	728,036,408	784,415,500	807,614,434
iii) Cumulative Redeemable Convertible Preference Shares	Others	Others	Other than trade	10	74,443	74,443	74,443	100.00	100.00	100.00	4,729,490,583	4,222,759,449	3,769,150,473
iv) 0.001% Redeemable Optionally Convertible Cumulative Preference Shares	Others	Others	Other than trade	10	313,748	313,748	313,748	13.29	13.29	13.29	92,374,468	99,528,561	102,471,590
Konarc Realtech Private Limited (0.01% Redeemable Optionally Convertible Preference Shares) (Refer Note 8.1)	Others	Others	Other than trade	10	1,163,739	1,163,739	1,163,739	100.00	100.00	100.00	260,142,216	269,254,292	218,255,168
Total											5,874,174,884	5,445,055,327	4,968,632,735

- 8.1 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. In the opinion of the management, having regard to the state of affairs of the said company, there is no fall in the value of the Company's investment.
- 8.2 The Company had pledged its investment of 3,838,382 equity shares of Marine Drive Hospitality & Realty Private Limited., in favour of IL & FS Financials Services Ltd which provided term loan of ₹ 35 crores (PY ₹ 95 crores) to the Company.
- 8.3 There is no return on investments in preference shares of Marine Drive Hospitality & Realty Private Limited("MDBH") during the year. In view of the management, investments in this entity is considered strategic and long term in nature and the market value and future prospects of these investment are significantly in excess of Company's investment in MDBH.
- 8.4 During the year, 2,470,000 shares Series A 0.002% ROCCPS of Marine Drive Hospitality & Realty Private Limited which are held by the Company have been handed over to Enforcement Directorate (ED) under Prevention of Money Laundering Act case. Hence original copy of the same is not available with the Company as on March 31, 2017.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

Note 9 : Long-term Loans

(Amount in ₹)			
Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
a Deposits (Unsecured, considered good)			
Security Deposits / Other Trade Deposits	5,513,317	3,190,985	2,742,565
Interest Free Performance Refundable Deposit	6,688,466	5,765,919	4,970,620
b Loans and Advances to Related Parties (Unsecured, considered good)			
Project advance to Associates (Refer Note No 9.1)	304,585,250	262,178,353	225,563,714
c Loans and Advances to Others (Unsecured, considered good)			
Loans to Others	-	53,716,482	21,631,894
Total	316,787,034	324,851,739	254,908,793

9.1 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 or a member:

Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Private Company and Firms in which director is a member or director or partner	304,585,250	262,178,353	225,563,714
Total	304,585,250	262,178,353	225,563,714

Note 10: Other Financial Assets

(Amount in ₹)			
Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(Unsecured, considered good)			
a Security Deposits			
To related parties (Refer Note No 10.1,10.2)	599,137,931	2,288,518,312	2,088,430,373
To others (Refer Note no 10.2)	1,088,873,362	932,319,734	807,136,780
b Other Deposits			
Deposits with government authority	1,949,330	1,530,335	1,405,530
Margin Money deposit (Refer Note No. 10.3)	-	-	31,128,693
Fixed Deposit with a bank with maturity more than 1 year (Refer Note No. 10.4)	20,349,356	20,349,356	20,349,356
Interest accrued but not due (Refer Note No. 10.4)	3,526,784	1,833,311	2,160,898
Total	1,713,836,763	3,244,551,048	2,950,611,630

10.1 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 or a member

(Amount in ₹)			
Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Private Company and Firms in which director is a member or director or partner	1,023,275,862	2,654,154,460	2,403,633,948
Total	1,023,275,862	2,654,154,460	2,403,633,948

10.2 Security deposits to parties includes ₹ 1,002,918,718/- (PY ₹ 2,636,605,197/-) given to the various parties for acquisition of development rights. The Company or land owner is in process of obtaining necessary approvals with regard to the said properties and the said properties are having current market value significantly in excess of their carrying values and are expected to achieve adequate profitability on substantial completion of these projects.

10.3 Kept as margin money for guarantee/ other securities with banks.

10.4 Held as lien by Bank against bank guarantee.

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

Note 11: Deferred Tax Assets (net)

(i) Movement in deferred tax Assets for the year ended March 2016

Particular	(Amount in ₹)			
	As at April 1, 2015	Profit or loss	Recognised in OCI	31-Mar-16
Disallowance under the Income Tax Act, 1961	22,709,726	504,564	-	23,214,290
Losses (including unabsorbed depreciation)	354,971,055	63,277,028	-	418,248,083
ECL	12,258,590	298,655,240	-	310,913,830
Fair value adjustment	1,585,152,602	(297,932,033)	37,632,399	1,324,852,968
Equity component of compound financial instrument	-	(113,859,172)	-	(113,859,172)
Other adjustments	152,735,726	10,469,703	(2,522,377)	160,683,053
MAT credit entitlement	6,072,425	29,800,000	-	35,872,425
Total	2,133,900,124	(9,084,670)	35,110,023	2,159,925,476

(ii) Movement in deferred tax Assets for the year ended March 2017

Particular	(Amount in ₹)			
	1-Apr-16	Profit or loss	Recognised in OCI	31-Mar-17
Disallowance under the Income Tax Act, 1961	23,214,290	385,260	-	23,599,549
Losses (including unabsorbed depreciation)	418,248,083	8,528,262	-	426,776,345
ECL	310,913,830	(73,033,589)	-	237,880,241
Fair value adjustment	1,324,852,968	(218,792,638)	111,826,801	1,217,887,131
Equity component of compound financial instrument	(113,859,172)	17,258,570	-	(96,600,602)
Other adjustments	160,683,053	33,874,223	(1,939,606)	192,617,669
MAT credit entitlement	35,872,425	(35,800,000)	-	72,425
Total	2,159,925,476	(267,579,912)	109,887,194	2,002,232,759

Note 12: Income Tax Assets (Net)

Particulars	(Amount in ₹)		
	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Advance payment of Tax (Net of provision for tax)	96,552,193	77,866,559	75,929,849
Total Tax Assets	96,552,193	77,866,559	75,929,849

Note 13: Other Non-current Assets

Particulars	(Amount in ₹)		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(Unsecured, Considered Good)			
a Capital Advance	-	15,000,000	66,986,298
b Advance other than capital advance			
Advances recoverable in cash or in kind or for value to be received	559,476,713	577,682,681	1,462,236,378
Advance against Compensation	780,000	1,170,000	1,690,000
Advances to Related Parties			
Mobilisation Advances to related party	194,703,680	201,703,907	227,476,557
Less :- Provision For Doubtful Advance	(194,703,680)	-	-
Deposit to related party (Refer Note No 13.1)	75,500,000	89,311,934	629,821,934
Security Deposits to others (Refer Note 10.2)	81,865,274	63,957,000	78,657,000
Other advances			
Advance against Share Purchase (Refer Note 46)	400,000,000	400,000,000	400,000,000
c Others			
Input Service Tax Receivable	29,624,705	37,939,967	25,458,669
Prepaid Expenses	86,764,772	254,852	344,536
Unbilled Revenue	-	-	34,140,588
Balance with statutory authorities	-	1,332,606	-
Income Tax Receivable	-	-	-
Other loans and advances			
Advance for TDR purchased (related party) (Refer Note 13.1)	210,183,246	210,183,246	-
Total	1,444,194,710	1,598,536,193	2,926,811,960

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

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 or a member

(Amount in ₹)

Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Private Company and Firms in which director is a member or director or partner	210,183,246	210,183,246	-
Total	210,183,246	210,183,246	-

13.2 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. Further, based on expected realisation therefrom, the same has been bifurcated into non-current / current assets.

Note 14 : Inventories (Valued at cost or net realisable value whichever is lower)

(Amount in ₹)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
a Project Work in Progress (Refer Note No. 14.1, 14.2, 14.3, 48(B)(xvi), 48(B)(xvii) & 48(B)(xviii))	21,797,161,576	20,207,914,600	16,746,656,615
b Transferable Development Rights	-	61,785,360	-
c Raw Material	22,795,231	6,547,759	33,121,572
d Finished Goods	41,715,037	76,118,350	
e Freehold Land at Mira Road	1,373,710,486	1,373,710,486	1,373,710,486
	23,235,382,329	21,726,076,554	18,153,488,673

14.1 Out of total inventories ₹ 3,872,608,436 (Previous Year ₹ 3,665,158,343) are under initial stage of development & expected to have net realisable value greater than the cost.

For Holding Company	₹ 2,861,992,735
For Components	₹ 1,010,615,701

14.2 Refer note 24 for projects given as securities by the Company.

14.3 Refer note 47 for projects under litigation.

Note 15 : Current Investments

Amount in ₹

Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
(a) Investments in Partnership Firms	70,561,994	70,691,405	70,803,946
(b) Investment in mutual funds	722,261	1,196,790	5,069,161
Total	71,284,255	71,888,195	75,873,107

A Investment in Partnership Firms

(Amount in ₹)

Name of the Body Corporate	Associate / JV/ Controlled Entity / Others	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
DB Realty and Shreepati Infrastructures LLP	Joint Venture	64,280,111	64,404,994	64,018,581
Lokhandwala D B Realty Limited LLP	Joint Venture	6,281,883	6,286,411	6,275,606
Saswad Warehousing Developers & Builders LLP	Entity under Joint Control	-	-	85,350.29
Ahmednagar Warehousing Developers & Builders LLP	Entity under Joint Control	-	-	143,919
Solapur Warehousing Developers & Builders LLP	Entity under Joint Control	-	-	126,160
Latur Warehousing Developers & Builders LLP	Entity under Joint Control	-	-	125,827
Aurangabad Warehousing Developers & Builders LLP	Entity under Joint Control	-	-	28,502
Total		70,561,994	70,691,405	70,803,946

*The Company ceased to be co-partner in these LLPs since July 01, 2015, since these LLPs have not carried out any business activity.

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(i) **DB Realty and Shreepati Infrastructures Limited Liability Partnership**

Name of the Partners	As at 31st March 2017		As at 31st March 2016		As at 1st April 2015	
	Share of each Partner	Total Capital	Share of each Partner	Total Capital	Share of each Partner	Total Capital
	(%)	(Amount in ₹)	(%)	(Amount in ₹)	(%)	(Amount in ₹)
DB Realty Ltd	58.80	58,800	59	58,800	58.8	58800
Nine Paradise Erectors Private Limited	0.60	600	1	600	0.6	600
DB View Infracon Private Limited	0.60	600	1	600	0.6	600
Shreepati Infra Realty Limited	20.00	20,000	20	20,000	20	20000
Mr. Rajendra R Chaturvedi	10.00	10,000	10	10,000	10	10000
Mr. Tapas R Chaturvedi	10.00	10,000	10	10,000	10	10000
Total Capital	100.00	100,000	100.00	100,000	100.00	100000

(ii) **Ahmednagar Warehousing Developers & Builders Limited Liability Partnership #**

Name of the Partners	As at 31st March 2017		As at 31st March 2016		As at 1st April 2015	
	Share of each Partner	Total Capital	Share of each Partner	Total Capital	Share of each Partner	Total Capital
	(%)	(Amount in ₹)	(%)	(Amount in ₹)	(%)	(Amount in ₹)
DB Realty Ltd.	-	-	-	-	50.00	50,000
Nihar Constructions Private Limited	-	-	-	-	50.00	50,000
Total Capital	-	-	-	-	100.00	100,000

(iii) **Aurangabad Warehousing Developers & Builders Limited Liability Partnership #**

Name of the Partners	As at 31st March 2017		As at 31st March 2016		As at 1st April 2015	
	Share of each Partner	Total Capital	Share of each Partner	Total Capital	Share of each Partner	Total Capital
	(%)	(Amount in ₹)	(%)	(Amount in ₹)	(%)	(Amount in ₹)
DB Realty Ltd.	-	-	-	-	50.00	50,000
Nihar Constructions Private Limited	-	-	-	-	50.00	50,000
Total Capital	-	-	-	-	100.00	100,000

(iv) **Latur Warehousing Developers & Builders Limited Liability Partnership #**

Name of the Partners	As at 31st March 2017		As at 31st March 2016		As at 1st April 2015	
	Share of each Partner	Total Capital	Share of each Partner	Total Capital	Share of each Partner	Total Capital
	(%)	(Amount in ₹)	(%)	(Amount in ₹)	(%)	(Amount in ₹)
DB Realty Ltd	-	-	-	-	50.00	50,000
Nihar Constructions Private Limited	-	-	-	-	50.00	50,000
Total Capital	-	-	-	-	100.00	100,000

(v) **Saswad Warehousing Developers & Builders Limited Liability Partnership #**

Name of the Partners	As at 31st March 2017		As at 31st March 2016		As at 31st March 2015	
	Share of each Partner	Total Capital	Share of each Partner	Total Capital	Share of each Partner	Total Capital
	(%)	(Amount in ₹)	(%)	(Amount in ₹)	(%)	(Amount in ₹)
DB Realty Ltd	-	-	-	-	50.00	50,000
Nihar Constructions Private Limited	-	-	-	-	50.00	50,000
Total Capital	-	-	-	-	100.00	100,000

(vi) **Solapur Warehousing Developers & Builders Limited Liability Partnership #**

Name of the Partners	As at 31st March 2017		As at 31st March 2016		As at 31st March 2015	
	Share of each Partner	Total Capital	Share of each Partner	Total Capital	Share of each Partner	Total Capital
	(%)	(Amount in ₹)	(%)	(Amount in ₹)	(%)	(Amount in ₹)
DB Realty Ltd	-	-	-	-	50.00	50,000
Nihar Constructions Private Limited	-	-	-	-	50.00	50,000
Total Capital	-	-	-	-	100.00	100,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(vii) **Lokhandwala DB Realty LLP**

Name of the Partners	As at 31st March 2017		As at 31st March 2016		As at 31st March 2015	
	Share of each Partner	Total Capital	Share of each Partner	Total Capital	Share of each Partner	Total Capital
	(%)	(Amount in ₹)	(%)	(Amount in ₹)	(%)	(Amount in ₹)
Lokhandwala Infrastrucutre Private Limited	5.00	50,000	5.00	50,000	5.00	50,000
Viceroy Builders Private Limited	45.00	450,000	45.00	450,000	45.00	450,000
DB Realty Limited	5.00	50,000	5.00	50,000	5.00	50,000
DB Contractors & Builders Private Limited	45.00	450,000	45.00	450,000	45.00	450,000
Total Capital	100.00	1,000,000	100.00	1,000,000	100.00	1,000,000

B Investments in Portfolio Management Scheme

Particulars	(Amount in ₹)		
	As at 31st March 2017	As at 31st March 2016*	As at 1st April 2015
(Non Trade) (Unquoted)			
Investment at FVTPL			
Investment under Portfolio Management Scheme of Reliance Capital Assets Management Limited (Refer Note 15.1)	722,261	1,196,790	5,069,161
Total	722,261	1,196,790	5,069,161

15.1 Details of Investments in Portfolio Management Scheme of Reliance Capital Assets Management Limited.

Particulars	(Amount in ₹)			
	As at 31st March 2017		As at 31st March 2016	As at 1st April 2015
	Quantity	Amount	*Details of investment in Portfolio Management Scheme as at March 31, 2016 is not available.	Number Amount in ₹
18% Shah Group Builders NCDs	21,000	677,029		79,000 5,068,970
Reliance Liquidity Fund	8,146	45,232		191 191
Total	29,146	722,261		79,191 5,069,161

Note 16: Trade Receivables

Particulars	(Amount in ₹)		
	As at March 31, 2017	As at 31st March 2016	As at April 1, 2015
Unsecured, considered good			
Trade receivables	740,881,794	577,632,069	530,174,783
Considered Doubtful	162,878,546	38,138,367	37,076,461
Less: Allowance for credit losses (Refer Note No 16.4)	(162,878,546)	-38,138,367	-37,076,461
Total	740,881,794	577,632,069	530,174,783

16.1 Trade and other receivables from directors or other officers of the Company either severally or jointly with any other person is disclosed as part of Note- 65 - Related Party Transaction along with other related party transactions.

16.2 Refer Note 24 giving details of secured loans for which the trade receivables were pledged as security.

16.3 The above amount includes ₹ 46,400,000/- receivable against sale of two units forming part of "Turf Estate". One of its subsidiaries had granted "deferred payment schedule" to both the parties but no amount has been received as upto the year end. The management have taken effective steps for recovery and in pursuance thereof have accepted request from one of the party for extension of time for payment. In the opinion of the management these debts are good of recovery but having regard to the expected time of realisation, allowance of ₹ 7,745,856/- has been made towards credit losses.

16.4 The Group has followed 'simplified approach' for recognition of allowance for credit losses, which is based on historical credit loss adjustment duly adjusted for forward looking estimates. Movement in allowance for credit losses is as under:

Particulars	(Amount in ₹)	
	For the year ended March 31, 2017	For the year ended March 31, 2016
Balance at the beginning of the year	38,138,367	37,076,461
Allowances for credit losses recognized during the year (net)	124,740,179	1,061,906
Balance at the end of the year	162,878,546	38,138,367

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

16.5 The above amount includes ₹ 27,684,010/- representing installments due as per the claims made by a Subsidiary. Under the previous GAAP such amount was not recognised as receivables pending recognition of revenue, which consequent to applicability of accounting standard - Financial Instruments have been recognised as trade receivables to give effect for allowances for credit losses.

16.6 One of the Subsidiary Company provides standard credit period to its customers. On non receipt of amounts within the credit period, the Company makes claim for interest @ 21%, however, due to uncertainty as regards ultimate collection the same is accounted for on its collection.

Note 17: Cash and cash equivalents

Particulars	(Amount in ₹)		
	As at March 31, 2017	As at 31st March 2016	As at 1st April 2015
Cash and Cash Equivalents			
Cash on Hand (Refer Note No 44)	1,215,933	1,474,117	1,875,375
Balances with Banks in Current Accounts	42,600,532	146,958,591	59,190,629
Total	43,816,465	148,432,708	61,066,004

17.1 Fixed Deposit having maturity more than 3 months but less than 12 months are kept as security for guarantees/ other facilities with banks.

Note 18: Bank balance other than above

Particulars	(Amount in ₹)		
	As at March 31, 2017	As at 31st March 2016	As at 1st April 2015
Fixed Deposit with maturity more than 3 months but less than 12 months (Refer Note No 18.1)	66,357,265	64,305,880	45,899,017
Fixed Deposit with maturity less than 3 months (Refer Note 17.1)	6,454,961	8,201,704	-
Total	72,812,226	72,507,584	45,899,017

18.1 Held as margin money against bank guarantee

Note 19: Loans and Advances

Particulars	(Amount in ₹)		
	As at March 31, 2017	As at 31st March 2016	As at 1st April 2015
(Unsecured, considered good)			
a Deposits			
To Related Parties	-	200,561,000	200,612,000
To Others (Refer Note 19.4)	804,535	51,619,222	85,307,151
b Loans to related parties (Refer Note 19.1, 19.2, 19.6)	9,383,931,675	4,774,663,756	3,386,475,382
Due from Partnership Firms /JVs / LLPS (Refer Note 10.1)	282,022,699	174,957,240	2,900,600,000
Loan to Related Parties, considered good	9,101,908,976	4,599,706,516	485,875,382
Loans to related parties, Considered Doubtful	136,100,144	-	-
Less: Provision for Doubtful Loans	(136,100,144)	-	-
c Others			
Interest Accrued and Due	-	-	9,853,150
d Loan to Others			
Debts due on assignment (Refer Note 19.3, 19.7)	2,503,318,546	2,605,918,546	-
Less: Allowance for credit losses (Refer Note 19.3 & 19.5)	(642,945,072)	(936,416,833)	-
Others (Refer Note No 19.3)	1,966,224,905	2,057,790,335	1,216,821,290
Less: Allowance for credit losses (Refer Note 19.3 & 19.5)	(33,232,785)	(29,250,465)	-
Total	13,178,101,804	8,724,885,561	4,899,068,973

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

19.1 In one of the Joint Venture, as per clause 20 of the Agreement for Joint Venture, in case of debit balance in the members account it may carry such interest as decided mutually. Consequent of which, the members have decided that the debit balances shall not carry any interest but would be repaid back as and when demanded.

19.2 Loans and Project 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 or a member.

Particulars	(Amount in ₹)		
	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Directors and Other Officers	500,000	548,462	548,462
Private Company and Firms in which director is a member or director or partner	52,410,119	255,037,830	400,113,161
Total	52,910,119	255,586,292	400,661,623

19.3 In one of the subsidiary, in the opinion of the Management, the loan outstanding as of year-end is good for recovery, but provision is made for allowance for credit losses based on management's expectation of realisation of the said loan. Further, the balance is subject to confirmation.

19.4 One of the subsidiaries granted loan to Majestic Infracon Private Limited (Majestic). The management of the holding company evaluated during the year the recoverability aspect of the said loan and decided to provide for doubtful recovery from the said party (for principal as well as interest receivable), as Majestic's main asset comprise of investment in Etisalat DB Telecom Private Limited (subsidiary company), which is under liquidation. As upto last year, the management of the holding company had also evaluated recovery aspect and had formed an opinion that the same was good for recovery and hence, the outstanding balances were considered as good.

19.5 Movement in allowance for credit losses is as under:

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Amount in ₹	Amount in ₹
Balance at the beginning of the year	965,667,296	-
ECL recognized/ (reversed) during the year (net)	(289,489,439)	965,667,296
Balance at the end of the year	676,177,857	965,667,296

19.6 One of the Subsidiary has granted loan amounting to ₹51,53,12,812/- (Previous Year 35,00,00,000/-) to a related party, M/s Y J Realty and Aviation Private Limited ("YJRAPL"). As per the latest Audited Financial Statements of YJRAPL for the year ended March 31, 2016, it has incurred losses for the year ended March 31, 2016 and has negative net worth as as at March 31, 2016. The Company considers above loan as good for recovery based on current values of a property held by YJRAPL which is in excess of its carrying value which can generate adequate cash flow to enable YJRAPL to repay the loan. Accordingly, no provision is considered necessary towards bad and doubtful loan.

19.7 One of the Subsidiary in the preceding year had acquired Debts and all the right, title and interest in and to the Debts along with the Underlying Security Interest from Yes Bank Limited by way of assignment by executing Deed of Assignments. Consequently, the original borrowers are reflected in these accounts as debts due to the Company on assignment. The Underlying Security Interest is yet to be created in favor of the Company and hence these debts are classified as "Unsecured". In the opinion of the Management, these debts are good for recovery. Further, the balances are subject to confirmation. Further, as a matter of prudence, interest income, if any, shall be recognised on its realisation. Also further, having regard to the steps taken for recovery of these debts, provision has been made for allowances for credit losses.

Note 20: Other Financial Assets

Particulars	(Amount in ₹)		
	As at March 31, 2017	As at 31st March 2016	As at 1st April 2015
(Unsecured, considered good)			
a Interest accrued and due			
On loan given to Related parties considered good	-	21,329,974	35,778,319
On loan given to Related parties considered doubtful	21,329,974	-	-
Less: Provision for doubtful interest receivables	(21,329,974)	-	-
On others considered good	62,875,118	217,853,200	100,776,955
b Interest accrued but not due	976,183	1,224,104	1,196,233
c Security Deposits	1,134,210	90,530,410	90,689,121
d Receivables			
Receivables from related party	9,358,610	9,356,101	
Other Receivable	22,343,912	27,431,977	7,897,158
Advance for share purchase (Refer Note No 20.2)	4,201,681	-	-
Other receivables (Refer Note No 20.1)			
Considered good	64,153,114	60,234,087	355,285
Considered doubtful	4,251,450		
Less: Provision for doubtful loans and advances	(4,251,450)	-	-
Total	165,042,827	427,959,853	236,693,071

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

20.1 During the financial year 2013-2014, the Directorate of Enforcement has taken physical possession of bank balance of ₹ 6,892,967, against which the Company had 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 receivable. (Refer Note No. 54)

20.2 The Company will receive 4,201,681 no of Equity Shares of Face Value ₹10/- each against the above advances.

Note 21: Other Current Assets

Particulars	Amount in ₹		
	As at March 31, 2017	As at 31st March 2016	As at 1st April 2015
Advances other than capital advances			
a Security Deposits			
Security Deposit given for aggregation of land	233,550,000	285,900,000	251,400,000
Others	-	162,750	162,750
b Advances to related parties			
Advance to Related Party	2,413,482	2,413,482	2,413,482
Mobilisation advance to related party (Refer Note 21.1)	113,159,717	113,777,662	113,159,717
c Advances to others			
Trade Advances	277,127,481	217,556,991	206,723,346
Advance for TDR purchase	366,729,291	290,000,000	300,000,000
Other considered doubtful	10,000,000	10,020,000	10,000,000
Less: Provision for Doubtful Security Deposits & Advances	(10,000,000)	(10,000,000)	(10,000,000)
Mobilisation Advance	243,855,889	243,513,035	262,224,336
Advances recoverable in cash or in kind or for value to be received (Refer Note 21.3)	186,322,660	205,677,120	143,916,032
c Others			
Acquisition of Land through Aggregators (Refer Note 21.4)	84,110,000	93,100,000	93,100,000
Entitlement for Transferable Development Rights (Refer Note 21.2 and 21.5)	148,106,600	158,406,600	132,106,600
Expenditure on Land (Refer Note 21.7 and 21.8)	1,051,368,260	538,024,961	-
Less : Transferred to Statement of Profit and Loss (Refer Note 21.7 and 21.8)	(1,051,368,260)	-	-
Service/Vat/TDS Receivables	212,263,811	192,973,126	126,250,769
Tax Deducted at Source	13,487,118	4,065,052	4,270,726
Prepaid Expenses	26,738,057	4,533,149	1,795,036
Unbilled Revenue (Refer Note 21.6)	134,947,255	181,410,201	290,068,924
Total	2,042,811,361	2,531,534,128	1,927,591,719

21.1 Loans and Project 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 or a member

Particulars	Amount in ₹		
	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Private Company and Firms in which director is a member or director or partner	113,159,717	113,777,662	113,159,717
Total	113,159,717	113,777,662	113,159,717

21.2 One of the subsidiary has paid ₹ 30,675,000/- to various tenants for Purchase of Land/Tenancy Rights. Out of the above amount, the Company has entered into Memorandum of Understanding (MOU) for purchase of land for ₹ 13,175,000/- and the same amount has been transferred to inventory as "Land Acquisition Expenses", however, the Company is yet to enter and register conveyance deed for the same. The remaining amount for which the Company has not entered into MOU has been shown under "Other Current Assets" Short Term Loans and Advances", which are subject to confirmation. Further, the management is confident that it would be able to develop its project and therefore, there is no adjustment required to the carrying value of Project Work-in-Progress as also to the unadjusted advances for acquiring land/property/tenancy rights.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

- 21.3 One of the subsidiary on behalf of DB (BKC) Realtors Pvt. Ltd. has advanced ₹87,00,000/- towards acquisition of occupancy rights of the occupants situated at Tata Colony, Bandra Kurla Complex, Mumbai. As per the Memorandum of Understanding entered into by the company with DB (BKC) Realtors Pvt. Ltd., the company has been appointed under a fiduciary capacity to acquire the said rights and to retransfer the same to DB (BKC) Realtors Pvt. Ltd. as and when so directed. In these accounts the amounts received from DB (BKC) Realtors Pvt. Ltd. has been shown as current liability and the amount so advanced has been classified as Advances. The necessary adjustment entries shall be passed in the year in which the occupancy rights are retransferred to DB (BKC) Realtors Pvt. Ltd. Further, as per the MOU liability for stamp duty on acquiring occupancy rights which is yet to be ascertained as also any other costs including capital gains tax liability, if any, is to be borne by DB (BKC) Realtors Pvt. Ltd.
- 21.4 One of the subsidiary has entered into a Memorandum of Understanding whereby for acquiring land which would be made available by the aggregator's, an interest free refundable security deposit of ₹ 8,41,10,000/- is paid to the aggregators. As upto the year end, the aggregator's are yet to complete their obligation. The management is confident that the transaction shall materialise and if not, is of the opinion that the deposit so granted are good for recovery.
- 21.5 One of the subsidiary on behalf of DB (BKC) Realtors Pvt. Ltd. has advanced ₹ 86,50,000/- towards acquisition of occupancy rights of the occupants situated at Tata Colony, Bandra Kurla Complex, Mumbai. As per the Memorandum of Understanding entered into by the company with DB (BKC) Realtors Pvt. Ltd., the Company has been appointed under a fiduciary capacity to acquire the said rights and to retransfer the same to DB (BKC) Realtors Pvt. Ltd. as and when so directed. In these accounts the amounts received from DB (BKC) Realtors Pvt. Ltd. has been shown as current liability and the amount so advanced has been classified as Advances. The necessary adjustment entries shall be passed in the year in which the occupancy rights are retransferred to DB (BKC) Realtors Pvt. Ltd. Further, as per the MOU, liability for stamp duty on acquiring occupancy rights which is yet to be ascertained as also any other costs including capital gains tax liability, if any, is to be borne by DB (BKC) Realtors Pvt. Ltd.
- 21.6 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. Further, based on expected realisation therefrom, the same has been bifurcated into non-current / current assets.
- 21.7 The Enterprise, during the preceding financial year, had assigned development rights of land to Manvastucon LLP (MAN) vide "Deed of Assignment of Development Rights" dated 19th August, 2015, the principal terms whereof are as under:-
- The Project Property to be developed by MAN include land owned by a third party which is pending for acquisition by the Enterprise and is to be amalgamated with the land of the Enterprise.
 - MAN to place interest free refundable security deposit of ₹ 1,75,00,00,000/- with the Enterprise which shall stand refunded from time to time as provided in the Deed.
 - The Enterprise and MAN to share the Project Realisation as 35.01% and 64.99% respectively.
 - Both the parties to fulfil their role and obligation as provided in the Deed.
- 21.8 During the year, the Enterprise has executed Indenture of Conveyance with Goan Hotels Private Limited, Horizontal Realty and Aviation Private Limited and Eversmile Construction Company Private Limited (the Purchasers), whereby the Enterprise has assigned to the Purchasers jointly in the agreed ratios, all its rights entitlements and obligations under the Deed of Assignment of Development Rights dated 19th August, 2015 for an aggregate consideration of ₹.107,00,00,000/, which has been received consequently, in these accounts:
- Revenue of ₹107,00,00,000/- has been recognized; and
- Costs accumulated as expenditure on land for which Development Rights are assigned have been charged off to the Statement of Profit and Loss.
- Note: In the opinion of the members, having regard to the terms of Deed of Assignment of Development Rights, more particularly the time frame of the project and the market risks as regards sale/ price, the consideration at which the aforesaid assignment has been made is fair and reasonable.
- 21.9 Trade payables includes ₹ 110,000,000/- due to Housing Development Infrastructure Limited being the consideration payable towards purchase of 5,000 Sq. mtrs of TDR, which has been withheld as the rights for 1,500 Sq. mtrs. of TDR are yet to be transferred. Further, the balance also is subject to confirmation.

Note 22 : Share Capital

Particulars	As at 31st March 2017		As at 31st March 2016		As at 1st April 2015	
	Number	Amount in ₹	Number	Amount in ₹	Number	Amount in ₹
Authorised						
Equity Shares of ₹ 10/- each	270,000,000	2,700,000,000	270,000,000	2,700,000,000	270,000,000	2,700,000,000
8% Redeemable Preference shares of ₹ 10/- each	75,000,000	750,000,000	75,000,000	750,000,000	75,000,000	750,000,000
Total	345,000,000	3,450,000,000	345,000,000	3,450,000,000	345,000,000	3,450,000,000
Issued, Subscribed & Fully Paid up (Refer note no 22.4)						
Equity Shares of ₹ 10/- each	243,258,782	2,432,587,820	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	243,258,782	2,432,587,820

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

22.1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity Shares:

Particulars	As at 31st March 2017		As at 31st March 2016		As at 1st April 2015	
	Number	Amount in ₹	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	243,258,782	2,432,587,820
Shares Issued / (bought back) during the year	-	-	-	-	-	-
Shares 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	243,258,782	2,432,587,820

22.2 Rights, preferences and restriction attached to shares

Equity Shares:

Equity shares have equal rights to dividend. The Group has only one class of Equity Shares having a par value of ₹ 10/- per share. Each equity shareholder is entitled to one vote per share.

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

22.3 Details of shares held by shareholders holding more than 5% shares in the Holding Company

Equity :

Name of Shareholder	As at 31st March 2017		As at 31st March 2016		As at 1st April 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Neelkamal Tower Construction LLP	80,314,871	33.02%	102,389,871	42.09%	104,564,838	42.99%
Walkinson Investment Limited	13,662,731	5.62%	14,582,650	5.99%	14,582,650	5.99%
Vinod Goenka*	15,364,216	6.32%	15,364,216	6.32%	15,364,216	6.32%
Sanjana Vinod Goenka	22,382,108	9.20%	8,750,000	3.60%	8,750,000	3.60%
Aseela Vinod Goenka	14,769,958	6.07%	6,657,742	2.74%	6,657,742	2.74%

*Out of the said above shareholding 13,732,108 shares (5.64%) are jointly held by Vinod Goenka and Aseela Goenka.

22.4 The Company has paid up capital in the form of 71,755,740 8% Redeemable Cumulative Preference Shares of ₹ 10/- each which have been reclassified as part of "Other Equity" and "Borrowings".

Note 23(1) : Other Equity

Particulars	Note No.	(Amount in ₹)		
		As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Capital Reserve	23(2)(i)	504,631,445	504,631,445	504,631,445
Securities Premium Reserve	23(2)(ii)	23,856,790,192	23,856,790,192	23,856,790,192
Retained Earnings	23(2)(iii)	(555,471,413)	54,224,586	225,468,782
Equity Component of Compound Financial Instrument	23(3)(i)	376,057,875	376,057,875	-
Other Comprehensive Income	23(3)(ii)	1,106,001,958	1,537,470,777	1,685,516,145
Total		25,288,010,057	26,329,174,876	26,272,406,564

23(2) Reserves & Surplus

(i) Capital Reserve

Capital Reserve is created on account of merger of Gokuldharm Real Estate Development Co. Pvt. Ltd. into the Holding Company.

Particulars	(Amount in ₹)	
	As at 31st March 2017	As at 31st March 2016
Balance at the beginning of the year	504,631,445	504,631,445
Movement during the year	-	-
Balance at the end of the year	504,631,445	504,631,445

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(ii) Securities Premium Reserve

Securities Premium Reserve is used to record premium on issue of shares. The reserve is utilised as per the provisions of the Act.

Particulars	(Amount in ₹)	
	As at 31st March 2017	As at 31st March 2016
Balance at the beginning of the year	23,856,790,192	23,856,790,192
Movement during the year	-	-
Balance at the end of the year	23,856,790,192	23,856,790,192

(iii) Retained Earnings

Retained Earnings represent the surplus/ accumulated earnings of the Company and are available for distribution to shareholders.

Particulars	(Amount in ₹)	
	As at 31st March 2017	As at 31st March 2016
Balance at the beginning of the year	54,224,586	225,468,782
Net profit the year	(619,748,610)	(184,583,918)
Employee Benefit (Net of Tax)	10,052,610	13,339,723
Balance at the end of the year	(555,471,413)	54,224,586

23(3) Other Reserves

(i) Equity Component of Compound Financial Instrument

Represents equity component of 8% Redeemable Non-cumulative Preference Shares.

Particulars	(Amount in ₹)	
	As at 31st March 2017	As at 31st March 2016
Balance at the beginning of the year	376,057,875	-
Movement during the year	0	376,057,875
Balance at the end of the year	376,057,875	376,057,875

(ii) Other Comprehensive Income

Other Comprehensive Income represents income that will not be reclassified to Retained Earning.

Particulars	(Amount in ₹)	
	As at 31st March 2017	As at 31st March 2016
Balance at the beginning of the year	1,537,470,777	1,685,516,145
Net profit the year	(431,468,819)	(148,045,368)
Balance at the end of the year	1,106,001,958	1,537,470,777

Note 24 : Long-term Borrowings

Particulars	(Amount in ₹)		
	As at March 31, 2017	As at March 31, 2016	As at 1st April 2015
I Secured			
A. Term Loans			
(i) From Banks			
a From Yes Bank Limited (Refer Note 24.1)	3,655,865,473	3,176,049,458	-
b From ICICI Bank Limited (Refer Note 24.2)	99,015,003	197,971,836	297,520,239
(Default: Interest amount of ₹ 77,46,922/- from January, 2017; Previous year default: Interest ₹ 68,87,821/- from February, 2016)			
(ii) From Others			
a From HDFC Limited (Refer Note 24.3)	4,198,022,002	3,741,815,621	2,861,117,709
b Reliance Capital Limited (Refer Note 24.5)	568,647,050	909,997,191	-
(Default: Interest amount of ₹ 172,674,429 from June, 16 to March, 2017)			

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

Particulars	(Amount in ₹)		
	As at March 31, 2017	As at March 31, 2016	As at 1st April 2015
c Reliance Commercial Finance (Refer Note 24.6)	20,000,000	-	-
d Reliance Home Finance Ltd (Refer Note 24.7)	667,000,000	-	-
e Indiabulls Housing Finance Limited (Refer Note 24.8) (Default: Interest ₹ 3,228,012/- Previous Year: Interest of ₹ 2,095,969/- Principal of ₹ 8,649,907/- from March, 2016)	-	47,530,509	83,907,726
f LIC Housing finance limited (Refer Note 24.9) (Default: Interest of ₹ 64,177,300/- and Principal of ₹ 306,303,767/- Previous Year: Interest of ₹ 11,645,034/- from December 2015 and Principal of ₹ 306,303,767/- from January, 2016) Financial Year 2014-15: Interest of ₹ 10,893,206/- and Principal of ₹ 306,303,767/- from February, 2015)	-	-	52,871
B. Vehicle Loan			
(i) From Banks (Refer Note no. 24.10, 24.11, 24.12)			
Vehicle Loan -OBC (24.10) (Default: Interest of ₹ 150,461/- and Principal of ₹ 194,030/- from June, 2014 to March, 2015)	4,099,108	5,599,335	6,941,871
Vehicle Loan -OBC (Refer Note No. 24.11) (Default: Interest of ₹ 71,659/- from June, 2016 to March, 2017)	2,447,012	-	-
Vehicle Loan - Other banks (Refer Note No. 24.12)	4,672,182	6,658,996	6,049,303
(ii) From Others (Refer Note no. 24.13, 24.14)			
Daimler Financial Services India Private Limited (Refer Note No. 24.13)	2,600,576	5,580,644	8,172,135
Kotak Mahindra Prime Limited (Refer Note No. 24.14)	2,070,990	2,783,266	-
Total I	9,224,439,396	8,093,986,856	3,263,761,853
II Unsecured			
Loan from related parties(Refer Note no. 66)	1,409,853,640	-	-
8% Redeemable Preference shares of ₹ 10/- each (Refer Note No. 24.15)	404,934,093	349,081,115	-
Others			
Loan from Others	79,256,039	-	2,394,426
Total II	1,894,043,772	349,081,115	2,394,426
Total (I + II)	11,118,483,169	8,443,067,972	3,266,156,279

24.1 Yes Bank

Securities of Term Loan From Bank

Term Loan 1 , Term Loan 2 & Term Loan 3

- (i) Exclusive charge by way of registered mortgage on the entire developer (Company) premises.
- (ii) Exclusive charge on all the current assets including receivables of the Company.
- (iii) Cross collateralization of a immovable property of Gaon Hotels and Realty Pvt Ltd would be charged for the company and company project security would be charged for Gaon Hotels and Realty Pvt Ltd loan to the extent of ₹ 75 Crores.(Applicable for Term Loan 1 and Bank Overdraft)
- (iv) Exclusive Pledge of 30% shareholding of the Company.
- (v) An Irrevocable and unconditional Corporate Guarantee given by Holding Company
- (vi) Two of the Promoter / Director of the Holding Company has given Personal Guarantees.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

- (vii) To be secured by an Exclusive charge by way of registered mortgage of an Agriculture land given by Dynamix Securities & Holdings Pvt Ltd which is located at village Taje and Boraj, Dist – Pune and charge over the structures built thereon alongwith all the movable fixed and current assets of the Company.

Repayment Schedule

Year	Term Loan 1	Term Loan 2	Term Loan 3
Rate of Interest	12.75%	10.50%	10.50%
2016-2017	-	-	-
2017-2018	377,500,000	-	-
2018-2019	362,500,000	-	-
2019-2020	193,500,000	500,000,000	37,500,000
2020-2021	-	1,000,000,000	62,900,000
2021-2022	-	1,500,000,000	-
2022-2023	-	-	-

24.2 ICICI Bank

- (i) The said loan was received for the purpose of financing the cost of constructions of the project DB Skypark, Sahar, Andheri - East a joint venture in which the Company is a venturer and carries floating interest rate of 13.80% p.a. linked to I-Base, payable monthly. The loan is repayable in 12 quarterly installments commencing from April 1st 2016. A certain portion (Amount - ₹ 122,333,246/-) of the loan has been reclassified into current maturities of long term debt. The loan is secured by :-
1. Exclusive charge on the land situated at project of one of the subsidiary, DB Skypark, Sahar, Andheri East which is a property of co-venturer (Eversmile Construction Company Pvt Ltd) 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.
 5. Personal guarantee of one of the Managing Directors of the Company.

24.3 HDFC Limited

Tranche 1

Loan is secured by:

- (i) 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.
- (ii) Exclusive charge I 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.
- (iii) Personal guarantee from one of the Managing Directors of the Company.
- (iv) Corporate guarantee of D B Realty Limited, Holding Company
- (v) Pledge of 26,000,000 shares in D B Realty Limited, Holding Company held by Neel kamal Tower Construction LLP (out of the above 26,000,000 shares, pledge has been created of 4,000,000 shares only.)
- (vi) Additional security of cash flows from project other than 'DB Crown' Project (The said security is yet to be executed.)
- (vii) Any/ or other security of similar/ higher value acceptable to HDFC Ltd (The said security is yet to be executed.)
- (viii) Repayment Schedule (Revised)

As per the letter dated May 6, 2015 the repayment dates of the loan has been extended for a period of 19 months and the company will repay 10% of all sales receipts towards principal repayment from the 1st month from the date of the first disbursement at HDFC's option, this percentage receivable is subject formula for such percentage calculation. However, the company will ensure that the maximum principal outstanding from the date of the first disbursement of the loan does not exceed as per the schedule below.

At the end of May 2019 : ₹240.00 Crore

At the end of June 2019 : ₹180.00 Crore

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

At the end of July 2019 : ₹120.00 Crore

At the end of August 2019 : ₹60.00 Crore

At the end of September 2019 : ₹Nil

or earlier at HDFC's option

(ix) Rate of Interest :

The above loan carries HDFC Corporate Prime Lending Rate Minus 250 bps (Current floating Interest rate is 15% p.a.)

Tranche 2

Loan is Secured by:

- (i) 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. meters 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.
- (ii) Exclusive charge I 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.
- (iii) Personal guarantee of Mr. Vinod Goenka, Director of Holding Company
- (iv) Corporate guarantee of D B Realty Limited, Holding Company
- (v) Pledge of 2.60 crore shares in D B Realty Limited, Holding Company held by Neel kamal Tower Construction LLP (out of the above 2.60 crore shares, pledge has been created of 40 lakhs shares only.)
- (vi) Additional security of cash flows from project other than 'DB Crown' Project (The said security is yet to be executed.)
- (vii) Any/ or other security of similar/ higher value acceptable to HDFC Ltd (The said security is yet to be executed.)

(viii) Repayment Schedule

The company will repay a certain % of all sales receipts towards principal repayment from the 1st month from the date of the first disbursement (at HDFC's option, (this percentage receivable is subject formula for such percentage calculation). However, the company will ensure that the maximum principal outstanding from the date of the first disbursement of the loan does not exceed as per the schedule below.

(Month of First disbursement: October, 2015)

At the end of 53rd Month from the First month of Disbursement : Nil

(or earlier at HDFC's option)

(ix) Rate of Interest :

The above loan carries HDFC Corporate Prime Lending Rate Minus 150 bps (Current floating Interest rate is 16% p.a.)

24.4 STCI Finance Ltd

- (i) The said loan was received for General Corporate Purpose. The loan was secured by pledge of 13,117,020 shares of the company held by Neelkamal Tower Construction LLP. The loan carried fixed interest rate of 9.75% p.a on monthly rest. The loan was repayable at the end of 36 months from the date of disbursement. The interest cost was payable on monthly basis. Redemption premium was payable at the end of the tenure so as to yeild a normal IRR of 14.75% p.a. on monthly rest. (The said loan had been classified as current maturity of long term debt in FY 2015-16).

24.5 Reliance Capital Limited

(A) Loan 1: ₹ 897,500,000 (FY 2015-16)

- (i) The said loan was received in FY2015-16 for general purpose loan and carried interest rate of 15% p.a. Loan is repayable in 24 Months with bullet repayment at the end of the loan tenure. Interest to be paid annually. The loan has been reclassified into current maturities of long term debts. Amount - ₹ 885,828,119/-. The said loan is secured by :-
 1. An exclusive charge on the project land of Orchid Golf View Park S.No. 191A/2A/1/2, Plot No.2 at Yerwada, Pune. together with all buildings and strucutres thereon, both present and future.
 2. An exclusive charge on the scheduled receivables under the documents entered into with customer by the Borrower, all such proceeds both present and future.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

3. An exclusive charge over all rights, titles, interest claim, benefits, demands under the project documents both present and future.
4. An exclusive charge over escrow account, all monies credited / deposited, therein and all investments in respect thereof (in whatever form they may be).
5. An exclusive charge on TDR - transferable development rights till the same is loaded on the project.
6. Hypothecation of Future receivables from Sale of proposed residential development project 'Orchid Golf View Park S.No. 191A/2A/1/2, Plot No.2 at Yerwada, Pune'.
7. Personal Guarantee of both Managing Directors.

(B) Loan 2: ₹ 568,647,050 in FY 2016-17 (Previous Year - ₹ 12,497,191)

Loan is secured by:

- (i) An exclusive charge on the scheduled receivables under the documents entered into with customers by the Borrower, all such proceeds both present and future .
- (ii) An exclusive charge over all rights, titles, interest, claims , benefits, demands under the Project documents both present and future.
- (iii) An exclusive charge on the escrow account , all monies credited/ deposited therein and all investments in respect thereof (in whatever form they may be).
- (iv) Registered Mortgage on residential units falling under the share of GHRPL in the proposed project located at land bearing CTS No- A/791(pt) of Mahim Bandra Reclamation Area, Bandra (West).
- (v) Hypothecation of receivables from sale of residential units falling under the share of GHRPL in the proposed project located at land bearing CTS No- A/791(pt) of Mahim Bandra Reclamation Area, Bandra (West).
- (vi) Pledge of all shares of Goregaon Hotel and Realty Private Limited.

(vii) Repayment Schedule

The bullet repayment at the end of loan tenure i.e. after 24 Months. The tenure can be extended for further term keeping maximum door to door tenure as 24 Months. Interest to be paid monthly.

- (viii) The loan carry interest rate of 16% p.a

24.6 Reliance Commercial Limited

- (i) The said loan was received in the current year for general purpose loan and carried interest rate of 18% p.a. Loan is repayable in 24 Months with bullet repayment at the end of the loan tenure. Interest to be paid annually. The said loan is secured by :-
 1. An exclusive charge on the project land of Orchid Golf View Park S.No. 191A/2A/1/2, Plot No.2 at Yerwada, Pune. together with all buildings and structures thereon, both present and future.
 2. An exclusive charge on the scheduled receivables under the documents entered into with customer by the Borrower, all such proceeds both present and future.
 3. An exclusive charge over all rights, titles, interest claim, benefits, demands under the project documents both present and future.
 4. An exclusive charge on TDR - transferable development rights till the same is loaded on the project.
 5. Personal Guarantee of both Managing Directors.

24.7 Reliance Home Finance Limited

- (i) The said loan was received in the current year for general purpose loan and carried interest rate of 18% p.a. Loan is repayable in 24 Months with bullet repayment at the end of the loan tenure. Interest to be paid annually. The said loan is secured by :-
 1. An exclusive charge on the project land of Orchid Golf View Park S.No. 191A/2A/1/2, Plot No.2 at Yerwada, Pune. together with all buildings and structures thereon, both present and future.
 2. An exclusive charge on the scheduled receivables under the documents entered into with customer by the Borrower, all such proceeds both present and future.
 3. An exclusive charge over all rights, titles, interest claim, benefits, demands under the project documents both present and future.
 4. An exclusive charge on TDR - transferable development rights till the same is loaded on the project.
 5. Personal Guarantee of both Managing Directors.

24.8 Indiabulls Housing Finance Limited

- (i) The said loan is repayable upto 36 months from the date of first disbursement i.e. 02.08.2014. The effective rate of interest for the year is 16.% p.a. Secured by Pledge / charges of shares of the Company worth minimum 2.00 times of the loan amount , as acceptable to the lender, to be pledged in a depository as suggested by lender. Further, Mr. Vinod Goenka has given personal guarantee for securing the repayment of loans and dues thereon. The said loan is also secured by 7,000,000 number of equity shares held by Ms. Sanjana Goenka in the Company.

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

24.9 LIC Housing Finance Limited

- (i) The said loan was received for the purpose of financing the costs of construction and other project implementation costs in 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 and again on April 27, 2015. The loan tenure has been extended by 12 months and hence the outstanding balance is due on January 31, 2016 and will carry floating interest rate LHPLR Plus 75 bps (Currently 16.25% p.a.). The Loan is guaranteed by personal guarantees of Managing Directors of the Company and corporate guarantee of Esteem Properties Private Limited, a wholly owned subsidiary company, which has also mortgaged its land at Sahar, Andheri in this regard. The loan has been reclassified into current maturities of long term debts. Amount - ₹ 306,303,767/-.

24.10 Oriental Bank of Commerce

- (i) Secured against Hypothecation of respective vehicle and personal guarantee of:
- Mr. Salim Balwa; Mr. Rajiv Agarwal and Mr. Jayvardhan Goenka (Directors of the company)
- (ii) Repayment Schedule
Repayable in 84 equal monthly instalments of ₹171,442/- each
- (iii) Rate of Interest : The above loan carries floating interest rate linked to Base rate Plus 50 bps

24.11 Oriental Bank of Commerce

- (i) Secured against Hypothecation respective vehicle
- (ii) Repayment Schedule
Repayable in 60 equal monthly instalments of ₹80,929/- each
- (iii) Rate of Interest : 10.10% p.a.

24.12 Vehicle Loan - Others

- (i) Vehicle loans are secured by hypothecation of vehicles purchased

Sr No.	Particulars	No Of EMI's Payable from 31/03/2017	No Of EMI's Payable from 31/03/2016	No Of EMI's Payable from 31/03/2015	EMI Amount
1	Bank Of India (BMW)	34	46	58	156,586
2	OBC (Skoda)	39	51	0	60,520
3	ICICI Bank (Indigo Manza - Aura)	0	0	6	10,390
4	ICICI Bank (Linea - Emotion)	0	0	6	15,635
5	ICICI Bank (Toyota Camry)	0	0	8	47,400
6	ICICI Bank (Toyota Altis)	0	0	6	22,980
7	ICICI Bank (Toyota Aria)	0	0	8	27,510

24.13 Daimler Financial Services India Private Limited

- (i) Secured against Hypothecation respective vehicle and guarantee of DB Realty Limited , Holding Company (Successor to Gokuldham Real Estate Development Company Private Limited, a fellow subsidiary company)
- (ii) Repayment Schedule
Repayable in 60 equal monthly instalments of ₹282,100/-
- (iii) Rate of Interest : 11.32% p.a.

24.14 Kotak Mahindra Prime Limited

- (i) Secured against Hypothecation respective vehicle
- (ii) Repayment Schedule
Repayable in 59 equal monthly instalments of ₹77,110/- each
- (iii) Rate of Interest : 9.50% p.a.

24.15 Rights, preferences and restriction attached to shares

- (i) The Non Cumulative Redeemable Preference Shares shall carry coupon rate of 8% per annum, if declared. The said shares shall be redeemed at par at the end of the five years from the date of allotment, 6th February, 2016. The company has option to redeem the Preference Shares at any time after the end of one year from the date of allotment at par with dividend if any declared. The preference shares have no other rights attached except dividend if any declared.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017
(ii) Details of shares held by shareholders holding more than 5% shares in the company

Name of Shareholder	As at 31st March 2017		As at 31st March 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Konark Realtech Private Limited	71,750,000	99.99%	71,750,000	99.99%

(iii) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year:

Particulars	As at 31st March 2017		As at 31st March 2016	
	Number	Amount in ₹	Number	Amount in ₹
Shares outstanding at the beginning of the year	71,755,740	717,557,400	-	-
Shares Issued / (bought back) during the year	-	-	71,755,740	717,557,400
Shares outstanding at the end of the year	71,755,740	717,557,400	71,755,740	717,557,400

(iv) Aggregate number of shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

Particulars	As at	As at	As at
	31st March 2017	31st March 2016	1st April 2015
	(Number)	(Number)	(Number)
Fully paid up preference shares issued pursuant to Merger	71,755,740	71,755,740	-

(v) Under previous GAAP, Redeemable Cumulative Preference Shares were classified as Share Capital. Under Ind-AS 32, Redeemable portion of preference shares is reclassified as Financial Liabilities.
Note 25: Trade Payable

Particulars	(Amount in ₹)		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Trade Payable other than Micro, Small and Medium Enterprise (Refer Note No. 25.1)	61,211,894	102,557,455	76,822,215
Total	61,211,894	102,557,455	76,822,215

25.1 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 26: Other Financial Liabilities

Particulars	(Amount in ₹)		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Contractor Retention Money	2,394,426	2,394,426	-
Deposit (Refer Note No. 26.1)	1,752,263,807	4,494,382,985	994,033,607
Security Deposit for leased unit	1,784,168	1,592,250	932,250
Total	1,756,442,401	4,498,369,661	994,965,857

26.1 One of the subsidiaries, during the preceding financial year, had assigned development rights of land to Manvastucon LLP (MAN) vide "Deed of Assignment of Development Rights" dated 19th August, 2015, the principal terms whereof are as under:-

- The Project Property to be developed by MAN include land owned by a third party which is pending for acquisition by the Enterprise and is to be amalgamated with the land of the Enterprise.
- MAN to place interest free refundable security deposit of ₹ 1,75,00,00,000/- with the Enterprise which shall stand refunded from time to time as provided in the Deed.
- The Enterprise and MAN to share the Project Realisation as 35.01% and 64.99% respectively.
- Both the parties to fulfil their role and obligation as provided in the Deed.

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

Note 27: Provisions

Particulars	(Amount in ₹)		
	As at March 31, 2017	As at March 31, 2016	As at 1st April 2015
a Provision for Employee Benefits (Refer Note No. 27.1 & 51)			
Gratuity (unfunded)	22,022,937	29,245,912	27,009,859
Leave Encashment (unfunded)	15,387,999	23,198,739	21,741,678
Total	37,410,936	52,444,651	48,751,537

27.1 During the year, some of the employees of the group have been transferred from one company to another. Gratuity and Leave Encashment liability related to these employees has also been transferred to the transferee company.

28 Other Non Current Liabilities

Particulars	(Amount in ₹)		
	As at March 31, 2017	As at March 31, 2016	As at 1st April 2015
a. Others			
Security Deposit from Related Parties	100,000,000	-	-
Total	100,000,000	-	-

29 Short-term Borrowings

Particulars	(Amount in ₹)		
	As at March 31, 2017	As at March 31, 2016	As at 1st April 2015
I Loans repayable on demand			
<u>Secured</u>			
From Banks			
a OBC Bank Limited (Refer Note No. 29.1) (Default: Interest of ₹ 91,448/- from February, 17 to March, 17; Previous Year: Interest of ₹ 201,662/- from January, 16 to March, 16)	83,075,966	93,609,361	11,873,725
b Yes Bank Limited (Refer Note No. 29.2)	1,106,508,202	1,059,074,666	-
From Others			
a Reliance Capital Limited (Refer Note No. 29.3) (Default - Nil Previous year: Interest of ₹ 2,10,09,375/- from January, 2016 Financial Year 2014-15: Interest of ₹ 91,968,232/- since June, 2014)	-	675,000,000	610,000,000
b ECL Finance Limited (Refer Note No. 29.4) (Default: Interest of ₹ 5,424,658/- from January, 17 to March, 17)	114,882,191	75,257,299	619,950,223
c IL&FS Financial Services Limited (Refer Note No. 29.5) (Default: Previous year: Interest of ₹ 148,441/-)	346,471,743	329,277,001	540,589,132
d Edelweiss Housing Finance Ltd. (Refer Note No. 29.6)	-	380,809,936	-
e Housing Development Infrastructure Limited (Refer Note No. 28.7)	200,000,000	200,000,000	200,000,000
f Reliance Capital Limited (Repayable on Demand) (Default: FY 2014-15: Principal of ₹ 300,000,000 and Interest of ₹ 82,664,384.)	-	-	600,000,000
<u>Unsecured</u>			
Others	82,019,680	51,119,680	114,046,600
Total I	1,932,957,782	2,864,147,944	2,696,459,680
II From Related Parties			
<u>Unsecured</u>			
(i) Deposits			
Inter-Corporate Deposit (Refer Note No 66)	492,313,444	444,099,226	357,578,518
(ii) Loans (Interest free and repayable on demand) (Refer Note No 66)	9,516,062	4,900,000	-
III Loan from Others (Refer Note No. 29.7)	187,205,568	164,088,356	123,585,436
Total II	689,035,074	613,087,582	481,163,954
Total (I + II)	2,621,992,855	3,477,235,525	3,177,623,633

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

29.1 ORIENTAL BANK OF COMMERCE

(i) Secured by lien on fixed deposit of ₹ 1,40,00,000/- placed by Neelkamal Realtors & Builders Private Limited with Oriental Bank of Commerce.

(ii) Terms of Loan:

The above overdraft facility has been secured by lien on fixed deposit receipt of ₹75,00,000/- placed by the Company (successor to Gokuldham Real Estate Development Co. Pvt Ltd) in favour of Oriental Bank of Commerce.

Rate of Interest: 9.75% p.a.

Repayment Terms:

The above overdraft facility is repayable upon expiry of 12 months from the date of sanction i.e. 20/01/2017.

Interest is payable monthly.

(iii) Bank OD is secured by FDR of Holding Company

(iv) Loan is Secured by:

Against the Lien of FD of Orchid Breeze CHS Ltd

29.2 YES Bank

(i) Common Securities are provided for Bank OD and Term Loan. (Refer Note 23.1)

29.3 Reliance Capital Limited

(i) 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 12 months from the date of disbursement i.e. October 31, 2015. 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 October 31, 2015. 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 secured by registered mortgage of immovable property of pune land situated at S.No. 191/A/2A/1/2, Plot No. 2 & 3(Block A+C) at Yerwada, Pune. The said loan is secured by Personal Guarantee of both Managing Directors.

29.4 ECL Finance Limited

(i) Terms of Repayment:

The above loan is to be repaid in one bullet payment on the 12th month from the first draw down date.

(ii) **Nature of Security**

First Charge & Mortgage on Land, on a pari-passu basis, including for which development rights are obtained along with buildings constructed / to be constructed thereon. Further, on pari-passu basis, first charge is there on all existing and future receivables.

Pledge of 66% shares of the Company, on a pari-passu basis.

Corporate Guarantee of D B Realty Limited.

Personal Guarantee of :

i) Mr. Vinod Goenka

ii) Mr. Shahid Balwa

Though the loans are repaid, charges on the assets of the Company are not released, since the assets are continued to be pledged as security for securing financial assistance granted to a related party.

29.5 IL&FS Financial Services Limited

(i) Tenure of Loan

12 Months from the date of first disbursement of the facility i.e Repayment on 4th October, 2017

Coupon / Interest Rate

19.00% p.a

Security

a First ranking hypothecation and escrow of balance receivables from all the units in DB Woods Project of DB Realty Ltd valued at ₹ 227 Million. IFIN shall release 50% of all monies received on pro rata basis in the account of D B Realty Ltd provided there are no overdues in the account.

b First and exclusive Mortgage of Immovable Properties of saleable area 12,272 sq.ft. in "X-BKC Project" by MIG (Bandra) Realtors & Builders Private Limited valued at ₹ 240 Million

c Pledge of 22 million fully paid up, de-materialised, unencumbered, freely transferable equity shares of D B Realty Limited, duly pledged in favour of IFIN, with an irrevocable Power of Attorney in favour of IFIN to sell / dispose the shares in the Event of Default.

d Corporate Guarantees of :

i D B Realty Limited

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

- ii MIG (Bandra) Realtors & Builders Private Limited
 - e Personal Guarantees of :
 - i Mr. Shahid Balwa
 - ii Mr. Vinod Goenka
 - f Demand Promissory Note
- (ii) The loan was repayable within 12 months from the date of first disbursement i.e. 21.11.2014. However, the said loan has been rolled over upto 21.05.2016. The rate of interest for the year is 15.% p.a. The said loan was secured by:
- a) Pledge of fully paid up, de-materialised, unencumbered, freely transferable equity share of the Company, in favour of IFIN, equivalent to 2 times of outstanding principal amount.
 - b) Pledge of 3,838,382 Shares of Marine Drive Hospitality Pvt. Ltd., constituting 15.53% of the paid up share capital of MDHRPL held by the Company.
 - c) Mortgage and Hypothecation of two TDR Certificates of 85,287 square meters along with escrow of receivables emanating from sale of these TDR certificates held by Dynamix Realty on a pari passu basis for the term loan granted by IL&FS Financial Services Ltd to the Company.
 - d) First ranking hypothecation and escrow receivables from 614 sold units and 10 unsold units in the project. Out of the said 10 units the Company has already 7 sold units to customers.
 - e) Mortgage of and Hypothecation of receivables from approx 9000 square meters freehold land near Mumbai Central, owned by N.A. Estates Pvt. Ltd.
 - f) Personal Guarantee of both Managing Directors.
 - g) Pledge of 22,000,000 shares of the Company which are held by Neelkamal Tower Construction LLP.
- The said loan has been repaid during the year.

29.6 Edelweiss Housing Finance Ltd.

Nature of Security and terms of Secured loan :

Nature of Security

- a. First Charge & Mortgage on Land, on a pari-passu basis, including for which development rights are obtained along with buildings constructed / to be constructed thereon. Further, on pari-passu basis, first charge is there on all existing and future receivables.
Pledge of 66% shares of the Company, on a pari-passu basis.
Corporate Guarantee of D B Realty Limited.
Personal Guarantee of :
 - i) Mr. Vinod Goenka
 - ii) Mr. Shahid Balwa
- b. Though the loans are repaid, charges on the assets of the Company are not released, since the assets are continued to be pledged as security for securing financial assistance granted to a related party.

29.7 Housing Development Infrastructure Limited

The Company in the year ended 31st March, 2015 had received a sum of ₹ 200,000,000/- from Housing Development Infrastructure Limited (HDIL) for which terms and conditions are pending for execution. Accordingly, necessary adjustment entries including reclassification, if any shall be made in the year in which arrangement is executed with HDIL as regards the said amount. Further, the balance is also subject to confirmation.

30 Trade Payables

(Amount in ₹)

Particulars	As at March 31, 2017	As at March 31, 2016	As at 1st April 2015
Micro Small and Medium Enterprise (Refer Note No. 30.1)	1,336,234	648,430	6,082,163
Others	1,449,612,837	1,346,533,274	1,322,133,892
Total	1,450,949,071	1,347,181,704	1,328,216,055

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

- 30.1 The Company has sent confirmation to suppliers for their registration as MSME. However, the Micro and Small 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:

(Amount in ₹)			
Description	As at March 31, 2017	As at March 31, 2016	As at 1st April 2015
a) Principal amount remaining unpaid as at year end	1,260,000	648,430	6,082,163
b) Interest due thereon as at year end	-	-	-
c) Interest paid by the Company in terms of section 16 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 year end	76,234	-	-
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.	-	-	-
Total	1,336,234	648,430	6,082,163

31 Other Financial Liabilities

(Amount in ₹)			
Particulars	As at March 31, 2017	As at 31st March 2016	As at 1st April 2015
(a) Current Maturities of Long Term Debt (Refer Note No. 24)	1,752,186,600	775,695,457	1,277,575,374
(b) Interest Accrued and:-			
Not due on borrowings	70,025,582	99,356,930	9,664,061
Due on borrowings	450,810,751	116,751,528	202,329,655
(c) Others			
Advance received from Customers	1,067,884,230	1,072,884,230	1,134,884,230
Due to Partnership Firms towards capital contribution (Refer Note No. 31.1)	1,765,476,739	1,783,562,155	4,298,310,573
Payable to project partner	595,738,320	572,043,374	771,754,165
Book Overdraft	6,574,255	24,907,384	1,446,891
Amount Refundable on Cancellation of Flats	309,276,963	307,699,344	319,498,767
Employee Benefits Payable	84,109,305	78,942,814	66,832,827
Payables for the purchase of fixed assets	15,312,610	6,609,207	12,634,426
Tenancy rights & Hardship Compensation payable	76,425,300	76,425,300	57,527,950
Security Deposits	3,095,378,507	-	-
Others	1,288,078,540	540,445,693	1,119,831,483
Total	10,577,277,704	5,455,323,417	9,272,290,403

- 31.1 (a) The company is a partner in M/s Om Metal Consortium ("OMC"), which has been awarded tender by MHADA for construction of Rehabilitation Tenements and Buildings after redevelopment of existing transit camp against which OMC is entitled for Free Sale Premises.

As per the terms of the deed, the company is admitted as a partner with 50% interest subject to it contributing ₹60 crore as a non refundable amount, out of which as up to year end ₹50 crore has been contributed and balance ₹ 10 crore has not been paid due to litigation filed by the company against OMC.

Further, in terms of the deed, the firm, the company and the other partners of OMC has executed "Construction Agreement" setting out the rights and the obligations of the company and the other group. As per the agreement, the company is entitled for 50% of the Free Sale Premises and has to incur there against the costs detailed out therein (including the liabilities for direct/indirect taxes). Accordingly, the cost which are incurred as part of the company's obligation are allocated as Project Work in Progress in this account. Similarly, the amount of ₹60 crore, being non refundable contribution is also allocated to Project Work in Progress since it represents non-refundable

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

outflow of resources in the hands of the company for getting right in Free Sale Premises. Under the circumstances, the balance standing to partners' capital account does not include that of ₹ 50 crore paid by the company to OMC.

- (b) The company has recognised share of profit for FY 2015-16 based on the audited accounts of OMC. However, the company has not recognised the share of profit for FY 2016-17 in this financial statements as the audited financial statements of OMC are under preparation.

31.2 In terms of Joint Venture Agreement, the Company was liable to pay compensation of ₹ 20,00,000/- per month for the delay in giving possession. The Company, upto 31st March, 2013, had paid compensation aggregating to ₹ 4,25,00,000/- and thereafter no such recognition was made. In preceding year, based on the settlement reached, ₹ 3,05,00,000/- is crystallised as the final compensation. Accordingly, ₹ 2,00,00,000/- which was paid as interest free performance deposit was adjusted and the balance unpaid amount of ₹ 1,05,00,000/-, was payable on or before 31.03.2017 which has remained unpaid.

32 Other Current Liabilities

Particulars	(Amount in ₹)		
	As at March 31, 2017	As at March 31, 2016	As at 1st April 2015
(a) Revenue received in advance			
Advance received from Customers	9,580,827,259	6,989,588,576	6,280,542,126
Advance Income Received for Advertisement	3,333,333	-	-
Income Received in advance	216,820,931	116,896,778	64,896,900
Advance Rent Received	-	-	55,708
Advance Received against Tenancy Rights/Land	17,350,000	17,350,000	17,350,000
(b) Others			
Statutory dues including PF and TDS (Refer Note No 32.1)	139,191,936	99,080,671	101,280,519
Compensation Payable to Member (Refer Note No. 32.2)	-	83,170,765	83,170,765
Other Payables	145,429,750	108,455,654	(1,406,859,366)
Total	10,102,953,209	7,414,542,444	5,140,436,651

32.1 Other Payables includes outstanding expenses and payables towards purchase of fixed assets, property, tenancy rights.

32.2 Details Of Members of Joint Venture

Neelkamal Shantinagar Properties Pvt. Ltd. ("Neelkamal") and Shankala Properties Pvt. Ltd. ("Shankala") entered in an Agreement dated 28.06.2006 to form this Joint Venture ("JV"). Neelkamal and Shankala has now entered into a Supplemental Deed of Joint Venture dated 16.10.2012 whereby the members have agreed to carry out substantive modification to the terms and conditions of the functionality of the JV. One of modification is that Shankala will now share the free sale premises to be constructed by the JV and the entire day to day control of the JV will now vest with Neelkamal. Further, it has been agreed that the JV will pay a sum of ₹ 35 crores in six equal monthly installments to Shankala from 16.10.2012 onwards. The share of Shankala in the Free Sale premises and the amount of ₹35 Crores has been arrived at after adjusting / considering the capital amount of ₹15,68,29,235. It has also been provided that in the event the JV fails to make the payment and/or give the agreed premises to Shankala the modifications as stipulated in the Supplemental Deed shall stand cancelled and both the members shall continue to be governed by the original deed of agreement dated 28.06.2006. Till date the JV has paid a sum of ₹ 11 crores only to Shankala and ₹ 24 crore is still payable to Shankala.

Present Status of Joint Venture

On the completion of the plinth, the Developer applied for CC beyond plinth. However, MCGM insisted on further Home Department NOC for grant of further CC beyond plinth. The same was challenged by the Developer in the High Court under Writ Petition (L) No. 790 of 2013. The High Court by its order dated 1st April, 2013 was pleased to direct the MCGM to re-consider the application of the Developer.

On 9th July 2013, the MCGM rejected the application for the Developer for further CC beyond plinth.

In view of the letters dated 17 January 2013, 25 February 2013 and the rejection dated 9 July 2013, the MCGM effectively stayed the construction of the project.

The aforesaid letters dated 17 January 2013, 25 February 2013 and the rejection dated 9 July 2013, were challenged in the High Court by way of a Writ Petition No. 1734 of 2013 and the High Court was pleased to permit the construction of the Rehab Premises, however, the construction of the Sale Premises was not permitted and effectively the stay granted by the MCGM still stands.

Since the construction of the sale premises has been effectually stayed, there is no generation of cash flow from the Sale Premises.

The above event is a force majeure event and hence, the provisions of Clause 6 and 22 of the aforesaid Supplemental JV Agreement stand suspended and the obligations to make further payment and handover the Shankala Premises stands deferred till such time the stay on the construction of the Sale Premises is not lifted.

Hence, after considering the above, revised profit sharing ratio is as follows:

A	Name of Member	F.Y 2013-14 & onwards	F.Y 2012-13 & before
	Neelkamal Shantinagar Properties Private Limited	100%	50%
	Shankala Realtors Private Limited	0%	50%
	Total	100%	100%
B	Share in Free Sale Premises		
	Shankala Realtors Private Limited (Shankala Premises)	59,132 square feet Carpet Area	
	Neelkamal Shantinagar Properties Private Limited (Neelkamal Premises)	Total free sale saleable area to be constructed on the said property less area dedicated to Shankala Premises	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

It has been decided that the Joint Venture shall account for the cost of construction of the Shankala Premises as and when the same are incurred and therefore no provision has been made in the books of accounts.

33 Short-term Provisions

(Amount in ₹)

Particulars	As at March 31, 2017	As at March 31, 2016	As at 1st April 2015
a Provision for Employee Benefits			
Gratuity (unfunded)	10,356,247	9,267,017	8,963,701
Leave encashment (unfunded)	11,225,241	9,602,061	13,606,125
b Others			
Provision for tax	4,690,943	8,443,288	4,839,182
Provision for Estimated Land Cost (Refer Note No 33.1 & 33.2)	458,742,531	463,561,832	344,630,050
Provision for Wealth tax	937,610	1,967,961	1,967,961
Total	485,952,572	492,842,159	374,007,018

33.1 Land Cost:

33.1.1 The Land on which the Company is developing its Project has been acquired by the Company on its own account as well as under joint venture agreements. As per the joint venture agreements, the Company has to handover agreed constructed area free of cost which represents land cost and the provision made therefore, including movement thereagainst is as under.

(Amount in ₹)

Particulars	Amount Provided	Amount Paid/Cost of Construction allocated as up to 31.03.2017	Outstanding amount of provision as of 31.03.2016
Estimated construction cost referable to the saleable area to be provided by the Company free of cost to the respective party	345,031,902	119,506,505	225,525,397

33.1.2 In terms of Joint Venture Agreement, the Company was liable to pay compensation of ₹ 20,00,000/- per month for the delay in giving possession. The Company, upto 31st March, 2013, had paid compensation aggregating to ₹ 4,25,00,000/- and thereafter no such recognition was made. In preceding year, based on the settlement reached, ₹ 3,05,00,000/- is crystallised as the final compensation. Accordingly, ₹ 2,00,00,000/- which was paid as interest free performance deposit was adjusted and the balance unpaid amount of ₹ 1,05,00,000/-, was payable on or before 31.03.2017 which has remained unpaid.

33.1.3 The Company 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 part of land on which the Company is developing and constructing its Project. Accordingly, the cost of construction thereof, represents land cost in the hands of the Company. Provision in respect thereof has been made as under:

(Amount in ₹)

Particulars	Amount Provided	Amount Paid/Cost of Construction allocated as up to 31.03.2017	Outstanding amount of provision as of 31.03.2016
Estimated construction cost referable to the residential complex	987,407,805	815,057,671	172,350,134

33.1.4 The Company, keeping in view the maximum potential of the land on which the Project is constructed, is required to purchase Transferrable Development Rights and accordingly, has provided for estimated cost in respect thereof of ₹ 6,08,67,000/-.

33.1.5 Necessary adjustments, if any, is made/shall be made for the estimated cost of land so provided for, upon reaching finality in each of the matter. Accordingly, in the preceding year upon reaching finality as regards one of the joint venture agreement, there was an excess cost allocated to cost of land of ₹ 11,89,31,782/- which was adjusted.

33.2 The Provision made for estimated cost of land is classified as short term, as the corresponding effect thereof is included in Project Work in Progress.

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

34 Revenue from Operations

(Amount in ₹)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
a) Revenue from sale of Products		
Sale of Properties (Refer Note No. 34.1)	222,632,195	1,037,805,909
Sale of Transferable Development Rights	61,785,360	706,216,421
Sale of Development Right (Refer Note No. 34.1)	1,070,000,000	287,500,000
b) Other Operating Income		
Flat /TDR Transfer Charges	10,496,000	19,443,000
Lease Rent Income	759,150	2,642,000
Other Income	1,118,196	5,419,176
Total	1,366,790,901	2,059,026,506

- 34.1 (i) One of its subsidiaries has rights in the land situated at Lower Parel, Mumbai and has constructed a building known as "Turf Estate" on the said land. For the balance development potential on the said land, the subsidiary company has entered into a Memorandum of Understanding [MOU] dated 5th August 2009 with the Company, whereby it has agreed to grant rights for the balance development potential on the said land to the Company for ₹ 1,00,00,000/-, out of which ₹ 25,00,000/- has been paid on execution of MOU and the balance amount is due on execution of development agreement, which is not yet executed.
- (ii) Further, in terms of the aforesaid MOU, the Company through the Subsidiary had the right to approach the unit-holders for re-development of Turf Estate. As the consideration in respect of two units had remained outstanding for long period of time, the Company in the year ended 31.03.2016 entered into an arrangement with the Subsidiary for repurchasing the said units with a right to the Company to acquire the same at cost or otherwise to dispose off the same. Consequent to which, on behalf of the Company, the Subsidiary had repurchased the said two units in the year ended 31.03.2012. Accordingly, on sale of these units during the year ended 31.03.2016, the Subsidiary has paid ₹ 4,15,81,080/- to the Company as "Compensation on Resale of Units", which has remained unpaid.
- (iii) Also further, the Company has formed a joint venture, known as Turf Estate (the JV), to develop and construct a real estate project, which involves rehabilitation of the occupants of the units forming part of the building constructed by the Subsidiary. A Memorandum of Understanding is entered into by the JV with 46 unit owners wherein the Subsidiary is a confirming party. For balance unit owners, the settlement with the JV is pending. The finality as regards rehabilitation of the occupants is not yet reached.

During the year, one of its subsidiaries has executed Indenture of Conveyance with Goan Hotels Private Limited, Horizontal Realty and Aviation Private Limited and Eversmile Construction Company Private Limited (the Purchasers), whereby the Subsidiary has assigned to the Purchasers jointly in the agreed ratios, all its rights entitlements and obligations under the Deed of Assignment of Development Rights dated 19th August, 2015 for an aggregate consideration of ₹107,00,00,000/-, which has been received consequently, in these accounts:

- (a) Revenue of ₹107,00,00,000/- has been recognized; and
- (b) Costs accumulated as expenditure on land for which Development Rights are assigned have been charged off to the Statement of Profit and Loss.

Note: In the opinion of the members of the said subsidiary (Joint Venture), having regard to the terms of Deed of Assignment of Development Rights, more particularly the time frame of the project and the market risks as regards sale/ price, the consideration at which the aforesaid assignment has been made is fair and reasonable.

35 Other Income

(Amount in ₹)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
(a) Interest Income		
- Interest Received on Loans - Others	846,111,391	637,530,411
- Interest on Bank Fixed Deposit	3,175,799	3,252,567
- Interest Received - Other	3,008,739	296,146
Share of Profit/(Loss) from Investment in Partnership Firms & LLP (Net)	29,686,474	(177,111,269)
Dividend Income	38,984	560,298
Profit/ (Loss) on sale of Investments	(106,470,770)	269,984
Finance Income on Financial Assets/Liabilities measured at amortised cost	112,865,175	522,649,039
Fair value gain on investment valued at FVTPL	436,144,637	389,582,963
Advertisement Income	31,666,667	-
Miscellaneous Income	12,274,748	18,978,856
Total	1,368,501,845	1,396,008,995

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

36 Project Expenses

	(Amount in ₹)	
Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Salaries, wages and bonus (including managerial remuneration)	128,140,284	123,068,946
Land acquisition and purchase of tenancy rights	-	31,500,000
Depreciation	14,428,908	10,223,865
Other Construction expenses#	2,679,532,489	3,712,224,353
Total Project Exp	2,822,101,681	3,877,017,164
# Other Construction Expenses	(Amount in ₹)	
Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Consultancy Fee	10,804,416	110,118,032
Construction Expenses	290,521,184	313,848,997
Civil Construction, Material and Site development Expenses	566,785,686	1,072,388,730
Compensation to tenant	10,136,000	12,924,494
Interest and finance charges	1,305,230,558	823,161,380
Staff Welfare and Other Amenities	4,499,780	2,983,507
Contribution to provident fund	1,709,158	1,729,783
Rent, Rates & Taxes	86,453,595	261,553,709
Hardship Expenses	54,276,082	557,508,893
Gratuity	428,644	125,663
General Expenses	1,148,619	5,728,424
Expenditure on land for which Development Rights are Assigned (Refer Note 36.2 & 36.3)	551,368,260	-
Other Project Related Expenses	1,242,076	1,469,511
Legal & Professional fees	139,730,190	223,242,327
Water & Electricity Expenses	5,702,454	5,276,960
Security Charges	8,346,713	7,692,204
Repairs & Maintenance	(948,064)	35,450
Printing and Stationery and Telephone Charges	3,024,831	2,650,081
Travelling and Conveyance Expenses	6,980,759	8,301,202
Miscellaneous Expenses	2,843,915	3,589,050
Leave & License	5,086,438	4,896,446
MHADA Premium	3,646,708	977,357,548
Other Construction Expenses	(142,998,896)	(312,276,490)
Sub-total	2,916,019,107	4,084,305,902
Less :- Interest Received on Fixed deposit	(235,329)	-
Less :- Project Exp Recovered (Refer Note 36.1)	(231,249,988)	(372,023,553)
Less: Cost of construction towards acquisition of land	(4,819,301)	-
Less: Profit on Sale of Property, Plant & Equipments	(182,000)	-
Less: Provision for Gratuity and Leave Encasement no longer required written back	-	(57,996)
Sub-total	(236,486,618)	(372,081,549)
Total	2,679,532,489	3,712,224,353

36.1 As per the terms of the Development Agreement and Supplementary Agreement entered into by one of the subsidiaries with Bhishma Realty Limited (Bhishma), a proportionate expenditure incurred towards the project by the said subsidiary has to be recovered from Bhishma. Accordingly, the said subsidiary has raised various claims towards Bhishma's share of project costs, mobilisation advance, etc. Bhishma has raised certain objections with respect to the said debit note to the tune of ₹ 13,10,27,155. The management is in the process of reconciling the said differences and is hopeful that the disputes would be resolved and there would be no material impact in the financial position of the said subsidiary.

36.2 One of the subsidiaries, during the preceding financial year, had assigned development rights of land to Manvastucon LLP (MAN) vide "Deed of Assignment of Development Rights" dated 19th August, 2015, the principal terms whereof are as under:-

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

- (a) The Project Property to be developed by MAN include land owned by a third party which is pending for acquisition by the said subsidiary and is to be amalgamated with the land of the said subsidiary.
- (b) MAN to place interest free refundable security deposit of ₹ 1,75,00,00,000/- with the said subsidiary which shall stand refunded from time to time as provided in the Deed.
- (c) The Enterprise and MAN to share the Project Realisation as 35.01% and 64.99% respectively.
- (d) Both the parties to fulfil their role and obligation as provided in the Deed.

36.3 During the year, one of the subsidiary has executed Indenture of Conveyance with Goan Hotels Private Limited and Eversmile Construction Company Private Limited (the Purchasers), whereby the Enterprise has assigned to the Purchasers jointly in the agreed ratios, all its rights entitlements and obligations under the Deed of Assignment of Development Rights dated 19th August, 2015 for an aggregate consideration of ₹107,00,00,000/-, which has been received consequently, in these accounts:

- (a) Revenue of ₹ 107,00,00,000/- has been recognized; and
- (b) Costs accumulated as expenditure on land for which Development Rights are assigned have been charged off to the Statement of Profit and Loss.

Note: In the opinion of the members, having regard to the terms of Deed of Assignment of Development Rights, more particularly the time frame of the project and the market risks as regards sale/ price, the consideration at which the aforesaid assignment has been made is fair and reasonable.

37 Purchase of Stock-in-trade

Particulars	(Amount in ₹)	
	For the year ended March 31, 2017	For the year ended March 31, 2016
Purchase of Transferable Development Right	-	359,786,700
Total	-	359,786,700

38 Changes in Inventories of Finished Goods, Stock-in-trade, Project Work in Progress and Raw Material

Particulars	(Amount in ₹)	
	For the year ended March 31, 2017	For the year ended March 31, 2016
Project Work in Progress:		
Opening Balance	20,207,914,600	16,746,656,615
(Less): Transfer from Raw Material at Site	-	(16,066,283)
Add: Adjustment on account of merger	-	319,618,583
Adjustment :- Excess cost allocated to cost of land (Refer note 38.1)	-	118,931,782
Add: Inventories from new projects	15,000,000	-
Closing Balance	(21,797,161,576)	(20,207,914,600)
(Increase)/Decrease in Project Work in Progress	Total (a)	(3,038,773,903)
Transferable Development Rights		
Opening Balance	61,785,360	-
Adjustment to Opening Stock	-	-
Transferred to Advances	-	-
Closing Balance	-	(61,785,360)
(Increase)/Decrease in Transferable Development Rights	Total (b)	(61,785,360)
(c) Raw Material At Site:		
Opening	6,547,759	33,121,572
Add: Adjustment on account of Merger	-	20,712,351
Add: Purchases during the year	-	-
Add: Other adjustments	(4,646,068)	-
Closing	(22,795,231)	(6,547,759)
(Increase) / Decrease in Raw Material At Site	Total (c)	47,286,164
(d) Finished Goods:		
Opening	76,118,350	-
Closing	(41,715,037)	(76,118,350)
(Increase) / Decrease in Finished Goods	Total (d)	(76,118,350)
	Total (a+b+c+d)	(3,129,391,449)

38.1 Necessary adjustments, if any, is made/shall be made for the estimated cost of land so provided for, upon reaching finality in each of the matter. Accordingly, in the preceding year upon reaching finality as regards one of the joint venture agreement, there was an excess cost allocated to cost of land of ₹ 11,89,31,782/- which was adjusted.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

39 Employee Benefits Expenses

(Amount in ₹)		
Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Salaries, Wages and Bonus (Including Managerial Remuneration)	185,440,101	205,244,019
Contribution to Provident Fund and Others	4,403,662	4,764,631
Staff Welfare and Other Amenities	7,841,611	7,669,824
Total	197,685,374	217,678,474

40 Finance Cost

(Amount in ₹)		
Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Interest Expenses	610,594,837	603,032,732
Other Borrowing Costs	9,624,056	41,584,270
Interest paid on cancellation of flats	11,743,755	494,964
Upon recognition of financial liabilities/ financial assets	356,008,941	291,902,938
Less: Transferred to Project Exp	(31,961,786)	(75,562,442)
Total	956,009,803	861,452,461

41 Other Expenses

(Amount in ₹)		
Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Rent (including lease rents (Refer Note No 53(B)))	47,636,325	46,072,104
Rates and Taxes	26,344,520	8,192,490
Repairs and Maintenance	1,302,469	1,600,107
Legal and Professional charges (Refer note 41.1)	72,762,527	55,955,203
Leave & License Fee	6,264,157	5,065,904
Donations	1,916,000	2,049,166
Hardship Compensation	34,044,000	12,444,000
Advertisement and Publicity	7,737,681	93,151,602
Business Promotions Expenses	53,259,229	23,485,847
Commission and Brokerage	26,767,559	21,778,740
Books, Periodicals, Subscription & Membership Fees	2,739,025	2,365,393
Printing, Stationery, Postage, Telegram and Telephone Charges	2,031,945	2,399,185
Travelling and Conveyance Expenses	2,353,480	3,017,719
Compensation for Cancelled Flats (Refer Note 31.2)	-	41,018,756
Directors Sitting Fees	1,020,000	1,360,000
Allowance for Credit Losses	(235,629,068)	966,729,205
Loss on sale of Property Plant and Equipment	402,044	1,039,358
Exchange Loss (Net)	(68,220)	905,810
Sundry Balance written off	146,051,298	1,098,011
Cenvat credit reversal	18,217,201	-
Provision For Impairment Of Loss	92,198,344	-
Provision for doubtful loans and advances	334,553,191	-
Water and Electricity Charges	4,416,338	5,197,251
Housekeeping expenses	1,651,874	2,555,850
Security Charges	2,192,831	6,066,639
Provision for accrued interest	16,577,695	-
Loss on Investments carried at Fair Value Through Profit and Loss	7,154,092	2,943,029
Miscellaneous Expenses	32,111,739	15,837,147
Total	706,008,276	1,322,328,517

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

41.1 Auditor's Remuneration

	(Amount in ₹)	
Payment to auditors - (exclusive of service tax)	For the Year ended 31st March, 2017	For the year ended 31st March 2016
a) Audit Fee (including Limited Review)	7,318,795	9,474,472
b) For other services (Certification and other services)	1,045,280	1,226,887
c) For reimbursement of expenses	73,359	72,096
Total	8,437,434	10,773,455

42 Earning Per Share

Basic and diluted earnings/ loss per share is calculated by dividing the profit/ loss attributable to equity holders of the Company by the weighted average of equity shares outstanding during the year.

	As at 31st March 2017	As at 31st March 2016
a) Basic earning per share		
From continuing operations attributable to equity shareholders	(2.55)	(0.76)
Total basic earning per share	(2.55)	(0.76)
b) Diluted earning per share		
From continuing operations attributable to equity shareholders	(2.55)	(0.76)
Total diluted earning per share	(2.55)	(0.76)
c) Reconciliation of earning used in calculating EPS		
Basic earning per share		
Profit attributable to the equity shareholders of the company used in calculating basic earning per share		
- From continuing operations	(619,748,611)	(184,583,918)
	(619,748,611)	(184,583,918)
Diluted earning per share		
Profit attributable to the equity shareholders of the company used in calculating basic earning per share		
- From continuing operations	(619,748,611)	(184,583,918)
	(619,748,611)	(184,583,918)
d) Weighted average number of shares		
Weighted average number of shares used for calculating basic earning per share	243,258,782	243,258,782
Weighted average number of shares used for calculating diluted earning per share	243,258,782	243,258,782

43 Income Tax

(a) Income tax expense is as follows:

	For the Year ended 31st March, 2017	For the year ended 31st March 2016
Statement of Profit and Loss		
Current tax:		
Tax for the year	(2,221,915)	(28,222,569)
Total current tax expense	(2,221,915)	(28,222,569)
Deferred tax:		
Deferred tax expense	(267,579,911)	(9,084,671)
Total deferred tax expense	(267,579,911)	(9,084,671)
Income tax expense	(269,801,826)	(37,307,240)
Other comprehensive Income		
Deferred tax related to OCI items:		
Income tax relating to items that will not be reclassified to profit or loss	1,813,658	2,203,854
	1,813,658	2,203,854

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(b) Reconciliation of tax expense and the accounting loss computed by applying the Income tax rate:

	For the Year ended 31st March, 2017	For the Year ended 31st March, 2016
Profit before tax	(496,567,457)	(192,265,558)
Tax at the Indian tax rate	30.90% (153,439,344)	30.90% (59,410,057)
Tax effect on amounts which are not deductible (taxable) in calculating taxable income:		
Non-deductible expenses as per Income tax Act	(151,209,683)	(192,888,261)
Effect of Income that do not form part of taxable income	493,958,590	330,716,666
Effect of Loss not recognised as no reasonable certainty of future taxable profits	(140,327,697)	(28,208,167)
Adjustment of current tax for prior periods	(37,300,000)	(11,971,293)
Minimum alternate tax ('MAT') on current year's income	-	(15,700,000)
MAT credit entitlement	-	29,500,889
Fair value adjustment of financial liabilities	(90,441,979)	303,118,571
Fair value adjustment of Financial Asset	(113,886,777)	(203,029,828)
Fair value adjustment of Investments	(87,828,575)	(79,993,554)
Equity component of compound financial instrument	17,258,570	(113,859,172)
Deferred tax on expenses not deductible as per Income tax Act	(8,820,693)	3,921,626
Other adjustments	2,235,763	495,340
Income tax expense	54.33% (269,801,826)	19.40% (37,307,240)

43.1 Above workings are based on provisional computation of tax expense and subject to finalisation including that of tax audit or otherwise in due course.

44 Disclosure on Specified Bank Notes

During the year, the Company had specified bank notes as defined in MCA notification dated 31 March 2017 on the detail of Specified Bank Notes ('SBN') held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination wise SBN and other notes as per the specification is given below:

Particulars	SBNs*	Other denomination notes	Total
Closing cash in hand as on 8-11-2016	3,853,000	134,071	3,987,071
(+) Permitted receipts	-	1,092,635	1,092,635
(-) Permitted payments	-	506,514	506,514
(-) Amount deposited in Banks	3,853,000	22,000	3,875,000
Closing cash in hand as on 31-12-2016	-	695,827	695,827

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

45 Contingent Liabilities and Commitments:

(A) Contingent Liabilities

(Amount in ₹)			
Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
A . Claims against the company not acknowledged as debt			
Appeal Filed in respect of disputed demand of income tax for Assessment Year 2012-13	27,548,990	27,548,990	-
Appeal Filed in respect of disputed demand of income tax for Assessment Year 2013-14	21,752,440	21,752,440	-
Appeal Filed in respect of disputed demand of income tax for Assessment Year 2014-15	17,055,160	-	-
	66,356,590	49,301,430	-

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(Amount in ₹)

	Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
B .	Guarantees and Securities provided to banks and financial institutions (in India and overseas) against credit facilities extended to			
i)	Associates			
	Neelkamal Realtors Tower Private Limited (Guarantee & Security provided) (Refer note (i)) (Loan outstanding is ₹ 3,496,632,736/-)(Previous year ₹ 2,621,548,599/-)(FY 2014-15 ₹ 3,113,536,577/-)	3,500,000,000	3,500,000,000	3,500,000,000
	Sub total (i)	3,500,000,000	3,500,000,000	3,500,000,000
ii)	Jointly controlled entity (Guarantees given & Security provided)			
	DB (BKC) Realtors Private Limited (Refer note (ii)) (Loan Outstanding is Nil) (Previous year Nil) (FY 2014-15 ₹ Nil)	444,000,000	444,000,000	444,000,000
	Sub total (ii)	444,000,000	444,000,000	444,000,000
iii)	Company under the same management			
	Majestic Infracon Private Limited ((Guarantee given & security provided) (Refer note (iii))) (Loan Outstanding is ₹ 681,146,682 as on March 31, 2017) (Loan Outstanding is ₹ 681,146,682 as on March 31, 2016) (Loan Outstanding is ₹ 652,111,989 as on March 31, 2015)	8,530,000,000	8,530,000,000	8,530,000,000
	Bamboo Hotel and Global Centre (Delhi) Private Limited ((Guarantees and securities given) (Refer note (iv)) (Loan Outstanding is Nil)	-	-	1,700,000,000
	Bamboo Hotel and Global Centre (Delhi) Private Limited ((Guarantees given) (Refer note (v)) (Loan Outstanding is ₹ 2,750,000,000/- as on March 31, 2017)	2,750,000,000	-	-
	YJ Realty & Aviation Private Limited ((Guarantee given & security provided) (Refer note (vi))) (Loan Outstanding is ₹ 845,600,000) (Loan outstanding ₹ 849,293,063 as on March 31, 2016)	850,000,000	850,000,000	-
	Pune Buildtech Private Limited ((Guarantee given & security provided) (Refer note (vii))) (Loan Outstanding is ₹ 2,370,673,293/-) (Loan Outstanding is ₹ 2,398,211,293 as on March 31, 2016) (Loan Outstanding is ₹ 2,240,700,000 as on March 31, 2015)	2,380,570,500	2,380,570,500	2,380,570,500
	BD&P Hotels (India) Private Limited ((Refer note (vii)) (Loan Outstanding is ₹ 376,550,424/- as on March 31, 2017))	709,934,000	709,934,000	709,934,000
	Milan Theatres Private Limited ((Guarantee and Security given) (Refer note (viii)) (Loan Outstanding is ₹ 1,765,359,904/-) (Previous year ₹1,266,639,800) (FY 2014-15 ₹ 1,710,000,000/-)	1,745,000,000	1,745,000,000	1,745,000,000
	Sub Total (iii)	16,965,504,500	14,215,504,500	15,065,504,500
iv)	Others			
	Delux Hospitality Limited, Mauritius (Term Loan of USD 138 million) & YJ Realty & Aviation Private Limited (Stand by Letter of Credit of USD 65 million) (Overall Guarantee of the Company in USD 138 million and security for USD 65 million) (Refer note (ix)) (Loan Outstanding is USD 19.97 million as on March 31, 2017)) (Previous year USD 20.35 million) (FY 2014-15 USD 67.27 million)	8,944,387,200	9,153,940,200	8,637,530,400
	Sub Total (iv)	8,944,387,200	9,153,940,200	8,637,530,400
	Grand Total (i + ii + iii + iv)	29,853,891,700	27,313,444,700	27,647,034,900
C.	Arrears of Dividend in respect of 0.001% Redeemable Optionally Convertible Cumulative Preference Shares (ROCCPS)	244	222	175
D.	Arrears of Dividend on 0.001% compulsorily Convertible Cumulative Preference shares (CCCPS)	208	183	183

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(Amount in ₹)

	Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
E.	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	15,000,000
F.	Property Tax Liabilities (Refer note (x))	376,312,296	272,666,043	201,352,313
G.	Interest on delay in payment of dues of service tax upto March 2012	12,768,254	12,768,254	-
H.	Interest on delay in payment of dues of service tax from March 2012 to March 2017	Amount unascertainable	Amount unascertainable	Amount unascertainable
I.	Other Contingent Liabilities (Refer note (xi))	183,357,289	183,357,289	155,475,289
J.	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	Amount unascertainable
K.	Claim against Subsidiaries not acknowledged as debt (for seventeen (previous year eighteen) numbers of cases) petition filed against Subsidiaries, in relation to the Orchid height and Orchid West View projects including one specific legal suit filed by Mr. Byram Rustom Jeejeebhoy against the M/s Jece Corporation (Lessor) & the Subsidiaries in relation to land litigation.	Amount unascertainable	Amount unascertainable	Amount unascertainable
L.	Property Tax for various projects (Refer Note (xiv))	Amount unascertainable	Amount unascertainable	Amount unascertainable
M.	Provisional attachment of assets under Prevention of Money Laundering Act, 2002 for: DB Realty Limited (Refer Note 54) Dynamix Realty (Refer Note 48(A) (iii))	Amount unascertainable	Amount unascertainable	Amount unascertainable
N.	One of the Subsidiaries has filed a petition with Bombay High Court against MCGM & MHADA challenging the wrongful levy and imposition of "Offsite Infrastructure Charges" charged by Respondent of ₹ 137,496,144 in their revised Offer Letter in the pretext of Developmental Charges and have also claimed refund of the Infrastructure charges of ₹120,909,213 which was paid earlier. The High Court has stayed the demand for ₹ 137,496,144 by interim order.	137,496,144	137,496,144	-
O.	Claim against one of the Subsidiary not acknowledged as debt: The Subsidiary is party to various legal proceedings in its normal course of business and does not expect any outcome of these proceedings to have any adverse effect on its financial conditions, results of operations or cash flows. Hence, the same is reflected in contingent liabilities.	3,390,100	2,311,027	-
P.	Income Tax Demand for AY 2013-14 pending at first appellate level	7,939,470	7,939,470	-
Q.	Disputed Income-tax dues	6,561,040	1,419,360	-
R.	On Borrowings from Edelweiss housing finance Limited (EHFL)	700,848	-	-
S.	Civil suit filed towards Orchid View Point project in one of the subsidiaries	7,968,778	6,985,978	-
T.	Objections raised by Project Partner with respect to Share in Project Expenses. (Refer note 48B(x))	131,027,155	30,000,000	-

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(Amount in ₹)

	Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
U.	Complaint has been filed seeking repayment/refund of the principal amount and interest thereon towards their purchase of the proposed flats in the proposed building known as "Orchid Turf View"	390,783,928	390,783,928	-
V.	Criminal Complaint filed at Metropolitan Magistrate Court, Borivali for offence of cheating against Roofi Bhure and Others.	10,000,000	10,000,000	-
W.	Maharashtra Value Added Tax (for FY 2009-10, 2010-11 and 2012-13) (₹ 5,00,000 is paid under protest)	642,413,490	-	-
X.	The Group Entities are parties to various legal proceedings in the normal course of business and do not expect the outcome of these proceedings which is unascertainable to have any adverse effect on their financial conditions, results of operations or cash flows.(Refer Note 46 & 47)			

Notes :

- (i) The Holding Company had given Corporate Guarantee and security on behalf of Neelkamal Realtors Tower Private Limited, an associate company. The Company had also pledged 986,618 shares of Neelkamal Realtors Tower Private Limited. The said facility is also secured by (i) Exclusive charge in respect of all that pieces and parcels of land of Byculla Division CS No.1906 admeasuring 19,434.10 Square Meters and structure constructed or to be constructed thereon. (ii) All moveable fixed and current assets including receivable (present and future) of the project "Orchid Heights"(iii) Escrow Account of project receivables (Orchid Heights). (iv) Personal Guarantee of Mr Shahid Balwa and Mr Vinod Goenka. The outstanding balance of loan as on March 31, 2017 is ₹ 3,496,632,736/- (Previous Year ₹ 2,621,548,599/-) (FY 2014-15 3,113,536,577/-).
- (ii) The Company had given a corporate guarantee of ₹ 750,000,000 on behalf of DB (BKC) realtors Private Limited, Jointly Controlled Company for loan taken from Punjab National Bank. The Company has pledged its investment in the shares of the jointly controlled Company as security. The said Jointly Controlled Entity is still in the process of satisfaction of charge. The said Jointly Controlled Company does not expect any outflow of resources. The outstanding balance of loan as on March 31, 2017 is NIL (Previous Year NIL) (FY 2014-15 NIL).
- (iii) In 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) (As on March, 31 2015 - 8,530,000,000). The Company has also provided collateral securities of its property admeasuring 80,934 sq meters at Malad (East), Mumbai (forming part of Inventory) including all development rights, unutilized Floor Space Index (FSI) / or such other FSI that may be granted in future for ₹ 4,250,000,000 out of total loan amounting to ₹ 8,530,000,000.
- The said facility is also secured by (a) pledge of Majestic Infracon Private Limited shareholding 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 including all development rights, unutilized Floor Space Index (FSI) / or such other FSI that may be granted in future.
- The liability of Punjab National Bank is Nil and of Bank of India is ₹ 681,146,682 (Previous Year ₹ 681,146,682) (as on March, 31 2015- 652,111,989/-) as on March 31, 2017. The Company is confident that this company would fulfill the obligations under the credit facilities and does not expect any outflow of resources.
- (iv) The liability under the said loan is Nil as on March 31, 2017 (Previous Year ₹ Nil) (as on March, 31 2015 Nil). The Company has also obtained No Dues Certificate from IL&FS Financial Services Limited.
- (v) During the year, the Company has given corporate guarantee in respect of facilities availed by Bamboo Hotel and Global Centre (Delhi) Private Limited from Reliance Commercial Finance for ₹ 2,750,000,000/-. The loan is primarily secured by (i) charge on all buildings and structures, (ii) charge on the scheduled receivables, both present and future, (iii) charge over all the rights, titles, interest, claims, benefits, demands under the Project, both present and future, (iv) charge on the escrow account, all monies credited/ deposited therein and all investments in respect thereof, (v) charge on the Transferrable Development Rights till the same is loaded on the project, (vi) mortgage on the assets proposed and located at Asset Area 13, Aerocity Delhi, (vii) Hypothecation of receivables from assets proposed and located at Asset Area 13, Aerocity Delhi, (viii) Charge over security deposit of ₹ 268 crores paid by Heaven Star Hotels (Delhi) Private Limited to DIAL. The outstanding balance of loan as on March 31, 2017 is ₹ 2,750,000,000/-.
- (vi) During financial year 2015-16, the Company had given Corporate Guarantee in respect of loan availed by YJ Realty & Aviation Private Limited from ICICI Bank Limited. for ₹ 850,000,000. The loan is primarily secured against the monthly receivables of the YJ Mall. Other Securities include (i) mortgage of the assets of the borrowing company; (ii) all the moveable assets of the borrowing company; (iii) second charge on the 10 flats of DB Crown flats backed by Corporate Guarantee of Real Gem Buildtech Private Limited; (iv) first pari-passu charge over Bacchuwadi Property, Mumbai (v) personal guarantee of Mr. Vinod Goenka and Mr. Shahid Balwa. The outstanding balance of loan as on March 31, 2017 is ₹ 845,600,000/-. (Loan outstanding ₹ 849,293,063 as on March 31, 2016).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

- (vii) The Company has given corporate guarantees and has given collateral securities of its 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 Private Limited which are not part of DB consolidated group.

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 along with the following common securities (iv) a pari passu charge on its property consisting of Hotel Hilton, Mumbai. The outstanding balance of loan as on March 31, 2017 is ₹ 376,550,424/-.

One of the associate Companies has also given security to Punjab National Bank on behalf of Pune Buildtech Private Limited for ₹ 305,000,000 (Previous year ₹ 305,000,000) (As on March, 31 2015:- ₹ 305,000,000) and had further extended security to Punjab National Bank on behalf of BD & P Hotels (India) Private Limited for ₹ 140,000,000. However, the said associate company has taken counter guarantee against the same from respective entities.

- (viii) The Company has given corporate guarantee to ECL Finance Limited on behalf of Milan Theatres Private Limited which is not a part of DB consolidated group.

The said facility is secured by (i) pledge of 20,000,000 shares of DB Realty Limited; (ii) first mortgage and charge on the land admeasuring 3442.20 sq. mtr. situated at Santacruz, Mumbai; (iii) first mortgage and charge on the land admeasuring 72,000 sq. yards situated at S. No. 92, Mahajan wadi, Thane; (iv) first charge on the existing and future receivables; (v) pledge of 66.67% shares of Milan Theatres Pvt. Limited.; (vi) corporate guarantee of Conwood Construction & Developers Private Limited; and (vii) personal guarantee of Mr. Shahid Balwa and Mr. Vinod Goenka. The outstanding balance of loan as on March 31, 2017 is ₹ 1,765,359,904/- as on March 31, 2016 is ₹ 1,266,639,800 and as on March 31, 2015 is ₹ 1,710,000,000.

- (ix) The Company had given corporate guarantee in respect of facilities availed by Delux Hospitality Limited, Mauritius ('DBH, Mauritius') & YJ Realty & Aviation Private Limited from ICICI Bank UK PLC and ICICI Bank Limited respectively of USD 138 millions – ₹ 8,944,387,200 as at the year end March 31, 2017 (Previous Year ₹ 9,153,940,200) (FY 2015-16 ₹ 8,637,530,400) and security in respect of Bacchuwadi Property of the Holding Company against stand by letter of credit issued by ICICI Bank Limited as an integral part of the arrangement of USD 65 millions. The current outstanding of the loan is USD 19,973,142.85 as on March 31, 2017 (Previous year USD 20,354,984.61) (As on March, 31, 2015- USD 67,274,668) in ICICI Bank UK PLC. 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 guarantee issued by the Company.

The said facilities are secured by (a) mortgage of its property consisting of Dynamix Mall in YJ Realty & Aviation Private Limited and (b) pledge of its entire shareholding of Marine Drive Hospitality & Realty Private Limited in DBH, Mauritius (being the wholly owned subsidiary of MDHPL and (c) pledge of 50,409,641 shares of the Company held by Neelkamal Tower Construction LLP (Previous year 33,997,818), one of the Managing Director and his relatives (16,411,823 shares).

- (x) During an earlier year, one of the joint ventures had received special notice from Municipal Corporation of Greater Mumbai (M.C.G.M) with regard to payment of property tax. In response to said notice, the Joint venture has filed complaint to M.C.G.M stating that the said property belongs to Government of Maharashtra and therefore the assessment for property tax made on the said joint venture is bad in law and void

(xi) Other Contingent Liabilities

- a) One of the subsidiary companies has not recognized brokerages which are due based on the milestone of payment received from customer amounting to ₹ 24,748,255 (Previous year ₹ 24,748,255). The same has been considered as contingent liability as all the bookings are under re-negotiation stage with all the customers with new plan and area based on final settlement. Hence, the brokerages which are due based on specific milestone are shown as contingent liability till the time of final settlement.
- b) In case of cancellation of flat, all cancellations for which payment has not been made are not accepted by customers till the date. The Subsidiary has given option to all customers to cancel and get refund with interest or to continue as a customer with Orchid Height project with new plan and area. Hence, interest liability is not certain as on reporting date. However, the Board has already approved interest @ 12% p.a. on all cancellations in Board Meeting dated November 3, 2012. Hence, entire interest on cancelled flats for which payment has not been made is considered as contingent liability amounting to ₹ 158,609,034 (Previous year ₹ 158,609,034).
- (xii) a) One of the associates has filed an Appeal before the SDO on January 9, 2012 against Order No.TAH / AND / N.A REC / KAVI / 323 / 2011 dated December 09, 2011 passed by Ld. Tahsildar Andheri who has unilaterally & arbitrarily imposed Non Agricultural Assessment amounting to ₹ 4,425,719 in respect of area admeasuring 72,339.30 sq. mts. in the Residential Zone (covered by Slums) and illegally collecting/ withdrawing the sum of ₹ 4,425,719 directly from the bank accounts No.1101/ 5703 of the associate. The associate has inter-alia claimed that since the land is covered by Slums and has not been converted to Non-Agricultural User by the associate, there is no NA Tax liability.
- b) Ravindra Waikar has filed a suit against Vimlabai Shinde in respect of certain land which appears to be in possession of Vimlabai Shinde. This land is owned by the associate and it appears that the associate agreed to sell the same to Ravindra Waikar under a MOU dated April 30, 2005. Ravindra Waikar and Vimlabai Shinde are claiming interest in the land. The associate is a formal party.
- c) Mr. Ahmed Masoomali Siddique & another has filed suit in City Civil Court, Dindoshi against the associate for title by adverse possession of certain area of land situated at Vyralali.

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

- d) Mrs. Mahinder Kaur Sandhu has filed suit in City Civil Court, Dindoshi against the associate alleging that she is in full possession of certain area of plot of land situated at Vyravali and that she should not be dispossessed of the suit property.
- e) The associate has filed a Writ Petition before Bombay High Court for challenging the legality and validity of various letters addressed by certain respondent in respect of declaring and acquiring the Certain part of Studio Premises (i.e. Plot adm. 9540 sq mtrs) being a protected monument. Vide this writ petition the associate is seeking court to consider concerned purchase notice in respect of such parcel of land as being under reservation of "Caves" in the sanctioned Development Plan.
- f) The associate has filed a Commercial Suit (L) No. 129 of 2017 in High Court against 1) Shemaroo Entertainment Ltd. 2) Kamal Amrohi Films, 3) Tajdar Amrohi, 4) Ramnord Research Labs Limited. This suit was filed by the Plaintiff pleading the court to declare the Plaintiff as the sole and exclusive owner of copyright in the cinematograph film titled "Pakeezah" and to grant an injunction restraining the defendants and/or any other persons claiming in any manner or exploiting the any rights in respect to Pakeezah so as to infringe the Plaintiff's copyright in the same.
- g) Contingent Liability for the above legal cases mentioned in point number b to f, as per management's view and considering the status of cases as of date, can not be ascertained in financial terms.

Contingent Liability for the legal cases mentioned above as per management's view and considering the status of cases as of date, can not be ascertained in financial terms. The Company is liable only for its share of investment.

- (xiii) One of the subsidiary companies has provided security by way of registered mortgage (first charge) in favour of ICICI Bank over the 10 (ten) proposed flats within its Project "DB Crown" having proposed area admeasuring 22,653 square feet. The subsidiary is confident that M/s Y J Realty & Aviation Private Limited would fulfill the obligation under the credit facilities and does not expect any outflow of resources. Further, considering the fact that the 10 flats are to be constructed in future, the amount of contingent liability is not ascertainable.
- (xiv) Property tax liability of one of the subsidiary Company for financial year 2010-11 to 2014-15 are not ascertainable due to changes in rates and area of property. However, the Company had made a provision of ₹ 71,179,893 in relation to property tax based on internal working. Any further liabilities in addition to provisions made are not known as on reporting date.
- (xv) In case of DB BKC, ECC DB JV, Priya Constructions and Neelkamal Suburban Private Limited have certain on going litigations, the outcome of which is unascertainable. The companies have decided to provide for the liability on its acceptance and does not expect the same to have any material adverse impact on its financial position.
- (xvi) In case of DB BKC, the Company accounted for compensation of ₹ 4,83,64,000/- during the preceding year for which agreements were executed in prior years but for which effect was not given. Though, the same had no impact in the determination of loss for the preceding year as the compensation was allocated to the value to Project Work-in-Progress, it represent prior year adjustment(s).
- (xvii) In case of DB BKC, Punjab National Bank (PNB) has not released the equitable mortgage over the Company's leasehold rights over the land though the sanctioned term loan was never drawn, to cover up the shortfall if any that may result in the event the Hon' High Court of Bombay decides against the appropriation made by PNB of squaring off the term loan given to Etisalat D B Telecom Private Limited (promoters of the said company are Key Management Personnel of DB Realty Limited) with the fixed deposits placed with them. This action of PNB shall not have any adverse impact on the Company's project. Further, the Company has also filed a petition U/s. 87 of the Act with Registrar of Companies, Mumbai for release of charge on the assets in favour of PNB.
- (xviii) In case of DB BKC, one of the shareholder, Trinity Capital (Ten) Ltd [Trinity] has filed a petition under section 241-242 (Oppression and Mismanagement) for oppressing its rights and depriving of information relating to the Company against the Company and its Directors before National Company Law Tribunal. An ad-interim order dated 19th May, 2017 has been passed and the matter is fixed on 3rd July, 2017. The Hon' Tribunal has inter-alia passed the following orders:
- Company to disclose all the financial details and all other details in relation to the Company to Trinity;
 - Company not to create any third party rights in respect of the immovable property which is subject matter of the Project;
 - Company to maintain its shareholdings and maintain status quo in relation to its share capital; and
 - Company to file their reply on or before the first week of June.

(B) Capital & Other Commitments

(Amount in ₹)				
(i)	Particular	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
	Capital Commitment			
	Estimated amount of contracts remaining to be executed on Intangible Assets under Development	2,046,000	119,446,507	99,000,000
	Cost to be incurred for completion of Leased Units	-	-	1,683,786
	Other Commitment			
	Estimated amount of contracts remaining to be executed other than capital account and not provided	6,944,205,030	6,944,205,030	6,979,291,755
	Investment in Redeemable Optionally Convertible Cumulative Preference Shares of Konark Realtech Pvt. Ltd.	281,405,280	281,405,280	372,905,280

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

- (ii) One of the subsidiary company has been admitted as a partner in M/s Om Metal Consortium (“OMC”), which has been awarded tender by MHADA for construction of Rehabilitation Tenements and Buildings after redevelopment of existing transit camp against which OMC is entitled for Free Sale Premises.

As per the terms of the deed, the subsidiary is admitted as a partner with 50% interest subject to it contributing ₹ 600,000,000 as a non refundable amount, out of which as up to year end ₹ 500,000,000 has been contributed and balance ₹ 100,000,000 has not been paid due to litigation filed by the company against OMC.

Further, in terms of the deed, the firm, the subsidiary and the other partners of OMC has executed “Construction Agreement” setting out the rights and the obligations of the company and the other group. As per the agreement, the company is entitled for 50% of the Free Sale Premises and has to incur there against the costs detailed out therein (including the liabilities for direct/indirect taxes). Accordingly, the cost which are incurred as part of the subsidiary’s obligation are allocated as Project Work in Progress in this account. Similarly, the amount of ₹ 600,000,000, being non refundable contribution is also allocated to Project Work in Progress since it represents non-refundable outflow of resources in the hands of the subsidiary for getting right in Free Sale Premises. Under the circumstances, the balance standing to partners’ capital account does not include that of ₹ 500,000,000 paid by the company to OMC.

- 46 During an earlier year, the Company 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 that 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 Hon’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 favourable resolution in getting the matter resolved favourably and accordingly the said advance paid is considered to be good of recovery.
- 47 a) The Company has incurred a sum of ₹ 176,762,001 (Previous year ₹ 174,652,001), (including loans and advances of ₹ 140,662,001, Previous year ₹ 140,662,001) (As on March, 31 2015- 139,346,834/-) 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.
- b) In respect of project under development having a value of ₹ 351,585,508 (Previous Year ₹ 351,338,711) (forming a part of inventory) The Bombay High Court has ordered payment of money under the award as and by way of part compensation of ₹ 72,888,368 towards land acquisition (included under current liabilities) the company has moved to Supreme Court against such order of the High Court seeking further compensation of ₹ 216,813,968. The company also expects to recover amounts paid to other parties towards the project. Pending outcome of the matter, no adjustment have been made in the accounts in this regard.
- c) The financial statements of one of the Subsidiary Companies and its subsidiaries/associates/ joint ventures have not been consolidated in the consolidated financial statements. The Company controls the subsidiary company in terms of Ind AS 110. In absence of the availability of the financial statements of such subsidiary company, the auditor are unable to quantify the effects on the consolidated financial statements of the Group and its associates and joint ventures.
- 48 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 Ind-AS- 28)

- i) Notes to financial statements of Dynamix Realty (Dynamix) are as follows:
- (a) The Firm has filed legal cases against these parties before the Hon’ High Court of Bombay for recovery of outstanding amounts along with interest thereon, which are pending. The Firm is confident that the outcome of these cases would be in its favour and hence, the outstanding amounts shall stand realised in due course of time. Under the circumstances, provision for doubtful debts, if any, is not considered necessary to be provided for.
- (b) After trade receivables were provisionally attached, amount of ₹ 497,100,000/- was realised from the said party, for which requisite information has been made to the prescribed authority. Further, the Directorate of Enforcement has realised the balance amount of ₹ 345,120,750/- .
- (c) The Partners of the Firm had taken effective steps for recovery and was not expecting any short realisation and therefore had framed opinion that the same were good for recovery. During the year, after making evaluation of the recovery aspects, it was decided to provide for doubtful recovery since the debts have become overdue for substantial period of time.
- (d) The expected credit losses of the receivables attached under the Money Laundering Case, which have been determined in the premise that the outcome of the case would be decided in the financial year 2018-2019 in firm’s favour and consequently, would realise these debts by 31st March, 2019.
- (e) Trade Receivables, considered good outstanding more than 6 Months of ₹366,404,105/- (Previous year ₹ 379,109,500/-) (net of provision for expected credit loss) attached under the PML Act. The Firm has filed legal cases against these parties before the Hon’ High Court of Bombay for recovery of outstanding amounts along with interest thereon, which are pending. The Firm is confident that the outcome of these cases would be in its favour and hence, the outstanding amount shall stand realised in the due course of time. Under the circumstances, provision for doubtful debts, if any, is not considered necessary to be provided for.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

As regards trade receivable, considered doubtful of ₹ 63,243,892/- (Previous year ₹ 63,243,892/-) (As on March, 31 2015 - 90,743,892/-), the Partners of the Firm have taken effective steps for recovery and do not expect any short realization. Therefore, the Partners of the Firm have framed their opinion that the same are good for recovery.

(ii) Notes to Financial Statement regarding property tax liabilities:

The Firm has disputed liability for property tax on the land on which it has constructed the Project as the said land was conveyed to the Municipal Corporation of Greater Mumbai (MCGM), though it provided for such property tax as upto March 31, 2012 and accordingly has not paid ₹ 10,234,515 (Previous Year ₹ 10,234,515). Without prejudice to the same, in any view of the matter, in terms of the agreement with Slum Rehabilitation Authority as well as with MCGM, the Firm is not liable for property tax effective April 2012. Accordingly, the amounts of ₹ 3,374,099 (Previous Year ₹ 3,374,099) paid under protest on or after April 2012 are carried forward as recoverable from MCGM. Adjustment entries shall be passed once the outcome is finalized.

(iii) 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 Realty Private Limited aggregating to ₹ 2,092,500,000/-, (the said loans) as upto 31.03.2010, as of 31.03.2017, which along with interest thereon stands recovered. 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 Kalaaignar TV Private Limited (Kalaaignar) through Kusegaon Realty Private Limited 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 ₹ 200,00,00,000/- is accepted as genuine business transaction, the said loans obtained by Kalaaignar 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/-) (As on March, 31 2015- ₹ 1,338,900,000/-) were provisionally attached, out of which, trade receivable of ₹ 497,100,000/- (Previous year ₹ 497,100,000/-) are realised by BD, Delhi. An appeal has been preferred against the Order before the Appellate Tribunal under the PML Act. The Directorate of Enforcement has taken physical possession of bank balance of ₹ 3,599,925/- (Previous Year ₹ 3,599,925/-) (As on March, 31 2015- ₹ 3,599,925/-) and has realised the trade receivable (The Phonix Mills Limited) of ₹ 345,120,750/- (Previous Year ₹ 345,120,750/-) (As on March, 31 2015- ₹ 345,120,750/-). Against such recoveries the Firm has made a representation to convert the amount so recovered into fixed deposits to be held by them in trust, which is pending. These recoveries by Directorate of Enforcement are shown as receivable from Directorate of Enforcement in the firm's financial statements.

Further, on 24.04.2014, the Directorate of Enforcement has filed a complaint before the Hon'ble Special Court in connection with the Prevention of Money Laundering Case relating to the 2G Spectrum Case against 19 accused including the Firm and its partners. The Hon'ble Special Court by an Order have framed charges against the accused persons, including the Firm. The Firm has been alleged to have paid illegal gratification of ₹ 2,000,000,000/- to Kalaaignar on behalf of an accused public servant, through the process of layering and received back the same again through the process of layering from Kalaaignar as ₹ 2,235,500,000/-. Thus, the Firm is alleged to be involved as also alleged to have committed an offence of money laundering under section 3 of the PML Act, which is punishable under section 4 of the PML Act.

As upto the date of signing of the financial statements, the outcome of 2G Spectrum Case/Money Laundering Case are sub-judiced.

(iv) Notes to Financial statements relating to procedures pertaining to direct confirmations:

Balances of trade receivables and payables are subject to confirmation, wherever applicable and reconciliation, if any.

(v) Group share in loans and advances :

Includes ₹ 236,879,496 (Previous Year ₹ 236,994,543) 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 TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(vi) One of the Joint venture has issued 0.001% Redeemable Optionally Convertible Cumulative Preference Shares Series "A" & "B" and 0.001% Compulsory Convertible Preference Shares Series "C" the latest date of redemption/ conversion (as applicable) of the share was March 26, 2012 and January 30, 2012 respectively (the said shares). Redemption / conversion (as applicable) in relation to the said shares is not made pending reaching finality in the matter with the respective shareholders. In view of the above, the accounting implications arising due to conversion/ redemption (as applicable) would be carried out in the year of reaching finality with the respective shareholders in relation to the amounts reported under the heads Paid up Share Capital and Securities Premium Account.

(vii) In respect of project on hand, accounting of compensation/ additional compensation (as applicable), in relation to following categories of occupants, as upto year end, with whom execution of agreement(s) for obtaining of release of rights in the premise and possession thereof and/ or obtaining possession, is pending and shall be accounted in the manner as indicated hereunder, having no impact in determination of loss for the year in view of the accounting policy followed of allocating such expenditure to Project Work-in-Progress.

Advances paid to the occupants, including unauthorized, in aggregate of ₹ 6,895,758 (Previous Year ₹ 6,895,758) for which agreements are yet to be executed and consequently, compensation shall be accounted on execution thereof.

Though agreements have been executed, but the occupants are demanding additional compensation and consequently, have not given possession of the premises. Provision for additional compensation shall be made on reaching finality in the matter.

Other unsettled occupants, the provision for compensation in respect thereof shall be made on execution of agreements and obtaining possession of their respective premises.

(viii) As regards order passed by Appellate Committee of Ministry of Civil Aviation in one of the Partnership Firms where the Company is a partner for demolition of floors beyond the permissible height. The firm is in appeal before the Hon'ble Delhi High Court against the said order. In the opinion of the Management, the firm is hopeful for favorable outcome and hence it does not expect any financial outflow in this manner.

(ix) With respect to project work in progress of ₹ 644,110,717/- in an Associate Company where such company is currently under process of resolving the internal disputes among the partners of the firm vis-a-vis the Development Agreement, for which appeals have been filed. The Management of associate company expects favorable outcome in the matter and accordingly, is of the opinion that the land shall be available to such company for development.

Notes to financial statements of DB Hi-Sky relating to matter which is sub-judice:

(x) The Associate has entered into a Development Agreement with the partners of a firm on 05.04.2010 for acquiring their interest in development rights of land to the extent of 49.50% admeasuring approximately 22.5 acres equivalent to 91057.50 Sq. Meters at Mankhurd, Chembur for developing residential housing complex. The Associate is currently under process of resolving the internal disputes among the partners of the firm vis-a-vis the Development Agreement, for which appeals are filed. The management expects favorable outcome in the matter and accordingly, it is of the opinion that the land shall be available to it for development.

B) Subsidiaries (Consolidated as per Ind-AS 110):

(i) One of the subsidiary company has granted loan of ₹ 81,400,000 (Previous Year ₹ 81,400,000) to a company, whose debts amounting to ₹ 226,654,172 (Previous Year ₹ 228,057,274) have been acquired from Yes Bank Ltd. In the opinion of the Management, the loan outstanding as of year-end though subject to confirmation is good for recovery but provision is made for allowance of expected credit losses based on the management's expectation of realisation of the said loan. Further, the balance is subject to confirmation.

(ii) One of the subsidiary company has acquired Debts of ₹ 2,503,318,546 (Previous Year ₹ 2,605,918,546) and all the right, title and interest in and to the Debts along with the Underlying Security Interest from Yes Bank Limited by way of assignment by executing Deed of Assignments. Consequently, the original borrowers are reflected in these accounts as debts due to the Company on assignment. The Underlying Security Interest is yet to be created in favour of the subsidiary company and hence these debts are classified as "unsecured". In the opinion of the Management, these debts are good for recovery though the balances are subject to confirmation. Further, as a matter of prudence, interest income, if any, shall be recognised on its realisation. Also further, having regard to the steps taken for recovery of these debts, provision has been made for allowances for credit losses.

(iii) One of the subsidiary company had received a sum of ₹ 200,000,000 in earlier year from Housing Development Infrastructure Limited (HDIL) for which terms and conditions are pending for execution. Accordingly, necessary adjustment entries including reclassification, if any shall be made in the year in which arrangement is executed with HDIL as regards the said amount. Further, the balance is also subject to confirmation.

Trade payables of one of the subsidiary company includes ₹ 110,000,000 due to Housing Development Infrastructure Limited being the consideration towards purchase of 5,000 Sq. mtrs of TDR, which has been withheld as the rights for 1,500 Sq. mtrs. of TDR are yet to be transferred. Further, the balance also is subject to confirmation.

(iv) One of the subsidiary company is a partner in firm viz; M/s Om Metal Consortium ("OMC"), which is a jointly controlled entity. The Company has recognised share of profit for FY 2014-15 based on the audited accounts of OMC. However, the said subsidiary company has not recognised the share of profit for FY 2015-16 and FY 2016-17.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

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

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

- (vi) In case of one of the subsidiary, the Land on which the said company is developing its Project has been acquired by the company on its own account as well as under joint venture agreements. As per the joint venture agreements, that company has to handover agreed constructed area free of cost which represents land cost and the provision made therefore, including movement there against is as under.

(Amount in ₹)			
Particulars	Amount Provided	Amount Paid/ Cost of Construction allocated as up to March 31, 2017	Outstanding Amount of Provision as of March 31, 2017
Estimated construction cost referable to the saleable area to be provided by the entity free of cost to the respective party	345,031,902	119,506,505	225,525,397
	(345,031,902)	(119,506,505)	(225,525,397)

(Figures in brackets denote Previous Year's balances).

Notes:

- a) In terms of Joint Venture Agreement, the Company was liable to pay compensation of ₹ 20,00,000/- per month for the delay in giving possession. The Company, upto 31st March, 2013, had paid compensation aggregating to ₹ 4,25,00,000/- and thereafter no such recognition was made. In preceding year, based on the settlement reached, ₹ 3,05,00,000/- is crystallised as the final compensation. Accordingly, ₹ 2,00,00,000/- which was paid as interest free performance deposit was adjusted and the balance unpaid amount of ₹ 1,05,00,000/-, was payable on or before 31.03.2017 which has remained unpaid.
- b) The Company 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 part of land on which the Company is developing and constructing its Project. Accordingly, the cost of construction thereof, represents land cost in the hands of the Company. Provision in respect thereof has been made as under:

(Amount in ₹)			
Particulars	Amount Provided	Amount Paid/Cost of Construction allocated as up to March 31, 2017	Outstanding Amount of Provision as of March 31, 2017
Estimated construction cost referable to the residential complex	987,407,805	815,057,671	172,350,134
	(987,407,805)	(810,238,370)	(177,169,435)

(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 Transferrable Development Rights and accordingly, has provided for estimated cost in respect thereof of ₹ 60,867,000 (Previous Year ₹60,867,000).

Necessary adjustments, if any, is made/shall be made for the estimated cost of land so provided for , upon reaching finality in each of the matter. Accordingly, in the current year upon reaching finality as regards one of the joint venture agreement, there was an excess cost allocated to cost of land of ₹ 118,931,782 (Previous Year ₹ 118,931,782) which has been adjusted.

- (vii) During the preceding year, one of the subsidiary, on carrying out the measurement of saleable area, there was increase in the area as compared to the earlier estimate. Further, the management had also revised the estimate of project cost. These revisions had the impact of reversal of the profits recognised as upto 31st March, 2015 of ₹ 11,34,25,302/-, which has resulted into loss for the preceding year. During the year, the management evaluated the estimated total project cost and formed an opinion on the facts that there is no material change as compared to such estimation made in the preceding year and as such no revision has been carried on in this year. The project costs and salable area are as certified by the Company and the same have been relied upon by the Statutory Auditors of the Subsidiary. Keeping in view the amount recognised on sale of units and the expected amount to be recognised as also the estimated project cost, on an overall basis, the Company shall be earning profit from its project. However, the loss for the year is mainly on account of provision made for doubtful loan and interest receivable thereon and interest cost not related to project.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

- (viii) 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 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 subsidiary Company, the said land would be available to it for development. Further, the subsidiary 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, 2017 is ₹ 860,968,925/- (Previous year ₹ 857,689,491/-).
- (ix) The Letter of Allotment (LOA) issued by Pinprick Chinchwad New Town Development Authority (PCNTDA) for development and construction of the Project was cancelled by them during the earlier 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. As the Company expects positive outcome from the writ petition whereby it would be able to develop the Project or awarded compensation of an amount not lower than the value of Project work-in-progress. 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)
- (x) One of the subsidiary Company was formed as a special purpose vehicle for the holding company's bid for development of the Government Colony Plot " Part -I " in Bandra (East), Mumbai which had been accepted by Govt. of Maharashtra's P.W.Department in year 2010. For execution of work order for the said project, the P.W.Department has asked the company to pay minimum upfront amount (including maintenance corpus) of ₹ 8,029,500,000. Against the said demand, the company has offered to pay an amount of ₹ 3,629,500,000 simultaneously with the execution of concession agreement with P.W.Department for issuance of work order as per the company's understanding of the provisions contained in the Tender. The P.W.Department cancelled the tender on 26th February, 2015. The holding company has filed writ petition No. 2034/2015 in the Bombay High Court in respect of arbitrary cancellation of the tender for development of Government Colony "Part-I". The Management expects positive outcome of the matter, hence considering the same no diminution in the value of inventory is considered necessary. The case is still pending with Hon'ble High Court. Since the matter sub-judiced and in the absence of clarity on the outcome of matter, the subsidiary has written off the carrying value of Project Work in Progress.
- (xi) As per the terms of the Development Agreement and Supplementary Agreement entered into by one of the subsidiary company with Bhishma Realty Limited (Bhishma), a proportionate expenditure incurred towards the project by the company has to be recovered from Bhishma. Accordingly, the company has raised various claims towards Bhishma's share of project costs, mobilisation advance, etc. Bhishma has raised certain objections with respect to the said debit note to the tune of ₹ 131,027,155. The management is in the process of reconciling the said differences and is hopeful that the disputes would be resolved and there would be no material impact in the financial position of the company.
- (xii) One of the subsidiary has entered into an indenture dated November 30, 1977 with Mr. Shabbir H. Salehbhai and others pursuant to which ownership of approximately 10,000 sq. ft land at Byculla, Mumbai, has been transferred to the subsidiary company. The management is of the opinion that the present value of the said land is more than enough to cover the losses incurred by the subsidiary company. Further, the subsidiary company along with its holding company proposes to merge the land with a larger portion of land held by the holding Company for the purpose of development. The auditors of the said subsidiary company have relied on the above information and are of the opinion that the subsidiary company can be regarded as a going concern and hence the accounts of the company have been finalized as a going concern.
- (xiii) 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.
- (xiv) 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 agreeegating to Rs 21,500,000 is lying with the MIG Society, which will be refunded/adjusted as per the terms of Development Agreement.

Further, the Company has entered into a Joint Development Agreement with Vishwaroop Estates and Developers Pvt Ltd to jointly undertake the execution of the Re-development project . Both the parties have clearly mentioned their roles and function in relation to the Project. The agreement is exclusively an area sharing agreement executed between the parties.

- (xv) 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, contractor's 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.

- (xvi) Status of project in case of one of the subsidiaries is as under:

The Company had acquired under Agreement, a plot of land situated at Sahar, Andheri (East), Mumbai from Gonsalves Family and Ors, the ownership whereof was vested with them consequent to the Order passed by the Revenue Minister of the Government of

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

Maharashtra (Revenue Minister) in the year 1995. The said Order was subsequently reversed by the Revenue Minister in the year 1998, holding that the said plot of land belongs to the Government and not Gonsalves Family and Ors (Reversed Order). The Company has challenged the said Reversed Order before the Hon. High Court of Bombay, which is pending as of now. However, in the year 2007, the Revenue Minister cancelled the Reversed Order and restored the Order passed in the year 1995, consequent to which the Company obtained ownership thereof.

In this background, a Public Interest Litigation (PIL) was filed before the Bombay High Court and their Lordships in Order dated 1st May, 2010 have restored the Revenue Minister's Order passed in 1998 whereby the ownership of the said plot of land is held to be that of the State Government but subject to the outcome of the petition before the Hon. High Court of Bombay. In the PIL, the Order of 1995 was not challenged. Further, the Company has challenged the judgment of the Bombay High Court in PIL by way of 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 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 would 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, 2017 is ₹ 1,113,431,041/- (Previous year ₹ 1,110,156,517/-)

In view of above, though the accumulated losses have exceeded the Company's net worth, these accounts have been prepared on a going concern basis as the Management expects that the land would be available for development.

- (xvii) The Company's claim for admissibility of recovery of loss incurred on sale of equity shares of Air Inn Private Limited by the holding company amounting to ₹ 17,99,62,658/- and interest of ₹ 1,93,26,416/- charged on such amount on the principle of commercial expediency under the tax laws has not been accepted. The matter is sub-judice before the first appellate authority. Penalty proceedings are initiated against such claim which are also sub-judiced now, pending outcome of the appeal. The minimum amount of penalty involved is ₹ 5,97,86,722/-.
- (xviii) Comprises of cost of construction of ₹ 1,96,61,500/- and interest of ₹ 11,20,40,111/- and the same is not written off, though the LOA stands cancelled, as the Company expects positive outcome from the writ petition whereby it would be able to develop the Project or awarded compensation of an amount not lower than the value of Project work-in-progress.
- (xix) Turf Estate JV is a joint venture (JV) between Jony Estate Pvt. Ltd. with 1/3rd share and DB Realty Limited with 2/3rd share in the profit and loss of the JV. Jony Estate Pvt. Ltd. has agreed with DB Realty Ltd. for a fixed share in the saleable area and also interest free performance security deposit instead of the 1/3 share of profit and loss in the joint venture. The amendment agreement to the terms of the joint venture are still in process and the same is yet to be finalised. Pending the execution of amendment to JV agreement, Jony Estate Pvt. Ltd., have conveyed their inability to sign the balance sheet of the JV as of 31-3-2017, hence D B Realty Limited alone have signed the balance Sheet of Turf Estate JV as of 31-3-2017.
- (xx) Loan granted by a Subsidiary company aggregating ₹ 1,570,000,000/- to a related party whose net worth is eroded. The Management of the Subsidiary Company considers this loan as good and recoverable.
- (xxi) Interest-free advance payable on demand given by a Subsidiary Company to one related party amounting to ₹ 5,864,323,673/- . As explained by the Management of the subsidiary company, the Net worth of the said related party is positive and is confident of recovering the loan as and when demanded.
- (xxii) In case of a Subsidiary company, where to discharge the corporate guarantees aggregating ₹ 1,090,000,000/-, the subsidiary company has entered into agreements with a related party and a bank, whereby the Subsidiary company has offered 27 units in its project to the bank for total consideration of ₹ 1,090,000,000/-. The sale agreement for all 27 units have been registered in the name of the bank. The amount is shown as recoverable from the related party as interest free unsecured loan payable on demand and is credited as consideration received for sale of flats under other liability.
- (xxiii) Guarantees and securities provided by a subsidiary company for amounts aggregating ₹ 750,000,000/- to banks and financial institutions on behalf of two group companies as on March 31, 2017, which are significant in relation to the net-worth of the subsidiary company. In the opinion of the Management of the subsidiary company, these are not expected to result into any financial liability on the subsidiary company.
- (xxiv) With respect to one of the Subsidiary Companies, its management's estimate for recoverability of advances amounting to Rs 30,675,000 towards purchase of land/tenancy rights where the Subsidiary Company is yet to enter into definite agreements and/or conveyance of land yet to happen and monies paid amounting to ₹ 84,110,000/- to land aggregators where the aggregator's are yet to complete their obligation.
- (xxv) As regards a Subsidiary Company which has granted loan aggregating to ₹ 515,312,812/- to a Related Party M/s. Y J Realty & Aviation Private Limited for which no provisions for bad and doubtful loan have been made though such related party has incurred losses and has negative net worth as per latest audited financial statements for the year ended March 31, 2016. As explained in said note, the subsidiary company considers above loan as good for recovery based on current values of a property held by the said related party which is in excess of its carrying value. Accordingly, the said loan is considered good and recoverable by the management.
- (xxvi) One of the Company's wholly owned subsidiary, DB Man Realty Private Limited has not written off the inventory amount though LOA stands cancelled, as the said company expects positive outcome from the writ petition. 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

C) Joint Ventures (consolidated as per Ind-AS 110)

- (i) In case of one of the joint venture, there are certain on-going litigations relating to the project, the outcome of which is unascertainable. The said joint venture has decided to provide for the liability on its acceptance and does not expect the same to have any material adverse impact in its financial position.

49 The Company has made investment in certain associates of ₹ 461,728,405 (Previous year ₹ 400,388,815) and given loans and advance to an associates of ₹ 154,752,678 (Previous year ₹ 133,083,080) which have incurred Losses and have negative net worth. These entities are in early stage of real estate development and the loans and advances and investments are considered good and recoverable based on assessment of the projects under execution.

50 Managerial Remuneration (pertaining to the Holding Company)

(Amount in ₹)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Directors' sitting fees	1,020,000	1,360,000
Total	1,020,000	1,360,000

- a) In view of inadequate profit during the current and previous year, the Company has not paid managerial remuneration to any managing director in both years.
- b) Contributions to provident and other funds are not made as per declarations of non deduction received from the respective directors. Further, 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.
- 51 As per Indian Accounting Standard-19 "Employee Benefits", the disclosures of Employee Benefits as defined in the Indian Accounting Standard are given below:

I Defined Contribution Plan:

Contribution to Defined Contribution Plan recognized as an expense for the year is as under:

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Employer's contribution to Provident fund & Other Funds*	4,117,890	4,595,558
Employer's contribution to ESIC*	285,772	169,072
Total	4,403,662	4,764,630

* Further, the Group has inventorised contribution to Provident Fund, ESIC & Other Funds amounting to ₹ 1,716,018 (Previous Year ₹ 1,942,175) during the year.

II 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.

The following table sets out the status of the gratuity plan (unfunded) and the amounts recognised as at March 31, 2017:

a) Reconciliation of opening and closing balances of Defined Benefit Obligation:

(Amount in ₹)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Defined Benefit obligation at the beginning of the year	38,512,928	35,973,562
Acquisition Adjustment	1,338,878	6,920,666
Interest Cost	2,906,834	2,844,329
Past Service Cost	(6,627,676)	-
Current Service Cost	7,847,010	8,478,466
Settlement Cost/(Credit)	(1,269,900)	(4,232,575)
Benefits paid	(2,266,037)	(984,392)
Impact of transfer of employees	214,318	-
Actuarial (gain)/loss	(8,277,171)	(10,487,128)
Defined Benefit obligation at the end of the year	32,379,184	38,512,928
Net Liability		
- Current	10,356,247	9,267,017
- Non-Current	22,022,937	29,245,912

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017
b) Expense recognized during the year:

Particulars	(Amount in ₹)	
	For the year ended March 31, 2017	For the year ended March 31, 2016
Current service cost	7,072,577	8,478,466
Past Service Cost	(6,627,937)	-
Settlement Cost/(Credit)	(184,677)	(165,764)
Interest cost	2,906,834	2,844,329
Acquisition (gains)/loses other impact	228,427 6,135	1,960,337 (546,660)
Expense Recognised in Profit and loss account	3,401,359	12,570,708

c) Recognised in other comprehensive income for the year.

Particulars	(Amount in ₹)	
	For the year ended March 31, 2017	For the year ended March 31, 2016
Experience (Gain) / Loss on plan liabilities	(8,870,325)	(5,051,277)
Demographic (Gain) / Loss on plan liabilities	98,127	2,798,146
Financial (Gain) / Loss on plan liabilities	305,099	(8,882,738)
Actuarial (gain)/loss	(8,467,099)	(11,135,869)

d) Actuarial Assumptions (As considered in the Financial Statements of holding Company)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015
Mortality table	IALM (2006-08) ult.	IALM (2006-08) ult.	IALM (2006-08) ult.
Discount rate (per annum)	6.80%	7.80%	7.80%
Rate of escalation in salary (per annum)	10.00%	10.00%	15.00%
Expected Average remaining working lives of employees (years)	3.44	6.85	5.22
<u>Withdrawal Rate</u>			
Age upto 30 years	26.00%	12.00%	17.00%
Age 31-40 years	26.00%	12.00%	17.00%
Age 41-50 years	26.00%	12.00%	17.00%
Age above 50 years	26.00%	12.00%	17.00%

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.

e) Expected Future Benefit Payments.

Particulars	(Amount in ₹)	
	Gratuity (Un-Funded)	
	For the year ended March 31, 2017	For the year ended March 31, 2016
Within the next 12 months (next annual reporting period)	8,252,000	8,661,000
Between 2 and 5 years	14,206,000	16,157,000
Between 6 and 10 years	9,820,000	30,602,000

f) Quantitative sensitivity analysis for significant assumption is as below

Sensitivity analysis indicates the influence of a reasonable change in certain significant assumptions on the outcome of the Defined Benefit Obligations (DBO) and aids in understanding the uncertainty of reported amounts. Sensitivity analysis is done by varying one parameter at a time and studying its impact.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

- 1 Increase/ (Decrease) on present value of defined benefits obligation at the end of the year:

Particulars	Gratuity (Un-Funded)	
	For the year ended March 31, 2017	For the year ended March 31, 2016
One percentage point increase in discount rate	(7,735,637)	(7,626,818)
One percentage point decrease in discount rate	8,230,713	8,590,372
One percentage point increase in salary rate	7,909,711	8,302,910
One percentage point decrease in salary rate	(7,639,483)	(7,510,936)
One percentage point increase in withdrawal rate	(7,583,948)	(7,019,376)
One percentage point decrease in withdrawal rate	7,605,953	7,135,402

- 2 The sensitivity analysis presented above may not be representative of the actual change in the defined obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some assumption may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the project unit credit method at the end of the reporting period, which is same as that applied in calculation of defined benefit obligation liability recognised in the balance sheet.

- 3 Sensitivity analysis is done by varying one parameter at a time and studying its impact.

g) Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015	As at 31st March, 2014	As at 31st March, 2013
Present value of defined benefit obligation	32,379,184	38,512,928	39,228,138	38,597,327	37,188,662
Fair value of plan asset					
Experience Adjustments on actuarial (gain)/ loss	(8,277,171)	(10,487,128)	(39,228,138)	(38,597,327)	(37,188,662)
Plan liabilities (gain)/loss	(8,870,325)	(5,051,277)	(16,056,848)	(2,334,728)	(7,293,165)
Plan assets (gain)/loss					

h) **Risk Exposure and Asset Liability Matching**

Provision of a defined benefit scheme poses certain risks, some of which are detailed hereunder, as companies take on uncertain long term obligations to make future benefit payments.

1 **Liability Risks**

a. **Asset-liability Mismatch Risk -**

Risk which arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the Company is successfully able to neutralize valuation swings caused by interest rate movements. Hence companies are encouraged to adopt asset-liability management.

b. **Discount Rate Risk -**

Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practice can have a significant impact on the defined benefit liabilities.

c. **Future Salary Escalation and Inflation Risk -**

Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at management's discretion may lead to uncertainties in estimating this increasing risk.

2 **Unfunded Plan Risk**

This represents unmanaged risk and a growing liability. There is an inherent risk here that the Company may default on paying the benefits in adverse circumstances, Funding the plan removes volatility in company's financials and also benefit risk through return on the funds made available for the plan.

Notes:

- 1 The obligation towards Gratuity is unfunded and therefore, the following disclosures are not given:

- a. Reconciliation of Opening and Closing Balance of fair value of plan assets.

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

b. Details of Investments

- 2 The obligation of Leave Encashment is provided for on actuarial valuation by an independent valuer and the same is unfunded. The amount debited/ (recognized) in the Statement of Profit & Loss for the year is (₹ 26,97,851/-) (Previous Year ₹ 28,75,568/-)

i) Other Long Term Employee Benefit:

The compensated absences charge for the year ended March 31, 2017 based on actuarial valuation carried out using the Projected Unit Credit Method, amounting (` 2,833,502) (Previous Year ` 2,392,564) has been charged/ (credited) in the Statement of Profit and Loss. Further, the Company has charged to inventory ` 132,206 (Previous Year ` 577,350) of compensated absences during the year.

The amount are shown as negative due to excess recovery from group entities on account of transfer of employees.

52 Segment Reporting :

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker regularly monitors and reviews the operating result of the whole Company as one segment of "Real Estate Development".

53 Operating Lease:

As per Ind AS (AS-17) 'Leases', the disclosure of transactions with the respect to lease of premises is disclosed as follows:

(A) Assets given on lease

(i) Units given on Lease (pertaining to the Holding Company):

Particulars	As at March 31, 2017	As at March 31, 2016
Lease Income recognized in the Statement of Profit & Loss	3,154,000	2,642,000
Future Lease Income		
Within one year	3,108,000	3,108,000
After one year but not more than five years	12,742,800	12,432,000
More than five years	63,801,510	68,367,000

The lease deeds are for 25 years and the lease rental is subject to increase by 5% every 5 years. Lease rent recognized during the year in the statement of Profit & Loss amount of ₹ 31,54,000/- (Previous Year: ₹ 26,42,000/-). Accordingly, the future lease rentals are disclosed based on the Management's estimate of the amounts that it would receive.

(B) Obligation on Long-term, Non Cancellable operating Lease:

The Group has taken commercial premises on Non-Cancellable Operating Lease and lease rent of ₹ 44,493,036/- (Previous Year ₹ 42,749,672/-) has been debited to Statement of Profit and Loss and ₹ 3,363,217/- (Previous Year ₹ 3,659,910) has been inventorised for the current year. The future minimum lease payments are as under:

Particulars	(Amount in ₹)	
	As at March 31, 2017	As at March 31, 2016
Within one year	-	45,040,591
Later than one year but not more than five year	-	-
More than five years	-	-
Total	-	45,040,591

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 Company does not have any contingent lease rental expenses/ income.

- 54** Dynamix Realty ("Partnership Firm") in which D B Realty Limited ("Company") is a partner, had granted Loan to Kusegaon Realty Private Limited aggregating to ₹ 2,092,500,000/- (the said loan) as upto 31st March 2010. As of 31st March, 2017, the outstanding balance due from Kusegaon Realty Private Limited is ₹ Nil (Previous year Nil), 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 was paid as illegal gratification to M/s Kalaingar TV Private Limited through Kusegaon Realty Private Limited and M/s Cineyug Films Private Limited., in lieu of the undue favours by accused public servant 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 is being inadequate is a favour to a government servant,

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

hence, it 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 key management 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 and the Company.

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 ₹ 6,892,967/- . 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 is ₹ 10,765,400/- at the time of attachment (WDV as on 31st March, 2017 is ₹ 9,622,695/- (Previous year 9,796,142/-). Also, a loan amounting to ₹ 503,963,329/- (at the time of attachment) advanced to Goan Hotels & Clubs Private Limited (now Goan Hotels & Realty Pvt. Ltd.) has also been provisionally attached. However, the above loan was converted into the ROCCPS of Marine Drive Hospitality & Realty Private Limited ("MDHRPL") 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 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 said appeal is sub-judice.

In an earlier year, the Directorate of Enforcement had 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 advances. (Refer Note No. 20.1)

Further, on 24th April, 2014, the Directorate of Enforcement has filed a complaint before the Hon'ble Special Court in connection with the Prevention of Money Laundering Case relating to the 2G Spectrum Case against 19 accused including the Firm and its partners. The Hon'ble Special Court by an Order have framed charges against the accused persons, including the Firm. The Firm has been alleged to have paid illegal gratification of ₹ 2,000,000,000 to Kalaingar on behalf of an accused public servant, through the process of layering and received back the same again through the process of layering from Kalaingar as ₹ 2,235,500,000. Thus, the Firm is alleged to be involved as also alleged to have committed an offence of money laundering under section 3 of the PML Act, which is punishable under section 4 of the PML Act. During the year 2014, 2,470,000 Series A ROCCPS shares of the value of ₹ 504,002,400/- in lieu of loan advanced to Goan Hotels & Club Pvt. Ltd., held by the Company have been handed over to Enforcement Directorate by letter dated 28th October, 2014. During the year 2015-16, 29,415 ROCCPS shares of the value of ₹ 600,000,000/- in lieu of loan advanced to Marine Drive Hospitality & Realty Private Limited, held by the Company have been handed over to Enforcement Directorate vide letter dated September 28, 2015. (Refer Note No 8.4)

As upto the date of signing of these financial statements, the outcome of 2G Spectrum Case/Money Laundering Case are sub-judice.

55 Disclosure as per Guidance Note on "Accounting for Real Estate Transactions"

Particulars	(Amount in ₹)	
	As at March 31, 2017	As at March 31, 2016
Project Revenue Recognised in the reporting period	222,632,196	1,247,105,909
The aggregate amount of :		
- Cost incurred till date	10,921,472,558	10,674,722,538
- Profits recognised till date	345,821,244	347,540,513
Advances Received (Net of Revenue Recognition)	6,740,291,282	6,205,068,626
Work in Progress	11,626,392,845	10,293,386,890
Unbilled Revenue	134,947,255	181,410,199

56 Expenditure in foreign currency:

Particulars	(Amount in ₹)	
	For the year ended March 31, 2017	For the year ended March 31, 2016
Professional Fees	13,066,578	17,974,424
Foreign Travelling Expenses	463,221	1,138,871
Exhibition Expenses	429,358	133,609
Advance payment for purchase of Capital goods	518,044	4,340,581
Total	14,477,201	23,587,485

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017
56A Foreign Currency Exposure

(Additional information pursuant to the provisions of Guidance Note on Derivative Contracts)

i. The foreign currency exposures that are not hedged by a derivative instrument or otherwise as at year end are given below:

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Corporate Guarantee			
Amount in foreign currency (USD)	138 million	138 million	138 million
Exchange rate	64.8144	66.3329	62.5908
Amount in (₹) (A)	8,944,387,200	9,153,940,200	8,637,530,400
Retention Money (USD)	270,904	270,904	270,904
Amount in (₹) (B)	17,558,480	17,969,848	16,956,098
Total (A+B)	8,961,945,680	9,171,910,048	8,654,486,498

ii. There is no foreign currency exposure hedged by any derivative instrument or otherwise.

iii. In respect of other entities, there are no foreign currency exposure hedged by any derivative instrument or otherwise.

57 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.

58 The Company is in receipt of Summons from Special Court for Prevention of Money Laundering Act (PMLA), Mumbai as one of the accused in connection with a complaint filed by Enforcement Directorate under ECIR No. ECIR/MBZO/07/2015 & ECIR/MBZO/08/2015. The Hon'ble Court had also summoned one of the KMP's of the Company as one of the accused as per the said complaint. The matter in relation to the Company and the KMP involves certain advances given by the Company in the ordinary course of its business to another company, which was subsequently refunded fully upon cancellation of the understanding. The Company does not expect any financial liability.

59 Corporate Social Responsibility:

a) Gross Amount required to be spent ₹ NIL (Previous Year ₹ 1,245,179/-)

b) Amount spent during the year on.

Particulars	In cash	Yet to be paid in cash	Total
(i) Environmental sustainability and protection of flora and fauna	5,586,088	-	5,586,088
	(-)	(-)	(-)
(ii) National Association for Blind	50,000	-	50,000
	(-)	(-)	(-)
(ii) On Chief Minister Relief Fund	-	-	-
	(1,000,000)	(-)	(1,000,000)
Total	5,636,088	-	5,636,088
	(1,000,000)	-	(1,000,000)

(Figures in brackets denote Previous Year's balances/transactions).

The Company has Corporate Social Responsibility (CSR) policy and is required to incur expenditure towards CSR activity on the basis of last three years profitability statements as per section 135 of the Companies Act, 2013 and the rules made there under. During the Financial Year Company has spent ₹ 56,36,088/- towards CSR expenditure. The Subsidiaries, Associates and Joint Ventures have not carried out CSR activities for the current year.

60 The group carries out its business ventures through various entities. The funds required for projects in those entities are secured through financial guarantees of the group. The bankers / financial institutions provide a restrictive covenant while lending, not to charge guarantee commission for the financial guarantees provided by the group. As per Ind AS 109 – Financial Instruments there has to be fair valuation of the financial guarantees and subsequent measurements thereof as per expected credit loss method. However, considering the restrictive covenants and its model of execution of the projects through such entities, the management is of the opinion that there cannot be fair valuation of the financial guarantees issued aggregating to ₹ 26,166,726,800.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

61 Interests in Other Entities

(A) Interest in Subsidiaries:

I The Consolidated Financial Statements present the Consolidated Accounts of D B Realty Limited with its following Subsidiaries:

Name of entity	Principal place of business/ country of origin	Ownership interest held by the group			Ownership interest held by non-controlling interest		
		31-03-2017 %	31-03-2016 %	01-04-2015 %	31-03-2017 %	31-03-2016 %	01-04-2015 %
Conwood DB Joint Venture	India	90.00	90.00	90.00	10.00	10.00	10.00
DB Contractors & Builders Pvt Ltd	India	100.00	100.00	100.00	-	-	-
DB Man Realty Ltd.	India	91.00	91.00	91.00	9.00	9.00	9.00
DB View Infracon Pvt Ltd	India	100.00	100.00	100.00	-	-	-
ECC DB Joint Venture	India	75.00	75.00	75.00	25.00	25.00	25.00
Esteem Properties Pvt Ltd	India	100.00	100.00	100.00	-	-	-
Goregaon Hotel and Realty Private Limited	India	100.00	100.00	100.00	-	-	-
MIG (Bandra) Realtors and Builders Private Limited	India	100.00	100.00	100.00	-	-	-
Mira Real Estate Developers	India	100.00	100.00	100.00	-	-	-
N.A. Estate Private Limited	India	100.00	100.00	100.00	-	-	-
Neelkamal Realtors Suburban Pvt Ltd	India	66.00	66.00	66.00	34.00	34.00	34.00
Neelkamal Shantinagar Properties Pvt Ltd	India	100.00	100.00	100.00	-	-	-
Nine Paradise Erectors Pvt. Ltd.	India	100.00	100.00	100.00	-	-	-
Priya Constructions Pvt Ltd	India	100.00	100.00	100.00	-	-	-
Real Gem Buildtech Pvt Ltd	India	100.00	100.00	100.00	-	-	-
Royal Netra Construction Pvt Ltd	India	50.40	50.40	50.40	49.60	49.60	49.60
Saifee Bucket Factory Pvt Ltd	India	100.00	100.00	100.00	-	-	-
Spacecon Realty Pvt Ltd	India	74.00	74.00	74.00	26.00	26.00	26.00
Turf Estate Joint Venture	India	66.67	66.67	66.67	33.33	33.33	33.33
Vanita Infrastructure Private Limited	India	100.00	100.00	100.00	-	-	-

II The Company, through its subsidiaries, has the following step-down Subsidiaries:

(i) Subsidiary of Neelkamal Shantinagar Properties Pvt Ltd is as under:

Name of entity	Principal place of business/ country of origin	Ownership interest held by the group			Ownership interest held by non-controlling interest		
		31-03-2017 %	31-03-2016 %	01-04-2015 %	31-03-2017 %	31-03-2016 %	01-04-2015 %
Shree Shantinagar Venture	India	100.00	100.00	100.00	-	-	-

(ii) Subsidiary of Priya Constructions Pvt. Ltd. is as under:

Name of entity	Principal place of business/ country of origin	Ownership interest held by the group			Ownership interest held by non-controlling interest		
		31-03-2017 %	31-03-2016 %	01-04-2015 %	31-03-2017 %	31-03-2016 %	01-04-2015 %
Evergreen Industrial Estate*	India	66.66	66.66	66.66	33.33	33.33	33.33

* Further 0.01% holding is held by Turf Estate

(iii) Subsidiary of Nine Paradise Pvt. Ltd. is as under:

Name of entity	Principal place of business/ country of origin	Ownership interest held by the group			Ownership interest held by non-controlling interest		
		31-03-2017 %	31-03-2016 %	01-04-2015 %	31-03-2017 %	31-03-2016 %	01-04-2015 %
Horizontal Realty and Aviation Pvt Ltd	India	63.00	-	-	37.00	-	-

DB REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(B) Non-controlling Interest (NCI)

(i) Subsidiary Companies

Set out below is the summarised financial information for each subsidiary company that has non-controlling interests that are material to the group. The amounts disclosed for each subsidiary company are before inter-company eliminations:

Summarised Balance Sheet	DB Man Realty Ltd.			Neekamal Realtors Suburban Pvt Ltd			Royal Netra Construction Pvt Ltd			Spacecon Realty Pvt Ltd			Horizontal Realty and Aviation Pvt Ltd		
	31-03-2017	31-03-2016	01-04-2015	31-03-2017	31-03-2016	01-04-2015	31-03-2017	31-03-2016	01-04-2015	31-03-2017	31-03-2016	01-04-2015	31-03-2017	31-03-2016	01-04-2015
Current Assets	131,735,307	131,995,591	132,004,916	1,735,334,708	2,105,329,724	2,341,725,513	749,532,681	719,568,339	638,818,775	104,014,282	475,529,260	475,528,914	110,672,407		
Current Liabilities	1,210,855	1,095,631	1,022,679	1,741,974,032	2,086,759,421	2,218,831,306	742,766,480	712,647,062	695,672,331	177,322,600	577,217,088	577,100,718	655,528,709		
Net Current Assets	130,524,452	130,899,960	130,982,237	(6,639,324)	18,570,303	122,894,207	6,766,201	6,921,277	(56,853,556)	(73,308,318)	(101,687,828)	(101,571,804)	(544,856,302)		
Non-current assets	-	-	2	185,100,321	236,706,474	190,142,256	475,504	408,949	64,431,444	-	-	-	670,904,454		
Non-current liabilities	-	-	-	139,812,589	128,203,731	104,593,305	-	-	-	-	-	-	2,036,872,462		
Net Non-current Assets	-	-	2	45,287,731	108,502,743	85,548,951	475,504	408,949	64,431,444	-	-	-	(1,365,968,008)		
Net Assets	130,524,452	130,899,960	130,982,239	38,648,407	127,073,046	208,443,158	7,241,705	7,330,226	7,577,888	(73,308,318)	(101,687,828)	(101,571,804)	(1,910,824,310)		
Accumulated NCI	11,747,201	11,780,996	11,788,402	13,140,458	43,204,836	70,870,674	3,591,886	3,635,792	3,758,633	(19,062,116)	(26,441,544)	(26,411,375)	(709,680,149)		

Summarised statement of profit and loss	DB Man Realty Ltd.		Neekamal Realtors Suburban Pvt Ltd		Royal Netra Construction Pvt Ltd		Spacecon Realty Pvt Ltd		Horizontal Realty and Aviation Pvt Ltd		
	31-03-2017	31-03-2016	31-03-2017	31-03-2016	31-03-2017	31-03-2016	31-03-2017	31-03-2016	31-03-2017	31-03-2016	
Revenue	-	-	161,394,812	252,057,061	-	-	-	-	-	(2,394,850)	-
Profit for the year	(375,508)	(82,279)	(89,029,622)	(82,053,541)	(88,522)	(247,662)	28,379,510	(116,024)	(30,243,562)		-
Other comprehensive income	-	-	254,984	535,517	-	-	-	-	-	-	-
Total Comprehensive income	(375,508)	(82,279)	(88,774,638)	(81,518,024)	(88,522)	(247,662)	28,379,510	(116,024)	(30,243,562)		
Other consolidation adjustment	-	-	350,000	147,911	-	-	-	-	-	-	-
Profit allocated to NCI	(33,796)	(7,405)	(30,064,377)	(27,665,838)	(43,907)	(122,840)	7,379,429	(30,169)	(11,232,459)		
Summarised statement of cash flows	DB Man Realty Ltd.		Neekamal Realtors Suburban Pvt Ltd		Royal Netra Construction Pvt Ltd		Spacecon Realty Pvt Ltd		Horizontal Realty and Aviation Pvt Ltd		
	31-03-2017	31-03-2016	31-03-2017	31-03-2016	31-03-2017	31-03-2016	31-03-2017	31-03-2016	31-03-2017	31-03-2016	
Cash flows from operating activities	(1,881)	(3,837)	109,310,324	105,322,140	(16,844,613)	(6,605,945)	7,401,187	(24,613)	114,270,126		-
Cash flows from investing activities	-	-	(9,160,561)	(11,191,435)	297,100	332,788	-	-	(8,868,634)		-
Cash flows from financing activities	1,856	2,998	(102,183,762)	(95,435,501)	13,706,805	8,325,762	(104,004,978)	24,703	(107,623,336)		-
Net increase/ (decrease) in cash and cash equivalents	(26)	(839)	(2,033,999)	(1,304,796)	(2,840,708)	2,052,605	(96,603,791)	90	(2,221,844)		

(ii) Subsidiary Joint Ventures

Set out below is the summarised financial information for each subsidiary joint venture that has non-controlling interests that are material to the group. The amounts disclosed for each subsidiary joint venture are before intra-group eliminations:

Summarised Balance Sheet	Conwood DB Joint Venture			ECC DB Joint Venture			Turf Estate Joint Venture			Evergreen Industrial Estate		
	31-03-2017	31-03-2016	01-04-2015	31-03-2017	31-03-2016	01-04-2015	31-03-2017	31-03-2016	01-04-2015	31-03-2017	31-03-2016	01-04-2015
Other members' contribution as on April 01	(1,402,115)	(344,876)	(344,876)	81,803,543	57,080,031	57,080,031	(276,563,009)	(269,035,178)	(269,035,178)	77,092,269	78,542,113	78,542,113
Capital introduction/ (withdrawal)	-	-	-	(11,557,545)	31,400,000	-	-	-	-	-	-	-
Share of Profit/ (Loss)	(2,198,408)	(1,057,239)	-	(6,263,938)	(6,676,488)	-	(102,582,488)	(7,527,831)	-	(1,359,122)	(1,449,845)	-
Other members' contribution as on March 31	(3,600,523)	(1,402,115)	(344,876)	63,982,059	81,803,543	57,080,031	(379,145,497)	(276,563,009)	(269,035,178)	75,733,147	77,092,269	78,542,113
Summarised statement of profit and loss	Conwood DB Joint Venture			ECC DB Joint Venture			Turf Estate Joint Venture			Evergreen Industrial Estate		
	31-03-2017	31-03-2016	31-03-2016	31-03-2017	31-03-2016	31-03-2016	31-03-2017	31-03-2016	31-03-2016	31-03-2017	31-03-2016	31-03-2016
Revenue	1,070,000,000	-	-	-	-	-	-	-	-	-	-	-
Profit for the year	(21,999,050)	(10,194,534)	(25,113,797)	(27,043,212)	(307,747,463)	(23,100,478)	(4,118,551)	(4,393,469)				
Other comprehensive income	14,967	49,738	58,044	337,260	-	516,985	-	-				
Total Comprehensive income	(21,984,083)	(10,144,796)	(25,055,753)	(26,705,952)	(307,747,463)	(22,583,493)	(4,118,551)	(4,393,469)				

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

Profit allocated to NCI	(2,198,408)	(1,014,480)	(6,263,938)	(6,676,488)	(102,582,488)	(7,527,831)	(1,359,122)	(1,449,845)
	(2,198,408.33)	-1014479.457	(6,263,938)	(6,676,488)	(102,582,488)	-7527831.038	-1359121.887	-1449844.62
	0.03	(0.14)	0	-	-	-	-	-
Summarised statement of cash flows	Conwood DB Joint Venture		ECC DB Joint Venture		Turf Estate Joint Venture		Evergreen Industrial Estate	
	31-03-2017	31-03-2016	31-03-2017	31-03-2016	31-03-2017	31-03-2016	31-03-2017	31-03-2016
Cash flows from operating activities	61,391,336	139,093,062	(1,247,072)	(6,510,259)	(73,936,709)	(23,039,467)	(60,314)	(375,175)
Cash flows from investing activities	8,150,250	(119,928,977)	509,561	447,871	30,670,804	(396,020)	-	-
Cash flows from financing activities	(69,395,011)	(19,164,249)	675,324	6,430,905	42,995,780	23,736,092	49,170	378,310
Net increase/ (decrease) in cash and cash equivalents	146,576	(165)	(62,187)	368,517	(270,126)	300,606	(11,144)	3,135

(C) Interest in Associates and Joint Ventures
I Set out below are the Joint Ventures and Associates of D B Realty Limited:

Name of entity	Principal place of business/ country of origin	Accounting Method	Joint Venture/ Associate	Ownership interest held by the group		
				31-03-2017	31-03-2016	01-04-2015
				%	%	%
DB (BKC) Realtors Private Limited	India	Equity Method	Joint Venture	40.80	40.80	40.80
DB Realty and Shreepati Infrastructures LLP (Note no 1 & 7.1)	India	Equity Method	Joint Venture	60.00	60.00	60.00
DBS Realty	India	Equity Method	Joint Venture	33.33	33.33	33.33
Dynamix Realty (Note no 2)	India	Equity Method	Joint Venture	50.00	50.00	50.00
Lokhandwala Dynamix Balwas JV (Note no 3)	India	Equity Method	Joint Venture	50.00	50.00	50.00
D B HI-SKY Constructions Pvt Ltd	India	Equity Method	Associate	50.00	50.00	50.00
Mahal Pictures Private Limited	India	Equity Method	Associate	33.33	33.33	33.33
Neelkamal Realtors Tower Pvt Ltd (Note no 4 & 7.2)	India	Equity Method	Associate	42.81	42.81	42.81
Sangam City Township Pvt Ltd	India	Equity Method	Associate	26.67	26.67	26.67
Shiva Buildcon Pvt Ltd	India	Equity Method	Associate	44.43	33.75	33.75
Shiva Multitrade Pvt. Ltd	India	Equity Method	Associate	44.43	33.75	33.75
Shiva Realtors Suburban Pvt. Ltd	India	Equity Method	Associate	44.43	33.75	33.75
Warehousing LLP's (Note no 5)	India	Equity Method	Joint Venture	-	-	50.00

II The Company, through its subsidiaries, has the following step-down Joint Ventures:
(i) Joint Ventures of DB View Infracon Pvt. Ltd. are as under:

Name of entity	Principal place of business/ country of origin	Accounting Method	subsidiary/ associate/ Joint Venture	Percentage of ownership		
				Interest as on		
				31-03-2017	31-03-2016	01-04-2015
				%	%	%
Sneh Developers* (Note no 6)	India	Equity Method	Joint Venture	48.00	48.00	48.00
Suraksha DB Realty (Note no 7)	India	Equity Method	Joint Venture	50.00	50.00	50.00

***Further, 1% holding is held by Nine Paradise Erectors Pvt. Ltd.**

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(ii) Subsidiary of DB Contractors & Builders Pvt. Ltd. is as under:

Name of entity	Principal place of business/ country of origin	Accounting Method	subsidiary/ associate/ Joint Venture	Percentage of ownership		
				Interest as on		
				31-03-2017	31-03-2016	01-04-2015
				%	%	%
Lokhandwala D B Realty LLP*	India	Equity Method	Joint Venture	45.00	45.00	45.00

***Further, 5% shares are held by D B Realty Ltd.**

- The Consolidated Financial Statements include financial statements of the said Limited Liability Partnership (LLP) where the Company is one of the two group of partners, which is treated as a joint venture of the Company and whose financial statements reflect total assets of ₹ 55,741,553, total revenue of ₹ Nil and net loss after tax of ₹ 13,769. Such financial statements of the LLP are approved by only three partners representing the Company out of the total six partners of the LLP. The Company is taking steps to complete the process and the financial impact on the accounts would not be significant or material.
- 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 February 11, 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 the audited accounts.
- The Consolidated Financial Statements include financial statements of the said subsidiary of the Company which reflect total assets of ₹ 42,585,848, total revenue of ₹ Nil and net profit after tax of ₹ 331,306. Such financial statements of the said subsidiary are not approved by its Board.
- The Consolidated Financial Statements include financial statements of the said subsidiary of the Company which reflect total assets of ₹ 8,378,783,976, total revenue of ₹ Nil and net loss after tax of ₹ 3,779,369. Such financial statements of the said subsidiary are not approved by its Board.
- Warehousing LLPs 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

The Company has ceased to be a partner in six LLPs w.e.f. July 1, 2015, since these LLPs had not carried on any business activity. The Company's share in loss of these LLPs amounts to ₹ 6,714 for the three months ended on June 30, 2015.
- Since all the entities listed above are unlisted, quoted price is not available.

7 Significant judgments and assumptions

7.1 DB Realty and Shreepati Infrastructures LLP

Although the holding company has right to 60% of the profits of the said LLP, it does not have control over the entity as defined in Ind-AS 110. Thus, the said LLP, in spite of 60% share in the profit of the LLP, has not been treated as a subsidiary and has been consolidated as a Joint Venture as per Ind-AS 28.

7.2 Neelkamal Realtors Tower Pvt Ltd

The holding company holds 42.81% stake in the equity shares of the said company, but the economic right of the holding company in the said company is 50.83%. Although the holding company holds more than 50% share in the economic rights of the company but it does not have the ability to affect those returns through its power over the said company. Thus, it does not qualify the definition of control as per Ind-AS 110 and the said company has been treated as an Associate as per Ind-AS 28 instead of subsidiary.

III Summarised financial information for associates and joint ventures:

The table below provide summarised financial information for those joint ventures and associates that are material to the group. The information disclosed reflects the amount presented in financial statements of the relevant associates and joint ventures and not the Company's share of those amounts. They have been amended to reflect adjustments made by the entity when using the equity method, including fair value adjustments made by the entity when using the equity method, including fair value adjustments made at time of acquisition and modifications for differences in accounting policies.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

Summarised Balance Sheet	DB (BKC) Realtors Private Limited			DB Realty and Shreepati Infrastructures LLP			DBS Realty		
	31-03-2017	31-03-2016	01-04-2015	31-03-2017	31-03-2016	01-04-2015	31-03-2017	31-03-2016	01-04-2015
Current Assets									
- Cash and cash equivalents	41,970	107,635	311,640	66,119	66,326	24,163	1,767,222	6,605,028	12,767,844
- Other current assets	4,267,064,750	4,264,693,793	4,275,603,922	47,746,787	47,741,787	47,742,062	2,356,616,106	2,341,270,492	2,400,838,636
Total Current assets	4,267,106,720	4,264,801,428	4,275,915,562	47,812,906	47,808,113	47,766,225	2,358,383,328	2,347,875,520	2,413,606,480
Total Non-current assets	301,423	336,649	283,800	7,928,647	8,145,381	7,734,342	479,209,428	484,321,561	485,257,847
Current Liabilities									
- Financial liabilities (excluding trade payable)	16,800,000	17,083,110	18,993,506	-	-	-	777,063	859,568	2,631,521
- Other liabilities	11,579,265	7,214,697	7,385,541	184,252	178,402	154,702	4,584,576,587	4,584,678,719	4,318,038,343
Total Current liabilities	28,379,265	24,297,807	26,379,047	184,252	178,402	154,702	4,585,353,650	4,585,538,288	4,320,669,864
Non-current liabilities									
- Financial liabilities (excluding trade payable)	-	-	-	-	-	-	19,603,475	16,906,409	18,407,648
- Other liabilities	36,836	33,973	3,056,526	-	-	-	728,114	918,573	2,823,452
Total Non-current liabilities	36,836	33,973	3,056,526	-	-	-	20,331,589	17,824,982	21,231,100
Net Assets	4,238,992,042	4,240,806,297	4,246,763,789	55,557,301	55,775,092	55,345,865	(1,768,092,483)	(1,771,166,188)	(1,443,036,637)

Summarised Balance Sheet	Dynamix Realty			Lokhandwala Dynamix Balwas JV			D B HI-SKY Constructions Pvt Ltd		
	31-03-2017	31-03-2016	01-04-2015	31-03-2017	31-03-2016	01-04-2015	31-03-2017	31-03-2016	01-04-2015
Current Assets									
- Cash and cash equivalents	218,440	301,822	276,864	7,958,119	7,633,393	7,339,872	142,291	42,619	71,963
- Other current assets	785,359,929	837,265,747	1,282,634,821	73,472	72,460	114,187	644,110,717	643,588,475	641,085,821
Total Current assets	785,578,369	837,567,569	1,282,911,685	8,031,591	7,705,853	7,454,059	644,253,008	643,631,094	641,157,784
Total Non-current assets	39,495,079	55,711,779	70,244,055	34,554,257	34,554,257	34,554,257	380,433	343,850	135,064
Current Liabilities									
- Financial liabilities (excluding trade payable)	2,135,655,752	2,134,016,483	2,902,557,095	-	-	-	650,005,349	648,610,709	647,045,731
- Other liabilities	361,686,892	361,419,697	207,514,794	36,500	42,068	36,236	2,268,386	2,935,129	1,770,946
Total Current liabilities	2,497,342,644	2,495,436,180	3,110,071,889	36,500	42,068	36,236	652,273,735	651,545,838	648,816,677
Non-current liabilities									
- Financial liabilities (excluding trade payable)	-	-	-	-	-	-	-	-	-
- Other liabilities	355,032	315,250	360,097	-	-	-	-	-	-
Total Non-current liabilities	355,032	315,250	360,097	-	-	-	-	-	-
Net Assets	(1,672,624,228)	(1,602,472,082)	(1,757,276,246)	42,549,348	42,218,042	41,972,080	(7,640,294)	(7,570,894)	(7,523,829)

Summarised Balance Sheet	Mahal Pictures Private Limited			Neelkamal Realtors Tower Pvt Ltd			Sangam City Township Pvt Ltd		
	31-03-2017	31-03-2016	01-04-2015	31-03-2017	31-03-2016	01-04-2015	31-03-2017	31-03-2016	01-04-2015
Current Assets									
- Cash and cash equivalents	9,245,755	6,182,324	9,155,222	36,198,070	8,704,125	15,954,373	49,393	16,612	78,936
- Other current assets	27,802,819	52,245,015	11,373,084	8,106,832,910	7,494,250,141	7,078,869,720	1,542,353,980	1,465,417,197	1,397,497,774
Total Current assets	37,048,574	58,427,340	20,528,306	8,143,030,980	7,502,954,266	7,094,824,093	1,542,403,373	1,465,433,809	1,397,576,710
Total Non-current assets	141,379,925	135,191,975	129,309,915	235,752,997	239,577,367	264,739,868	-	-	-
Current Liabilities									
- Financial liabilities (excluding trade payable)	41,659,169	38,964,939	2,696,552	1,762,130,647	1,250,459,715	312,777,949	-	-	-
- Other liabilities	26,562,034	50,422,395	50,120,954	3,001,509,574	3,150,210,275	3,191,435,158	744,076	198,530	439,806
Total Current liabilities	68,221,203	89,387,334	52,817,506	4,763,640,220	4,400,669,990	3,504,213,107	744,076	198,530	439,806

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

Summarised Balance Sheet	Mahal Pictures Private Limited			Neelkamal Realtors Tower Pvt Ltd			Sangam City Township Pvt Ltd		
	31-03-2017	31-03-2016	01-04-2015	31-03-2017	31-03-2016	01-04-2015	31-03-2017	31-03-2016	01-04-2015
Non-current liabilities									
- Financial liabilities (excluding trade payable)	-	-	-	2,974,387,824	2,696,813,996	3,178,429,605	676,031,095	599,497,807	531,284,338
- Other liabilities	2,948,677	3,429,757	3,162,756	220,184	839,249	1,897,470	44,325,051	20,738,064	-
Total Non-current liabilities	2,948,677	3,429,757	3,162,756	2,974,608,008	2,697,653,245	3,180,327,075	720,356,146	620,235,871	531,284,338
Net Assets	107,258,619	100,802,223	93,857,959	640,535,748	644,208,398	675,023,779	821,303,151	844,999,408	865,852,566

Summarised Balance Sheet	Shiva Buildcon Pvt Ltd			Shiva Multitrade Pvt. Ltd			Shiva Realtors Suburban Pvt. Ltd		
	31-03-2017	31-03-2016	01-04-2015	31-03-2017	31-03-2016	01-04-2015	31-03-2017	31-03-2016	01-04-2015
Current Assets									
- Cash and cash equivalents	48,630	12,046	50,577	54,340	17,681	56,130	49,117	12,533	50,982
- Other current assets	-	-	-	-	-	-	-	-	-
Total Current assets	48,630	12,046	50,577	54,340	17,681	56,130	49,117	12,533	50,982
Total Non-current assets	748,000	748,000	748,000	748,000	748,000	748,000	748,000	748,000	748,000
Current Liabilities									
- Financial liabilities (excluding trade payable)	16,675	16,675	16,292	16,675	16,675	16,292	16,675	16,675	16,292
- Other liabilities	-	-	-	-	-	-	-	-	-
Total Current liabilities	16,675	16,675	16,292	16,675	16,675	16,292	16,675	16,675	16,292
Non-current liabilities									
- Financial liabilities (excluding trade payable)	765,458	608,625	524,677	784,037	624,641	538,484	765,458	608,625	524,677
- Other liabilities	81,744	105,485	131,425	83,728	108,261	134,883	81,744	105,485	131,425
Total Non-current liabilities	847,201	714,110	656,101	867,764	732,902	673,367	847,201	714,110	656,101
Net Assets	(67,246)	29,261	126,184	(82,099)	16,104	114,471	(66,759)	29,748	126,589

Summarised Balance Sheet	Sneh Developers			Suraksha DB Realty			Lokhandwala D B Realty LLP		
	31-03-2017	31-03-2016	01-04-2015	31-03-2017	31-03-2016	01-04-2015	31-03-2017	31-03-2016	01-04-2015
Current Assets									
- Cash and cash equivalents	20,000	20,000	20,000	19,380,781	54,198,478	72,752,627	923,332	3,268,090	7,215,570
- Other current assets	1,053,932	1,053,932	1,053,932	127,700,249	116,476,826	106,545,964	10,194,376	8,417,746	4,257,696
Total Current assets	1,073,932	1,073,932	1,073,932	147,081,030	170,675,304	179,298,591	11,117,708	11,685,836	11,473,266
Total Non-current assets	-	-	-	17,731,021	59,725,889	31,332,373	27,386	48,507	99,091
Current Liabilities									
- Financial liabilities (excluding trade payable)	1,033,341	1,053,369	1,039,324	2,717,495	2,717,495	2,717,495	-	-	-
- Other liabilities	71,418	31,265	25,285	13,549,394	72,212,544	104,177,667	432,672	950,048	698,188
Total Current liabilities	1,104,759	1,084,634	1,064,609	16,266,889	74,930,039	106,895,162	432,672	950,048	698,188
Non-current liabilities									
- Financial liabilities (excluding trade payable)	-	-	-	-	-	-	-	-	-
- Other liabilities	-	-	-	218,186	218,186	218,186	-	-	-
Total Non-current liabilities	-	-	-	218,186	218,186	218,186	-	-	-
Net Assets	(30,827)	(10,702)	9,323	148,326,976	155,252,968	103,517,616	10,712,422	10,784,295	10,874,169

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

IV Reconciliation to carrying amounts

Particulars	DB (BKC) Realtors Private Limited		DB Realty and Shreepati Infrastructures LLP		DBS Realty	
	31-03-2017	31-03-2016	31-03-2017	31-03-2016	31-03-2017	31-03-2016
Opening net assets	4,240,806,297	4,246,763,789	55,775,092	55,345,865	(1,771,166,188)	(1,443,036,637)
Capital introduced/ (withdrawn)	-	-	7,712	103,227	8,156,000	(321,776,442)
Equity component of guarantee commission						
Equity component of interest free deposit						
Profit for the year	(1,820,194)	(8,459,422)	(225,503)	326,000	(5,090,465)	(6,365,217)
Other comprehensive income	5,939	2,501,930	-	-	8,170	12,108
Closing net assets	4,238,992,042	4,240,806,297	55,557,301	55,775,092	(1,768,092,483)	(1,771,166,188)
Add/ (Less): Consolidation adjustments						
Group's share in net assets	1,729,508,753	1,730,248,969	64,249,819	64,377,409	(661,805,410)	(663,139,481)
Add: Consolidation adjustment	677,312,252	677,312,252				
Carrying amount	2,406,821,005	2,407,561,221	64,249,819	64,377,409	(661,805,410)	(663,139,481)

Particulars	Dynamix Realty		Lokhandwala Dynamix Balwas JV		D B HI-SKY Constructions Pvt Ltd	
	31-03-2017	31-03-2016	31-03-2017	31-03-2016	31-03-2017	31-03-2016
Opening net assets	(1,602,472,081)	(1,757,276,246)	42,218,042	41,972,080	(7,570,894)	(7,523,829)
Capital introduced/ (withdrawn)	(23,767,477)	269,100,212	-	148,280	-	-
Equity component of guarantee commission						
Equity component of interest free deposit						
Profit for the year	(46,418,817)	(114,386,990)	331,306	97,682	(67,634)	(47,065)
Other comprehensive income	34,148	90,943	-	-	(1,766)	-
Closing net assets	(1,672,624,226)	(1,602,472,081)	42,549,348	42,218,042	(7,640,294)	(7,570,894)
Add/ (Less): Consolidation adjustments						
Group's share in net assets	(1,003,342,528)	(1,019,524,880)	24,331,494	24,165,841	(3,820,147)	(3,785,447)
Add: Consolidation adjustment					209,608,922	209,608,922
Carrying amount	(1,003,342,528)	(1,019,524,880)	24,331,494	24,165,841	205,788,775	205,823,475

Particulars	Mahal Pictures Private Limited		Neelkamal Realtors Tower Pvt Ltd		Sangam City Township Pvt Ltd	
	31-03-2017	31-03-2016	31-03-2017	31-03-2016	31-03-2017	31-03-2016
Opening net assets	100,802,221	93,857,959	644,208,398	675,023,779	844,999,408	865,852,566
Capital introduced/ (withdrawn)	-	-	-	-	-	-
Equity component of guarantee commission			1,750,000	1,750,000	-	-
Equity component of interest free deposit			(1,643,282)	(1,416,622)	-	-
Profit for the year	6,412,093	6,680,147	(3,779,369)	(32,270,159)	(23,696,257)	(20,853,158)
Other comprehensive income	44,301	264,115	-	1,121,400	-	-
Closing net assets	107,258,615	100,802,221	640,535,747	644,208,398	821,303,151	844,999,408
Add/ (Less): Consolidation adjustments						
Group's share in net assets	35,752,872	33,600,740	274,277,407	275,850,036	219,041,550	225,361,342
Add: Consolidation adjustment	887,741,083	887,741,083	437,268,276	437,562,822	251,441,456	251,441,456
Carrying amount	923,493,955	921,341,824	711,545,683	713,412,858	470,483,007	476,802,798

Particulars	Shiva Buildcon Pvt Ltd		Shiva Multitrade Pvt. Ltd		Shiva Realtors Suburban Pvt. Ltd	
	31-03-2017	31-03-2016	31-03-2017	31-03-2016	31-03-2017	31-03-2016
Opening net assets	29,261	126,184	16,104	114,471	29,748	126,589
Capital introduced/ (withdrawn)						
Equity component of guarantee commission						
Equity component of interest free deposit						
Profit for the year	(96,508)	(96,922)	(98,203)	(98,367)	(96,508)	(96,840)
Other comprehensive income						
Closing net assets	(67,246)	29,261	(82,099)	16,104	(66,759)	29,748
Add/ (Less): Consolidation adjustments						
Group's share in net assets	(29,878)	9,876	(36,477)	5,435	(29,661)	10,040
Add: Consolidation adjustment	64,851,703	64,844,521	64,859,853	64,851,084	64,851,514	64,844,384
Carrying amount	64,821,825	64,854,397	64,823,376	64,856,519	64,821,853	64,854,424

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

Particulars	Sneh Developers		Suraksha DB Realty		Lokhandwala D B Realty LLP	
	31-03-2017	31-03-2016	31-03-2017	31-03-2016	31-03-2017	31-03-2016
Opening net assets	(10,703)	9,323	155,252,968	103,517,616	10,784,295	10,874,169
Capital introduced/ (withdrawn)				(152,932,071)		
Equity component of guarantee commission						
Equity component of interest free deposit						
Profit for the year	(20,125)	(20,026)	(6,925,991)	204,667,423	(71,873)	(89,874)
Other comprehensive income					-	-
Closing net assets	(30,828)	(10,703)	148,326,977	155,252,968	10,712,422	10,784,295
Add/ (Less): Consolidation adjustments						
Group's share in net assets	(15,005)	5,144	77,183,055	80,646,051	6,618,826	6,664,106
Add: Consolidation adjustment						
Carrying amount	(15,005)	5,144	77,183,055	80,646,051	6,618,826	6,664,106

V. Summarised Statement of Profit and Loss

Particulars	DB (BKC) Realtors Private Limited		DB Realty and Shreepati Infrastructures LLP		DBS Realty	
	31-03-2017	31-03-2016	31-03-2017	31-03-2016	31-03-2017	31-03-2016
Revenue	-	-	-	-	-	-
Profit for the year	(1,820,194)	(8,459,422)	(225,503)	326,000	(5,090,465)	(6,365,217)
Other comprehensive income	5,939	2,501,930	-	-	8,170	12,108
Total comprehensive income	(1,814,255)	(5,957,492)	(225,503)	326,000	(5,082,294)	(6,353,109)

Particulars	Dynamix Realty		Lokhandwala Dynamix Balwas JV		D B HI-SKY Constructions Pvt Ltd	
	31-03-2017	31-03-2016	31-03-2017	31-03-2016	31-03-2017	31-03-2016
Revenue	-	-	-	-	-	-
Profit for the year	(46,418,817)	(114,386,990)	331,306	97,682	(67,634)	(47,065)
Other comprehensive income	34,148	90,943	-	-	(1,766)	-
Total comprehensive income	(46,384,669)	(114,296,047)	331,306	97,682	(69,400)	(47,065)

Particulars	Mahal Pictures Private Limited		Neelkamal Realtors Tower Pvt Ltd		Sangam City Township Pvt Ltd	
	31-03-2017	31-03-2016	31-03-2017	31-03-2016	31-03-2017	31-03-2016
Revenue	19,860,500	11,578,853	-	-	-	-
Profit for the year	6,412,093	6,680,147	(3,779,369)	(32,270,159)	(23,696,257)	(20,853,158)
Other comprehensive income	44,301	264,115	-	1,121,400	-	-
Total comprehensive income	6,456,394	6,944,262	(3,779,369)	(31,148,759)	(23,696,257)	(20,853,158)

Particulars	Shiva Buildcon Pvt Ltd		Shiva Multitrade Pvt. Ltd		Shiva Realtors Suburban Pvt. Ltd	
	31-03-2017	31-03-2016	31-03-2017	31-03-2016	31-03-2017	31-03-2016
Revenue	-	-	-	-	-	-
Profit for the year	(96,508)	(96,922)	(98,203)	(98,367)	(96,508)	(96,840)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	(96,508)	(96,922)	(98,203)	(98,367)	(96,508)	(96,840)

Particulars	Sneh Developers		Suraksha DB Realty		Lokhandwala D B Realty LLP	
	31-03-2017	31-03-2016	31-03-2017	31-03-2016	31-03-2017	31-03-2016
Revenue	-	-	35,250	140,292,600	-	-
Profit for the year	(20,125)	(20,026)	(6,925,991)	204,667,423	(71,873)	(89,874)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	(20,125)	(20,026)	(6,925,991)	204,667,423	(71,873)	(89,874)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

62 One of the subsidiary companies is a partner in firm viz; M/s Om Metal Consortium (“OMC”), which is a jointly controlled entity. The financial statements of OMC have not been considered for consolidation due to non-availability of the same. Management is taking steps to obtain audited financial statements of the said partnership firm and does not expect any material impact on consolidated financial statements of the Company.

63 Business Combination

(a) Summary of acquisitions

On January 2, 2017, the parent entity through its wholly owned subsidiary Nine Paradise Erectors Private Limited acquired 62.86% of the issued capital of Horizontal Realty and Aviation Private Limited (**formerly known as EON Aviation Private Limited**)

Details of purchase consideration, the net assets acquired and goodwill are as follows:

(i) Purchase consideration

Purchase consideration	Horizontal Realty and Aviation Pvt Ltd
Cash Paid	8,803,922
Total Purchase consideration	8,803,922

(ii) Assets and liabilities recognised as result of acquisitions

Particular	Horizontal Realty and Aviation Pvt Ltd
Property, plant and equipments	573,639,109
Other non current assets	3,998,116
Trade receivables	8,709,770
Other current assets	78,607,775
Long term borrowings	(2,311,327,105)
Long term provisions	(1,727,251)
Short term borrowings	(4,055,000)
Trade payables	(150,550,750)
Other current liabilities	(77,875,413)
Net Identifiable assets acquired	(1,880,580,749)

(iii) Calculation of goodwill

	Horizontal Realty and Aviation Pvt Ltd
Consideration transferred	8,803,922
Non controlling interest acquired	698,447,696
Less: Net identifiable assets acquired	(1,880,580,749)
Goodwill	(1,190,936,975)

(iv) Accounting policy choice for non-controlling interests

The group recognises non-controlling interests in an acquired entity either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. For the non-controlling interest in Horizontal Realty and Aviation Private Limited, the group elected to recognise the non-controlling interest at its proportionate share of the acquired net identifiable assets.

64 Financial Instruments

The significant accounting policies, including the criteria of recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset and financial liability are disclosed in note 2.8 of the Ind AS financial statements.

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

64.1 Financial assets and liabilities:

(Amount in ₹)

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

Particulars	See Note	Fair Value through Profit and Loss	Fair Value through OCI	Amortised Cost	Carrying amount As at March 31, 2017	Level 1	Level 2	Level 3	Total
Financial assets:									
Non-current									
Other investments	8	5,874,174,884	4,426,772,127	-	10,300,947,011	-	-	10,300,947,011	10,300,947,011
Loans	9	-	-	316,787,034	316,787,034	-	316,787,034	-	316,787,034
Other financial assets	10	-	-	1,713,836,763	1,713,836,763	-	1,713,836,763	-	1,713,836,763
		5,874,174,884	4,426,772,127	2,030,623,797	12,331,570,808	-	2,030,623,797	10,300,947,011	12,331,570,808
Current									
Loans	19	-	-	13,178,101,804	13,178,101,804	-	13,178,101,804	-	13,178,101,804
Investments	15	-	-	71,284,255	71,284,255	-	71,284,255	-	71,284,255
Trade receivables	16	-	-	740,881,794	740,881,794	-	-	-	-
Cash and cash equivalents	17	-	-	43,816,465	43,816,465	-	-	-	-
Bank balance other than above	18	-	-	72,812,226	72,812,226	-	-	-	-
Other financial assets	20	-	-	165,042,827	165,042,827	-	-	-	-
				14,271,939,371	14,271,939,371	-	13,249,386,059	-	13,249,386,059
Total		5,874,174,884	4,426,772,127	16,302,563,168	26,603,510,179	-	15,280,009,856	10,300,947,011	25,580,956,866
Financial liabilities:									
Non-current									
Borrowings	24	-	-	11,118,483,169	11,118,483,169	-	11,118,483,169	-	11,118,483,169
Other financial liabilities	26	-	-	1,756,442,401	1,756,442,401	-	-	-	-
Trade Payable	25	-	-	61,211,894	-	-	-	-	-
				12,936,137,464	12,874,925,570	-	11,118,483,169	-	11,118,483,169
Current									
Trade and other payables	30	-	-	1,450,949,071	1,450,949,071	-	-	-	-
Borrowings	29	-	-	2,621,992,855	2,621,992,855	-	2,621,992,855	-	2,621,992,855
Other financial liabilities	31	-	-	10,577,277,704	10,577,277,704	-	-	-	-
				14,650,219,631	14,650,219,631	-	2,621,992,855	-	2,621,992,855
Total				27,525,145,200	27,525,145,200	-	13,740,476,024		13,740,476,024

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

Particulars	See Note	Fair Value through Profit and Loss	Fair Value through OCI	Amortised Cost	Carrying amount As at March 31, 2016	Level 1	Level 2	Level 3	Total
Financial assets:									
Non-current									
Other investments	8	5,445,055,327	4,793,850,912	-	10,238,906,239	-	-	10,238,906,239	10,238,906,239
Loans	9	-	-	324,851,739	324,851,739	-	324,851,739	-	324,851,739
Other financial assets	10	-	-	3,244,551,048	3,244,551,048	-	3,244,551,048	-	3,244,551,048
		5,445,055,327	4,793,850,912	3,569,402,787	13,808,309,027	-	3,569,402,787	10,238,906,239	13,808,309,027
Current									
Loans	19	-	-	8,724,885,561	8,724,885,561	-	8,724,885,561	-	8,724,885,561
Investments	15	-	-	71,888,195	71,888,195	-	71,888,195	-	71,888,195
Trade receivables	16	-	-	577,632,069	577,632,069	-	-	-	-
Cash and cash equivalents	17	-	-	148,432,708	148,432,708	-	-	-	-
Bank balance other than above	18	-	-	72,507,584	72,507,584	-	-	-	-
Other financial assets	20	-	-	427,959,853	427,959,853	-	-	-	-
				10,023,305,968	10,023,305,968	-	8,796,773,756	-	8,796,773,756
Total		5,445,055,327	4,793,850,912	13,592,708,755	23,831,614,995	20,046,611,937	43,662,626,661	80,402,048,019	144,111,286,616

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

Particulars	See Note	Fair Value through Profit and Loss	Fair Value through OCI	Amortised Cost	Carrying amount As at March 31, 2016	Level 1	Level 2	Level 3	Total
Financial liabilities:									
Non-current									
Borrowings	24	-	-	8,443,067,972	8,443,067,972	-	8,443,067,972	-	8,443,067,972
Trade Payable	25	-	-	102,557,455	102,557,455	-	-	-	-
Other financial liabilities	26	-	-	4,498,369,661	4,498,369,661	-	-	-	-
		-	-	13,043,995,087	13,043,995,087	-	8,443,067,972	-	8,443,067,972
Current									
Trade and other payables	30	-	-	1,347,181,704	1,347,181,704	-	-	-	-
Borrowings	29	-	-	3,477,235,525	3,477,235,525	-	3,477,235,525	-	3,477,235,525
Other financial liabilities	31	-	-	5,455,323,417	5,455,323,417	-	-	-	-
		-	-	10,279,740,646	10,279,740,646	-	3,477,235,525	-	3,477,235,525
Total		-	-	23,323,735,733	23,323,735,733	-	11,920,303,497	-	11,920,303,497

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

Particulars	See Note	Fair Value through Profit and Loss	Fair Value through OCI	Amortised Cost	Carrying amount As at April 1, 2015	Level 1	Level 2	Level 3	Total
Financial assets:									
Non-current									
Other investments	8	4,968,632,735	4,973,982,979	-	9,942,615,714	-	-	9,942,615,714	9,942,615,714
Loans	9	-	-	254,908,793	254,908,793	-	254,908,793	-	254,908,793
Other financial assets	10	-	-	2,950,611,630	2,950,611,630	-	2,950,611,630	-	2,950,611,630
		4,968,632,735	4,973,982,979	3,205,520,423	13,148,136,137	-	3,205,520,423	9,942,615,714	14,952,950,126
Current									
Loans	19	-	-	4,899,068,973	4,899,068,973	-	4,899,068,973	-	4,899,068,973
Investments	15	-	-	75,873,107	75,873,107	-	75,873,107	-	75,873,107
Trade receivables	16	-	-	530,174,783	530,174,783	-	-	-	-
Cash and cash equivalents	17	-	-	61,066,004	61,066,004	-	-	-	-
Bank balance other than above	18	-	-	45,899,017	45,899,017	-	-	-	-
Other financial assets	20	-	-	236,693,071	236,693,071	-	-	-	-
		-	-	5,848,774,954	5,848,774,954	-	4,974,942,080	-	4,974,942,080
Total		4,968,632,735	4,973,982,979	9,054,295,377	18,996,911,092	-	8,180,462,503	9,942,615,714	19,927,892,206
Financial liabilities:									
Non-current									
Borrowings	24	-	-	3,266,156,279	3,266,156,279	-	3,266,156,279	-	3,266,156,279
Trade Payable	25	-	-	76,822,215	76,822,215	-	-	-	-
Other financial liabilities	26	-	-	994,965,857	994,965,857	-	-	-	-
		-	-	4,337,944,350	4,337,944,350	-	3,266,156,279	-	3,266,156,279
Current									
Trade and other payables	30	-	-	1,328,216,055	1,328,216,055	-	-	-	-
Borrowings	29	-	-	3,177,623,633	3,177,623,633	-	3,177,623,633	-	3,177,623,633
Other financial liabilities	31	-	-	9,272,290,402	9,272,290,402	-	-	-	-
		-	-	13,778,130,091	13,778,130,091	-	3,177,623,633	-	3,177,623,633
Total		-	-	18,116,074,441	18,116,074,441	-	6,443,779,913	-	6,443,779,913

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

Fair Value Hierarchy

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

Level	Nature of Inputs
Level 1	Inputs are quoted prices (unadjusted) in active markets for identical assets and liabilities.
Level 2	Inputs are other than quoted prices included within level 1 that are observable for the asset or liability either directly (i.e. prices) or indirectly (i.e. derived from prices).
Level 3	Inputs are not based on observable market data unobservable inputs. Fair value are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Note: The investment included in Level 3 of fair value hierarchy has been valued using the cost approach to arrive at their fair value. The cost of unquoted investment approximate the fair value because there is a wide range of possible fair value measurements and the cost represents estimate of fair value within that range.

Level 3 Fair values

Reconciliation of Level 3 Fair values

The following tables shows a reconciliation of the opening and closing balance of Level 3 fair values

Particulars	Equity Securities
Opening Balance (1st April, 2015)	9,942,615,714
Net change in fair values (unrealised)	296,290,525
Closing balance (31st March, 2016)	10,238,906,239
Opening Balance (1st April, 2016)	10,238,906,239
Net change in fair values (unrealised)	62,040,771
Closing balance (31st march, 2017)	10,300,947,011

64.2 Financial Risk Management:

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

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

(A) Interest Risk:

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

The interest rate profile of the Company's interest bearing financial instruments is as follows:

(Amount in ₹)

Exposure to Interest Rate Risk			
Particulars	31-Mar-17	31-Mar-16	1-Apr-15
Financial Liability			
Variable rate Instrument			
Long Term Borrowings	7,952,902,479	7,115,836,915	3,158,690,819
Short Term Borrowings	1,106,508,202	1,059,074,666	-
Current Maturity of Long Term Debt	858,470,892	586,303,767	605,357,094
Fixed Rate Instruments			
Long Term Borrowings	1,676,471,011	1,327,231,056	105,071,035
Short Term Borrowings	544,429,900	1,553,953,598	2,382,413,080
Current Maturity of Long Term Debt	893,715,708	189,391,690	672,218,281
Total	13,032,498,191	11,831,791,692	6,923,750,308

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

Financial Assets			
Fixed Rate Instruments			
Fixed Deposit	93,161,582	92,856,940	66,248,373
Loans and advances to related parties	9,396,133,459	4,837,337,142	3,415,820,461
Loans to others	4,469,543,451	4,663,708,881	1,216,821,290
Project Advance	304,585,250	262,178,353	225,563,714
Security Deposit (Related Parties)	599,137,931	2,288,518,312	2,088,430,373
Security Deposit (Others)	1,088,873,362	932,319,734	807,136,780
Total	15,951,435,035	13,076,919,362	7,820,020,991

Interest Rate Sensitivity:

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax and carrying amount of project work in progress (which will have subsequent impact on the profit or loss of future period depending upon the revenue which would be recognised based on the percentage of completion as indicated in Accounting Policy for revenue recognition mentioned in Note 1) is affected through the impact on floating rate borrowings, as follows:

Particulars	100 BP Increase	100 BP Decrease
31-Mar-17		
Financial Liabilities		
Variable Rate Instruments		
Borrowings	991,788,157	(991,788,157)
31-Mar-16		
Financial Liabilities		
Variable Rate Instruments		
Borrowings	876,121,535	(876,121,535)

(B) Credit risk and default risk:

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

Trade Receivables

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

Based on prior experience and an assessment of the current economic environment, management believes there is no credit risk provision required, other than those made in the accounts. Also the Company does not have any significant concentration of credit risk.

The ageing of Trade Receivable is as follows:

Particulars	31-Mar-17	31-Mar-16	1-Apr-15
More than 6 months	684,470,954	387,143,185	82,692,268
Others	56,410,841	190,488,884	447,482,515
Total	740,881,795	577,632,069	530,174,783

The movement in the expected credit loss allowances on Trade Receivables is as follows:

	Amount
Balance as on 01.04.2015	37,076,461
Impairment Loss recognised in FY 15-16	1,061,906
Amounts written off/(back)	
Balance as on 31.03.2016	38,138,367
Impairment Loss recognised in FY 16-17	124,740,179
Amounts written off/(back)	
Balance as on 31.03.2017	162,878,546

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(C) Liquidity Risk:

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans and preference shares. The Company's management regularly reviews expected future cash inflows and outflows. Accordingly, based on the projections, the management takes necessary steps for raising fresh debt and recovery from existing financial assets to meet its obligations.

Particulars	Amount payable during below period					Amount payable during below period					Amount payable during below period				
	As at 31st March 2017	Within 1 year	1-2 years	2-5 years	more than 5 years	As at 31st March 2016	Within 1 year	1-2 years	2-5 years	more than 5 years	As at 1st April 2015	Within 1 year	1-2 years	2-5 years	more than 5 years
Non - Current															
Borrowings															
I. Secured															
(a) Term Loans															
From Bank															
YES BANK LIMITED	3,655,865,473	-	362,500,000	3,293,365,473	-	3,176,049,458	-	377,500,000	2,798,549,458	-	-	-	-	-	-
ICICI Bank Limited	99,015,003	-	99,015,003	-	-	197,971,836	-	97,971,836	100,000,000	-	297,520,239	-	97,520,239	200,000,000	-
From Others															
HDFC Limited	4,198,022,002	-	-	4,198,022,002	-	3,741,815,621	-	-	3,741,815,621	-	2,861,117,709	-	-	2,861,117,709	-
STCI Finance Ltd	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reliance Capital Limited	-	-	-	-	-	897,500,000	-	897,500,000	-	-	-	-	-	-	-
Reliance Capital Limited	568,647,050	-	568,647,050	-	-	12,497,191	-	12,497,191	-	-	-	-	-	-	-
Reliance Home Finance Ltd	667,000,000	-	667,000,000	-	-	-	-	-	-	-	-	-	-	-	-
Reliance Commercial Finance	20,000,000	-	20,000,000	-	-	-	-	-	-	-	-	-	-	-	-
Indiabulls Housing Finance Limited	-	-	-	-	-	47,530,509	-	47,530,509	-	83,907,726	-	31,143,135	52,764,591	-	-
IL & FS Financial Services Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LIC Housing Finance Limited	-	-	-	-	-	-	-	-	-	52,871	-	52,871	-	-	-
(b) Vehicle Loans															
Vehicle Loans from Banks															
Other Banks	4,672,182	-	4,672,182	-	-	6,658,996	-	6,658,996	-	6,049,303	-	6,049,303	-	-	-
OBC	4,089,108	-	663,185	3,435,923	-	5,599,335	-	1,500,227	4,099,108	-	6,941,871	-	1,342,536	5,599,335	-
OBC	2,447,012	-	891,052	1,555,960	-	-	-	-	-	-	-	-	-	-	-
Vehicle Loans from Others															
Daimler Financial Services India Pvt Ltd	2,600,576	-	2,600,576	-	-	5,580,644	-	2,980,068	2,600,576	-	8,172,135	-	2,591,491	5,580,644	-
Kotak Mahindra Prime Limited	2,070,990	-	2,070,990	-	-	2,783,266	-	621,406	2,161,860	-	-	-	-	-	-
II. Unsecured															
8% Redeemable Preference shares of 10/- each (Liability Component of Compound financial Instruments)	404,934,094	-	-	404,934,094	-	349,081,115	-	-	349,081,115	-	-	-	-	-	-
Loans from Related Parties	1,034,203,638	-	1,034,203,638	-	-	-	-	-	-	-	-	-	-	-	-
Loan from Others	454,906,041	-	454,906,041	-	-	-	-	-	-	-	2,394,426	-	2,394,426	-	-
Total	11,118,483,168	-	3,217,169,716	7,901,313,452	-	8,443,067,971	-	1,444,760,233	6,998,307,738	-	3,266,156,280	-	141,094,000	3,125,062,279	-
Non - Current															
Trade Payables	61,211,893	-	58,501,545	2,710,349	-	102,557,455	-	100,152,030	2,405,425	-	76,822,215	-	32,597,144	44,225,071	-
Non-Current															
Other Financial Liabilities															
Retention Money	2,394,426	-	2,394,426	-	-	2,394,426	-	-	2,394,426	-	-	-	-	-	-
Deposit	1,752,263,807	-	1,752,000,000	263,807	1,784,168	4,494,382,985	-	4,494,147,443	235,542	-	994,033,607	-	993,823,301	210,306	-
Security Deposit for leased Unit	1,784,167,808	-	-	-	-	1,592,250	-	-	-	1,592,250	932,250	-	-	932,250	-
	1,756,442,401	-	1,754,394,426	263,807	1,784,168	4,498,369,661	-	4,494,147,443	2,629,968	1,592,250	994,965,857	-	-	993,823,301	1,142,556
Short Term Borrowings															
Secured															
From Banks															
ORIENTAL BANK OF COMMERCE	83,075,966	83,075,966	-	-	-	93,609,361	93,609,361	-	-	-	11,873,725	11,873,725	-	-	-
Yes Bank Limited	1,106,508,202	1,106,508,202	-	-	-	1,059,074,666	1,059,074,666	-	-	-	-	-	-	-	-
From Others															

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

Particulars	Amount payable during below period					Amount payable during below period					Amount payable during below period				
	As at 31st March 2017	Within 1 year	1-2 years	2-5 years	more than 5 years	As at 31st March 2016	Within 1 year	1-2 years	2-5 years	more than 5 years	As at 1st April 2015	Within 1 year	1-2 years	2-5 years	more than 5 years
Reliance Capital Limited	-	-	-	-	-	675,000,000	675,000,000	-	-	-	610,000,000	610,000,000	-	-	-
ECL Finance Limited	114,882,191	114,882,191	-	-	-	75,257,299	75,257,299	-	-	-	619,950,223	619,950,223	-	-	-
IL&FS Financial Services Limited	346,471,743	346,471,743	-	-	-	329,277,001	329,277,001	-	-	-	540,589,132	540,589,132	-	-	-
Edelweiss Housing Finance Ltd.	-	-	-	-	-	380,809,936	380,809,936	-	-	-	-	-	-	-	-
Housing Development Infrastructure Limited	200,000,000	200,000,000	-	-	-	200,000,000	200,000,000	-	-	-	200,000,000	200,000,000	-	-	-
Reliance Capital Limited	-	-	-	-	-	-	-	-	-	-	600,000,000	600,000,000	-	-	-
Unsecured	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others	82,019,680	82,019,680	-	-	-	51,119,680	51,119,680	-	-	-	114,046,600	114,046,600	-	-	-
Related Parties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deposits	316,524,960	316,524,960	-	-	-	444,099,226	444,099,226	-	-	-	-	-	-	-	-
Loans	9,516,062	9,516,062	-	-	-	4,900,000	4,900,000	-	-	-	-	-	-	-	-
Loan from Others	362,994,052	362,994,052	-	-	-	164,088,356	164,088,356	-	-	-	461,163,954	461,163,954	-	-	-
Total	2,621,992,855	2,621,992,855	-	-	-	3,477,235,525	3,477,235,525	-	-	-	3,177,623,633	3,177,623,633	-	-	-
Current Trade Payables	1,450,949,071	1,450,949,071	-	-	-	1,347,181,704	1,347,181,704	-	-	-	1,328,216,055	1,328,216,055	-	-	-
Other Financial Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Current Maturities of long term borrowings	1,752,186,600	1,752,186,600	-	-	-	775,695,457	775,695,457	-	-	-	1,277,575,374	1,277,575,374	-	-	-
Interest Accrued and Due on borrowings	520,836,333	520,836,333	-	-	-	216,108,458	216,108,458	-	-	-	211,993,716	211,993,716	-	-	-
Others	8,304,254,771	8,304,254,771	-	-	-	4,463,519,502	4,463,519,502	-	-	-	7,782,721,312	7,782,721,312	-	-	-
	10,577,277,704	10,577,277,704	-	-	-	5,455,323,417	5,455,323,417	-	-	-	9,272,290,402	9,272,290,402	-	-	-
Total	27,586,357,094	14,650,219,631	5,030,065,687	7,904,287,608	1,784,168	23,323,735,733	10,279,740,646	6,039,059,705	7,003,343,131	1,592,250	18,116,074,442	13,778,130,091	173,691,144	4,163,110,651	1,142,556

(D) Foreign Risk

The following table shows foreign currency exposures in USD on financial instruments at the end of the reporting period.

(Amount in USD)

Particulars	Foreign Currency Exposure		
	31-Mar-17	31-Mar-16	1-Apr-15
Retention Money-Liabilities	270,000	270,000	270,000

Sensitivity analysis of 1% change in exchange rate at the end of reporting period:

Particulars	Foreign Currency Sensitivity	
	31-Mar-17	31-Mar-16
1% Depreciation in INR		
Impact on Profit and Loss/Equity	(175,585)	(179,698)
1% Appreciation in INR		
Impact on Profit and Loss/Equity	175,585	179,698

64.3 Capital Management:

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

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

The debt equity ratio of the Company is as follows:

Particulars	31 March, 2017	31 March, 2016	01 April, 2015
Equity Capital	2,432,587,820	2,432,587,820	2,432,587,820
Capital Reserve	504,631,445	504,631,445	504,631,445
Securities Premium Reserve	23,856,790,192	23,856,790,192	23,856,790,192
Retained Earnings	(578,863,747)	40,884,863	225,468,782
Equity	26,215,145,710	26,834,894,321	27,019,478,239
Non-Current Liabilities	11,118,483,168	8,443,067,972	3,265,574,245
Short Term Borrowings	2,621,992,855	3,477,235,525	3,177,623,633
Current maturities of long term borrowing	1,752,186,600	775,695,457	1,278,157,408
Total Liability	15,492,662,623	12,695,998,954	7,721,355,286
Debt to Equity	0.59	0.47	0.29

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

These are Group's first consolidated financial statements prepared in accordance with Ind AS.

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

A. Exemption and exceptions availed

A.1 Ind AS mandatory exceptions

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

a. Estimates:

Group's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustment to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 1st April, 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Group made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP.

Ind AS estimates as at 1st April, 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Group made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP.

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

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

b. Derecognition of financial assets and liabilities:

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

c. Classification and measurement of financial assets and liabilities:

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instrument) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

d. Non-Controlling Interest (NCI)

Ind AS 110 requires that total comprehensive income should be attributed to the owners of the parent and the NCI even if this results in the NCI having a negative balance. Ind AS 101 requires this requirement to be applied prospectively from the date of transition to Ind AS. However, if an entity elect to apply Ind AS 103 retrospectively to a past business combinations, it has to also apply Ind AS 110 from the same date. The Group has elected to apply Ind AS 103 prospectively from April 1, 2015, being the transition date.

A.2 Ind AS optional exemptions

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

a. Deemed Cost

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

b. Joint Venture - Transition from proportionate consolidation to equity method

As per Ind AS 101, when changing from proportionate consolidation method to equity method, an entity may measure its investment in a joint venture at the date of transition as the aggregate of carrying amounts of assets and liabilities that the entity has previously proportionately consolidated, including goodwill arising from acquisition. The resultant amount is regarded as the deemed cost of the investment in the joint venture at initial recognition. The Group has opted to avail this exemption.

c. Business Combination

Ind AS 101, provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date.

65.1 First-time Ind AS adoption reconciliations

For the purpose of reporting as set out in Note 2, we have transitioned our basis of accounting from Indian generally accepted accounting principles (IGAAP) to Ind AS. The accounting policies set out in Note 2 have been applied in preparing the financial statements for the year ended March 31, 2017, the comparative information presented in these financial statements for the year ended March 31, 2016 and in the preparation of an opening Ind AS Balance Sheet at April 1, 2015 (the transition date)

In preparing our opening Ind AS balance sheet, we have adjusted amounts reported in financial statements prepared in accordance with previous GAAP. An explanation of how the transition from previous GAAP to Ind AS has affected our financial performance, cash flows and financial position is set out in the following tables and the notes that accompany the tables. On transition, we did not revise estimates previously made except where required by Ind AS.

65.2 Effect of Ind AS Adoption on Balance Sheet as at April 1, 2015

Particulars	Notes to Reconciliation	As at April 1, 2015		
		Previous GAAP	Effect of transition to Ind AS	As per Ind AS Balance Sheet
ASSETS				
1 Non Current Assets				
(a) Property, Plant and Equipment	A,B,L	1,803,505,615	(1,316,284,317)	487,221,298
(b) Capital work-in-progress		92,198,344	-	92,198,344
Investment Property		65,749,116	-	65,749,116
Goodwill on consolidation	A,B,L	2,913,889,552	(988,610,469)	1,925,279,083
Other Intangible Assets	A,B,L	90,496,081	(538,676)	89,957,405
Intangible assets under development		210,990,518	-	210,990,518
Investment in associates & joint venture	A,B,L	1,141,321,947	4,083,160,985	5,224,482,932
Financial Assets				
(i) Investments	C	15,920,366,750	(5,977,751,036)	9,942,615,714
(ii) Loans	A,B,E,L	5,676,988,695	(5,422,079,903)	254,908,793
(iii) Others financial assets	A,B,L	72,455,851	2,878,155,779	2,950,611,630
Deferred Tax Assets (Net)	A,B,J	520,939,560	1,612,960,564	2,133,900,124
Non Current tax Assets	A,B,L	75,929,849	-	75,929,849
Other Non Current Assets	A,B,L	2,903,391,565	23,420,395	2,926,811,960
Total Non Current Assets (A)		31,488,223,443	(5,107,566,678)	26,380,656,766
2 Current Assets				
(a) Inventories	A,B,L	23,048,256,559	(4,894,767,886)	18,153,488,673
(b) Financial Assets				
(i) Investments	C	5,069,161	70,803,946	75,873,107
(ii) Trade Receivables	F	1,361,998,367	(831,823,584)	530,174,783
(iii) Cash and Cash Equivalents	A,B,L	172,255,721	(111,189,717)	61,066,004
(iv) Bank balance other than (iii) above	A,B,L	15,448,944	30,450,073	45,899,017
(v) Loans	A,B,E	6,339,376,105	(1,440,307,131)	4,899,068,974
(vi) Other Financial Assets	A,B,L	568,035,773	(331,342,703)	236,693,070
(c) Current tax asset		-	-	-
(d) Other Current Assets	A,B,L	1,703,299,699	224,292,020	1,927,591,719
Total Current Assets (B)		33,213,740,329	(7,283,884,983)	25,929,855,346
Total Assets (C) = (A)+(B)		64,701,963,772	(12,391,451,661)	52,310,512,112

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

Particulars	Notes to Reconciliation	As at April 1, 2015		
		Previous GAAP	Effect of transition to Ind AS	As per Ind AS Balance Sheet
LIABILITIES				
1 Equity				
(a) Equity Share Capital	H	2,432,587,820	-	2,432,587,820
(b) Other Equity	A to I	31,682,742,314	(5,410,335,749)	26,272,406,564
Equity attributable to owners of the Company		34,115,330,134	(5,410,335,749)	28,704,994,384
Non Controlling Interest		772,525,086	(846,277,005)	(73,751,919)
Total Equity (D)		34,887,855,220	(6,256,612,754)	28,631,242,466
2 Non Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	A,B,D	6,453,534,261	(3,187,377,982)	3,266,156,279
(ii) Trade Payables	A,B,E,L	166,255,345	(89,433,130)	76,822,215
(iii) Other financial liabilities	A,B,L	1,797,485	993,168,372	994,965,857
(b) Other non-current liabilities		-	-	-
(c) Long-term Provisions	G	52,632,004	(3,880,467)	48,751,537
				-
Total Non Current Liabilities (E)		6,674,219,095	(2,287,523,208)	4,386,695,887
3 Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	A,B,L	4,220,033,536	(1,042,409,904)	3,177,623,632
(ii) Trade payables	A,B,L	1,447,551,169	(119,335,114)	1,328,216,055
(iii) Other financial liabilities	A,B,L	8,160,746,103	1,111,544,300	9,272,290,402
(b) Other Current Liabilities		8,919,448,252	(3,779,011,600)	5,140,436,652
(c) Short-term provisions	G	392,110,397	(18,103,380)	374,007,018
Total Current Liabilities (F)		23,139,889,457	(3,847,315,699)	19,292,573,759
		64,701,963,772	(12,391,451,661)	52,310,512,112

(*) The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note

Effect of Ind AS Adoption on Balance Sheet as at March 31, 2016

Particulars	Notes to Reconciliation	As at March 31, 2016		
		Previous GAAP	Effect of transition to Ind AS	As per Ind AS Balance Sheet
ASSETS				
1 Non Current Assets				
(a) Property, Plant and Equipment	A,B	1,806,837,370	(1,305,982,985)	500,854,385
(b) Capital work-in-progress		92,198,344	-	92,198,344
Investment Property		66,598,041	-	66,598,041
Goodwill on consolidation	A,B	2,913,665,913	(988,386,830)	1,925,279,083
Other Intangible Assets	A,B	3,054,147	(177,028)	2,877,119
Intangible assets under development		206,145,711	-	206,145,711
Investment in associates & joint venture	A,B	1,141,430,918	4,097,500,602	5,238,931,520
Financial Assets				
(i) Investments	C	16,018,988,090	(5,780,081,851)	10,238,906,239
(ii) Loans	A,B,E	1,722,664,959	(1,397,813,220)	324,851,739
(iii) Others financial assets	A,B	3,743,003,018	(498,451,970)	3,244,551,048
Deferred Tax Assets (Net)	A,B,I	585,897,278	1,574,028,198	2,159,925,476
Non Current tax Assets	A,B	77,866,559	-	77,866,559
Other Non Current Assets	A,B	1,634,336,192	(35,799,999)	1,598,536,193
Total Non Current Assets (A)		30,012,686,540	(4,335,165,083)	25,677,521,457

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

Particulars	Notes to Reconciliation	As at March 31, 2016		
		Previous GAAP	Effect of transition to Ind AS	As per Ind AS Balance Sheet
2 Current Assets				
(a) Inventories	A,B	27,986,008,483	(6,259,931,929)	21,726,076,554
(b) Financial Assets				
(i) Investments	C	1,196,790	70,691,405	71,888,195
(ii) Trade Receivables	F	1,151,588,436	(573,956,367)	577,632,069
(iii) Cash and Cash Equivalents	A,B	262,273,229	(113,840,521)	148,432,708
(iv) Bank balance other than (iii) above	A,B	18,747,810	53,759,774	72,507,584
(v) Loans	A,B,E	11,272,920,744	(2,548,035,183)	8,724,885,561
(vi) Other Financial Assets	A,B	717,959,853	(290,000,000)	427,959,853
(c) Current tax asset				-
(d) Other Current Assets	A,B	2,241,490,250	290,043,879	2,531,534,128
Total Current Assets (B)		43,652,185,594	(9,371,268,943)	34,280,916,651
Total Assets (C) = (A)+(B)		73,664,872,134	(13,706,434,026)	59,958,438,108
LIABILITIES				
1 Equity				
(a) Equity Share Capital	H	3,150,145,220	(717,557,400)	2,432,587,820
(b) Other Equity	A to I	31,222,936,730	(4,893,761,854)	26,329,174,876
Equity attributable to owners of the Company		34,373,081,950	(5,611,319,254)	28,761,762,696
Non Controlling Interest		75,133,958	(162,023,533)	(86,889,575)
Total Equity (D)		34,448,215,908	(5,773,342,787)	28,674,873,121
2 Non Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	A,B,D	10,769,177,857	(2,326,109,885)	8,443,067,972
(ii) Trade Payables	A,B,E	97,575,647	4,981,808	102,557,455
(iii) Other financial liabilities	A,B	3,751,897,485	746,472,176	4,498,369,661
(b) Other non-current liabilities		-	-	-
(b) Long-term Provisions	G	53,994,737	(1,550,086)	52,444,651
Total Non Current Liabilities (E)		14,672,645,725	(1,576,205,987)	13,096,439,738
3 Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	A,B	3,284,483,576	192,751,949	3,477,235,525
(ii) Trade payables	A,B	1,516,745,381	(169,563,677)	1,347,181,704
(iii) Other financial liabilities	A,B	11,945,142,778	(6,489,819,360)	5,455,323,418
(b) Other Current Liabilities		7,272,825,511	141,716,933	7,414,542,444
(c) Short-term provisions	G	524,813,255	(31,971,096)	492,842,159
Total Current Liabilities (F)		24,544,010,501	(6,356,885,252)	18,187,125,249
		73,664,872,134	(13,706,434,026)	59,958,438,108

(*) The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

Reconciliation of equity as on 31st March, 2016 as per previous GAAP and Ind AS is given below:

Particulars	Notes to Reconciliation 1.5	Consolidated Year Ended 31/03/2016	Consolidated Year Ended 31/03/2015
Net Worth as reported under previous GAAP		34,373,081,950	34,115,330,134
Adjustment on account of Ind AS			
Effect due to merger	L	-	(188,369,726)
Equity component of compound financial instrument	H	368,476,285	-
EIR adjustment of financial liabilities	D	300,621,000	(41,602,868)
Reclassification of Preference Shares to Financial Liability	H	(717,557,000)	(47,009,436)
Fair value adjustment of Financial Liability	E	420,589,000	431,000,587
Fair value adjustment of Financial Asset	E	(1,312,109,000)	(1,677,285,429)
Change in Share of Profit/(Loss) of a JV and Partnership Firm	C,F,J	72,298,288	198,065,525
Effect of change in treatment of Joint venture as per Ind AS	A,B	139,588,336	80,236,399
Fair value adjustment of Investments	C,F,J	(5,568,380,838)	(5,911,228,185)
Allowances for Expected Credit losses	F	(992,206,996)	(24,470,464)
Other adjustments	I	(13,552,483)	10,815,699
Deferred tax on the above transactions	J	1,690,914,579	1,759,512,148
Non controlling interest		(86,890,000)	(73,751,919)
Net worth as per Ind AS		28,674,873,121	28,631,242,466

(*) The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note

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

Particulars	Notes to Reconciliation	For the Year Ended March 31, 2016		
		Previous GAAP	Effect of transition to Ind AS	As per Ind AS
I Revenue from operations	A,B	2,180,465,045	(121,438,539)	2,059,026,506
II Other income	A,B,E	161,234,488	1,234,774,507	1,396,008,995
III Total Income (I)+(II)		2,341,699,533	1,113,335,968	3,455,035,501
IV Expenses				
Project Related Expenses	A,B	5,430,876,915	(1,553,859,751)	3,877,017,164
Purchase of Stock-in-trade	A,B	280,353,327	79,433,373	359,786,700
Changes in inventories of finished goods, work in progress and stock-in-trade	A,B	(4,584,107,492)	1,454,716,043	(3,129,391,449)
Employee benefits expense	A,B,G	218,702,433	(1,023,959)	217,678,474
Finance costs	A,B,D,E	525,991,951	335,460,510	861,452,461
Depreciation and amortisation expense	A,B	85,324,982	58,347,099	143,672,081
Other Expenses	A,B,C,F	670,460,895	651,867,622	1,322,328,517
Total Expenses (IV)		2,627,603,011	1,024,940,937	3,652,543,948
V Profit/(Loss) before exceptional items and tax (III-IV)		(285,903,478)	88,395,031	(197,508,447)
VI Exceptional items		(75,000,000)	-	(75,000,000)
VII Profit/(Loss) before Tax (V-VI)		(360,903,478)	88,395,031	(272,508,447)
VIII Prior Period Item (Expenses)/ Income	I	3,368,201	(3,368,201)	-
IX Share of Profit/(Loss) from associates and joint ventures	A to J	108,971	80,133,919	80,242,890
X Profit/ (Loss) before tax (VII + VIII + IX)		(357,426,306)	165,160,749	(192,265,557)
XI Tax expense				

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

Particulars	Notes to Reconciliation	For the Year Ended March 31, 2016		
		Previous GAAP	Effect of transition to Ind AS	As per Ind AS
(a) Current tax	A,B	16,614,666	11,607,903	28,222,569
(b) Deferred tax	A,B,J	(78,864,801)	87,949,472	9,084,671
(d) Prior period Tax Adjustments	I	555,476	-	-
XII (Loss) for the year (VII)-(VIII)		(61,694,659)	99,557,375	37,307,240
XIII Other Comprehensive Income		(295,731,647)	65,603,374	(229,572,797)
A Items that will not be reclassified to Profit or Loss		-	-	-
(i) Remeasurement of net defined benefit plans	C,G	-	11,135,869	11,135,869
Tax impact on above		-	2,203,854	2,203,854
(ii) Notional loss on fair value adjustment in the value of investments		-	(180,157,554)	(180,157,554)
(iii) Income tax relating to items that will not be reclassified to Profit or Loss	J	-	32,906,169	32,906,169
B Items that will be reclassified to Profit or Loss		-	-	-
(i) Income tax relating to items that will be reclassified to Profit or Loss		-	-	-
Total Other Comprehensive Income [A (i)-(ii) + B (i)-(ii)] (XIII)		-	(133,911,662)	(133,911,662)
XIV Total Comprehensive Income for the year (VII)+(VIII)		(295,731,647)	(68,308,288)	(363,484,460)
XV Other Comprehensive Income attributable to:				
Owners of DBRL		-	(134,705,645)	(134,705,645)
Non Controlling Interest		-	443,693	443,693
XVI Profit after tax attributable to:				
Owners of DBRL		(248,976,751)	64,392,833	(184,583,918)
Non Controlling Interest		(46,754,897)	1,766,018	(44,988,879)
XVI Total Comprehensive Income attributable to:				
Owners of DBRL		(248,976,751)	(69,962,522)	(318,939,273)
Non Controlling Interest		(46,754,897)	2,209,711	(44,545,186)

65.4 Reconciliation of Statement of Cash Flow

Impact of Ind AS adoption on the statement of cash flow for the year ended 31st March, 2016

Particulars	Notes to Reconciliation	For the Year Ended March 31, 2016		
		Previous GAAP	Effect of transition to Ind AS	As per Ind AS
Net cash (used in) from operating activities	E,I	(507,006,136)	207,272,788	(714,278,924)
Net cash (used in) investing activities	C	(1,886,522,933)	2,049,369,391	(3,935,892,324)
Net cash generated from financing activities	D,E	2,485,550,486	(2,237,374,151)	4,722,924,637
Net Increase in cash and cash equivalents		92,021,417	19,268,029	72,753,388
Cash and cash equivalents as at the beginning of the year	I	90,494,699	41,302,420	49,192,279
Cash and cash equivalents as at the end of the year		182,516,116	60,570,449	121,945,667

65.5 Notes to the reconciliation of equity as at April 1, 2015 and March 31, 2016 and total comprehensive income for the year ended March 31, 2016:
A Accounting based on Equity Method as against proportionate Consolidation

Under previous GAAP, the group had consolidated accounts of various entities based on proportionate consolidated method. On transition to Ind AS, the group has assessed and determined those entities as Joint Venture and accounted for using equity method. For the purpose of applying Equity Method, the investment have been measured as the aggregate of the carrying amounts of assets and liabilities that the Group has previously consolidated. Accordingly, the carrying amounts of assets and liabilities, income and expenses (for the year ended March 31,2016) and investment in equity accounted investees have been adjusted. This also had an impact of cash and cash equivalents for the purpose of cash flow statements. Details of entities accounted for using equity method is as under:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

B The Group holds 50.83% interest in Neelkamal Realtors Tower Private Limited. In the financial statements prepared under previous GAAP, group proportionately consolidated its interest in Neelkamal Tower Private Limited in the consolidated accounts. On transition to Ind AS, the Group has assessed and determined that Neelkamal Realtors Tower Private Limited is an Associate under Ind AS 28 Investments in Associates. Therefore, it needs to be accounted for using the equity method as against proportionate consolidation. Accordingly, the carrying amounts of assets and liabilities, income and expenses (for the year ended March 31,2016) and investment in equity accounted investees have been adjusted. This also had an impact of cash and cash equivalents for the purpose of cash flow statements.

C Investments

Under previous GAAP, investments in equity instruments, various categories of preference shares and mutual funds were recorded at cost. Under Ind AS, investments are required to be valued at fair value. The group has classified these investments as fair value through Other Comprehensive Income / through Statement of Profit and Loss and adjusted the amounts as on transition date accordingly.

D Borrowings

Ind AS 109 requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the Consolidated Statement of Profit and Loss over the tenure of the borrowing as part of the interest expenses by applying the effective interest rate method. Under previous GAAP, these transaction costs were charged off to the Statement of Profit and Loss. Accordingly, these transaction costs charged off under previous GAAP have been adjusted to borrowings as at each Balance Sheet date.

E Fair Value of Financial Assets and Liabilities

Under previous GAAP, financial assets and financial liabilities were carried at book value. Under Ind-AS 109, all financial assets and financial liabilities are required to be initially carried at fair value. The fair value changes are taken to the profit and loss account in respect of financial assets and financial liabilities carried at amortised cost.

F Trade Receivables

As per Ind AS 109, the group is required to apply expected credit loss model for recognising the allowance for doubtful debts. As a result, the group has estimated lifetime expected credit losses and recorded the same as at the transition date.

G Actuarial Gain and Losses on employee benefits

Under Ind AS, actuarial gains and losses are recognised in the OCI as compared to being recognised in the Statement of Profit and Loss under the previous GAAP.

H Reclassification of Financial Instruments

Under previous GAAP, Redeemable Cumulative Preference Shares were classified as Share Capital. Under Ind-AS 32, Redeemable portion of preference shares is reclassified as Financial Liabilities.

I Prior Period Expenses

Ind AS 8 requires restatements to correct errors to be made retrospectively. Accordingly, prior period expenses/income have been adjusted to the opening balance of retained earnings.

J Deferred Tax

Under Previous GAAP, deferred tax was recognized based on the profit and loss method. Under Ind-AS 12, deferred tax is recognized based on the balance sheet method for all differences between the accounting and tax base. Consequently, deferred tax have been recognised for the adjustments made on transition to Ind AS, wherever applicable.

K Bank Overdraft

Under Ind AS, bank overdraft repayable on demand and which form part of the cash management process are included in cash and cash equivalents for the purpose of presentation of statement of cash flows. Under previous GAAP, bank overdraft were considered as part of other current liabilities. Consequently, cash and cash equivalents for the purpose of cash flow have reduced under Ind AS.

L Merger of Gokuldharm Real Estate Development Co. Pvt. Ltd. with the Company

The Scheme of Amalgamation of Gokuldharm Real Estate Development Company Pvt. Ltd. (Gokuldharm) with the Company, under Section 391 to 394 of the Companies Act, 1956 was accorded sanction by the Hon'ble High Court of Bombay on October 16, 2015 with appointed date being April 1, 2013. The Scheme became effective on filing of the said order with the Registrar of Companies, Maharashtra and the Registrar of Companies taking the same on record on December 23, 2015. Accordingly, under previous GAAP, the figures of Financial year 2015-16 included the operations of Gokuldharm. However, as per Ind AS 103, since the Company was already controlling Gokuldharm from its inception the effect of Merger has been given as if the merger was effective April 1, 2013, the Appointed Date. Therefore there are variations in figures reported as per previous GAAP and as per Ind AS as on April 1, 2015.

66. Related Party Disclosures

Nature of Transaction	Associates	Entities under Joint Control of Company/its subsidiaries	Enterprises over which KMP and their relatives have significant influence.	KMP and their Relatives	Total
Balance Outstanding As At Year Ended					
Loans and Advances Granted					
Current Year	506,471,704	2,132,488,530	6,745,744,609	45,905,987	9,430,610,830
Previous Year	18,000,000	2,132,588,530	3,106,686,676	38,834,786	5,296,109,992
F.Y. 2014-2015	-	2,900,607,930	2,875,152,319	15,315,000	5,791,075,249

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

Nature of Transaction	Associates	Entities under Joint Control of Company/its subsidiaries	Enterprises over which KMP and their relatives have significant influence.	KMP and their Relatives	Total
Loans and Advances Taken					
Current Year	8,650,000	-	185,414,305	-	194,064,305
Previous Year	8,650,000	-	9,900,000	-	18,550,000
F.Y. 2014-2015	8,650,000	-	-	-	8,650,000
Intercorporate Deposits Taken					
Current Year	-	189,100,382	127,424,578	-	316,524,960
Previous Year	-	191,529,000	252,570,225	-	444,099,225
F.Y. 2014-2015	-	209,759,000	147,819,517	-	357,578,517
Project Advances Granted					
Current Year	304,585,250	-	-	-	304,585,250
Previous Year	262,178,353	-	-	-	262,178,353
F.Y. 2014-2015	225,563,714	-	-	-	225,563,714
Investments in Equity Shares					
Current Year	2,271,530,065	987,253,899	3,821,800,190	-	7,080,584,154
Previous Year	2,208,292,065	986,878,899	4,313,266,621	-	7,508,437,585
F.Y. 2014-2015	2,206,542,065	986,503,899	4,479,632,461	-	7,672,678,424
Investment in Preference Shares					
Current Year	122,468,105	1,680,727,237	6,018,357,863	-	7,821,553,206
Previous Year	123,902,297	1,681,072,559	5,632,119,744	-	7,437,094,601
F.Y. 2014-2015	123,386,781	1,680,423,267	5,224,296,040	-	7,028,106,089
Investment on Debenture					
Current Year	-	-	-	-	-
Previous Year	-	-	-	-	-
F.Y. 2014-2015	-	-	-	-	-
Investment in Jointly Contrlled Entities and Partnership firms					
Current Year	-	(1,382,235,524)	-	-	(1,382,235,524)
Previous Year	-	286,636,074	-	-	286,636,074
F.Y. 2014-2015	-	154,262,977	-	-	154,262,977
Other Receivable					
Current Year	10,034,677	1,387,901	283,420,401	-	294,842,979
Previous Year	8,915,306	354,097	176,354,943	-	185,624,346
F.Y. 2014-2015	8,236,000	42,135	493,760	-	8,771,895
Other Payables					
Current Year	20,000,000	108,211,598	118,818,661	-	247,030,259
Previous Year	20,000,000	108,211,598	1,851,249	-	130,062,847
F.Y. 2014-2015	20,000,000	28,970,907	1,813,883	-	50,784,790
Interest Receivable					
Current Year	-	-	62,080,691	-	62,080,691
Previous Year	-	-	213,758,673	-	213,758,673
F.Y. 2014-2015	-	-	111,302,999	-	111,302,999
Interest Payable					
Current Year	-	-	-	-	-
Previous Year	-	-	-	-	-
F.Y. 2014-2015	-	-	-	-	-
Advance granted for Development Rights					
Current Year	-	-	-	-	-
Previous Year	-	-	-	-	-
F.Y. 2014-2015	-	-	-	-	-
Interest free security deposits given					
Current Year	17,241,379	-	768,841,261	33,125,000	819,207,640
Previous Year	14,863,258	-	2,349,155,054	33,125,000	2,397,143,312
F.Y. 2014-2015	12,813,153	-	2,035,547,461	33,125,000	2,081,485,614

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

Nature of Transaction	Associates	Entities under Joint Control of Company/its subsidiaries	Enterprises over which KMP and their relatives have significant influence.	KMP and their Relatives	Total
Trade Payable					
Current Year	-	-	111,201,011	-	111,201,011
Previous Year	-	-	59,079,534	-	59,079,534
F.Y. 2014-2015	-	-	39,604,825	-	39,604,825
Mobilisation Advance granted					
Current Year	-	-	154,194,553	-	154,194,553
Previous Year	-	-	155,012,498	-	155,012,498
F.Y. 2014-2015	-	-	180,785,148	-	180,785,148
Advance for purchase of TDS					
Current Year	-	210,183,246	-	-	210,183,246
Previous Year	-	210,183,246	-	-	210,183,246
F.Y. 2014-2015	-	-	-	-	-
Advance Received Against Sale of Flat					
Current Year	-	-	-	-	-
Previous Year	-	-	-	29,055,800	29,055,800
F.Y. 2014-2015	-	-	-	29,055,800	29,055,800
(The above amount represents monies received against sale of flats, where a relative of the KMP is a joint holder and for which revenue is recognised on percentage of completion basis on overall progress of the project. Hence the debits on account of such receipts are not accounted on individual basis.)					
Transaction during the Year					
Loans and Advances Granted					
Current Year					
Given during the year	1,495,281,704	4,050,000	9,330,889,580	15,071,201	10,845,292,485
Returned during the year	1,006,810,000	4,150,000	5,691,831,647	8,000,000	6,710,791,647
Previous Year					
Given during the year	18,000,000	429,847,750	3,101,211,934	7,819,786	3,556,879,470
Returned during the year	-	1,197,867,150	2,454,554,220	-	3,652,421,370
Loans and Advances Taken					
Current Year					
Taken during the year	-	-	177,904,914	-	177,904,914
Given during the year	-	-	2,390,609	-	2,390,609
Previous Year					
Taken during the year	-	-	9,900,000	-	9,900,000
Given during the year	-	-	-	-	-
Intercorporate Deposits Taken					
Current Year					
Given during the year	-	2,428,618	214,690,080	-	217,118,698
Returned during the year	-	-	89,544,432	-	89,544,432
Previous Year					
Given during the year	-	18,880,000	342,850,000	-	361,730,000
Returned during the year	-	650,000	447,600,708	-	448,250,708
Project Advances Granted					
Current Year					
Given during the year	990,691	-	-	-	990,691
Returned during the year	-	-	-	-	-
Previous Year					
Given during the year	1,430,000	-	-	-	1,430,000
Returned during the year	-	-	-	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

Nature of Transaction	Associates	Entities under Joint Control of Company/its subsidiaries	Enterprises over which KMP and their relatives have significant influence.	KMP and their Relatives	Total
Investments in Equity Shares					
Current Year					
Investments purchased during the year	61,488,000	-	-	-	61,488,000
Transferred (to)/from	-	-	-	-	-
Previous Year					
Given during the year	-	-	-	-	-
Returned during the year	-	-	-	-	-
Investment in Jointly Contrlled Entities and Partnership firms					
Current Year					
Investments purchased during the year	-	176,856,355	-	-	176,856,355
Transferred (to)/from	-	279,348,156	-	-	279,348,156
Share of Profit / Loss during the year	-	(5,962,956)	-	-	(5,962,956)
Previous Year					
Investments purchased during the year	-	932,727,581	-	-	932,727,581
Transferred (to)/from	-	615,185,012	-	-	615,185,012
Share of Profit / Loss during the year	-	(90,085,695)	-	-	(90,085,695)
Other Receivable					
Current Year					
Given during the year	-	-	89,908,000	-	89,908,000
Returned during the year	-	-	-	-	-
Previous Year					
Given during the year	-	-	175,567,437	-	175,567,437
Returned during the year	-	-	195,886	-	195,886
Other Payables					
Current Year					
Investments purchased during the year	-	-	-	-	-
Transferred (to)/from	-	-	-	-	-
Previous Year					
Payable during the year	-	107,099,514	2,833	-	107,102,347
Paid during the year	-	-	5,226,380	-	5,226,380
Advance Received Against Sale of Flat					
Current Year	-	-	-	1,573,852	1,573,852
Previous Year	-	-	-	-	-
<i>(The above amount represents monies received against sale of flats, where a relative of the KMP is a joint holder and for which revenue is recognised on percentage of completion basis on overall progress of the project. Hence the debits on account of such receipts are not accounted on individual basis.)</i>					
Interest free security deposits given					
Current Year					
Given during the year	-	-	111,444,709	-	111,444,709
Returned during the year	-	-	-	-	-
Previous Year					
Given during the year	-	-	-	-	-
Returned during the year	-	-	-	-	-
Trade Payable					
Current Year					
Payable during the year	-	-	25,835,577	-	25,835,577
Paid during the year	-	-	22,559,089	-	22,559,089
Previous Year					
Payable during the year	-	-	31,129,553	-	31,129,553
Paid during the year	-	-	31,556,236	-	31,556,236
Mobilisation Advance					
Current Year					
Given during the year	-	-	-	-	-
Returned during the year	-	-	200,000	-	200,000
Previous Year					
Given during the year	-	-	715,450	-	715,450
Returned during the year	-	-	21,788,100	-	21,788,100

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

Nature of Transaction	Associates	Entities under Joint Control of Company/its subsidiaries	Enterprises over which KMP and their relatives have significant influence.	KMP and their Relatives	Total
Rent Paid					
Current Year	-	-	22,525,003	-	22,525,003
Previous Year	-	-	25,388,598	-	25,388,598
Interest Income					
Current Year	-	-	22,022,437	-	22,022,437
Previous Year	-	-	90,305,674	-	90,305,674
Interest Expense					
Current Year	-	-	4,647,754	-	4,647,754
Previous Year	-	-	-	-	-
Other expenses					
Current Year	-	-	137,291,850	-	137,291,850
Previous Year	-	-	23,217,038	-	23,217,038
Other Revenue					
Current Year	-	-	695,500,000	-	695,500,000
Previous Year	-	-	-	-	-
Reimbursement of expenses					
Current Year	1,119,371	1,033,804	-	-	2,153,175
Previous Year	679,306	19,812	897,506	-	1,596,624
Preference Share Issues					
Current Year	-	-	-	-	-
Previous Year	-	-	57,400	-	57,400
Purchase of TDR					
Current Year	-	-	-	-	-
Previous Year	-	359,786,700	-	-	359,786,700
Sale of Flat					
Current Year	-	-	-	30,629,652	30,629,652
Previous Year	-	-	-	-	-

(iii) **Guarantees and securities received by the Group for Loans taken from lenders**

(Figures in brackets denote Previous Year's balances/transactions)

Particulars	Relation	Opening Balance as on April 1, 2016	Received during the year	Adjustment due to Merger	Released during the year	Closing Balance as on March 31, 2017
Mr Vinod Goenka	KMP	6,000,000,000	-		-	6,000,000,000
		-	(6,000,000,000)		-	(6,000,000,000)
Mr Shahid Balwa	KMP	3,000,000,000	-		-	3,000,000,000
		-	(3,000,000,000)		-	(3,000,000,000)
Gaon Hotels and Realty Pvt Ltd	Enterprise owned or significantly influenced by Key Managerial Personnel	1,350,000,000	-		-	1,350,000,000
		-	(2,100,000,000)		(750,000,000)	(1,350,000,000)
Dynamix Realty	Joint Venture	350,000,000	-	-	-	350,000,000
Vinod Goenka	KMP					
Shahid Balwa	KMP					
		(350,000,000)	(-)	(-)	(-)	(350,000,000)
Marine Drive Hospitality and Realty Private Limited	Enterprises where individuals i.e. KMP and their relatives have significant interest	600,000,000	-		600,000,000	-
Dynamix Realty	Joint Venture					
Shahid Balwa	KMP					

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

Particulars	Relation	Opening Balance as on April 1, 2016	Received during the year	Adjustment due to Merger	Released during the year	Closing Balance as on March 31, 2017
Vinod Goenka	KMP					
		(600,000,000)	-	-	-	(600,000,000)
Sanjana Goenka (7,000,000 Shares of the Company)	Relative of KMP	300,000,000	-		300,000,000	-
Vinod Goenka	KMP					
		(300,000,000)	-		-	(300,000,000)
Neelkamal Realtors & Builders Private Limited	Enterprises where individuals i.e. KMP and their relatives have significant interest	-	-	29,000,000	-	29,000,000
		(-)	(-)	(-)	(-)	(-)
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.					
Shahid Balwa	KMP					
		(300,000,000)	(-)	(-)	(-)	(300,000,000)
		2,000,000,000	-	-	-	2,000,000,000
Vinod Goenka	KMP					
Shahid Balwa	KMP					
		(2,000,000,000)	(-)	(-)	(-)	(2,000,000,000)
Vinod Goenka	KMP	675,000,000	-	-	-	675,000,000
Shahid Balwa	KMP					
		(675,000,000)	(-)	(-)	(-)	(675,000,000)
Vinod Goenka	KMP	897,500,000		-	-	897,500,000
Shahid Balwa	KMP					
		(-)	(897,500,000)	(-)	(-)	(897,500,000)
Neelkamal Tower Construction LLP	Entity in respect of which the Company is an Associate	The LLP has given 13,117,020 shares of the Company as security to various lenders.				
Neelkamal Realtors & Tower Pvt Ltd	Associate	443,200,000	-	-	-	443,200,000
Vinod Goenka	KMP					450,00,00,000
Neelkamal Tower Construction LLP Security of Shares in D B Realty Ltd held by it	Enterprises over which KMP and their relatives have significant influence.					
Rajiv Agarwal	KMP					5,507,355
Salim Balwa	KMP					
Jayvardhan Goenka	KMP					

D B REALTY LIMITED

(ANNUAL REPORT 2016 - 17)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017**Guarantee/ Securitites given by the Company to the lenders on behalf of varoius entities.**

	Associate	Joint Venture	Enterprises over which KMP and their relatives have significant influence.
Opening Balance as on 1st April 2016	3,500,000,000	750,000,000	USD 138 million and ₹ 14,025,000,000
	(3,500,000,000)	(750,000,000)	USD 138 million and ₹ 14,875,000,000
Given during the year	-	-	2,750,000,000
	(1,745,000,000)	-	(850,000,000)
Released during the year	-	-	-
	(-)	-	(1,700,000,000)
Closing Balance as on March 31, 2017	3,500,000,000	750,000,000	USD 138 million and ₹ 16,775,000,000
	(3,500,000,000)	(750,000,000)	USD 138 million and ₹ 14,025,000,000
Irrevocable and unconditional personal guarantee by each Managing Director to the Company (Refer Note 30(xv))	-	-	(USD 138 million)
	(-)	(-)	(USD 138 million)
Sharing of Resources/Infrastructure	-	-	-
	(-)	(-)	(-)

67 Figures of the Previous year have been regrouped/ reclassified wherever necessary to conform to the presentation of the current year.

Signature to Notes 1 to 67

As per our report of even date.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Regn No. 103523W/ W100048

For and on behalf of the Board

Vinod Goenka
Chairman & Managing
Director
DIN 00029033

Shahid Balwa
Vice Chairman & Managing Director
DIN 00016839

Mahesh Gandhi
Director
DIN 00165638

Snehal Shah
Partner
Membership No. 048539

S A K Narayanan
Company Secretary
M. No. A2424

A. Anil Kumar
Chief Financial Officer

Place: Mumbai
Date: June 9, 2017

Place: Mumbai
Date: June 9, 2017

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

Annexure -A
PART "A" : SUBSIDIARIES
Statement pursuant to first proviso to sub-section (3) of section 129 of the Companies Act 2013, read with rule 5 of Companies (Accounts) Rules, 2014 in the prescribed Form AOC-1 relating to subsidiary companies

Sr. No.	Name of the Subsidiary	Reporting Currency	Country	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover/ Total Income	Profit/(loss) before Tax	Provision for Tax Expenses/ (Credit)	Profit/(loss) after Tax	Proposed Dividend	(Amount in ₹)	% of Shareholding
1	Neekamal Realtors Suburban Private Limited	INR	India	6,600,000	31,877,136	1,920,263,757	1,881,786,621	-	161,394,812	(92,813,729)	(4,011,741)	(88,801,988)	-	66%	
2	Esteem Properties Private Limited	INR	India	1,000,000	(44,219,910)	1,113,783,341	1,157,003,251	-	-	(42,903)	-	(42,903)	-	100%	
3	Neekamal Shantinagar Properties Private Limited	INR	India	160,000	(66,169,654)	80,884,812	146,894,466	80,652,076	-	(45,690,622)	-	(45,690,622)	-	100%	
4	Saifee Bucket Factory Private Limited	INR	India	248,000	(2,964,984)	42,066	2,759,050	-	-	(150,373)	-	(150,373)	-	100%	
5	Real Gem Build Tech Private Limited	INR	India	100,000	(684,611,409)	11,013,274,643	11,697,786,052	29,169,053	103,120,495	(90,704,912)	(14,569,794)	(76,135,118)	-	100%	
6	Priya Constructions Private Limited	INR	India	100,000	(28,840,869)	196,034,723	224,775,592	154,481,556	100,000	(6,446,451)	(1,149,858)	(5,296,593)	-	100%	
7	D B Man Realty Ltd.	INR	India	140,000,000	(9,476,548)	131,735,307	1,210,855	-	-	(375,508)	-	(375,508)	-	91%	
8	Royal Netra Constructions Private Limited	INR	India	15,000,000	(7,758,296)	750,008,185	742,766,480	-	665,547	(88,522)	-	(88,522)	-	50.40%	
9	N. A. Estates Private Limited	INR	India	100,000	6,418,791	176,771,806	170,253,015	-	-	(21,650)	-	(21,650)	-	100%	
10	Nine Paradise Erectors Private Limited	INR	India	100,000	(796,843)	796,488,063	797,184,896	8,804,622	-	(95,870)	-	(95,870)	-	100%	
11	MIG (Bandra) Realtors and Builders Private Limited (Formerly DB MIG Realtors & Builders Private Limited)	INR	India	19,034,000	(109,737,371)	14,479,142,161	14,569,845,532	-	2,840,539	(466,405,542)	(122,502,638)	(363,902,904)	-	100%	
12	Spacecon Realty Private Limited (Formerly DB Spacecon Private Limited)	INR	India	135,140	(73,443,468)	104,014,282	177,322,600	-	500,000,000	28,379,510	-	28,379,510	-	74%	
13	Vanita Infrastructure Private Limited	INR	India	100,000	3,150,902	510,238,386	505,987,484	-	38,001,992	(69,151)	-	(69,151)	-	100%	
14	DB View Infracon Private Limited	INR	India	100,000	136,022,077	2,797,245,739	2,661,123,662	481,693,151	-	213,519,336	91,787,304	121,732,032	-	100%	
15	DB Contractors & Builders Private Limited	INR	India	100,000	(563,722)	671,388	1,135,110	286,943	-	(60,310)	-	(60,310)	-	100%	
16	Goregaon Hotel and Realty Private Limited	INR	India	100,000	(94,091,660)	924,257,973	1,015,249,633	7,063,926	692,463	(11,162,291)	(1,262,393)	(9,899,898)	-	100%	
17	Horizontal Realty and Aviation Private Limited	INR	India	140,056,030	(2,050,880,340)	765,836,288	2,676,660,598	172,199,950	14,174,433	(166,904,340)	-	(166,904,340)	-	63%	

Notes

A There are no Subsidiaries which have been liquidated or sold except Gokulham Real Estate Development Company Private Limited, which has been amalgamated with the Holding Company from the transition date, i.e., April 01, 2015.

B There are no Subsidiaries which are yet to commence operations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

PART "B" : ASSOCIATES AND JOINT VENTURES
Statement pursuant to first proviso to sub-section (3) of section 129 of the Companies Act 2013, related to Associate Companies and Joint Ventures

S.No.	Name of Associates /Joint venture	Latest Audited Balance Sheet Date	Shares of Associate/Joint Ventures held by the company on the year end		Amount of Investment in Associates and Joint Venture	Extend of Holding %	Net worth attributable to Shareholding as per latest audited Balance Sheet	Profit / (Loss) for the year		Description of how there is significant influence	Reason why the associate/joint venture is not consolidated
			Equity Shares	Preference Shares				Considered in Consolidation	Not Considered in Consolidation		
	Associates										
1	Sangam City Township Private Limited	31-Mar-17	8,000	-	253,026,363	26.67%	219,041,550	(6,319,792)	NA	Due to Share holding	
2	DB HI-Sky Private Limited	31-Mar-17	5,000	-	209,484,923	50%	(3,820,147)	(34,700)	NA	Due to Share holding	
3	Maal Pictures Private Limited	31-Mar-17	3,600	-	892,225,001	33.33%	35,752,872	2,151,916	NA	Due to Share holding	
4	Shiva Buldocon Private Limited	31-Mar-17	8,885	-	85,296,000	44.43%	(29,878)	(42,878)	NA	Due to Share holding	
5	Shiva Multitrade Private Limited	31-Mar-17	8,885	-	85,296,000	44.43%	(36,477)	(43,632)	NA	Due to Share holding	
6	Shiva Realtors Suburban Private Limited	31-Mar-17	8,885	-	85,296,000	44.43%	(29,661)	(42,878)	NA	Due to Share holding	
7	Neelkamal Realtors Tower Private Limited	31-Mar-15	1,125,153	660,918	783,373,883	42.82%	274,277,407	(1,816,326)	NA	Due to Share holding	
	Joint Venture										
1	DB Realty and Shreepati infrastructures LLP	31-Mar-16	-	-	60,000	60%	33,334,381	(135,302)	NA	Due to Share in LLP by holding Company along with its wholly owned subsidiaries	
2	Shree Developers	31-Mar-17	-	-	(15,005)	49%	(15,106)	(9,861)	NA	Due to Share in Firm by wholly owned subsidiaries	
3	Dynamix Realty	31-Mar-17	-	-	(1,003,342,528)	50%	(836,312,113)	(23,192,334)	NA	Due to Share in Firm	
4	DBS Realty	31-Mar-17	-	-	-66,180,541	33.33%	(589,305,225)	(1,693,929)	NA	Due to Share in Firm	
5	DB (BKC) Realtors Private Limited	31-Mar-17	187,015	375,170	2,406,821,005	40.80%	1,729,648,640	(740,276)	NA	Due to Share holding	
6	Lokhandwala Dynamix Balwas Joint Venture	31-Mar-16	-	-	24,331,494	50%	2,1274,674	165,653	NA	Due to Share in Joint Venture	
7	Lokhandwala D B Realty LLP	31-Mar-17	-	-	6,618,826	5%	535,621	(3,594)	NA	Due to Share in LLP	
8	Suraksha D B Realty	31-Mar-16	-	-	77,183,055	50%	74,163,489	(3,462,986)	NA	Due to Indirect Share in Firm	

Notes

A There are no Associates or Joint Ventures which have been sold or liquidated except for following:

- (i) Veer Jjamata Realty LLP has been struck off in the records of ROC w.e.f. May 9, 2015.
- (ii) The Company has ceased to be a partner in six LLPs w.e.f. July 1, 2015, since these LLPs had not carried on any business activity. The Company's share in loss of these LLPs amounts to ₹ 6,714 for the three months ended on June 30, 2015.

B There are no Associates and joint ventures which are yet to commence operations.

NOTES

A series of horizontal dotted lines for writing notes.

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 : _____

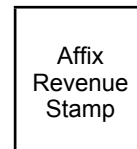
Signature : _____, or failing him / her

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the **Eleventh Annual General Meeting** of the Company, to be held on **Friday, the 29th day of September, 2017** at 3.00 p.m. at Lakshdham High School Auditorium, Lakshdham High School, Gokuldham, Goregaon (East), Mumbai 400 063. 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, 2017

Signature of the Shareholder

Signature of Proxy holder(s)



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 financial statements		
2.	Re-appointment of Ms. Sunita Goenka, who retires by rotation and, being eligible, offers herself for re-appointment		
3.	Re-appointment of Mr. Salim Balwa, who retires by rotation and, being eligible, offers himself for re-appointment		
4.	Ratification of appointment of Statutory Auditors		
5.	Appointment of Mr. Sundaram Rajagopal as an Independent Director		
6.	Re-appointment of Mr. Vinod K. Goenka as Executive Chairman cum Managing Director		
7.	Re-appointment of Mr. Shahid Balwa as Executive Vice Chairman cum Managing Director		
8.	Approval for giving guarantees or providing securities in connection with the loan availed / to be availed by the related parties		





Registered Office:

DB House, General A.K. Vaidya Marg,
Goregaon East, Mumbai 400063.

Phone: (+91-22)- 40778600

Email: investors@dbg.co.in

Website: www.dbrealty.co.in

ATTENDANCE SLIP



D B REALTY LIMITED

CIN L70200MH2007PLC166818

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

Website: www.dbrealty.co.in; Phone: 91 22 40778600; Email: investors@dbg.co.in

Sr. No.

Name and address of the shareholder(s)	
Joint Holder 1	
Joint Holder 2	
Folio No. /DPID No. and Client ID No.	
Shares	

I/We hereby record my/our presence at the **11th ANNUAL GENERAL MEETING** of the Company held on Friday the 29th day of September, 2017 at 3.00 p.m. at Lakshdham High School Auditorium, Lakshdham High School, Gokuldham, 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 Member / Authorised Representative / Proxy

Note: Please complete this Attendance Slip and hand it over at the entrance of the place of the meeting

ELECTRONIC VOTING PARTICULARS

Electronic Voting Event Number (EVSN)	User ID	Password
		USE YOUR PAN

Note: Please read the instructions printed under the Note No. 21 & 22 to the Notice of 11th Annual General Meeting. The e-voting period commences on 26th September, 2017 (9:00 am IST) and ends on 28th September, 2017 (5.00 P.M. IST). The voting module shall be disabled by CDSL for voting thereafter.