

Date: May 30, 2019

<b>The General Manager, Listing Department BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001</b>	<b>The Vice-President, Listing Department National Stock Exchange of India Limited "Exchange Plaza", Bandra – Kurla Complex, Bandra (E), Mumbai – 400 051</b>
Scrip Code : 533160	Scrip Symbol : DBREALTY
Fax No.: 022 – 2272 3121/ 2039	Fax No.: 022 – 26598237/38

Dear Sir,

**Sub: Outcome of the Board Meeting**

(The meeting of the Board of Directors of the Company commenced at 3.15 p.m and concluded at 7.05 p.m)

We are enclosing herewith the Audited Standalone and Consolidated Financial Results of the Company for the fourth quarter and year ended March 31, 2019 approved at the Board Meeting held on Thursday, May 30, 2019 at the Registered Office, along with the Statement on Impact of Audit Qualifications (for Audit Report with Modified Opinion), the Report of the Auditors and the Press Release of the Company.

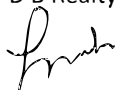
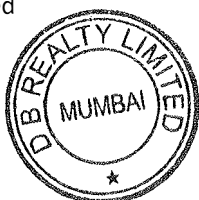
The Board of Directors also took note of the company petition filed by IIRF Holdings XI Limited (Applicant) against the Company before the National Company Law Tribunal, Mumbai under the Insolvency and Bankruptcy Code, 2016. It is alleged that pursuant to a put option letter (although not executed by the Company) exercised by the Applicant, the Company failed to purchase certain portion of Compulsorily Convertible Preference Shares held by the Applicant in one of the Associate of the Company and thus committed a default in paying an amount of approx. Rs.107,34,57,028/- being the alleged purchase consideration for aforementioned shares. The Company reiterates that there is no debt which is payable by the Company to the Applicant. The Board took note that the Applicant has not advanced any amount to the Company and therefore the question of default does not arise. The petition is devoid of merits and the Company is taking all steps to defend the said Company Petition. The matter is yet to come up before the NCLT.

The above is for your information and record.

Thanking You,

Yours faithfully,

For D B Realty Limited

**Jignesh Shah  
Company Secretary****D B REALTY LIMITED**

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

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

CIN: L70200MH2007PLC166818

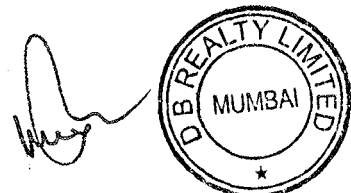
D B REALTY LIMITED

REGD. OFFICE : DB HOUSE, GEN A.K.VAIDYA MARG, GOREGAON (EAST), MUMBAI - 400063 CIN L70200MH2007PLC166818

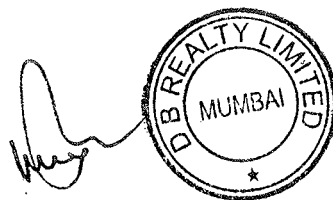
Statement of Financial Results for the quarter and year ended March 31, 2019

(Rs. In Lacs)

Sr.No	PARTICULARS	Standalone Quarter Ended			Standalone Year Ended		Consolidated Year Ended	
		Mar-19	Dec-18	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18
		Unaudited	Unaudited	Unaudited	Audited	Audited	Audited	Audited
1	Revenue from Operations	134.99	20.67	24.99	418.69	405.28	36,521.04	11,986.16
2	Other Income	(1,850.66)	2,415.05	(3,424.13)	5,366.53	12,321.62	9,545.96	16,808.93
3	<b>Total Income</b>	<b>(1,715.67)</b>	<b>2,435.72</b>	<b>(3,399.14)</b>	<b>5,785.22</b>	<b>12,726.90</b>	<b>46,067.00</b>	<b>28,795.09</b>
4	Expenses							
	a. Project Expenses	136.88	556.77	1,416.92	1,161.53	2,047.50	66,184.72	53,716.00
	b. Changes in Inventories of finished goods, work-in progress and stock-in-trade	(136.88)	(556.77)	(1,344.31)	(1,051.61)	(1,854.07)	(33,489.20)	(41,428.03)
	c. Employee Benefits Expenses	93.37	94.36	320.42	682.42	1,551.37	1,431.08	2,231.20
	d. Depreciation and Amortisation	30.49	21.33	63.40	120.40	395.93	190.87	588.63
	e. Finance Costs	2,647.63	2,356.41	799.40	8,589.02	4,428.69	16,030.25	11,902.30
	f. Other Expenses	5,374.68	807.39	5,507.98	7,939.03	16,164.55	11,457.04	29,047.98
	<b>Total Expenses (a+b+c+d+e+f)</b>	<b>8,146.17</b>	<b>3,279.49</b>	<b>6,763.81</b>	<b>17,440.79</b>	<b>22,733.97</b>	<b>61,804.76</b>	<b>56,058.08</b>
5	Profit (Loss) before Exceptional Items (3-4)	(9,861.84)	(843.77)	(10,162.95)	(11,655.57)	(10,007.07)	(15,737.76)	(27,262.99)
6	Exceptional Items (Refer Note No. 10)	-	-	-	-	-	12,900.00	-
7	<b>Profit/ (Loss) before tax (5-6)</b>	<b>(9,861.84)</b>	<b>(843.77)</b>	<b>(10,162.95)</b>	<b>(11,655.57)</b>	<b>(10,007.07)</b>	<b>(28,637.76)</b>	<b>(27,262.99)</b>
8	Tax Expenses							
	(a) Current tax	-	-	-	-	-	12.82	88.98
	(b) Deferred tax	(1,041.57)	242.16	(2,842.74)	344.45	(2,209.05)	(4,976.59)	1,077.33
	(c) Prior Period Tax Adjustment	4.39	(4.39)	-	49.96	-	49.96	-
	<b>Total Tax expense</b>	<b>(1,037.18)</b>	<b>237.77</b>	<b>(2,842.74)</b>	<b>394.41</b>	<b>(2,209.05)</b>	<b>(4,913.81)</b>	<b>1,166.30</b>
9	<b>Net Profit (Loss) after tax (7-8)</b>	<b>(8,824.66)</b>	<b>(1,081.54)</b>	<b>(7,320.21)</b>	<b>(12,049.98)</b>	<b>(7,798.02)</b>	<b>(23,723.95)</b>	<b>(28,429.30)</b>
10	Share of profit of joint ventures and associates	-	-	-	-	-	(2,242.30)	(1,667.42)
11	<b>Profit (Loss) after tax (9+10)</b>	<b>(8,824.66)</b>	<b>(1,081.54)</b>	<b>(7,320.21)</b>	<b>(12,049.98)</b>	<b>(7,798.02)</b>	<b>(25,966.25)</b>	<b>(30,096.72)</b>
12	Other Comprehensive Income							
	(a) Items that will not be reclassified to profit or loss	1,446.23	(2.51)	3,891.55	3,089.13	(238.50)	3,262.89	(1,651.42)
	(b) Income tax relating to Items that will not be reclassified to profit or loss	(301.17)	0.73	(801.04)	(643.77)	47.45	(645.87)	45.56
	(c) Items that will be reclassified to profit or loss	-	-	-	-	-	-	-
	<b>Total Other Comprehensive Income</b>	<b>1,145.06</b>	<b>(1.78)</b>	<b>3,090.51</b>	<b>2,445.36</b>	<b>(191.05)</b>	<b>2,617.02</b>	<b>(1,605.86)</b>
13	<b>Total Comprehensive Income for the period</b>	<b>(7,679.61)</b>	<b>(1,083.32)</b>	<b>(4,229.71)</b>	<b>(9,604.62)</b>	<b>(7,989.07)</b>	<b>(23,349.24)</b>	<b>(31,702.58)</b>
	Profit after tax							
	Attributable to :							
	Owner of equity	(8,824.66)	(1,081.54)	(7,320.21)	(12,049.98)	(7,798.02)	(27,767.33)	(25,061.71)
	Non Controlling Interest	-	-	-	-	-	1,801.08	(5,035.02)
	<b>Total</b>	<b>(8,824.66)</b>	<b>(1,081.54)</b>	<b>(7,320.21)</b>	<b>(12,049.98)</b>	<b>(7,798.02)</b>	<b>(25,966.25)</b>	<b>(30,096.73)</b>
	Other Comprehensive Income							
	Attributable to :							
	Owner of equity	1,145.06	(1.78)	3,090.51	2,445.36	(191.05)	2,614.12	(1,606.93)
	Non Controlling Interest	-	-	-	-	-	2.89	1.07
	<b>Total</b>	<b>1,145.06</b>	<b>(1.78)</b>	<b>3,090.51</b>	<b>2,445.36</b>	<b>(191.05)</b>	<b>2,617.01</b>	<b>(1,605.86)</b>
	Total Comprehensive Income							
	Attributable to :							
	Owner of equity	(7,679.61)	(1,083.32)	(4,229.71)	(9,604.62)	(7,989.07)	(25,153.19)	(26,668.63)
	Non Controlling interest	-	-	-	-	-	1,803.95	(5,033.95)
	<b>Total</b>	<b>(7,679.61)</b>	<b>(1,083.32)</b>	<b>(4,229.71)</b>	<b>(9,604.62)</b>	<b>(7,989.07)</b>	<b>(23,349.23)</b>	<b>(31,702.58)</b>
14	Paid up Equity Share Capital (Face value of Rs. 10 per Equity Share)	24,325.88	24,325.88	24,325.88	24,325.88	24,325.88	24,325.88	24,325.88
15	Other Equity (Excluding Revaluation Reserve)				252,644.01	262,248.63	198,232.93	225,987.61
16	Basic and Diluted EPS (Rs.) (Not Annualised)							
	Basic	(3.63)	(0.44)	(1.74)	(4.95)	(3.21)	(11.41)	(10.30)
	Diluted	(3.63)	(0.44)	(1.74)	(4.95)	(3.21)	(11.41)	(10.30)



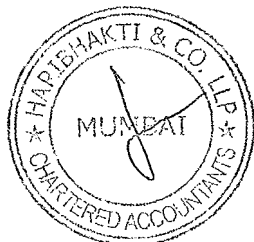
	Particulars	Standalone		Consolidated	
		31st March 2019 Audited	31st March 2018 Audited	31st March 2019 Audited	31st March 2018 Audited
<b>I.</b>	<b>ASSETS</b>				
<b>1</b>	<b>Non-current assets</b>				
	(a) Property, Plant and Equipment	235.30	345.28	3,302.54	3,893.68
	(b) Intangible assets	21.93	2.12	23.06	4.11
	(c) Intangible assets under development	-	15.00	-	15.00
	(d) Investment Property	468.34	476.25	468.34	476.25
	(e) Goodwill on consolidation	-	-	30,971.33	30,971.33
	(f) Investment in subsidiaries, associates and joint venture	74,043.25	69,262.42	33,620.06	35,583.47
	(g) Financial Assets				
	(i) Investments	128,689.86	127,626.87	130,785.50	127,873.57
	(ii) Loans	4,207.35	3,538.12	4,306.41	3,650.35
	(iii) Others	26,481.26	6,128.82	6,728.75	14,237.95
	(h) Deferred tax assets (net)	13,207.02	14,195.24	23,764.08	18,976.62
	(i) Non current tax asset (net)	633.06	596.36	1,121.30	803.53
	(j) Other non-current assets	4,974.75	5,193.39	6,720.67	6,368.14
		252,962.12	227,379.87	241,812.04	242,854.00
<b>2</b>	<b>Current assets</b>				
	(a) Inventories	28,228.16	30,693.96	216,330.74	273,200.23
	(b) Financial Assets				
	(i) Investments	36,886.16	29,057.03	9,720.90	9,570.01
	(ii) Trade receivables	151.45	1,579.41	9,019.43	5,604.22
	(iii) Cash and cash equivalents	70.35	427.24	363.19	2,128.43
	(iv) Bank balance other than (iii) above	135.62	328.85	637.58	527.72
	(v) Loans	52,965.96	64,687.80	86,471.99	87,098.77
	(vi) Other Financial Assets	274.62	174.28	3,649.17	1,184.31
	(c) Other current assets	5,624.84	6,583.33	29,912.38	40,479.80
	(d) Assets held for sale (Refer Note No. 9)	-	-	98,850.12	1,760.91
		124,337.16	133,531.90	454,955.50	421,554.40
	<b>TOTAL</b>	<b>377,299.28</b>	<b>360,911.77</b>	<b>696,767.54</b>	<b>664,408.40</b>
<b>II.</b>	<b>EQUITY AND LIABILITIES</b>				
<b>1</b>	<b>Equity</b>				
	(a) Equity Share capital	24,325.88	24,325.88	24,325.88	24,325.88
	(b) Other Equity	252,644.01	262,248.63	198,232.93	225,987.61
		276,969.89	286,574.51	222,558.81	250,313.49
	Non Controlling Interest	-	-	(14,992.00)	(15,834.16)
		276,969.89	286,574.51	207,566.81	234,479.33
<b>2</b>	<b>Non-current liabilities</b>				
	(a) Financial Liabilities				
	(i) Long-term Borrowings	6,321.64	17,647.88	132,466.63	118,411.29
	(ii) Trade Payable (other than payable to Micro and small enterprise)	-	-	589.37	560.64
	(iii) Other financial liabilities	6.80	-	9,755.64	11,403.33
	(b) Long-term provisions	91.81	181.47	321.41	341.56
	(c) Other non-current liabilities	-	-	1,000.00	1,000.00
		6,420.25	17,829.35	144,133.05	131,716.82
<b>3</b>	<b>Current liabilities</b>				
	(a) Financial Liabilities				
	(i) Short Term Borrowings	30,036.55	30,740.93	27,093.97	39,249.54
	(ii) Trade and other payables				
	- Total outstanding dues to Micro and Small Enterprises	11.18	7.10	160.71	7.10
	- Total outstanding dues to others	2,059.03	2,303.05	16,381.75	16,334.46
	(iii) Other financial liabilities	60,916.27	22,244.56	145,405.03	124,051.98
	(b) Other current liabilities	835.07	1,070.86	52,351.59	118,340.99
	(c) Short-term provisions	51.04	141.41	244.62	228.18
	(d) Liabilities pertaining to Disposal Group (Refer Note No 9)	-	-	103,430.01	-
		93,909.14	56,507.91	345,067.68	298,212.25
	<b>TOTAL</b>	<b>377,299.28</b>	<b>360,911.77</b>	<b>696,767.54</b>	<b>664,408.40</b>



Notes:-

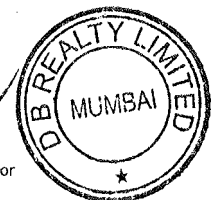
- 2 The Statutory Auditors have audited the above results pursuant to Regulation 33 of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015 and the same are reviewed by the Audit Committee and taken on record by the Board of Directors at their meeting held on 30th May, 2019.  
The Financial result for the Quarter ended March 31, 2019, being the balancing figure between audited figures in respect of full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by auditor.
- 3 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 Rs. 293,552.00 lacs (at standalone level) and Rs. 114,300.00 lacs (at consolidated level) as on 31st March, 2019.
- 4 The Company has investments in certain subsidiaries and related parties aggregating Rs. 87,368.26 lacs (on standalone basis) and Rs. 18,527.27 lacs (on consolidated basis) and loans and receivables outstanding aggregating Rs. 50,886.65 lacs and Rs. 4,410.51 lacs (on consolidated basis) as at March 31, 2019. While such entities have incurred significant losses and/or have negative net worth as at March 31, 2019, 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 and loans 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.
- 5 Note on "Control" of D B Realty Ltd (DBRL/Company) in Marine Drive Hospitality & Realty Private Limited (MDHRPL):  
a) Total 2,470,600 nos. of ROCCPS Series A and 29,415 nos. of ROCCPS Series C of Marine Drive Hospitality & Realty Private Limited (MDHRPL) held by the Company amounting to Rs 2,288.81 lacs has been attached by an attachment order issued by adjudicating authority under Prevention of Money Laundering Act (PMLA) and therefore, all the rights of the Company as a shareholder have been suspended till the time attachment continues. Therefore, the Company is of the view that the aforesaid shares can not be considered while applying the test of "Control" on MDHRPL.  
b) 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 Rs. 10/- each against 1 (one) CCCPS - Series C of Rs. 10/- each held by the Company. As per existing terms, the latest date of conversion of the aforesaid CCCPS - Series C is July, 2021. However, this being strategic investment the Company has decided not to exercise the option of conversion.  
c) In addition to the above, the Company is presently holding (i) 188,215 nos. of ROCCPS - Series C and (ii) 74,443 nos. of CRCPs, which are having option of either redemption or conversion on different dates up to March 2021 and March 2022 respectively. As on date, the Management has decided not to opt for conversion of aforesaid shares.  
d) The Company has not nominated any director on the Board of MDHRP.
- On the basis of the above facts, the Management is not having effective control over MDHRPL. In view of the same, accounts of MDHRPL along with its subsidiaries, associates and joint ventures are not consolidated as per Ind AS 110. Further, equity instruments of MDHRPL are measured at fair value through other comprehensive income based on irrevocable designation at inception.
- 6 Based on the guiding principles given in Ind-AS 108 Operating Segment prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and other accounting principles generally accepted in India, the Company/ Group is mainly engaged in the business of real estate development viz. construction of residential / commercial properties in India. As the Company's/ Group's business falls within a single primary business segment, the disclosure requirements of Ind-AS - 108 in this regard are not applicable.
- 7 During the year, following omission is observed which relates to previous year. As per the requirement of Ind As-8 "Accounting Policies, Changes in Accounting Estimates and Errors", impacts of these errors are given in the comparative financial statement and the financial preceding prior to the previous financial year. Impact of such transactions and other details are as described hereunder:  
During FY 2017-18, valuation of Investment of Rs. 1,153.58 lakhs was omitted to be included in the financial of that year. Now, the same has been included in the comparative results of FY 2017-18 by restating the required figures and affected line items of the financial statement. Hence, Other Income has been increased by Rs. 1,153.58 lacs, deferred tax income is reduced by Rs. 239.95 lacs and Investment has been increased by Rs. 1,153.58 lacs in 2017-18 and profit for the year has been increased by Rs. 913.63 lacs. net of Deferred tax of Rs. 239.95 Lacs.
- 8 Ind AS 115 Revenue from Contract with Customers, mandatory for reporting periods beginning on or after April 1, 2018, replaces existing revenue recognition requirements. The application of Ind AS 115 has impacted the Companies' accounting for recognition of revenue from real estate projects.  
The Group has applied the modified retrospective approach to contracts that were not completed as of 1 April 2018 and has given impact of Ind AS 115 application by debit to retained earnings as at the said date by Rs 3,359.06 lakhs (net of tax). On Account of application of Ind AS 115, there is no significant impact on financial performance of the Group for current year.
- 9 During the year, Real Gem Buildtech Private Limited (a wholly owned subsidiary company/ WOS) has filed a Scheme with National Company Law Tribunal whereby it has proposed to transfer its all the assets and liabilities pertaining to Identified Project Undertaking, being "DB Crown" Project, on going concern basis as Stump Sale to Kingmaker Developers Private Limited (KDPL) for a consideration of Rs. 10 lakh. Additionally, as mentioned in the scheme, upon achieving certain milestones to be mutually agreed between said WOS and KDPL, said WOS shall be entitled to receive the such realisation / sale proceeds of the Project Undertaking as Contingent consideration from KDPL. The Management is hopeful that the said Project Undertaking will be able to achieve those milestones and above Contingent consideration will accrue to the said WOS. Accordingly, no provision of impairment of goodwill is considered necessary by the Company.  
Further, the said WOS has shown its assets and liabilities relating to project undertaking as assets held for sale and liabilities pertaining to disposal group in accordance with Ind AS 105.
- 10 As per the terms of the Agreement, in one of the Subsidiary Company, Security Deposit had become refundable which could not be fully repaid and whereby developer made claim for interest which has not been accepted by the said subsidiary. To settle the disputes amongst the parties a sole arbitrator was appointed and an interim order has been passed, whereby the said subsidiary was asked to pay compensation of Rs. 12,900.00 Lakh. The same is disclosed under "exceptional item".
- 11 The Company has executed Shares Purchase Agreement on 26<sup>th</sup> September, 2018 among IL&FS Trust Company Limited (now known as Vistra ITCL (INDIA) Limited) and IIRF Holdings VII Limited, Investors of Neelkamal Realtors Tower Private Limited ("NRTPL") and NRTPL for increasing its stake in "NRTPL" and thus making NRTPL a 100% wholly owned subsidiary of the Company post acquisition of the said shares. The transaction as contemplated in the said Agreement have not been concluded as on date and there have been exchange of correspondences between the parties concerned in this context
- 12 Figures for the previous quarter/year are re-classified/re-arranged/re-grouped wherever required.

Dated:- May 30, 2019  
Place:- Mumbai



For D B Realty Limited

Vinod Goenka  
Chairman & Managing Director  
DIN 00029033



**Auditor's Report on Annual Standalone Ind AS Financial Results of D B Realty Limited Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To  
The Board of Directors  
D B Realty Limited

1. We have audited the accompanying Statement of Annual Standalone Ind AS Financial Results of D B Realty Limited ("the Company") for the year ended March 31, 2019 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. This Statement has been prepared on the basis of the annual standalone Ind AS financial statements. Our responsibility is to express an opinion on this Statement, based on our audit of such annual standalone Ind AS financial statements, which have been prepared in accordance with the Indian Accounting Standards specified under Section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India.
2. We conducted our audit of the Statement in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed in the Statement. An audit also includes assessing the accounting principles used and significant estimates made by the management.
3. We believe that the audit evidences obtained by us is sufficient and appropriate to provide a reasonable basis for our qualified opinion on the Statement.



## 4. BASIS OF QUALIFICATION

- a. As stated in Note 3 to the Statement regarding non recognition/ re-measurement of financial guarantees aggregating Rs. 2,93,552.00lakhs 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 year ended March 31, 2019.
- b. As stated in Note 4 to the Statement regarding non-evaluation of impairment provision for expected credit losses in accordance with Ind AS 109 - Financial Instruments, for loans and receivables aggregating Rs. 50,886.65lakhs and Investments aggregating Rs. 87,368.26lakhs respectively on March 31, 2019 to certain subsidiaries and related parties which have incurred significant losses or have negative net worth. We are unable to comment on the effects on the loss for the year ended March 31, 2019.
- c. As stated in Note 5 to the Statement regarding measurement of its investments in equity instruments of one of its subsidiary company at fair value through other comprehensive income which the management has not considered as a subsidiary. Had it been treated as a subsidiary, then as per accounting policy, it should be measured at cost. Consequently, investments in these instruments and other comprehensive income are higher by Rs. 15,228.96lakhs and Rs. 12,061.34lakhs (net of tax) respectively as on March 31, 2019.

5. In our opinion and to the best of our information and according to the explanations given to us and subject to the possible effects of the matters described in paragraph 4 above, the Statement:

- (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and
- (ii) gives a true and fair view of the net loss (including other comprehensive income) and other financial information of the Company for the year ended March 31, 2019.



6. We draw attention to :

- a. As regards security deposits aggregating Rs. 4,653.74lakhs as on March 31, 2019, given to various parties for acquisition of development rights, as explained by the 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.
- b. As regards return on investments of Rs. 79,790.67 lakhs in preference shares in a subsidiary company as on March 31, 2019. 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. As regards status of inventory consisting of projects having aggregate value of Rs. 28,228.16lakhs as on March 31, 2019 and the opinion framed by the management about realizable value of the cost incurred, being a technical matter, has been relied upon by us.
- d. The Company's loans and advances aggregating Rs. 4,000.00lakhs as on March 31, 2019 are under litigation and are sub-judice. Based on the management's assessment of the outcome, no adjustments are considered necessary in respect of recoverability of balances. The impact, if any, of the outcome is unascertainable at present.
- e. As regards certain allegations made by the Enforcement Directorate against the Company and its two 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.
- f. As regards attachment order issued by adjudicating authority under Prevention of Money Laundering Act, 2002, by which the Company's assets amounting to Rs. 2,450.40lakhs have been attached on August 30, 2011. Consequently, the adjudicating authority has taken over the bank balance of Rs. 68.93 lakhs and Investment in Redeemable Optionally Convertible Cumulative Preference Shares - Series A and Series



C of a subsidiary company of Rs. 2,288.81lakhs in earlier years. The impact of the matter, if any, of its outcome is currently unascertainable.

g. The Audited Financial Statements of a Firm where the Company is one of the partners has following disclosures:

- i. As regards recoverability of Trade Receivables of Rs. 2,722.98 lakhs, 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.
- ii. 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.

iii. As regards pending dispute towards liability of property tax of the Firm with Municipal Corporation of Greater Mumbai / Slum Rehabilitation Authority.

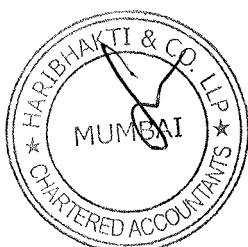
iv. As regards non-provision of disputed income tax liability of Rs. 2,911.63 lacs.

h. As regards order passed by Hon'ble Delhi High Court in one of the Partnership Firm where the Company is a partner directing the Airport Authority of India (AAI) to conduct Aeronautical Studies without demolishing the structure of SRA buildings. 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.

i. There is significant uncertainty regarding completion of the Project in one of the partnership firm based on its management and accordingly, the firm has not recognized revenue till such significant uncertainty exists.

j. Observations made by us in the above paragraphs (a) to (i) and their impact on the Statement, have not been disclosed in the Statement.

Our report is not modified in respect of these matters.





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Chartered Accountants

7. Share of loss (net) from investment in three partnership firms, one Limited Liability Partnership and one Joint Venture aggregating Rs. 1,072.50lakhs for the year ended March 31, 2019, included in the Statement, are 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.

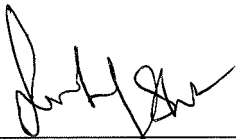
The Statement also includes share of loss from investment in one Limited Liability Partnership aggregating Rs. 0.03lakhs, which is based on the financial statement of such entity. This financial statement is unaudited and have been furnished to us by the management, and our audit report on the Statement is based solely on such unaudited financial statement. According to the information and explanations given to us by the management, this financial statement is not material to the Company.

8. The Statement includes the results for the Quarter ended March 31, 2019, being the balancing figure between audited figures in respect of full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W/W100048



Snehal Shah

Partner

Membership No.: 48539



Place: Mumbai

Date: May 30, 2019

**Auditor's Report on Annual Consolidated Ind AS Financial Results of D B Realty Limited Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

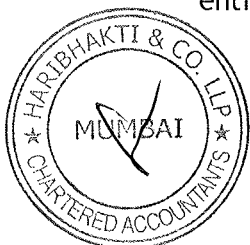
To  
The Board of Directors  
D B Realty Limited

1. We have audited the accompanying Statement of Annual Consolidated Ind AS Financial Results 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 joint ventures for the year ended March 31, 2019 ("the Statement"), being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. This Statement is the responsibility of the Holding Company's management and has been approved by the Board of Directors. This Statement has been prepared on the basis of the annual consolidated Ind AS financial statements. Our responsibility is to express an opinion on this Statement based on our audit of such annual consolidated Ind AS financial statements, which have been prepared in accordance with the Indian Accounting Standards specified under Section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India.
2. We conducted our audit of the Statement in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed in the Statement. An audit also includes assessing the accounting principles used and significant estimates made by the Holding company management.
3. We believe that the audit evidence obtained by us and obtained by the other auditors in terms of their report referred to in paragraph 7 below, is sufficient and appropriate to provide a reasonable basis for our qualified opinion on the Statement.



## 4. BASIS OF QUALIFIED OPINION

- a. As stated in Note 3 to the Statement regarding non recognition/ re-measurement of financial guarantees aggregating Rs. 114,300.00 lakhs 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 year ended March 31, 2019.
- b. As stated in Note 4 to the Statement regarding non-evaluation of impairment provision for expected credit losses in accordance with Ind AS 109 - Financial Instruments, for loans and receivables aggregating Rs. 4,410.51 lakhs and Investments aggregating Rs. 18,527.27 lakhs respectively on March 31, 2019 to certain associates and related parties which have incurred significant losses or have negative net worth. We are unable to comment on the effects on the loss for the year ended March 31, 2019.
- c. As stated in Note 5 to the Statement 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.
- d. As stated in Note 5 to the Statement regarding measurement of its investments in equity instruments of one of its subsidiary company at fair value through other comprehensive income which the management has not considered as a subsidiary. Had it been treated as a subsidiary, then as per accounting policy, it should be measured at cost. Consequently, investments in these instruments and other equity (other comprehensive income) are higher by Rs 15,228.96 lakhs and Rs 12,061.34 lakhs (net of tax) respectively as on March 31, 2019.
- e. As stated in Note 9 to the Statement, regarding non impairment of goodwill as on March 31, 2019, created for one of the subsidiary company amounting to Rs. 15,194.80 lakhs as required under Ind AS 36 - Impairment of Assets. During the year, the said subsidiary has filed a scheme with National Company Law Tribunal to seek approval for slump sale of its entire project along with related assets and liabilities. Further, the subsidiary company is entitled to contingent consideration on sale of projects by the new project undertaking.

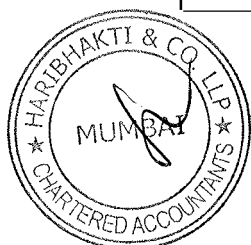


Having regard to this development, there will not be any more project/business activities in the hands of said subsidiary. In the circumstances, in our view, goodwill needs to be tested for impairment and provision, if any, is required to be made in this regard. In the absence of impairment testing and determination of future contingent consideration, goodwill has been entirely carried in the books of account. We are unable to comment on the effects, if any, on the consolidated loss for the year ended March 31, 2019.

5. In our opinion and to the best of our information and according to the explanations given to us, and on consideration of the reports of the other auditors and subject to the possible effects of the matters described in paragraph 4 above, the Statement:

- (i) includes the annual Ind AS financial results of the following entities:

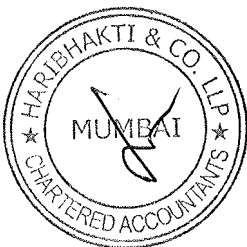
Sr. No.	Name of the Entity	Relationship
1.	D B Realty Limited	Holding Company
2.	DB Man Realty Limited	Subsidiary
3.	Esteem Properties Private Limited	Subsidiary
4.	Goregoan Hotel & Realty Private Limited	Subsidiary
5.	Neelkamal Realtors Suburban Private Limited	Subsidiary
6.	NeelKamalShantinagar Properties Private Limited	Subsidiary
7.	Real Gem Buildtech Private Limited	Subsidiary
8.	Saifee Bucket Factory Private Limited	Subsidiary
9.	Turf Estate Joint Venture Private Limited (Formerly known as Priya Constructions Private Limited)	Subsidiary
10.	N.A. Estate Private Limited	Subsidiary
11.	Royal Netra Constructions Private Limited	Subsidiary
12.	Nine Paradise Erectors Private Limited	Subsidiary
13.	MIG Bandra Realtor & Builder Private Limited	Subsidiary
14.	Spacecon Realty Private Limited	Subsidiary
15.	Vanita Infrastructure Private Limited	Subsidiary



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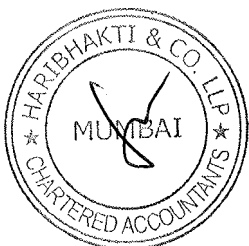
16.	DB Contractors & Builders Private Limited	Subsidiary
17.	DB View Infracon Private Limited	Subsidiary
18.	DB (BKC) Realtors Private Limited	Joint Venture
19.	Neelkamal Realtors Tower Private Limited	Associate
20.	Sangam City Town Ship Private Limited	Associate
21.	D B Hi-Sky Construction Private Limited	Associate
22.	Mahal Pictures Private Limited	Associate
23.	Shiva Realtors Suburban Private Limited	Associate
24.	Shiva Buildcon Private Limited	Associate
25.	Shiva Multitrade Private Limited	Associate
26.	Horizontal Realty and Aviation Private Limited	Step down Subsidiary
	<b>Partnership Firms/ LLP's/Association of Persons</b>	
27.	Mira Real Estate Developers	Subsidiary
28.	Conwood -DB Joint Venture (AOP)	Subsidiary
29.	ECC - DB Joint Venture (AOP)	Subsidiary
30.	Turf Estate Joint Venture (AOP)	Subsidiary
31.	M/s Dynamix Realty	Joint Venture
32.	M/s DBS Realty	Joint Venture
33.	Lokhandwala Dynamix-Balwas JV	Joint Venture
34.	DB Realty and Shreepati Infrastructures Limited Liability Partnership	Joint Venture
35.	Sneh Developers	Step down Joint Venture
36.	Evergreen Industrial Estate	Step down subsidiary
37.	Shree Shantinagar Venture	Step down subsidiary
38.	Suraksha DB Realty	Step down Joint Venture
39.	National Tiles	Step down Joint Venture
40.	Lokhandwala DB Realty LLP	Step down Joint Venture
41.	OM Metal Consortium	Step down Joint Venture



- (ii) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and
- (iii) gives a true and fair view of the consolidated net loss (including other comprehensive income) and other financial information of the Group including its associates and joint ventures for the year ended March 31, 2019.

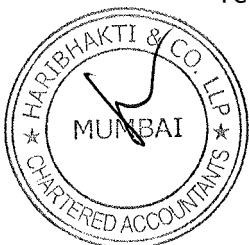
6. We draw attention to the following matters:

- (i) As regards security deposits aggregating Rs. 4,353.74 lakhs as on March 31, 2019, given by Holding company to various parties for acquisition of development rights, as explained by the 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.
- (ii) As regards return on investments of Rs. 79,790.67 lakhs by the Holding company in preference shares in a subsidiary company as on March 31, 2019. As explained by the Holding company 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 Holding Company's investment in the investee company. The said subsidiary has not been consolidated in Ind AS financial statements.
- (iii) As regards status of inventory consisting of projects of the Holding Company having aggregate value of Rs. 28,228.16 lakhs as on March 31, 2019 and the opinion framed by the Holding company management about realizable value of the cost incurred, being a technical matter, has been relied upon by us.
- (iv) In case of Group, loans and advances aggregating Rs. 4,000 lakhs and the project cost carried in inventory aggregating Rs. 12,509.54 lakhs as on March 31, 2019 are under litigation and are sub-judice. Based on the 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.
- (v) As regards certain allegations made by the Enforcement Directorate against the Holding Company and its two Key Managerial Persons, in a matter relating to

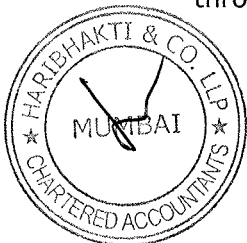


Prevention of Money Laundering Act, 2002, this matter is sub-judice and the impact, if any, of the outcome is unascertainable at this stage.

- (vi) As regards attachment order issued by adjudicating authority under Prevention of Money Laundering Act, 2002, by which the Holding Company's assets amounting to Rs. 2,450.40 lakhs have been attached on August 30, 2011. Consequently, the adjudicating authority has taken over the bank balance of Rs. 68.93 lakhs and Investment in Redeemable Optionally Convertible Cumulative Preference Shares - Series A and Series C of a subsidiary company of Rs. 2,288.81 lakhs in earlier years. The impact of the matter, if any, of its outcome is currently unascertainable.
- (vii) The Audited Financial Statements of a Firm for the year ended March 31, 2019 where the Holding Company is one of the partner has following disclosures:
- As regards recoverability of Trade Receivables of Rs. 2,722.98 lakhs, 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.
  - 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.
  - As regards pending dispute towards liability of property tax of the Firm with Municipal Corporation of Greater Mumbai / Slum Rehabilitation Authority.
  - As regards non-provision of disputed income tax liability of Rs. 2,911.63 lakhs.
- (viii) As regards order passed by Hon'ble Delhi High Court in one of the Partnership Firm where the Holding Company is a partner directing the Airport Authority of India (AAI) to conduct Aeronautical Studies without demolishing the structure of SRA buildings. 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.
- (ix) There is significant uncertainty regarding completion of the Project in one of the partnership firm based on its management and accordingly, the firm has not recognized revenue till such significant uncertainty exists.



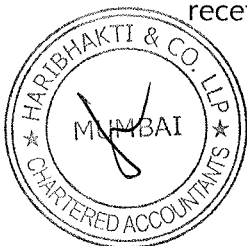
- (x) With respect to work in progress with carrying value of Rs. 7,787.38 lakhs in a subsidiary, a writ petition had filed in High Court (HC) by Jijamata Nagar Sankalp Co-Operative Housing Society CTS 1406G/8 (Jijamata Society) against designating the land under the Draft Development Plan 2034 (Draft DP 2034), which was shown as designated for reservation of Public Open Space and Dispensary/Health Post as compared to original status of the plot which was partly in residential zone and partly in road and partly reserved for playground prior to Draft DP 2034. The High Court has refused to entertain the petition and disposed off the same stating that the petitioner can always challenge the final development plan by filing a fresh petition. However a petition may not be required as under Final Development Plan 2034, reservations as per Draft DP2034 are removed except affected area of 3,525.056 sqmtr.
- (xi) In case of a subsidiary company, outcome of the dispute with development partner with respect to claim of interest upto March 31, 2019 amounting Rs. 12,034.39 lakhs, which is pending before the Sole Arbitrator, whereby there would not be any further outflow of the resources other than the amount of Rs. 3,993.39 lakhs which has been already provided for in their financial statement.
- (xii) In case of a subsidiary company, there is doubt regarding recoverability aspects of interest free loan granted to related parties amounting to Rs. 22,139.54 lakhs.
- (xiii) In case of a subsidiary company, there is dispute with the Members of Middle Income Group Co-Operative Society Limited amounting to Rs.1,800 lakhs, whereby there would not be any outflow of resources of the subsidiary Company and hence, no amount is required to be provided for in their financial statement.
- (xiv) The status of various ongoing projects, recognition of expense and income and the realizable value of the cost incurred, are as per the judgment of management of the respective entity and certified by their technical personnel and being of technical nature, have been relied upon by us.
- (xv) A subsidiary company has acquired certain debts by way of assignment from Yes Bank Limited and Suraksha Asset Reconstruction Private Limited amounting to Rs. 25,033.19 lakhs and Rs. 23,000.00 lakhs respectively, for which the Hon'ble Bombay High Court has appointed the court receiver and directed to take possession of the said assets and recovery from sale of these assets. These receivables are measured at fair value through profit or loss and fair value has been considered equal to cost by the





management. Further, during the year, the subsidiary has reversed existing provision for expected credit losses.

- (xvi) With regards to the status of the amounts due to Housing Development Infrastructure Limited amounting to Rs. 2,000.00 lakhs by one of the subsidiary companies.
- (xvii) In case of a subsidiary company, as regards the status of the case pending before the Hon'ble Bombay High Court against the arbitrary cancellation of Tender by P.W. Department.
- (xviii) In case of subsidiary company, as regards the implications, if any, of outstanding dues from a debtor to whom a unit was sold consequent to the arrangement entered into by a subsidiary company with the Holding Company.
- (xix) In case of a subsidiary company, the financial statements are signed by only one member of the entity and that, the present arrangement between the partners is under reconsideration.
- (xx) In case of a subsidiary company which has granted loan aggregating Rs. 5,153.13 lakhs to a Related Party for which no provisions for bad and doubtful loan have been made though such related party has negative net worth as per latest audited financial statements for the year ended as at March 31, 2018. As explained in the 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 and which can generate adequate cash flow to enable the said related party to repay the loan.
- (xxi) In case of two subsidiary company, the management's estimate that the subsidiary companies will be able to continue as going concern basis in foreseeable future and hence, its financial statements are prepared on going concern basis.
- (xxii) In case of a step down subsidiary company, the Management's decision of acquiring equity shares of Milan Theatres Private Limited and providing for permanent diminution in value thereof.
- (xxiii) In case of a step down subsidiary company, as regards recoverability aspect of trade receivables and granting of loans which includes loan to a third party which are subject to confirmation and also to the opinion of the Management that all the loans and trade receivables are good for recovery.

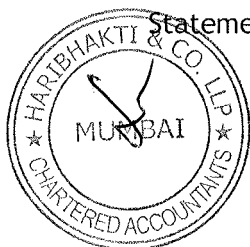


- (xxiv) In case of a step down subsidiary company, non-provision of disputed service tax demand of Rs. 1,843.78 lakhs.
- (xxv) In case of a step down subsidiary company, as regards status of undisputed value added tax liability on sale of helicopter amounting Rs.650.00 lakhs.
- (xxvi) In case of a step down subsidiary company, as regards determination of net realizable value of "an aircraft" classified as "Assets held for sale".
- (xxvii) With respect to project work in progress of Rs. 6,448.97 lakhs in an associate company where such company is currently under process of resolving the internal disputes amongst the partners of the firm, 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.
- (xxviii) In case of a subsidiary company, the status of the cluster development project as also the opinions/ judgments on the assessment of recoverability aspect of the amounts paid for acquiring tenancy rights now receivable on abandonment of the Project.
- (xxix) In case of subsidiary company, with regards to disputed tax exposure of Rs.2,654.00 lakhs that could devolve on the Company.
- (xxx) In case of subsidiary company, management judgment on the assessment of the viability of the Project and consequent non-adjustment of losses to the balances of the Members.
- (xxxi) Observations made by us in the above paragraphs (i) to (xxx) and their impact on the Statement, have not been disclosed in the Statement.

Our report is not modified in respect of these matters.

## Other Matters

7. We did not audit the Ind AS financial statements of twenty three subsidiaries (including three step down subsidiaries) included in the Statements, whose Ind AS financial statements reflect total assets of Rs.491,091.91 lakhs as at March 31, 2019, total revenues of Rs.40,463.51 lakhs and total loss (including other comprehensive income) after tax of Rs.13,022.67 lakhs for the year ended on that date, as considered in the Statement. The Statement also include Group's share of loss (including other comprehensive income) of



# HARIBHAKTI & CO. LLP

Chartered Accountants

Rs.2,237.10 lakhs for the year ended March 31, 2019, as considered in the Statement, in respect of seven associates and eight joint ventures (including five step down joint venture), 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 Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associates, is based solely on the reports of the other auditors.

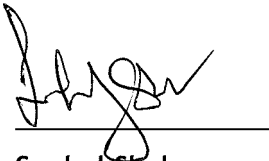
8. The Statement also includes Group's share of net loss (including other comprehensive income) of Rs. 5.20 lakhs for the year ended March 31, 2019, as considered in the Statement, in respect of two joint venture, whose Ind AS financial statements have not been audited by us. These Ind AS financial statements are unaudited and have been furnished to us by the Management of the Holding Company and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these 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 of the Holding Company, these Ind AS financial statements are not material to the Group including its associates and joint ventures.

Our opinion on the statement is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditors and the Ind AS financial statements certified by the management.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W/W100048



Snehal Shah

Partner

Membership No.: 48539



Mumbai

May 30, 2019

## Annexure I

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along with Annual Audited Financial Results- Standalone  
Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2019  
(See Regulations 33/52 of SEBI (LODR) (Amendment) Regulations, 2016

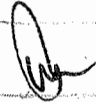

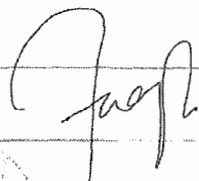
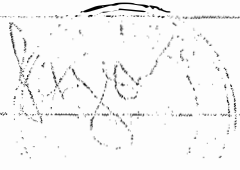
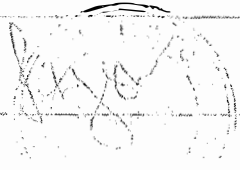

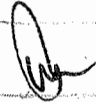

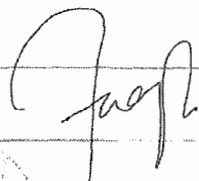
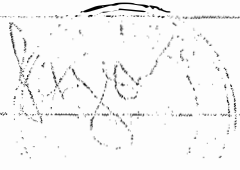
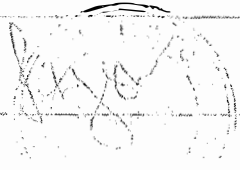
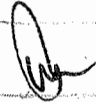

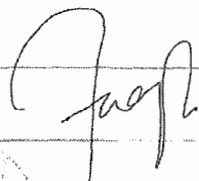
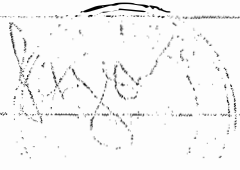
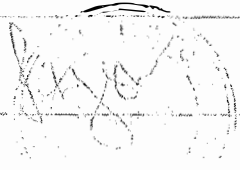
Sr. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
1	Turnover/ Total Income	41,868,636	Not ascertainable
2	Total Expenditure	1,744,079,176	
3	Net Profit/ (Loss)	(1,204,997,562)	
4	Earnings per Share	(4.95)	
5	Total Assets	37,729,930,480	
6	Total Liabilities	10,032,942,141	
7	Net Worth	27,696,988,340	
8	Any other financial items		

## II Audit Qualification

1  
**a. Details of Audit Qualification:**  
As stated in Note 3 to the Statement regarding non recognition/ re-measurement of financial guarantees aggregating Rs. 2,93,552.00 lakhs 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 year ended March 31, 2019.  
**b. Type of Audit Qualification:** Qualified Opinion  
**c. Frequency of Qualification:** Repetitive  
**d. For Audit Qualification where impact is quantified by the auditor, Management's views:** Impact is not quantified by the auditor.  
**e. For Audit Qualification where impact is not quantified by the auditor:**  
(i) Management's estimation on the impact of audit qualification: Not ascertainable  
(ii) If management is unable to estimate the impact, reasons for the same:  
The Company has issued financial guarantees to bankers/financial institutions on behalf of various entities based on the terms of the sanctioned letters issued by such banks/financial institutions and generally the sanctioned letters / loan documents prohibited the Company to charge any commission on giving of such financial guarantees. Therefore, in compliance with the sanctioned letters/loan documents executed by the Company with such banks / financial institutions in the past, the management has decided not to charge any commission on such financial guarantees, which generally is a collateral security supported by other main primary securities in each such case. The Note No 3 is detailed in nature and self explanatory  
(iii) Auditors' Comments on (i) or (ii) above:  
Included in the Auditors' Report

2  
**a. Details of Audit Qualification:**  
As stated in Note 4 to the Statement regarding non-evaluation of impairment provision for expected credit losses in accordance with Ind AS 109 - Financial Instruments, for loans and receivables aggregating Rs. 50,886.65 lakhs and investments aggregating Rs. 87,368.26 lakhs respectively on March 31, 2019 to certain subsidiaries and related parties which have incurred significant losses or have negative net worth. We are unable to comment on the effects on the loss for the year ended March 31, 2019.  
**b. Type of Audit Qualification:** Qualified Opinion  
**c. Frequency of Qualification:** Repetitive  
**d. For Audit Qualification where impact is quantified by the auditor, Management's views:** Impact is not quantified by the auditor.  
**e. For Audit Qualification where impact is not quantified by the auditor:**  
(i) Management's estimation on the impact of audit qualification: Not ascertainable  
(ii) If management is unable to estimate the impact, reasons for the same:  
The loans are given to certain subsidiaries and related parties, in which the Company is having economic interest and the same are generally repayable on demand and investment in these subsidiaries and related parties are considered strategic and long term in nature. Such subsidiaries and related parties are in different stages of execution of Projects, where revenue recognition has not started and the Company is confident of recovering the same. Such loans and advances are towards the cost to be incurred / being incurred by the said entities for their projects and hence this to be considered to facilitate proper execution and as such will be repaid and / or recovered in due course.  
(iii) Auditors' Comments on (i) or (ii) above:  
included in the Auditors' Report



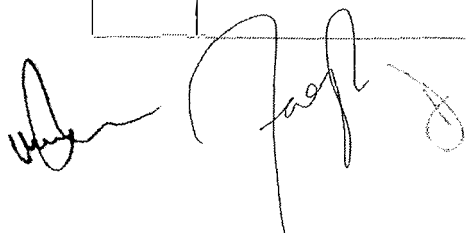
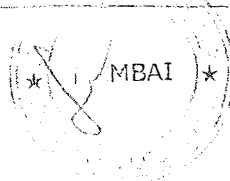
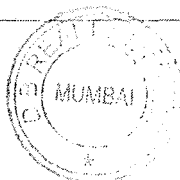
3	<p>a. Details of Audit Qualification: As stated in Note 5 to the Statement regarding measurement of its investments in equity instruments of one of its subsidiary company at fair value through other comprehensive income which the management has not considered as a subsidiary. Had it been treated as a subsidiary, then as per accounting policy, it should be measured at cost. Consequently, investments in these instruments and other comprehensive income are higher by Rs. 15,228.96 lakhs and Rs. 12,061.34 lakhs (net of tax) respectively as on March 31, 2019.</p> <p>b. Type of Audit Qualification: Qualified Opinion</p> <p>c. Frequency of Qualification: Repetitive</p> <p>d. For Audit Qualification where impact is quantified by the auditor, Management's views: Investments in these instruments and other comprehensive income is higher by Rs. 15,228.96 lakhs and Rs. 12,061.34 lakhs (net of tax) respectively as on March 31, 2019. The Management is of the opinion that the said entity is not within its control, as it is managed by its own Board of Directors and the Company has not nominated any director on the Board of the said entity. Further, the investments by the Company in this entity are not just in equity shares but the same is in the form of different preference shares having maturity terms in future and the Company together with one of its wholly owned subsidiary company hold around 17.58% of current total paid-up share capital in the said entity. Hence control does not vest in the Company through its investment or otherwise and not required to be consolidated. Therefore, the management is of the opinion that the Company has rightly measured its investments in equity instruments of the said entity at fair value instead of measuring it at cost and has given accounting treatments accordingly.</p> <p>e. For Audit Qualification where impact is not quantified by the auditor: (i) Management's estimation on the impact of audit qualification: N/A (ii) If management is unable to estimate the impact, reasons for the same: N/A (iii) Auditors' Comments on (i) or (ii) above: Included in the Auditors' Report</p>												
III	<table border="1"> <tr> <td data-bbox="459 817 865 869">Signatories</td> <td data-bbox="865 817 1356 869"></td> </tr> <tr> <td data-bbox="459 869 865 913">Managing Director</td> <td data-bbox="865 869 1356 913"></td> </tr> <tr> <td data-bbox="459 913 865 967">Vinod Goenka CFO</td> <td data-bbox="865 913 1356 967"></td> </tr> <tr> <td data-bbox="459 967 865 1012">Asif Balwa Audit Committee Chairman</td> <td data-bbox="865 967 1356 1012"></td> </tr> <tr> <td data-bbox="459 1012 865 1079">Jagat Killawala Statutory Auditor</td> <td data-bbox="865 1012 1356 1079"></td> </tr> <tr> <td data-bbox="459 1079 865 1191">Sneh Shah Partner - Haribhakti &amp; Co. LLP</td> <td data-bbox="865 1079 1356 1191"></td> </tr> </table> <p>Place: Mumbai</p> <p>Date: 30th May 2019</p> 	Signatories		Managing Director		Vinod Goenka CFO		Asif Balwa Audit Committee Chairman		Jagat Killawala Statutory Auditor		Sneh Shah Partner - Haribhakti & Co. LLP	
Signatories													
Managing Director													
Vinod Goenka CFO													
Asif Balwa Audit Committee Chairman													
Jagat Killawala Statutory Auditor													
Sneh Shah Partner - Haribhakti & Co. LLP													

## Annexure I

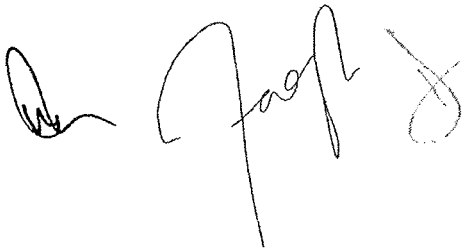
## Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along with Annual Audited Financial Results- Consolidated

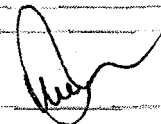

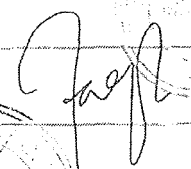

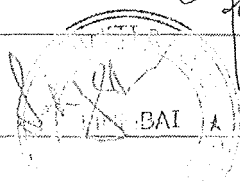
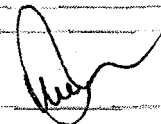

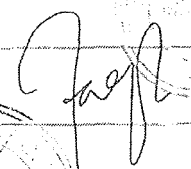

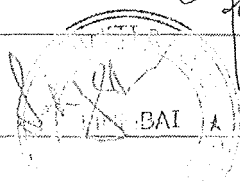
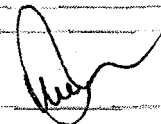

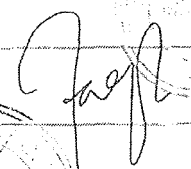

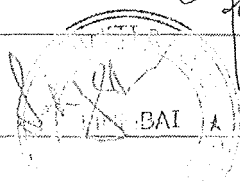
Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2019  
(See Regulations 33/52 of SEBI (LODR) (Amendment) Regulations, 2016)

Sr. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
1	Turnover/ Total Income	3,652,104,347	Not ascertainable
2	Total Expenditure	61,804,754,849	
3	Net Profit/ (Loss)	(25,996,624,587)	
4	Earnings per Share	(11.41)	
5	Total Assets	69,676,754,762	
6	Total Liabilities	48,920,072,626	
7	Net Worth	20,756,682,137	
8	Any other financial items		
II	<b>Audit Qualification</b>		
1	<p><b>a. Details of Audit Qualification:</b> As stated in Note 3 to the Statement regarding non recognition/ re-measurement of financial guarantees aggregating Rs. 114,300.00 lakhs 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 year ended March 31, 2019.</p> <p><b>b. Type of Audit Qualification:</b> Qualified Opinion</p> <p><b>c. Frequency of Qualification:</b> Repetitive</p> <p><b>d. For Audit Qualification where impact is quantified by the auditor, Management's views:</b> Impact is not quantified by the auditor.</p> <p><b>e. For Audit Qualification where impact is not quantified by the auditor:</b> (i) Management's estimation on the impact of audit qualification: Not ascertainable (ii) If management is unable to estimate the impact, reasons for the same: The Company has issued financial guarantees to bankers/financial institutions on behalf of various entities based on the terms of the sanctioned letters / loan documents prohibited the Company to charge any commission on giving of such financial guarantees. Therefore, in compliance with with the sanctioned letters/loan documents executed by the Company with such banks / financial institutions in the past, the management has decided not to charge any commission on such financial guarantees, which generally is a collateral security supported by other main primary securities in each such case. (iii) Auditors' Comments on (i) or (ii) above: Included in the Auditors' Report</p>		
2	<p><b>a. Details of Audit Qualification:</b> As stated in Note 4 to the Statement regarding non-evaluation of impairment provision for expected credit losses in accordance with Ind AS 109 - Financial Instruments, for loans and receivables aggregating Rs. 4,410.51 lakhs and investments aggregating Rs. 18,527.27 lakhs respectively on March 31, 2019 to certain subsidiaries and related parties which have incurred losses or have negative net worth. We are unable to comment on the effects on the loss for the year ended March 31, 2019.</p> <p><b>b. Type of Audit Qualification:</b> Qualified Opinion</p> <p><b>c. Frequency of Qualification:</b> Repetitive</p> <p><b>d. For Audit Qualification where impact is quantified by the auditor, Management's views:</b> Impact is not quantified by the auditor.</p> <p><b>e. For Audit Qualification where impact is not quantified by the auditor:</b> (i) Management's estimation on the impact of audit qualification: Not ascertainable (ii) If management is unable to estimate the impact, reasons for the same: The loans are given to subsidiaries and related parties, in which the Company is having economic interest and the same is repayable on demand and investment in such associates are considered strategic and long term in nature. The said Associates are in the process of execution of real estate project, where revenue recognition has not started and the Company is confident of recovering the same. Such loans and advances are towards the cost to be incurred / being incurred by the said Associates for its project and hence this to be considered to facilitate proper execution and as such will be repaid and / or recovered in due course. (iii) Auditors' Comments on (i) or (ii) above: Included in the Auditors' Report</p>		

3	<p><b>a. Details of Audit Qualification:</b> As stated in Note 5 to the Statement 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.</p> <p><b>b. Type of Audit Qualification:</b> Qualified Opinion</p> <p><b>c. Frequency of Qualification:</b> Repetitive</p> <p><b>d. For Audit Qualification where impact is quantified by the auditor, Management's views:</b> Impact is not quantified by the auditor.</p> <p><b>e. For Audit Qualification where impact is not quantified by the auditor:</b> (i) Management's estimation on the impact of audit qualification: Not ascertainable (ii) If management is unable to estimate the impact, reasons for the same: The Management is of the opinion that the said entity is not within its control, as it is managed by its own Board of Directors and the Company has not nominated any director on the Board of the said entity. Further, the investments by the Company in this entity are not just in equity shares but the same is in the form of different preference shares having maturity terms in future and the Company together with one of its wholly owned subsidiary company hold around 17.58% of current total paid-up share capital in the said entity. Hence control does not vest in the Company through its investment or otherwise and not required to be consolidated. The said Note No. 5 is detailed in nature and self explanatory. (iii) Auditors' Comments on (i) or (ii) above: Included in the Auditors' Report</p>
4	<p><b>a. Details of Audit Qualification:</b> As stated in Note 5 to the Statement regarding measurement of its investments in equity instruments of one of its subsidiary company at fair value through other comprehensive income which the management has not considered as a subsidiary. Had it been treated as a subsidiary, then as per accounting policy, it should be measured at cost. Consequently, investments in these instruments and other equity (other comprehensive income) are higher by Rs 15,228.96 lakhs and Rs 12,061.34 lakhs (net of tax) respectively as on March 31, 2019.</p> <p><b>b. Type of Audit Qualification:</b> Qualified Opinion</p> <p><b>c. Frequency of Qualification:</b> Repetitive</p> <p><b>d. For Audit Qualification where impact is quantified by the auditor, Management's views:</b> Investments in these instruments and other comprehensive income are higher by Rs 15,228.96 lakhs and Rs 12,061.34 lakhs (net of tax) respectively as on March 31, 2019. Also as mentioned in point no. 3 above, we again stated that the Management is of the opinion that the said entity is not within its control, as it is managed by its own Board of Directors and the Company has not nominated any director on the Board of the said entity. Further, the investments by the Company in this entity are not just in equity shares but the same is in the form of different preference shares having maturity terms in future and the Company together with one of its wholly owned subsidiary company hold around 17.58% of current total paid-up share capital in the said entity. Hence control does not vest in the Company through its investment or otherwise and not required to be consolidated. Therefore, the management is of the opinion that the Company has rightly measured its investments in equity instruments of the said entity at fair value instead of measuring it at cost and has given accounting treatments accordingly.</p> <p><b>e. For Audit Qualification where impact is not quantified by the auditor:</b> (i) Management's estimation on the impact of audit qualification: N/A (ii) If management is unable to estimate the impact, reasons for the same: N/A (iii) Auditors' Comments on (i) or (ii) above: Included in the Auditors' Report</p>




5	<p>a. Details of Audit Qualification: As stated in Note 9 to the Statement, regarding non impairment of goodwill as on March 31, 2019, created for one of the subsidiary company amounting to Rs. 15,194.80 lakhs as required under Ind AS 36 - Impairment of Assets. During the year, the said subsidiary has filed a scheme with National Company Law Tribunal to seek approval for slump sale of its entire project along with related assets and liabilities. Further, the subsidiary company is entitled to contingent consideration on sale of projects by the new project undertaking. Having regard to this development, there will not be any more project/business activities in the hands of said subsidiary. In the circumstances, in our view, goodwill needs to be tested for impairment and provision, if any, is required to be made in this regard. In the absence of impairment testing and determination of future contingent consideration, goodwill has been entirely carried in the books of account. We are unable to comment on the effects, if any, on the consolidated loss for the year ended March 31, 2019.</p> <p>b. Type of Audit Qualification: Qualified Opinion</p> <p>c. Frequency of Qualification: First Time</p> <p>d. For Audit Qualification where impact is quantified by the auditor, Management's views: During the year, Real Gem Buildtech Private Limited (a wholly owned subsidiary company / WOS) has filed a Scheme with NCLT whereby it has proposed to transfer its all the assets and liabilities pertaining to Identified Project Undertaking, being "DB Crown" Project, on going concern basis as Slump Sale to Kingmaker Developers Private Limited (KDPL) for a consideration of Rs. 10 lakh. Additionally, as mentined in the scheme, upon achieving certain milestones to be mutually agreed between said WOS and KDPL, said WOS shall be entitled to receive the such realization / sale proceeds of the Project Undertaking as Contingent consideration from KDPL. The Management is hopeful that the said Project Undertaking will be able to achieve those milestones and above Contingent consideration will accrue to the said WOS. Accordingly, no provision of impairment of goodwill is considered necessary by the Company.</p> <p>e. For Audit Qualification where impact is not quantified by the auditor: (i) Management's estimation on the impact of audit qualification: N/A (ii) If management is unable to estimate the impact, reasons for the same: N/A (iii) Auditors' Comments on (i) or (ii) above: Included in the Auditors' Report</p>														
iii	<table border="1"> <tr> <td data-bbox="443 817 858 862"> <b>Signatories</b> Managing Director </td> <td data-bbox="858 817 1315 862"></td> </tr> <tr> <td data-bbox="443 862 858 907">Vinod Goenka</td> <td data-bbox="858 862 1315 907"></td> </tr> <tr> <td data-bbox="443 907 858 952">CFO</td> <td data-bbox="858 907 1315 952"></td> </tr> <tr> <td data-bbox="443 952 858 996">Asif Balwa</td> <td data-bbox="858 952 1315 996"></td> </tr> <tr> <td data-bbox="443 996 858 1041">Audit Committee Chairman</td> <td data-bbox="858 996 1315 1041"></td> </tr> <tr> <td data-bbox="443 1041 858 1086">Jagat Killaawaia</td> <td data-bbox="858 1041 1315 1086"></td> </tr> <tr> <td data-bbox="443 1086 858 1164">Statutory Auditor Snehal Shah Partner - Haribhakti &amp; Co. LLP</td> <td data-bbox="858 1086 1315 1164"> </td> </tr> </table> <p>Place: Mumbai Date: 30th May 2019</p>	<b>Signatories</b> Managing Director		Vinod Goenka		CFO		Asif Balwa		Audit Committee Chairman		Jagat Killaawaia		Statutory Auditor Snehal Shah Partner - Haribhakti & Co. LLP	 
<b>Signatories</b> Managing Director															
Vinod Goenka															
CFO															
Asif Balwa															
Audit Committee Chairman															
Jagat Killaawaia															
Statutory Auditor Snehal Shah Partner - Haribhakti & Co. LLP	 														





**DB Realty Ltd. Announces Financial Results for the  
Quarter ended – March 31<sup>st</sup> 2019**

**Mumbai, 30<sup>th</sup> May 2019:** Real Estate developer, DB Realty Limited, announced its financial results today for the Quarter ended March 31<sup>st</sup> 2019.

Commenting on this past quarter, **Mr Asif Balwa, CFO of DB Realty**, said: “This quarter has been stable in terms of sales. Between January & March, the company has sold **Rs. 29.70 Crs** worth of inventory across all DB Realty projects, compared to **Rs. 6.69 Crs** sold in the immediately preceding quarter. During the last quarter the company has recorded sales of **Rs. 29.70 Crs** as against **Rs. 8.37 Crs** in the corresponding period previous year.

**About DB Realty Ltd.**

DB Realty Limited, founded in 2007, has in a short span of time covered enormous ground, thereby establishing its place as a leading real estate developer in India. While our growth story is rooted in facts and figures, our legacy will be built on a strong reputation of excellence in residential, commercial and gated community developments. This is why, even during these challenging times, we remain deeply committed to our mission of creating superior developments in each of our market segments, and fulfilling our promise to all of our stakeholders.

Going forward, DB Realty hopes to continue changing the landscape of Mumbai with growth and sustainability; it is committed to being environment friendly.

For more information on the company, please visit, [www.dbrealty.co.in](http://www.dbrealty.co.in)

**D B REALTY LIMITED**