



June 9, 2017

<b>The General Manager, BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001</b>	<b>The Vice President, 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 Sirs,

**Sub: Outcome of the Board Meeting and Press Release for the Annual audited Financial Results of the Company for the year ended 31<sup>st</sup> March, 2017**

( The meeting commenced at ~~4:30~~ P M and ended at ~~11:20~~ P M.)

We are enclosing herewith the Audited Financial Results of the Company for the year ended 31<sup>st</sup> March, 2017 approved at the adjourned Board Meeting held on Friday, the 9<sup>th</sup> June, 2017 at the Registered Office, along with Statement on Impact of Audit Qualifications (for Audit Report with Modified Opinion), the Reports of the Auditors and the Press Release of the Company.

The Board has not recommended Dividend on the Preference Shares and the Equity Shares for the year ended 31<sup>st</sup> March, 2017.

The above is for your information and record.

Thanking you,

Yours truly,

**For D B Realty Limited,**

**S A K Narayanan  
Company Secretary**



**D B REALTY LIMITED**



**DB Realty Ltd. Announces Financial Results for the  
Quarter & Year ended – 31<sup>st</sup> March 2017**

Highlights of the Standalone Financials for the quarter & year ended 31<sup>st</sup> March 2017.

**Mumbai, 9<sup>th</sup> June 2017:** Real Estate developer, DB Realty Limited, announced its financial results today for the third quarter of FY 16-17.

Commenting on this past quarter, Mr. Anil Kumar, CFO, DB Realty, said: "This quarter has been stable in terms of sales. Between January & March, the company has sold **Rs.96.98 Crs** worth of inventory across all DB Realty projects, compared to **Rs. 161.29 Crs** sold the immediately preceding quarter. During the 12 months in the current year the company has recorded sales of **Rs 515.62 Crs.** as against **Rs. 490.00 Crs.** in the corresponding period previous year, recording an increase of **5.23%.**"

**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.

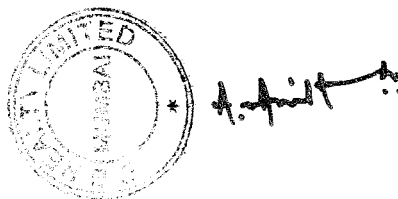
Our expanding portfolio consists of over 100 million sq. ft of prime property - carefully crafted by 15,000 experts and managed by over 500 internationally and nationally acclaimed executives – across 35 exclusive projects that have served close to 20,000 satisfied customers till date. Most of the projects are based in and around Mumbai, and are under various stages of planning and construction.

Widely accredited with redefining luxury living in Mumbai, DB Realty constantly seeks to design aesthetically striking residences, responding to changing needs and evolving lifestyles. Our residential projects include a wide range of premium condominiums and duplexes across North and South Mumbai, built in partnership with best-in-class contractors and master architects.

With a notable and consistent track record of growth, customer satisfaction and innovation, DB Realty is known to execute challenging projects with efficiency, speed and confidence. And being backed by a highly experienced team of experts from diverse backgrounds only strengthens our ability to do so.

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**

DB REALTY LIMITED								
REGD. OFFICE : DB HOUSE, GEN A.K.VAIDYA MARG, GOREGAON (EAST), MUMBAI - 400063 CIN L70200MH2007PLC166818								
Audited Financial Results for the Quarter and Year ended March 31, 2017								
(₹ in Lacs)								
Sl No.	Particulars	Standalone				Consolidated		
		3 Months ended			Year ended		Year ended	
		31-Mar-17	31-Dec-16	31-Mar-16	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16
1	Total revenue from operations	845.43	8.22	5,240.62	1,377.91	17,703.51	13,667.91	20,590.27
2	Other Income	8,548.95	1,646.22	4,156.20	12,302.41	7,650.71	13,685.02	13,960.09
3	Net Profit/(Loss) for the period (before tax and Exceptional items)	5,353.70	(159.47)	5,391.12	3,672.45	9,023.17	(5,554.62)	(1,975.07)
4	Net Profit/(Loss) for the period before tax (after Exceptional items)	5,353.70	(159.47)	5,391.12	3,672.45	8,273.17	(5,554.62)	(2,725.07)
5	Net Profit/(Loss) for the period after tax (after Exceptional items)	4,075.47	(1,528.90)	3,357.59	142.68	5,276.15	(7,663.68)	(2,295.72)
6	Total Comprehensive Income for the period (Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax))	2,058.00	(1,487.12)	54,898.51	(3,810.33)	3,979.75	(11,875.21)	(3,634.84)
7	Equity Share Capital	24,325.88	24,325.88	24,325.88	24,325.88	24,325.88	24,325.88	24,325.88
8	Reserves (excluding Revaluation Reserve as shown in the Balance Sheet of previous year)				270,012	273,823	221,717.94	244,038.96
9	Earning Per Share (of ₹10/-each) (for continuing and discontinued operations)							
	a) Basic:	1.68	(0.63)	1.38	0.06	2.17	(3.15)	(0.94)
	b) Diluted:	1.68	(0.63)	1.38	0.06	2.17	(3.15)	(0.94)

- Notes:-
- 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 9th June, 2017.
  - The Company adopted Indian Accounting Standards (Ind AS) from 1st April, 2016 accordingly these financial results are in compliance with Ind AS, notified by the Ministry of Corporate Affairs under Section 133 of the Companies Act, 2013 read with the relevant rules issued there under and the other accounting principles generally accepted in India. Consequently, the figures for the quarter and year ended 31st March, 2016 have been restated to comply with Ind AS to make them comparable.
  - 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 Rs. 432,381.27 lacs (at standalone level) and Rs. 261,667.27 Lacs (at consolidated level).
  - Note on "Control" of D B Realty Ltd (DBRL/Company) in Marine Drive Hospitality & Realty Private Limited (MDHRPL):
    - Total 24,70,600 nos. of ROCCPS Series A and 29,415 nos. of ROCCPS Series C of Marine Drive Hospitality & Realty Private Limited (MDHRPL) held by DB Realty Ltd (DBRL/Company) amounting to Rs 7367.05 lacs 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 can not 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 Rs. 10/- each against 1 (one) CCCPS - Series C of Rs. 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 maturity date.
    - In addition to the above, the Company is presently holding (i) 1,88,215 nos. of ROCCPS - Series C and (ii) 74,443 nos. of CRCCPS, which are having option of either redemption or conversion on different dates up to March, 2021. As on date, the management has decided not to opt for conversion of aforesaid shares.
    - 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, accounts of MDHRPL along with its subsidiaries, associates and joint ventures are not consolidated as per Ind AS 110.
  - 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 is mainly engaged in the business of real estate development viz. construction of residential / commercial properties. As the Company's business actually falls within a single primary business segment, the disclosure requirements of Ind-AS - 108 in this regard are not applicable.
  - In respect of a project under development having a value of ₹ 3,515.86 lacs (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 ₹ 728.88 lacs towards land acquisition (included under other current liabilities). The Company has moved Supreme Court against such order of the High Court seeking further compensation of ₹ 2,168.13 lacs. The Company also expects to recover amounts paid to other parties towards the project. Pending outcome of the matter, no adjustments have been made in the accounts in this regard.
  - The figures for the last quarter are the balancing figures between the audited figures in respect of the full financial year and the year to date figures upto the third quarter of the financial year ended on 31st December, 2016 and 31st December, 2015 which were subjected to review by statutory auditor.
  - Reconciliation of Net Profit and Total Comprehensive Income on account of transition from the previous Indian GAAP to Ind-AS for the quarter and year ended March 31, 2016 is as under:

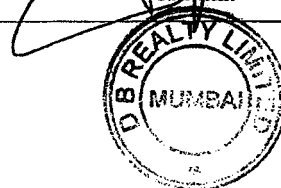
Particulars	(₹ In Lacs)		
	Amount Standalone Quarter Ended March-16	Amount Standalone Year Ended March-16	Amount Consolidated Year Ended March-16
Net profit as per Indian GAAP	(100.15)	7.77	(2,957.32)
Add / Less: IndAS Adjustments on account of:			
Impact of EIR on financial liabilities	105.50	(202.68)	(3,409.26)
Fair value adjustment of investments	3,883.36	3,883.34	3,853.91
Fair value adjustment of financial assets	1,670.33	4,696.29	10,542.82
Actuarial loss on defined employee benefits	(20.40)	(81.63)	(123.10)
Allowance for Expected Credit Losses	-	-	(9,667.29)
Change in treatment of joint venture due to IndAS	-	-	747.01
Other adjustments	37.29	30.59	32.74
Deferred tax adjustments on above transactions	(2,218.34)	(3,057.53)	(1,315.23)
Net profit/(loss) after tax	3,357.59	5,276.15	(2,295.72)
Other Comprehensive Income (Net of Tax)	51,540.92	(1,296.40)	(1,339.12)
Total comprehensive income as per IND AS	54,898.51	3,979.75	(3,634.84)

- Figures for the previous periods are re-classified/ re-arranged/ re-grouped wherever necessary.

Dated:- June 9, 2017  
Place:- Mumbai

For D B Realty Limited

Shahid Batwa  
Vice Chairman & Managing Director  
DIN:00116839



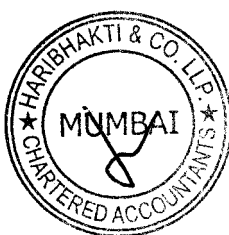
**DB REALTY LIMITED**

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

(Rs. in Lacs)

Statement of Financial Results for the quarter & year ended March 31, 2017 prepared in compliance with the Indian Accounting Standard (Ind-AS)

PARTICULARS	Standalone			Standalone		Consolidated	
	Mar-17	Dec-16	Mar-16	Mar-17	Mar-16	Mar-17	Mar-16
	Unaudited	Unaudited	Unaudited	Audited	Audited	Audited	Audited
1 Revenue from operations	845.43	8.22	5,240.62	1,377.91	17,703.51	13,667.91	20,590.27
2 Other Income	8,548.95	1,646.22	4,156.20	12,502.41	7,650.71	13,685.02	13,960.09
3 <b>Total Income</b>	<b>9,394.38</b>	<b>1,654.44</b>	<b>9,396.82</b>	<b>13,880.32</b>	<b>25,354.22</b>	<b>27,352.93</b>	<b>34,550.36</b>
4 <b>Expenses</b>							
a. Project Expenses	(194.09)	272.38	2,125.18	703.16	4,997.25	29,895.79	43,004.02
b. Purchases of Stock-in-Trade	-	-	954.26	-	5,699.70	-	5,699.70
c. Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	970.51	(272.38)	(1,165.70)	354.42	(2,715.84)	(16,664.29)	(37,629.60)
d. Employee Benefits Expenses	336.05	263.46	628.58	1,354.19	1,667.04	1,976.85	2,176.78
e. Depreciation and Amortisation	105.74	122.63	138.14	506.38	506.87	1,079.02	1,436.72
f. Finance Costs	1,604.54	1,188.58	947.02	5,285.37	5,012.20	9,560.10	8,614.52
g. Other Expenses	1,217.93	239.24	378.22	2,004.35	1,163.83	7,060.08	13,223.29
<b>Total Expenses</b>	<b>4,040.68</b>	<b>1,813.91</b>	<b>4,005.70</b>	<b>10,207.87</b>	<b>16,331.05</b>	<b>32,907.55</b>	<b>36,525.43</b>
5 <b>Profit (Loss) before Exceptional Items (3-4)</b>	<b>5,353.70</b>	<b>(159.47)</b>	<b>5,391.12</b>	<b>3,672.45</b>	<b>9,023.17</b>	<b>(5,554.62)</b>	<b>(1,975.07)</b>
6 Exceptional Items	-	-	-	-	(750.00)	-	(750.00)
7 <b>Profit (Loss) before tax (5+6)</b>	<b>5,353.70</b>	<b>(159.47)</b>	<b>5,391.12</b>	<b>3,672.45</b>	<b>8,273.17</b>	<b>(5,554.62)</b>	<b>(2,725.07)</b>
8 Tax Expenses							
(a) Current tax	373.00	-	(20.33)	373.00	(21.29)	380.22	282.23
(b) Deferred tax	905.23	1,369.43	2,053.86	3,156.77	3,018.31	2,317.80	388.85
(c) MAT credit (entitlement)/ reversal	-	-	-	-	-	-	(298.00)
Total Tax expense	1,278.23	1,369.43	2,033.53	3,529.77	2,997.02	2,698.02	373.08
9 <b>Profit (Loss) for the period (7-8)</b>	<b>4,075.47</b>	<b>(1,528.90)</b>	<b>3,357.59</b>	<b>142.68</b>	<b>5,276.15</b>	<b>(8,252.64)</b>	<b>(3,098.15)</b>
10 Share of profit of joint ventures and associates						588.96	802.43
11 <b>Profit (Loss) after tax (9+10)</b>	<b>4,075.47</b>	<b>(1,528.90)</b>	<b>3,357.59</b>	<b>142.68</b>	<b>5,276.15</b>	<b>(7,663.68)</b>	<b>(2,295.72)</b>
12 Other Comprehensive Income							
(a) Items that will not be reclassified to profit or loss	(2,147.13)	41.78	51,385.48	(4,970.46)	(1,622.16)	(5,310.40)	(1,690.22)
(b) Income tax relating to items that will not be reclassified to profit or loss	129.66	-	155.44	1,017.45	325.76	1,098.87	351.10
(c) Items that will be reclassified to profit or loss							
Total Other Comprehensive Income	(2,017.47)	41.78	51,540.92	(3,953.01)	(1,296.40)	(4,211.53)	(1,339.12)
13 <b>Total Comprehensive Income for the period</b>	<b>2,058.00</b>	<b>(1,487.12)</b>	<b>54,898.51</b>	<b>(3,810.33)</b>	<b>3,979.75</b>	<b>(11,875.21)</b>	<b>(3,634.84)</b>
14 Paid up Equity Share Capital (Face value of `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 <b>Basic and Diluted EPS (Rs.) (Not Annualised)</b>							
Basic	1.68	(0.63)	1.38	0.06	2.17	(3.15)	(0.94)
Diluted	1.68	(0.63)	1.38	0.06	2.17	(3.15)	(0.94)
16 Other Equity (Excluding Revaluation Reserve)	-	-	-	270,012.38	273,822.70	221,717.94	244,038.96

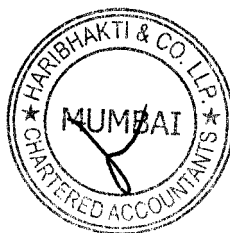


**Notes:-**

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  - 2 The Company adopted Indian Accounting Standards (Ind AS) from 1st April, 2016 accordingly these financial results are in compliance with Ind AS, notified by the Ministry of Corporate Affairs under Section 133 of the Companies Act, 2013 read with the relevant rules issued there under and the other accounting principles generally accepted in India. Consequently, the figures for the quarter and year ended 31st March, 2016 have been restated to comply with Ind AS to make them comparable.
  - 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 to Rs. 432,381.27 lacs (at standalone level) and Rs. 261,667.27 Lacs (at consolidated level).
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    - c) In addition to the above, the Company is presently holding (i) 1,88,215 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. 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 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, accounts of MDHRPL along with its subsidiaries, associates and joint ventures are not consolidated as per Ind AS 110.
- 5 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 is mainly engaged in the business of real estate development viz. construction of residential / commercial properties. As the Company’s business actually falls within a single primary business segment, the disclosure requirements of Ind-AS – 108 in this regard are not applicable.
  - 6 In respect of a project under development having a value of Rs. 3,515.86 lacs (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 Rs. 728.88 lacs towards land acquisition (included under other current liabilities). The Company has moved Supreme Court against such order of the High Court seeking further compensation of Rs. 2,168.13 lacs. The Company also expects to recover amounts paid to other parties towards the project. Pending outcome of the matter, no adjustments have been made in the accounts in this regard.
  - 7 The figures for the last quarter are the balancing figures between the audited figures in respect of the full financial year and the year to date figures upto the third quarter of the financial year ended on 31st December, 2016 and 31st December, 2015 which were subjected to review by statutory auditor.



*[Handwritten signature]*



8 Reconciliation of Net Profit and Total Comprehensive Income on account of transition from the previous Indian GAAP to Ind-AS for the quarter and year ended March 31, 2016 is as under:

(Rs. in Lacs)

Particulars	Amount	Amount	Amount
	Standalone Quarter Ended March-16	Standalone Year Ended March-16	Consolidated Year Ended March-16
<b>Net profit as per Indian GAAP</b>	<b>(100.15)</b>	<b>7.77</b>	<b>(2,957.32)</b>
Add / Less: IndAS Adjustments on account of:			
Impact of EIR on financial liabilities	105.50	(202.68)	(3,409.26)
Fair value adjustment of investments	3,883.36	3,883.34	3,853.91
Fair value adjustment of financial assets	1,670.33	4,696.29	10,542.82
Actuarial loss on defined employee benefits	(20.40)	(81.63)	(123.10)
Allowance for Expected Credit Losses	-	-	(9,667.29)
Change in treatment of joint venture due to IndAS	-	-	747.01
Other adjustments	37.29	30.59	32.74
Deferred tax adjustments on above transactions	(2,218.34)	(3,057.53)	(1,315.23)
<b>Net profit/(loss) after tax</b>	<b>3,357.59</b>	<b>5,276.15</b>	<b>(2,295.72)</b>
Other Comprehensive Income (Net of Tax)	51,540.92	(1,296.40)	(1,339.12)
<b>Total comprehensive income as per IND AS</b>	<b>54,898.51</b>	<b>3,979.75</b>	<b>(3,634.84)</b>

Reconciliation of equity as on 31st March, 2016 as per previous GAAP and Ind AS is given below:

Particulars	Standalone Year Ended 31/03/2016	Consolidated Year Ended 31/03/2016
	(Rs. Lakh)	(Rs. Lakh)
Net Worth as reported under previous GAAP	354,968.11	343,730.82
<b>Adjustment on account of Ind AS</b>		
Equity component of compound financial instrument	3,684.76	3,684.76
EIR adjustment of financial liabilities	728.32	3,006.21
Reclassification of Preference Shares to Financial Liability	(7,175.57)	(7,175.57)
Fair value adjustment of Financial Liability	-	4,205.89
Fair value adjustment of Financial Asset	(9,108.73)	(13,121.09)
Change in Share of Profit/(Loss) of a JV and Partnership Firm	(1,224.23)	722.98
Effect of change in treatment of Joint venture as per IndAS	-	1,395.88
Fair value adjustment of Investments	(56,999.39)	(55,683.81)
Allowances for Expected Credit losses	-	(9,922.07)
Other adjustments	(115.90)	(135.52)
Deferred tax on the above transactions	13,391.20	16,909.15
Non controlling interest	-	(868.90)
<b>Net worth as per Ind AS</b>	<b>298,148.58</b>	<b>286,748.73</b>

9 Figures for the previous periods are re-classified/ re-arranged/ re-grouped wherever necessary.

Dated:- June 9, 2017  
Place:- Mumbai

For D B Realty Limited

Shahid Belwara  
Vice Chairman & Managing Director  
DIN 00016889

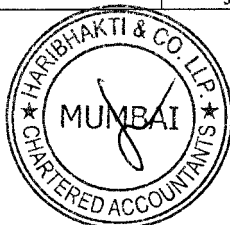


**D B REALTY LIMITED**

**STATEMENT OF ASSETS AND LIABILITIES**

(Rs. in Lacs)

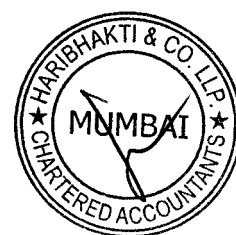
Sr. No.	Particulars	Standalone		Consolidated	
		As at 31/03/2017	As at 31/03/2016	As at 31/03/2017	As at 31/03/2016
		Audited	Audited	Audited	Audited
<b>I. ASSETS</b>					
<b>1 Non-current assets</b>					
(a) Property, Plant and Equipment	508.36	733.22	9,358.24	5,008.54	
(b) Capital Work in progress	-	-	-	921.98	
(c) Investment Property	655.96	665.98	655.96	665.98	
(d) Goodwill	-	-	31,162.16	19,252.79	
(e) Intangible assets	1,909.24	27.49	1,911.48	28.77	
(f) Intangible assets under development	-	2,061.46	-	2,061.46	
(g) Investment in subsidiaries, associates & joint venture	87,398.89	86,961.37	53,601.11	52,389.32	
(h) Financial Assets					
(i) Investments	96,958.01	97,628.50	103,009.47	102,389.06	
(ii) Loans	3,045.85	2,621.78	3,167.87	3,248.52	
(iii) Others	11,268.37	27,438.83	17,138.37	32,445.51	
(i) Deferred tax assets (net)	11,938.76	14,078.08	20,021.60	21,240.53	
(j) Non current tax asset	580.38	607.88	580.38	607.88	
(k) Other non-current assets	13,258.05	11,841.82	14,614.83	14,392.81	
<b>Total of Non Current Assets</b>	<b>227,521.87</b>	<b>244,666.41</b>	<b>255,221.47</b>	<b>254,653.15</b>	
<b>2 Current assets</b>					
(a) Inventories	29,037.08	31,389.79	232,353.82	219,362.60	
(b) Financial Assets					
(i) Investments	9,844.52	8,582.75	712.84	718.88	
(ii) Trade receivables	3,893.80	4,411.03	7,408.82	5,776.32	
(iii) Cash and cash equivalents	618.67	981.99	1,060.35	2,103.94	
(iv) Bank balance other than above	-	-	105.94	105.46	
(v) Loans	91,842.94	70,209.76	131,781.02	87,248.86	
(vi) Other Financial Assets	4,694.98	6,261.95	4,784.54	7,445.94	
(c) Other current assets	2,972.20	3,104.25	17,506.98	22,169.22	
<b>Total of Current Assets</b>	<b>142,904.19</b>	<b>124,941.52</b>	<b>395,714.31</b>	<b>344,931.22</b>	
<b>TOTAL ASSETS</b>	<b>370,426.06</b>	<b>369,607.93</b>	<b>650,935.78</b>	<b>599,584.37</b>	
<b>II. EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
(a) Equity Share capital	24,325.88	24,325.88	24,325.88	24,325.88	
(b) Other Equity	270,012.38	273,822.70	252,880.10	263,291.75	
Equity attributable to owners of the company	294,338.26	298,148.58	277,205.98	287,617.63	
<b>Non controlling Interest</b>			(9,396.93)	(868.90)	
<b>Total Equity</b>	<b>294,338.26</b>	<b>298,148.58</b>	<b>267,809.05</b>	<b>286,748.73</b>	
<b>Liabilities</b>					
<b>1 Non-current liabilities</b>					
(a) Financial Liabilities					
(i) Long-term Borrowings	11,956.21	14,987.42	111,184.83	84,430.68	
(ii) Trade Payable	-	431.35	612.12	1,025.57	
(iii) Other financial liabilities	21.32	17.53	17,564.42	27,483.70	
(iii) Trade Payable	-	-	-	-	
(b) Other non current liabilities	-	-	1,000.00	17,500.00	
(c) Long-term provisions	171.60	318.80	376.76	524.45	
(c) Deferred tax liabilities (Net)	-	-	-	-	
(d) Other non-current liabilities	-	-	-	-	
<b>Total of Non current Liabilities</b>	<b>12,149.13</b>	<b>15,755.10</b>	<b>130,738.13</b>	<b>130,964.40</b>	
<b>2 Current liabilities</b>					
(a) Financial Liabilities					
(i) Short Term Borrowings	15,567.90	23,843.49	26,219.93	34,772.35	
(ii) Trade payables	2,616.90	2,281.07	14,509.49	13,471.82	
(iii) Other financial liabilities	44,561.00	28,115.38	100,417.57	53,354.79	
(b) Other current liabilities	1,040.06	1,266.28	106,384.74	75,343.86	
(c) Short-term provisions	152.81	198.03	4,856.87	4,928.42	
(d) Liabilities for Current Tax (Net)	-	-	-	-	
(d) Employee benefit obligation	-	-	-	-	
<b>Total of Current Liabilities</b>	<b>63,938.67</b>	<b>55,704.25</b>	<b>252,388.60</b>	<b>181,871.24</b>	
<b>Total Liabilities</b>	<b>76,087.80</b>	<b>71,459.35</b>	<b>383,126.73</b>	<b>312,835.64</b>	
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>370,426.06</b>	<b>369,607.93</b>	<b>650,935.78</b>	<b>599,584.37</b>	



**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, 2017 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. 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 Ind AS financial statements. Our responsibility is to express an opinion on this Statement, based on our audit of such annual 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 Rule 7 of the Companies (Account) Rules, 2014 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.



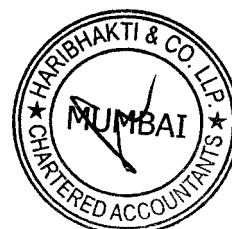


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## 4. Basis of Qualification

- a. As stated in Note 3 regarding non recognition/ re-measurement of financial guarantees aggregating Rs. 432,381.27 lacs 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. 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 & advances amounting to Rs. 62,525.99 lacs as on March 31, 2017 to certain subsidiaries and an associate which have incurred losses and have negative net worth.
  - c. Observations in para 4 (b) above and paras 6 (b) to 6 (l) below made by us in our report and their impact on the Statement have not been disclosed in the Statement.
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 matter 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; 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, 2017.
6. We draw attention to:
- a. Note 6 to the Statement, regarding no adjustment having been made in the value of inventory, pending outcome of the matter referred by the Company to the Supreme Court.



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- b. As regards return on investments of Rs. 56,138.58 lacs 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. As regards security deposits aggregating Rs. 11,381.70 lacs 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. As regards status of inventory consisting of projects having aggregate value of Rs. 28,619.93 lacs 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. The Company's loans and advances aggregating Rs. 5,772.06 lacs (including amount inventorised Rs. 361 lacs) and the investments aggregating Rs. 3,840.79 lacs as on March 31, 2017 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 balances. The impact, if any, of the outcome is unascertainable at present.
- f. The Company has investments aggregating Rs. 25,850.50 lacs 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. 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.

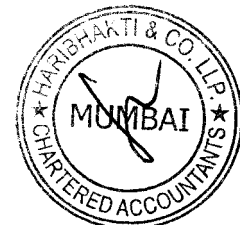


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- h. The status of various ongoing projects, recognition of expense and income and the realizable value of the costs incurred are as per the judgment of Management of the entity and certified by their technical personnel and being of technical nature, have been relied upon by us.
- i. As regards attachment order issued by adjudicating authority under Prevention of Money Laundering Act, 2002, by which the Company's assets amounting to Rs. 7,532.21 lacs have been attached on August 30, 2011. Consequently, the adjudicating authority has taken over the bank balance of Rs. 68.93 lacs and Investment in Redeemable Optionally Convertible Cumulative Preference Shares - Series A & Series C of an entity of Rs. 7,367.05 lacs in earlier years. This matter is sub-judice and the impact, if any, of its outcome is currently unascertainable.
- j. As regards 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. The Audited Financial Statements of a Firm where the Holding Company is one of the partners has following disclosures:
- i. As regards recoverability of Trade Receivables of Rs. 3,664.04 lacs, 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.
- l. As regards order passed by Appellate Committee of Ministry of Civil Aviation in one of the 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.

Our report is not modified in respect of these matters.



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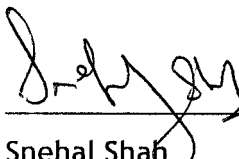
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7. Share of loss (net) from investment in three partnership firms, one Limited Liability Partnerships and one joint venture aggregating Rs. 294.24 lacs, included in the statement, is based on the financial results of such entities. These financial results 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.
  
8. The Statement includes the results for the Quarter ended March 31, 2017, 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

Mumbai

June 9, 2017

# HARIBHAKTI & CO. LLP

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**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, 2017 ("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. This Statement is the responsibility of the Holding Company's Management and has been approved by its 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 Rule 7 of the Companies (Account) Rules, 2014 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 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.



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4. Basis of Qualification:
- a. As stated in Note 3 regarding non recognition/ re-measurement of financial guarantees aggregating Rs. 261,667.27 lacs 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. 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 Rs. 1,547.53 lacs as on March 31, 2017 to an associate which have incurred losses and have negative net worth.
  - c. 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. 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. 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. (Refer Note 4 to the Statement)
  - f. Observations in paras 4 (b) to 4 (d) above and paras 6 (ii) to 6 (xxvii) below made by us in our report and their impact on the Statement have not been disclosed in the Statement.



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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.	NeelKamal Shantinagar Properties Private Limited	Subsidiary
7.	Real Gem Buildtech Private Limited	Subsidiary
8.	Saifee Bucket Factory Private Limited	Subsidiary
9.	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
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



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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	Stepdown Subsidiary
	<i>Partnership Firms/ LLP's/Association of Persons</i>	
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	Stepdown Joint Venture
36.	Evergreen Industrial Estate	Stepdown subsidiary
37.	Shree Shantinagar Venture	Stepdown subsidiary
38.	Suraksha DB Realty	Stepdown Joint Venture
39.	National Tiles	Stepdown Joint Venture
40.	Lokhandwala DB Realty LLP	Joint Venture

(ii) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; 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, 2017.



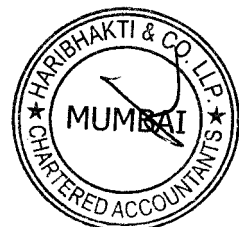


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6. We draw attention to the following matters:

- (i) Note 6 to the Statement 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) 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) In case of Group, loans and advances aggregating Rs. 5,406.62 lacs and the project cost carried in inventory aggregating Rs. 12,812.33 lacs as on March 31, 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) In case of Holding Company, as regards return on investments of Rs. 56,138.58 lacs in preference shares of 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 the Holding Company's investment in the investee company.
- (v) In case of Holding Company, as regards security deposits aggregating Rs. 11,381.70 lacs as on March 31, 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

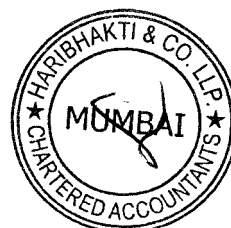


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expected to achieve adequate profitability on substantial completion of such projects.

- (vi) As regards status of inventory consisting of projects of the Holding Company having aggregate value of Rs. 28,619.93 lacs 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) 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) 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. 7,532.21 lacs have been attached on August 30, 2011. Consequently, the adjudicating authority has taken over the bank balance of Rs. 68.93 lacs and Investment in Redeemable Optionally Convertible Cumulative Preference Shares - Series A & Series C of an entity of Rs. 7,367.05 lacs in earlier years. This matter is sub-judice and the impact, if any, of its outcome is currently unascertainable.
- (ix) The Group has investments aggregating Rs. 2,559.40 lacs as on March 31, 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) 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

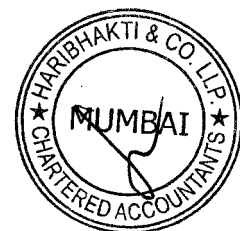


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its Management, it has a rightful claim over the ownership of the salt pan land and will be in a position to defend its title.

- (xi) 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) 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 Rs. 3,664.05 Lacs, 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) 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.



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- (xiv) With respect to work in progress with carrying value of Rs. 7,401.52 lac 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 February 25, 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 April 15, 2009. Draft Development Plan 2034 (Draft DP 2034) dated February 25, 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) A Subsidiary Company has granted a loan of Rs. 814 lacs to a Company whose debts amounting to Rs. 2,266.54 lacs 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) A Subsidiary Company has acquired debts by way of assignment from Yes Bank Ltd. amounting to Rs. 25,033.18 lacs 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) With regards to the status of the amounts due to Housing Development Infrastructure Limited amounting to Rs. 2,000.00 lacs by one of the subsidiary companies.



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- (xviii) 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) 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 Rs. 2,368.79 lacs in the consolidated financial statements.
- (xx) In case of a jointly controlled entity as regards compensation to occupants aggregating Rs. 5,974.87 lacs with whom execution of agreements for obtaining of release of rights in their premises and possession thereof and/ or obtaining possession, is pending.
- (xxi) As regards loan granted by a Subsidiary Company aggregating Rs. 15,700.00 lacs to a related party whose net worth is eroded. The Management of the Subsidiary Company considers this loan as good and recoverable.
- (xxii) As regards interest-free advance payable on demand given by a Subsidiary Company to one related party amounting to Rs. 58,643.24 lacs. 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.



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- (xxiii) In case of a Subsidiary company, where to discharge the corporate guarantees aggregating Rs. 10,900.00 lacs, 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 Rs. 10,900.00 lacs. 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) As regards guarantees and securities provided by a subsidiary company for amounts aggregating Rs. 7,500.00 lacs 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) With respect to project work in progress of Rs. 6,441.11 lacs 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) With respect to one of the Subsidiary Companies, its management's estimate for recoverability of advances amounting to Rs 306.75 lacs 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 Rs. 841.10 lacs to land aggregators where the aggregator's are yet to complete their obligation.



# HARIBHAKTI & CO. LLP

Chartered Accountants

(xxvii) As regards a Subsidiary Company which has granted loan aggregating to Rs. 5,153.13 lacs 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 report is not modified in respect of these matters.

7. We did not audit the Ind AS financial statements of 22 subsidiaries (including 2 stepdown subsidiaries) included in Statement, whose Ind AS financial statements reflects total assets of Rs.424,590.95 lacs as at March 31, 2017, total revenues of Rs. 12,313.95 lacs and total loss (including other comprehensive income) after tax of Rs. 8,965.25 lacs for the year ended on that date, as considered in the Statement. The Statement also include Group's share of net loss (including other comprehensive income) of Rs. 779.02 lacs for the year ended March 31, 2017, as considered in the Statement, 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 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. We did not audit the Ind AS financial statements of 1 stepdown subsidiary included in the Statement, whose Ind AS financial statements reflects total assets of Rs. 7,658.36 lacs as at March 31, 2017, total negative revenues of Rs. 23.94 lacs and total loss (including other comprehensive income) after tax of Rs. 302.43 lacs for the year ended on that date, as considered in the Statement. The Statement also includes Group's share of net loss (including other comprehensive income) of Rs. 34.61 lacs for the year ended March 31, 2017, as considered in the Statement, 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



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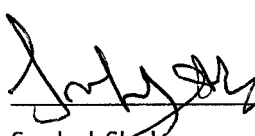
Chartered Accountants

audited by their auditors and 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 this step down subsidiary, associate and joint ventures, is based solely on such unaudited Ind AS financial statements. According to the information and explanations given to us by the Management, these Ind AS financial statements are not material to the Group including its associates and joint ventures.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W/W100048

  
Snehal Shah



Partner

Membership No.: 48539

Mumbai

June 09, 2017



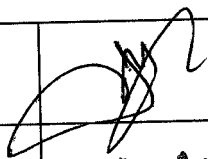
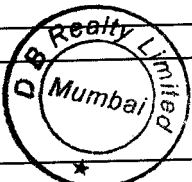



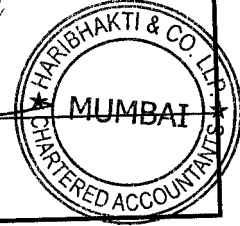
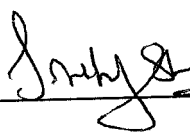
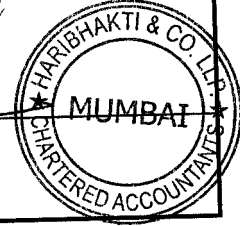
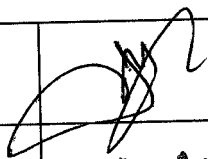
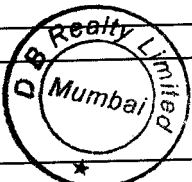



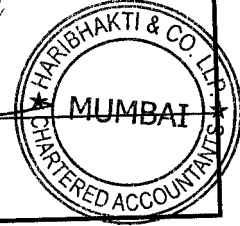
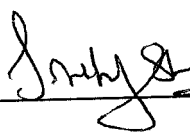
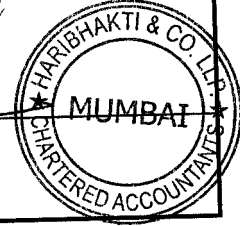
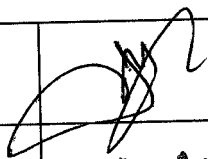
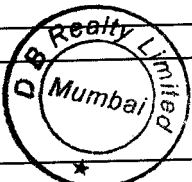



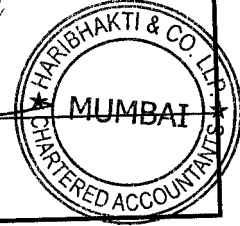
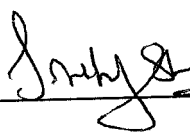
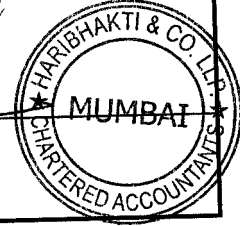
**Annexure I**

**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, 2017  
(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	1,388,032,377	Not ascertainable
2	Total Expenditure	1,020,785,988	
3	Net Profit/ (Loss)	14,269,135	
4	Earnings per Share	0.06	
5	Total Assets	37,042,606,320	
6	Total Liabilities	7,608,780,760	
7	Net Worth	29,433,825,560	
8	Any other financial items	-	
II	<b>Audit Qualification</b>		
1	<p><b>a. Details of Audit Qualification:</b> As stated in Note 3 regarding non recognition/ re-measurement of financial guarantees aggregating Rs. 432,381.27 lacs 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.</p> <p><b>b. Type of Audit Qualification:</b> Qualified Opinion</p> <p><b>c. Frequency of Qualification:</b> Appeared for First time</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 banks/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 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</p>		




2	<p><b>a. Details of Audit Qualification:</b> 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 &amp; advances amounting to Rs. 62,525.99 lacs as on March 31, 2017 to certain subsidiaries and an associate which have incurred losses and have negative net worth.</p> <p><b>b. Type of Audit Qualification:</b> Qualified Opinion</p> <p><b>c. Frequency of Qualification:</b> Appeared for First time</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 certain subsidiaries and an associate, in which the Company is having economic interest and the same are generally repayable on demand. Such subsidiaries and an associate 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</p>																		
3	<p><b>a. Details of Audit Qualification:</b> Observations in para 4 (b) above and paras 6 (b) to 6 (l) below made by us in our report and their impact on the Statement have not been disclosed in the Statement.</p> <p><b>b. Type of Audit Qualification:</b> Qualified Opinion</p> <p><b>c. Frequency of Qualification:</b> Appeared for second time</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 notes in the Audited financial Statements referred to by the Auditors in their observations are self explanatory and detailed notes are given in Notes to financial Statements. The Company is confident of positive outcome/ realisations on all these matters. (iii) Auditors' Comments on (i) or (ii) above: Included in the Auditors' Report</p>																		
III	<table border="1"> <tr> <td colspan="2" data-bbox="422 1377 1503 1444"><b>Signatories</b></td> </tr> <tr> <td data-bbox="422 1444 997 1512">Managing Director</td> <td data-bbox="997 1444 1503 1512"></td> </tr> <tr> <td data-bbox="422 1512 997 1579">Shahid Balwa</td> <td data-bbox="997 1512 1503 1579"></td> </tr> <tr> <td data-bbox="422 1579 997 1646">CFO</td> <td data-bbox="997 1579 1503 1646"></td> </tr> <tr> <td data-bbox="422 1646 997 1713">A. Anil Kumar</td> <td data-bbox="997 1646 1503 1713"></td> </tr> <tr> <td data-bbox="422 1713 997 1780">Audit Committee Chairman</td> <td data-bbox="997 1713 1503 1780"></td> </tr> <tr> <td data-bbox="422 1780 997 1848">Mahesh Gandhi</td> <td data-bbox="997 1780 1503 1848"></td> </tr> <tr> <td data-bbox="422 1848 997 1915">Statutory Auditor</td> <td data-bbox="997 1848 1503 1915"></td> </tr> <tr> <td data-bbox="422 1915 997 2004">Snehal Shah Partner - Haribhakti &amp; Co. LLP</td> <td data-bbox="997 1915 1503 2004"></td> </tr> </table> <p><b>Place:</b> Mumbai <b>Date:</b> 09th June 2017</p>	<b>Signatories</b>		Managing Director		Shahid Balwa		CFO		A. Anil Kumar		Audit Committee Chairman		Mahesh Gandhi		Statutory Auditor		Snehal Shah Partner - Haribhakti & Co. LLP	
<b>Signatories</b>																			
Managing Director																			
Shahid Balwa																			
CFO																			
A. Anil Kumar																			
Audit Committee Chairman																			
Mahesh Gandhi																			
Statutory Auditor																			
Snehal 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, 2017  
(See Regulations 33/52 of SEBI (LODR) (Amendment) Regulations, 2017)

Sr. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
1	Turnover/ Total Income	2,735,292,746	Not ascertainable
2	Total Expenditure	3,290,755,764	
3	Net Profit/ (Loss)	(766,369,284)	
4	Earnings per Share	(3.15)	
5	Total Assets	61,977,362,548	
6	Total Liabilities	37,372,980,728	
7	Net Worth	24,604,381,820	
8	Any other financial items	-	

## II Audit Qualification

## 1 a. Details of Audit Qualification:

## 2 a. Details of Audit Qualification:

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 Rs. 1,547.53 lacs as on March 31, 2017 to an associate which have incurred losses and have negative net worth.

b. Type of Audit Qualification: Qualified Opinion

c. Frequency of Qualification: Appeared for First time

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:

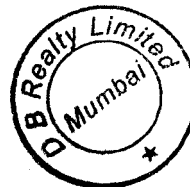
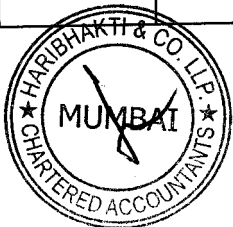
(i) Management's estimation on the impact of audit qualification: Not ascertainable

(ii) If management is unable to estimate the impact, reasons for the same:

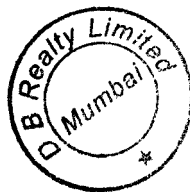
The loans are given to an Associate, in which the Company is having economic interest and the same is repayable on demand. The said Associate is in the process of execution of real estate project, where revenue recognition has not started and the Company is confident of recovering the same. Such loans and advances are towards the cost to be incurred / being incurred by the said Associate 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



3	<p><b>a. Details of Audit Qualification:</b> 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.</p> <p><b>b. Type of Audit Qualification:</b> Qualified Opinion</p> <p><b>c. Frequency of Qualification:</b> Appeared for second time</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></p> <p><b>(i) Management's estimation on the impact of audit qualification:</b> Not ascertainable</p> <p><b>(ii) If management is unable to estimate the impact, reasons for the same:</b> The said subsidiary is taking steps to obtain the final statement of accounts of the firm and impact on the Company's Consolidated Financial statements is not material in the opinion of the Board of Directors.</p> <p><b>(iii) Auditors' Comments on (i) or (ii) above:</b> Included in the Auditors' Report</p>
4	<p><b>a. Details of Audit Qualification:</b> 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.</p> <p><b>b. Type of Audit Qualification:</b> Qualified Opinion</p> <p><b>c. Frequency of Qualification:</b> Appeared for second time</p> <p><b>d. For Audit Qualification where impact is quantified by the auditor, Management's views:</b> Impact not quantified by the auditor.</p> <p><b>e. For Audit Qualification where impact is not quantified by the auditor:</b></p> <p><b>(i) Management's estimation on the impact of audit qualification:</b> Not ascertainable</p> <p><b>(ii) If management is unable to estimate the impact, reasons for the same:</b> The said subsidiary is taking steps to obtain the final statement of accounts of the firm and impact on the Company's Consolidated Financial statements is not material in the opinion of the Board of Directors.</p> <p><b>(iii) Auditors' Comments on (i) or (ii) above:</b> Included in the Auditors' Report</p>



5

**a. Details of Audit Qualification:**

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. (Refer Note 4 to the Statement)

**b. Type of Audit Qualification:** Qualified Opinion

**c. Frequency of Qualification:** Appeared for First time

**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 Management is of the opinion that the said entity is not within its control, as it is managed by the independent Board of Directors comprising of a Director nominated by financial institution, which is shareholder in that company and hence, not required to be consolidated. 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. The strategic investor is also having affirmative voting power and Super Majority rights over all material transaction and hence control does not vest in the Company through its investment or otherwise. The said Note No. 4 is detailed in nature and self explanatory.

**(iii) Auditors' Comments on (i) or (ii) above:**

Included in the Auditors' Report

III

**Signatories**

Managing Director

Shahid Balwa

CFO

A. Anil Kumar

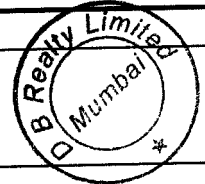
Audit Committee Chairman

Mahesh Gandhi

Statutory Auditor

Snehal Shah

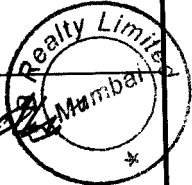
Partner - Haribhakti & Co. LLP



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Place:

Mumbai

Date:

09th June 2017