



Date: 28th May, 2018

The General Manager, Listing Department BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001	The Vice-President, Listing Department National Stock Exchange of India Limited “Exchange Plaza”, Bandra – Kurla Complex, Bandra (E), Mumbai – 400 051
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 - Submission of Audited Financial Results (Standalone and Consolidated) for the fourth quarter and year ended 31st March, 2018

We are enclosing herewith the Audited Standalone and Consolidated Financial Results of the Company for the fourth quarter and year ended 31st March, 2018 approved at the Board Meeting held on Monday, the 28th May, 2018 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. In the absence of profit, the Board has not recommended any dividend on the Preference Shares and the Equity Shares for the year ended 31st March, 2018.

The meeting of the Board of Directors of the Company commenced at 2:15 pm and concluded at 6:25 pm on 28th May, 2018

The above is for your information and record.

Thanking You,

Yours faithfully,

For D B Realty Limited

**Jignesh Shah
Company Secretary**

Statement of Financial Results for the quarter & year ended March 31, 2018 prepared in compliance with the Indian Accounting Standard (Ind-AS)

	PARTICULARS	Standalone Quarter Ended			Standalone Year Ended		Consolidated Year Ended	
		Mar-18	Dec-17	Mar-17	Mar-18	Mar-17	Mar-18	Mar-17
		Audited	Unaudited	Audited	Audited	Audited	Audited	Audited
1	Revenue from Operations	24.99	51.61	1,268.06	405.28	1,800.54	11,986.17	14,090.54
2	Other Income	(4,577.71)	14,256.41	9,169.25	11,167.63	13,122.71	15,856.34	16,041.99
3	Total Income	(4,552.72)	14,308.02	10,437.31	11,572.91	14,923.25	27,842.51	30,132.53
4	Expenses							
	a. Project Expenses	1,416.92	160.16	(194.10)	2,047.50	703.16	53,616.01	28,221.02
	b. Other Operating expense	-	-	-	-	-	108.43	-
	c. Changes in Inventories of finished goods, work-in progress and stock-in-trade	(1,344.31)	(149.26)	1,167.82	(1,854.07)	551.73	(41,328.04)	(14,792.20)
	d. Employee Benefits Expenses	320.42	560.05	336.06	1,551.37	1,354.19	2,231.19	1,976.85
	e. Depreciation and Amortisation	63.40	105.43	105.74	395.93	506.38	588.63	1,079.02
	f. Finance Costs	799.40	1,445.44	1,604.54	4,428.69	5,285.37	12,468.61	9,560.10
	g. Other Expenses	5,507.98	9,066.14	1,838.22	16,164.14	2,624.64	28,863.02	9,417.06
	Total Expenses (a+b+c+d+e+f+g)	6,763.81	11,187.96	4,858.28	22,733.56	11,025.47	56,547.85	35,461.85
5	Profit (Loss) before Exceptional Items (3-4)	(11,316.53)	3,120.06	5,579.03	(11,160.65)	3,897.78	(28,705.34)	(5,329.32)
6	Exceptional Items	-	-	-	-	-	-	-
7	Profit (Loss) before tax (5+6)	(11,316.53)	3,120.06	5,579.03	(11,160.65)	3,897.78	(28,705.34)	(5,329.32)
8	Tax Expenses							
	(a) Current tax (including prior period tax adjustment)	-	-	15.00	-	15.00	88.98	22.22
	(b) Deferred tax	(3,082.69)	800.21	1,263.22	(2,448.99)	3,514.77	660.70	2,675.80
	Total Tax expense	(3,082.69)	800.21	1,278.22	(2,448.99)	3,529.77	749.68	2,698.02
9	Net Profit (Loss) after tax (7-8)	(8,233.84)	2,319.85	4,300.81	(8,711.66)	368.01	(29,455.02)	(8,027.34)
10	Share of profit of joint ventures and associates	-	-	-	-	-	(1,868.32)	588.96
11	Profit (Loss) after tax (9+10)	(8,233.84)	2,319.85	4,300.81	(8,711.66)	368.01	(31,323.34)	(7,438.38)
12	Other Comprehensive Income							
	(a) Items that will not be reclassified to profit or loss	3,891.55	(1,370.49)	(2,147.13)	(238.50)	(4,970.46)	(1,651.43)	(5,310.40)
	(b) Income tax relating to Items that will not be reclassified to profit or loss	(801.04)	280.92	129.66	47.45	1,017.45	45.56	1,098.87
	(c) Items that will be reclassified to profit or loss	-	-	-	-	-	-	-
	Total Other Comprehensive Income	3,090.51	(1,089.57)	(2,017.47)	(191.05)	(3,953.01)	(1,605.87)	(4,211.53)
13	Total Comprehensive Income for the period	(5,143.33)	1,230.28	2,283.34	(8,902.71)	(3,585.00)	(32,929.21)	(11,649.91)
	Profit after tax							
	Attributable to :							
	Owners of equity	(8,233.84)	2,319.85	4,300.81	(8,711.66)	368.01	(31,378.47)	(5,972.17)
	Non Controlling Interest	-	-	-	-	-	55.13	(1,466.21)
	Total	(8,233.84)	2,319.85	4,300.81	(8,711.66)	368.01	(31,323.34)	(7,438.38)
	Total Comprehensive income							
	Attributable to :							
	Owners of equity	(5,143.33)	1,230.28	2,283.34	(8,902.71)	(3,585.00)	(32,985.04)	(10,184.73)
	Non Controlling Interest	-	-	-	-	-	55.83	(1,465.18)
	Total	(5,143.33)	1,230.28	2,283.34	(8,902.71)	(3,585.00)	(32,929.21)	(11,649.91)
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	Basic and Diluted EPS (Rs.)							
	Basic	(3.38)	0.95	1.77	(3.58)	0.15	(12.90)	(2.46)
	Diluted	(3.38)	0.95	1.77	(3.58)	0.15	(12.90)	(2.46)
16	Other Equity (Excluding Revaluation Reserve)				261,334.99	270,237.69	220,120.37	253,105.41

D B REALTY LIMITED

Note 1 Statement of Financial Assets and Liabilities

(Rs in Lacs)

	Particulars	Standalone		Consolidated	
		31st March 2018	31st March 2017	31st March 2018	31st March 2017
I.	ASSETS				
1	Non-current assets				
	(a) Property, Plant and Equipment	345.28	508.36	3,893.68	9,358.24
	(b) Investment Property	476.25	655.96	476.25	655.96
	(c) Goodwill on consolidation			30,971.33	31,162.16
	(c) Intangible assets	2.12	1,909.24	4.11	1,911.48
	(d) Intangible assets under development	15.00	-	15.00	-
	(e) Investment in subsidiaries, associates & joint venture	69,262.42	87,398.89	69,559.87	53,601.11
	(f) Financial Assets	-	-	-	-
	(i) Investments	126,473.29	96,958.01	92,743.59	103,009.47
	(ii) Loans	3,538.12	3,045.85	3,650.35	3,167.87
	(iii) Others	6,128.82	11,268.37	13,671.65	17,138.37
	(g) Deferred tax assets (net)	14,435.18	11,938.76	19,393.24	20,022.33
	(h) Non current tax asset	596.36	580.38	622.26	965.52
	(i) Other non-current assets	5,193.39	5,573.65	6,411.04	12,043.87
		226,466.23	219,837.47	241,412.38	253,036.38
2	Current assets				
	(a) Inventories	30,693.96	28,839.76	273,300.23	232,156.51
	(b) Financial Assets				
	(i) Investments	29,057.03	9,844.52	9,565.87	712.84
	(ii) Trade receivables	1,579.41	4,316.43	5,604.22	7,831.45
	(iii) Cash and cash equivalents	427.24	93.30	2,128.43	438.16
	(iv) Bank balance other than (iii) above	328.85	525.37	527.72	728.12
	(v) Loans	64,687.80	91,842.94	87,315.32	131,781.02
	(vi) Other Financial Assets	174.28	1,794.98	1,226.31	1,650.43
	(c) Other current assets	6,583.32	13,556.61	40,479.81	22,826.19
	(d) Assets held for sale			1,760.91	-
		133,531.89	150,813.91	421,908.82	398,124.72
	TOTAL	359,998.12	370,651.38	663,321.20	651,161.10
II.	EQUITY AND LIABILITIES				
1	Equity				
	(a) Equity Share capital	24,325.88	24,325.88	24,325.88	24,325.88
	(b) Other Equity	261,334.99	270,237.69	220,120.37	253,105.41
		285,660.87	294,563.57	244,446.25	277,431.29
	Non Controlling Interest			(10,744.39)	(9,396.93)
2	Non-current liabilities				
	(a) Financial Liabilities				
	(i) Long-term Borrowings	17,647.88	11,956.21	118,411.28	111,184.83
	(ii) Trade Payable			492.06	612.12
	(ii) Other financial liabilities	-	21.31	11,471.90	17,564.42
	(b) Long-term provisions	181.47	171.60	341.56	374.11
	(c) Other non-current liabilities			1,000.00	1,000.00
		17,829.35	12,149.12	131,716.79	130,735.48
3	Current liabilities				
	(a) Financial Liabilities				
	(i) Short Term Borrowings	30,740.93	15,567.90	39,249.53	26,219.93
	(ii) Trade and other payables	2,310.15	2,616.90	16,341.55	14,509.49
	(iii) Other financial liabilities	22,992.06	45,308.50	88,331.17	105,772.78
	(b) Other current liabilities	323.35	292.56	110,581.31	101,029.53
	(c) Short-term provisions	141.41	152.83	43,398.98	4,859.53
		56,507.90	63,938.69	297,902.55	252,391.26
	TOTAL	359,998.12	370,651.38	663,321.20	651,161.10

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 28th May, 2018.
The Financial result for the Quarter ended March 31, 2018, 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. 4,56,164.86 lacs (at standalone level) and Rs. 3,19,010.86 lacs (at consolidated level) as on 31st March, 2018.
- 4 Note on "Control" of D B Realty Ltd (DBRL/Company) in Marine Drive Hospitality & Realty Private Limited (MDHRPL):
 - a) 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 7,367.05 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 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.
 - 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 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.
 - 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. Further, equity instruments of MDHRPL are measured at fair value through other comprehensive income based on irrevocable designation at inception..
- 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 in India. As the Company's business 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. 3,517.59 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. 723.88 lacs towards land acquisition (included under other current liabilities).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 During the year, following omission are 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:
As required by Ind AS 18 - " Revenue Recognition" Revenue is recognized when it is probable that future economic benefits will flow to the entity and these benefits can be measured reliably. During FY 2016-17 sale of flat of Rs. 422.63 lakhs was omitted to be included in the financial of that year. Now, the same has been included in the comparative results of FY 2016-17 by restating the required figures and affected line items of the financial statement. Hence Sales has been increased by Rs. 422.63 lakhs and inventories has been decreased by Rs. 197.31 lakh in 2016-17 and profit for the year has been increased by Rs. 225.32 lacs.
- 8 Figures for the previous periods are re-classified/re-arranged/re-grouped wherever required.

For D B Realty Limited

Shahid Balwa
Vice Chairman & Managing Director
DIN 00016839

Dated:- May 28, 2018
Place:- Mumbai

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, 2018
(See Regulations 33/52 of SEBI (LODR) (Amendment) Regulations, 2016)

I

Sr. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
1	Turnover/ Total Income	40,528,484	Not ascertainable
2	Total Expenditure	2,273,354,916	
3	Net Profit/ (Loss)	(871,164,180)	
4	Earnings per Share	(3.58)	
5	Total Assets	35,999,813,088	
6	Total Liabilities	7,433,726,211	
7	Net Worth	28,566,086,877	
8	Any other financial items	-	

II

Audit Qualification

1

a. Details of Audit Qualification:

As stated in Note No 3. regarding non recognition/ re-measurement of financial guarantees aggregating Rs. 456,164.86 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. 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	<p>a. Details of Audit Qualification: 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 aggregating Rs.60,826.93 lacs and Investments aggregating Rs. 27,354.56lacs respectively on March 31, 2018 to certain subsidiaries and associates which have incurred losses and have negative net worth as on March 31, 2018.</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: Impact is not quantified by the auditor.</p> <p>e. For Audit Qualification where impact is not quantified by the auditor:</p> <p>(i) Management's estimation on the impact of audit qualification: Not ascertainable</p> <p>(ii) If management is unable to estimate the impact, reasons for the same: The loans are given to certain subsidiaries and associates, in which the Company is having economic interest and the same are generally repayable on demand and investment in these subsidiaries and associates are considered strategic and long term in nature. Such subsidiaries and associates 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.</p> <p>(iii) Auditors' Comments on (i) or (ii) above: Included in the Auditors' Report</p>
3	<p>a. Details of Audit Qualification: The Company has measured 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 is higher by Rs 12,154.65 lacs and Rs 9,626.48 lacs (net of tax) and deferred tax assets is lower by Rs 2,528.17 lacs respectively.</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: Investments in these instruments and other comprehensive income is higher by Rs 12,154.65 lacs and Rs 9,626.48 lacs (net of tax) and deferred tax assets is lower by Rs 2,528.17 lacs respectively. 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. 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:</p> <p>(i) Management's estimation on the impact of audit qualification: N/A</p> <p>(ii) If management is unable to estimate the impact, reasons for the same: N/A</p> <p>(iii) Auditors' Comments on (i) or (ii) above: Included in the Auditors' Report</p>

4	<p>a. Details of Audit Qualification: Observations in para 4 (b) above and paras 6 (b) to 6 (j) below made by us in our report and their impact on the Statement have not been disclosed in the Statement.</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: Impact is not quantified by the auditor.</p> <p>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: Auditors have audited the accompanying Statement of Annual Consolidated Ind AS Financial Results of the Company and its subsidiaries, its associates and joint ventures for the year then ended March 31, 2018 ("the Statement"), the notes in the said Statement 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	<p>Signatories</p> <table border="1" data-bbox="337 798 1536 1228"> <tr> <td data-bbox="337 798 873 898"> Managing Director Shahid Balwa </td> <td data-bbox="873 798 1536 898"></td> </tr> <tr> <td data-bbox="337 898 873 999"> CFO Asif Balwa </td> <td data-bbox="873 898 1536 999"></td> </tr> <tr> <td data-bbox="337 999 873 1100"> Audit Committee Chairman Mahesh Gandhi </td> <td data-bbox="873 999 1536 1100"></td> </tr> <tr> <td data-bbox="337 1100 873 1228"> Statutory Auditor Snehal Shah Partner - Haribhakti & Co. LLP </td> <td data-bbox="873 1100 1536 1228"></td> </tr> </table>		Managing Director Shahid Balwa		CFO Asif Balwa		Audit Committee Chairman Mahesh Gandhi		Statutory Auditor Snehal Shah Partner - Haribhakti & Co. LLP	
Managing Director Shahid Balwa										
CFO Asif Balwa										
Audit Committee Chairman Mahesh Gandhi										
Statutory Auditor Snehal Shah Partner - Haribhakti & Co. LLP										
Place:	Mumbai									
Date:	28th May 2018									

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, 2018
(See Regulations 33/52 of SEBI (LODR) (Amendment) Regulations, 2016)

I

Sr. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
1	Turnover/ Total Income	1,198,616,660	Not ascertainable
2	Total Expenditure	5,654,784,619	
3	Net Profit/ (Loss)	(3,132,334,575)	
4	Earnings per Share	(12.90)	
5	Total Assets	66,332,120,338	
6	Total Liabilities	42,961,934,188	
7	Net Worth	23,370,186,151	
8	Any other financial items	-	

II Audit Qualification

- 1 a. Details of Audit Qualification:
As stated in Note 3 regarding non recognition/ re-measurement of financial guarantees aggregating Rs. 319,010.86 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. 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 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

2	<p>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)</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: Impact is not quantified by the auditor.</p> <p>e. For Audit Qualification where impact is not quantified by the auditor:</p> <p>(i) Management's estimation on the impact of audit qualification: Not ascertainable</p> <p>(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.</p> <p>(iii) Auditors' Comments on (i) or (ii) above: Included in the Auditors' Report</p>
3	<p>a. Details of Audit Qualification: The Holding Company has measured 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 12,154.65 lacs and Rs 9,626.48 lacs (net of tax) and deferred tax asset is lower by Rs 2,528.17 lacs respectively (Refer Note 4 to the Statement).</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: Investments in these instruments and other comprehensive income are higher by Rs 12,154.65 lacs and Rs 9,626.48 lacs (net of tax) and deferred tax asset is lower by Rs 2,528.17 lacs respectively. Also as mentioned in point no. 2 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 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. 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:</p> <p>(i) Management's estimation on the impact of audit qualification: N/A</p> <p>(ii) If management is unable to estimate the impact, reasons for the same: N/A</p> <p>(iii) Auditors' Comments on (i) or (ii) above: Included in the Auditors' Report</p>

4	<p>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 aggregating Rs. 1,800.07 lacs and Investments aggregating Rs. 4,653.73 lacs respectively on March 31, 2018 to certain associates which have incurred losses and have negative net worth as on March 31, 2018.</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: Impact is not quantified by the auditor.</p> <p>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 Associates, 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>												
5	<p>a. Details of Audit Qualification: Observations in paragraphs 4 (d) above and paragraphs 6 (ii) to 6 (xxxiii) below made by us in our report on Consolidated Ind AS Financial Statements and their impact on the Statement have not been disclosed in the Statement.</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: Impact not quantified by the auditor.</p> <p>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: Auditors have audited the accompanying Statement of Annual Consolidated Ind AS Financial Results of the Company and its subsidiaries, its associates and joint ventures for the year then ended March 31, 2018 ("the Statement"), the notes in the said Statement 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="337 1461 1459 1493">Signatories</td> </tr> <tr> <td data-bbox="337 1493 863 1587">Managing Director Shahid Balwa</td> <td data-bbox="863 1493 1459 1587"></td> </tr> <tr> <td data-bbox="337 1587 863 1682">CFO Asif Balwa</td> <td data-bbox="863 1587 1459 1682"></td> </tr> <tr> <td data-bbox="337 1682 863 1776">Audit Committee Chairman Mahesh Gandhi</td> <td data-bbox="863 1682 1459 1776"></td> </tr> <tr> <td data-bbox="337 1776 863 1898">Statutory Auditor Snehal Shah Partner - Haribhakti & Co. LLP</td> <td data-bbox="863 1776 1459 1898"></td> </tr> <tr> <td data-bbox="203 1898 337 1988">Place: Date:</td> <td data-bbox="337 1898 1459 1988">Mumbai 28th May 2018</td> </tr> </table>	Signatories		Managing Director Shahid Balwa		CFO Asif Balwa		Audit Committee Chairman Mahesh Gandhi		Statutory Auditor Snehal Shah Partner - Haribhakti & Co. LLP		Place: Date:	Mumbai 28th May 2018
Signatories													
Managing Director Shahid Balwa													
CFO Asif Balwa													
Audit Committee Chairman Mahesh Gandhi													
Statutory Auditor Snehal Shah Partner - Haribhakti & Co. LLP													
Place: Date:	Mumbai 28th May 2018												

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, 2018 ("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 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 framed there under 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. 456,164.86 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 year.
 - 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 and advances aggregating Rs. 60,826.93 lacs and Investments aggregating Rs. 27,354.56 lacs respectively on March 31, 2018 to certain subsidiaries and associates which have incurred losses and have negative net worth as on March 31, 2018.
 - c. The Company has measured 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. 12,154.65 lacs and Rs. 9,626.48 lacs (net of tax) and deferred tax asset is lower by Rs. 2,528.17 lacs respectively.
 - d. Observations in paragraphs 4(b) above and paragraphs 6(b) to 6(j) below made by us in our report on Standalone Ind AS Financial Statements 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 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; 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, 2018.

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.
- b. As regards return on investments of Rs. 77,928.49 lacs in preference shares in a subsidiary company as on March 31, 2018 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. 6,476.33 lacs as on March 31, 2018, 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.
- d. As regards status of inventory consisting of projects having aggregate value of Rs. 30,584.05 lacs as on March 31, 2018 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. 4,004.48 lacs and the investments aggregating Rs. 3,839.79 lacs as on March 31, 2018 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.
- f. 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.

- g. As regards attachment order issued by adjudicating authority under Prevention of Money Laundering Act, 2002, by which the Company's assets amounting to Rs. 2,741.56 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 and Series C of a subsidiary company of Rs. 2,578.24 lacs in earlier years. The impact of the matter, if any, of its outcome is currently unascertainable.
- h. 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.
- i. 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 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.
- 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.
- j. 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.

Our report is not modified in respect of these matters.

7. Share of loss (net) from investment in three partnership firms, one Limited Liability Partnership and one Joint Venture aggregating Rs.1,385.75 lacs, included in the statement, is based on the financial statements of such entities. These financial statements have been audited by the auditors of these entities, whose reports have been furnished to us by the Management and our audit report on the Statement is based solely on such audit reports of the other auditors.
8. The Statement includes the results for the Quarter ended March 31, 2018, 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

May 28, 2018

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 then ended March 31, 2018 ("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 relevant rules framed there under 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.

4. BASIS OF QUALIFICATION

- a. As stated in Note 3 regarding non recognition/ re-measurement of financial guarantees aggregating Rs. 319,010.86 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 year.
 - b. 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).
 - c. The Holding Company has measured 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 12,154.65 lacs and Rs 9,626.48 lacs (net of tax) and deferred tax asset is lower by Rs 2,528.17 lacs respectively. (Refer Note 4 to the Statement).
 - d. 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 aggregating Rs. 1,800.07 lacs and Investments aggregating Rs. 4,653.73 lacs respectively on March 31, 2018 to certain associates which have incurred losses and have negative net worth as on March 31, 2018.
 - e. Observations in paragraphs 4 (d) above and paragraphs 6 (ii) to 6 (xxxiii) below made by us in our report on Consolidated Ind AS Financial Statements 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 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.	Dharadhar Developers Private Limited (Former name 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
	<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	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

- (ii) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
- (iii) give 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, 2018.

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) In case of Holding Company, as regards return on investments of Rs. 77,928.49 lacs in preference shares in a subsidiary company as on March 31, 2018 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. The said subsidiary has not been consolidated in Ind AS Financial Statements.
- (iii) In case of Holding Company, as regards security deposits aggregating Rs. 6,476.33 lacs as on March 31, 2018, 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.

- (iv) As regards status of inventory consisting of projects of the Holding Company having aggregate value of Rs. 30,584.05 lacs as on March 31, 2018 and the opinion framed by the Management about realizable value of the cost incurred, being a technical matter, has been relied upon by us.
- (v) In case of Group, loans and advances aggregating Rs. 4,000 lacs and the project cost carried in inventory aggregating Rs. 12,479.86 lacs as on 31st March, 2018 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.
- (vi) 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.
- (vii) 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. 2,741.56 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 and Series C of a subsidiary company of Rs. 2,578.24 lacs in earlier years. The impact of the matter, if any, of its outcome is currently unascertainable.
- (viii) 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. 2,722.98 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.
 - c. As regards pending dispute towards liability of property tax of the Firm with Municipal Corporation of Greater Mumbai / Slum Rehabilitation Authority.
 - d. As regards non-provision of disputed income tax liability of Rs. 2,911.63 lacs.

- (ix) 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 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.
- (x) With respect to work in progress with carrying value of Rs. 7,550.20 lacs in a subsidiary, a writ filed by Jijamata Nagar Sankalp Co-Operative Housing Society against designating the land under the Draft Development Plan 2034 (Draft DP 2034) dated 25th February 2015, is now being shown as designated for reservation of Public Open Space and Dispensary/Health Post as opposed to existing status of the plot which is partly in residential zone and partly in road and partly reserved for playground, vide letter of Intent (LOI) issued by Slum Rehabilitation Authority dated 15th April, 2009. Draft Development Plan 2034 (Draft DP 2034) dated 25th February 2015 has not been finalized and many changes are done by the Government Authorities in the said draft plan in recent times. The Management is constantly observing the changes and progress to the Draft DP 2034 and is confident that the Final Plan would remove all the anomalies.
- (xi) As regards the mode deployed by a Subsidiary Company for completing the Project and the financial implications arising there from which inter-alia include claim of interest on the said subsidiary company of Rs. 3,433.24 lacs which has not been accepted.
- (xii) In case of a Subsidiary Company, the classification of amount received from Yes Bank Limited as short term borrowing resulting on account of cancellation of units allotted to parties to whom in principle the loans were granted.
- (xiii) In respect of Group, interest free refundable security deposits of Rs. 3,794 lacs were paid to the aggregators for acquiring land. The management is confident that the transaction shall materialise and if not, is of the opinion that the deposit so granted shall be repaid back.
- (xiv) As regards a Subsidiary Company following notes as regards cross securitization provided/loans granted:
- a. Cross securitization for Goan Hotels & Realty Private Limited to a bank.
 - b. Loans granted to related parties/group concerns.
 - c. The opinions framed by the Management that granting of cross securitization will not have any financial implications on the Company and loans granted are good for recovery.

- (xv) 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.
- (xvi) A subsidiary company has acquired debts by way of assignment from Yes Bank Limited amounting to Rs. 25,033.19 lacs including related matters and in the opinion framed by the Management of the subsidiary company that debts 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.
- (xviii) In case of a subsidiary company, the status of the cluster development project as also the opinions/ judgements with respect to the amounts advanced in the preceding years in relation to the said project.
- (xix) In case of a subsidiary company, as regards the status of the case pending before the Hon'ble High Court of Bombay against the arbitrary cancellation of Tender by P.W. Department.
- (xx) As regards the status of land owned by the subsidiary company as well as the opinion of the holding company with respect to its value and other related matters.
- (xxi) 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.
- (xxii) As regards accrual of revenue in respect of a subsidiary company, on execution of Memorandum of Understanding for granting development rights of land and other consequential matters thereto.
- (xxiii) In case of a subsidiary company, as regards the state of affairs of the subsidiary company's project "DB Ozone", the Management re-evaluated the estimated project cost and revised the same. Consequently, there is a reversal of Rs. 2,055.91 lacs. Therefore, based on the percentage of work completion and keeping in view the amount of profits/ losses recognised in the preceding years, the subsidiary company has recognised loss of Rs. 8,845.87 lacs.
- (xxiv) In case of a joint venture, the financial statements are signed by only one member of the entity and that, the present arrangement between the partners is under reconsideration.

- (xxv) In case of a subsidiary company which has granted loan aggregating 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 as at March 31, 2017. 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. Accordingly, the said loan is considered good and recoverable by the Management.
- (xxvi) 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.
- (xxvii) In case of a step down subsidiary company, granting of loans which includes loan to a third party subject to confirmation as also to the opinion of the Management that all the loans are goods for recovery.
- (xxviii) In case of a step down subsidiary company, non-provision of disputed service tax demand of Rs. 1,843.78 lacs.
- (xxix) In case of a step down subsidiary company, non-provision of disputed income tax demand of Rs. 79.05 lacs.
- (xxx) As regards an associate, the notice received from land owner in respect for cancellation of Development Agreement.
- (xxxi) As regards advances granted by a Joint Venture for acquiring occupancy rights to various parties including associates amounting to Rs. 5,805.87 lacs in the consolidated financial statements.
- (xxxii) In case of a joint venture as regards compensation to occupants aggregating Rs. 169 lacs with whom execution of agreements for obtaining of release of rights in their premises and possession thereof and/ or obtaining possession, is pending.
- (xxxiii) With respect to project work in progress of Rs. 6,448.97 lacs in an associate company where such company is currently under process of resolving the internal disputes amongst 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.

Our report is not modified in respect of these matters.

7. We did not audit the Ind AS financial statements 23 subsidiaries (including 3 step down subsidiaries) included in the statement, whose Ind AS financial statements reflects total assets of Rs. 441,554.30 lacs as at March 31, 2018, total revenues of Rs.11,556.93 lacs and total loss (including other comprehensive income) after tax of Rs.23,515.08 lacs for the 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. 1,307.55 lacs for the year ended March 31, 2018, as considered in the Statement, in respect of 6 associates and 8 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. The Statement includes Group's share of net loss (including other comprehensive income) of Rs. 58.67 lacs for the year ended March 31, 2018 , as considered in the Statement, in respect of 1 associate and 1 joint venture, whose Ind AS financial statements have not been audited by us. These Ind AS financial statements are not audited by their auditors and have been 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 associate and joint venture, 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

May 28, 2018



DB Realty Ltd. Announces Financial Results for the
Quarter ended – March 31st 2018

Mumbai, 28th May 2018: Real Estate developer, DB Realty Limited, announced its financial results today for the Quarter ended March 31st 2018.

Commenting on this past quarter, **Mr Asif Balwa, CFO, DB Realty**, said: “The Real Estate market has been tiding through a very rough phase on account of implementation of RERA, GST & Demonetization. Demonetisation and RERA initially stagnated the property market. However, things are changing quickly, with RERA bringing back the trust factor to the property market. Buyers who were waiting for over a year to gain clarity are now booking flats with confidence. Between January & March, the company has sold **Rs. 8.37 Crs.** worth of inventory across all DB Realty projects, compared to **Rs. 6.86 Crs.** sold in the immediately preceding quarter. We are expecting the coming quarters to reflect some upwards buoyancy.

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

D B REALTY LIMITED

Date: 28th May, 2018

The General Manager, Listing Department BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001	The Vice-President, Listing Department National Stock Exchange of India Limited "Exchange Plaza", Bandra – Kurla Complex, Bandra (E), Mumbai – 400 051
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 - Submission of Audited Financial Results (Standalone and Consolidated) for the fourth quarter and year ended 31st March, 2018

We are enclosing herewith the Audited Standalone and Consolidated Financial Results of the Company for the fourth quarter and year ended 31st March, 2018 approved at the Board Meeting held on Monday, the 28th May, 2018 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. In the absence of profit, the Board has not recommended any dividend on the Preference Shares and the Equity Shares for the year ended 31st March, 2018.

The meeting of the Board of Directors of the Company commenced at 2:15 pm and concluded at 6:25 pm on 28th May, 2018

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

Statement of Financial Results for the quarter & year ended March 31, 2018 prepared in compliance with the Indian Accounting Standard (Ind-AS)

PARTICULARS	Standalone Quarter Ended			Standalone Year Ended		Consolidated Year Ended	
	Mar-18	Dec-17	Mar-17	Mar-18	Mar-17	Mar-18	Mar-17
	Audited	Unaudited	Audited	Audited	Audited	Audited	Audited
1 Revenue from Operations	24.99	51.61	1,268.06	405.28	1,800.54	11,986.17	14,090.54
2 Other Income	(4,577.71)	14,256.41	9,169.25	11,167.63	13,122.71	15,856.34	16,041.99
3 Total Income	(4,552.72)	14,308.02	10,437.31	11,572.91	14,923.25	27,842.51	30,132.53
4 Expenses							
a. Project Expenses	1,416.92	160.16	(194.10)	2,047.50	703.16	53,616.01	28,221.02
b. Other Operating expense	-	-	-	-	-	108.43	-
c. Changes in Inventories of finished goods, work-in progress and stock-in-trade	-	-	-	-	-	-	-
d. Employee Benefits Expenses	(1,344.31)	(149.26)	1,167.82	(1,854.07)	551.73	(41,328.04)	(14,792.20)
e. Depreciation and Amortisation	320.42	560.05	336.06	1,551.37	1,354.19	2,231.19	1,976.85
f. Finance Costs	63.40	105.43	105.74	395.93	506.38	588.63	1,079.02
g. Other Expenses	799.40	1,445.44	1,604.54	4,428.69	5,285.37	12,468.61	9,560.10
Total Expenses (a+b+c+d+e+f+g)	5,507.98	9,066.14	1,838.22	16,164.14	2,624.64	28,863.02	9,417.06
5 Profit (Loss) before Exceptional Items (3-4)	6,763.81	11,187.96	4,858.28	22,733.56	11,025.47	56,547.85	35,461.85
6 Exceptional Items	(11,316.53)	3,120.06	5,579.03	(11,160.65)	3,897.78	(28,705.34)	(5,329.32)
7 Profit (Loss) before tax (5+6)	-	-	-	-	-	-	-
8 Tax Expenses	(11,316.53)	3,120.06	5,579.03	(11,160.65)	3,897.78	(28,705.34)	(5,329.32)
(a) Current tax (Including prior period tax adjustment)	-	-	-	-	-	-	-
(b) Deferred tax	-	-	15.00	-	15.00	88.98	22.22
Total Tax expense	(3,082.69)	800.21	1,263.22	(2,448.99)	3,514.77	660.70	2,675.80
9 Net Profit (Loss) after tax (7-8)	(8,233.84)	2,319.85	4,300.81	(8,711.66)	368.01	(29,455.02)	(8,027.34)
10 Share of profit of joint ventures and associates	-	-	-	-	-	(1,868.32)	588.96
11 Profit (Loss) after tax (9+10)	(8,233.84)	2,319.85	4,300.81	(8,711.66)	368.01	(31,323.34)	(7,438.38)
12 Other Comprehensive Income							
(a) Items that will not be reclassified to profit or loss	3,891.55	(1,370.49)	(2,147.13)	(238.50)	(4,970.46)	(1,651.43)	(5,310.40)
(b) Income tax relating to items that will not be reclassified to profit or loss	(801.04)	280.92	129.66	47.45	1,017.45	45.56	1,098.87
(c) Items that will be reclassified to profit or loss	-	-	-	-	-	-	-
Total Other Comprehensive Income	3,090.51	(1,089.57)	(2,017.47)	(191.05)	(3,953.01)	(1,605.87)	(4,211.53)
13 Total Comprehensive Income for the period	(5,143.33)	1,230.28	2,283.34	(8,902.71)	(3,585.00)	(32,929.21)	(11,649.91)
Profit after tax							
Attributable to:							
Owners of equity	(8,233.84)	2,319.85	4,300.81	(8,711.66)	368.01	(31,378.47)	(5,972.17)
Non Controlling Interest	-	-	-	-	-	55.13	(1,466.21)
Total	(8,233.84)	2,319.85	4,300.81	(8,711.66)	368.01	(31,323.34)	(7,438.38)
Total Comprehensive Income							
Attributable to:							
Owners of equity	(5,143.33)	1,230.28	2,283.34	(8,902.71)	(3,585.00)	(32,985.04)	(10,184.73)
Non Controlling Interest	-	-	-	-	-	55.83	(1,465.18)
Total	(5,143.33)	1,230.28	2,283.34	(8,902.71)	(3,585.00)	(32,929.21)	(11,649.91)
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 Basic and Diluted EPS (Rs.)							
Basic	(3.38)	0.95	1.77	(3.58)	0.15	(12.90)	(2.46)
Diluted	(3.38)	0.95	1.77	(3.58)	0.15	(12.90)	(2.46)
16 Other Equity (Excluding Revaluation Reserve)				2,61,334.99	2,70,237.69	2,20,120.37	2,53,105.41



D B REALTY LIMITED

Note 1 Statement of Financial Assets and Liabilities

		(Rs In Lacs)			
Particulars	Standalone		Consolidated		
	31st March 2018	31st March 2017	31st March 2018	31st March 2017	
I. ASSETS					
1 Non-current assets					
(a) Property, Plant and Equipment	345.28	508.36	3,893.68	9,358.24	
(b) Investment Property	476.25	655.96	476.25	655.96	
(c) Goodwill on consolidation			30,971.33	31,162.16	
(c) Intangible assets	2.12	1,909.24	4.11	1,911.48	
(d) Intangible assets under development	15.00	-	15.00	-	
(e) Investment in subsidiaries, associates & joint venture	69,262.42	87,398.89	69,559.87	53,601.11	
(f) Financial Assets					
(i) Investments	1,26,473.29	96,958.01	92,743.59	1,03,009.47	
(ii) Loans	3,538.12	3,045.85	3,650.35	3,167.87	
(iii) Others	6,128.82	11,268.37	13,671.65	17,138.37	
(g) Deferred tax assets (net)	14,435.18	11,938.76	19,393.24	20,022.33	
(h) Non current tax asset	596.36	580.38	622.26	965.52	
(i) Other non-current assets	5,193.39	5,573.65	6,411.04	12,043.87	
	2,26,466.23	2,19,837.47	2,41,412.38	2,53,036.38	
2 Current assets					
(a) Inventories	30,693.96	28,839.76	2,73,300.23	2,32,156.51	
(b) Financial Assets					
(i) Investments	29,057.03	9,844.52	9,565.87	712.84	
(ii) Trade receivables	1,579.41	4,316.43	5,604.22	7,831.45	
(iii) Cash and cash equivalents	427.24	93.30	2,128.43	438.16	
(iv) Bank balance other than (iii) above	328.85	525.37	527.72	728.12	
(v) Loans	64,687.80	91,842.94	87,315.32	1,31,781.02	
(vi) Other Financial Assets	174.28	1,794.98	1,226.31	1,650.43	
(c) Other current assets	6,583.32	13,556.61	40,479.81	22,826.19	
(d) Assets held for sale			1,760.91	-	
	1,33,531.89	1,50,813.91	4,21,908.82	3,98,124.72	
TOTAL	3,59,998.12	3,70,651.38	6,63,321.20	6,51,161.10	
II. EQUITY AND LIABILITIES					
1 Equity					
(a) Equity Share capital	24,325.88	24,325.88	24,325.88	24,325.88	
(b) Other Equity	2,61,334.99	2,70,237.69	2,20,120.37	2,53,105.41	
	2,85,660.87	2,94,563.57	2,44,446.25	2,77,431.29	
Non Controlling Interest			(10,744.39)	(9,396.93)	
2 Non-current liabilities					
(a) Financial Liabilities					
(i) Long-term Borrowings	17,647.88	11,956.21	1,18,411.28	1,11,184.83	
(ii) Trade Payable			492.06	612.12	
(ii) Other financial liabilities		21.31	11,471.90	17,564.42	
(b) Long-term provisions	181.47	171.60	341.56	374.11	
(c) Other non-current liabilities			1,000.00	1,000.00	
	17,829.35	12,149.12	1,31,716.79	1,30,735.48	
3 Current liabilities					
(a) Financial Liabilities					
(i) Short Term Borrowings	30,740.93	15,567.90	39,249.53	26,219.93	
(ii) Trade and other payables	2,310.15	2,616.90	16,341.55	14,509.49	
(iii) Other financial liabilities	22,992.06	45,308.50	88,331.17	1,05,772.78	
(b) Other current liabilities	323.35	292.56	1,10,581.31	1,01,029.53	
(c) Short-term provisions	141.41	152.83	43,398.98	4,859.53	
	56,507.90	63,938.69	2,97,902.55	2,52,391.26	
TOTAL	3,59,998.12	3,70,651.38	6,63,321.20	6,51,161.10	



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 28th May, 2018.
The Financial result for the Quarter ended March 31, 2018, 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. 4,56,164.86 lacs (at standalone level) and Rs. 3,19,010.86 lacs (at consolidated level) as on 31st March, 2018.
- 4 Note on "Control" of D B Realty Ltd (DBRL/Company) in Marine Drive Hospitality & Realty Private Limited (MDHRPL):
 - a) 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 7,367.05 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 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.
 - 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 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.
 - 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. Further, equity instruments of MDHRPL are measured at fair value through other comprehensive income based on Irrevocable designation at inception..
- 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 in India. As the Company's business 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. 3,517.59 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. 723.88 lacs towards land acquisition (included under other current liabilities). 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 During the year, following omission are 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:
As required by Ind AS 18 - " Revenue Recognition" Revenue is recognized when it is probable that future economic benefits will flow to the entity and these benefits can be measured reliably. During FY 2016-17 sale of flat of Rs. 422.63 lakhs was omitted to be included in the financial of that year. Now, the same has been included in the comparative results of FY 2016-17 by restating the required figures and affected line items of the financial statement. Hence Sales has been increased by Rs. 422.63 lakhs and Inventories has been decreased by Rs. 197.31 lakh in 2016-17 and profit for the year has been increased by Rs. 225.32 lacs.
- 8 Figures for the previous periods are re-classified/re-arranged/re-grouped wherever required.

Dated:- May 28, 2018
Place:- Mumbai



For D B Realty Limited

Shrinidhi Bhalwa
Vice Chairman & Managing Director
DIN 00015839

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, 2018
(See Regulations 33/52 of SEBI (LODR) (Amendment) Regulations, 2016**

I	Sr. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1	Turnover/ Total Income	40,528,484	Not ascertainable
	2	Total Expenditure	2,273,354,916	
	3	Net Profit/ (Loss)	(871,164,180)	
	4	Earnings per Share	(3.58)	
	5	Total Assets	35,999,813,088	
	6	Total Liabilities	7,433,726,211	
	7	Net Worth	28,566,086,877	
	8	Any other financial items	-	
II	1	Audit Qualification		
	1	<p>a. Details of Audit Qualification: As stated in Note No 3 regarding non recognition/ re-measurement of financial guarantees aggregating Rs. 456,164.86 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. 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: Impact is not quantified by the auditor.</p> <p>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</p>		



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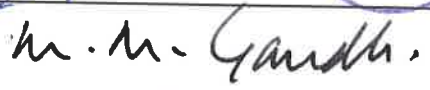



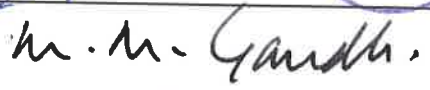



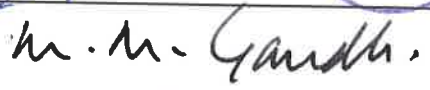


2	<p>a. Details of Audit Qualification: The Company has not evaluated whether any impairment provision is required for expected credit losses in accordance with Ind AS 109 - 'Financial Instruments', for loans & advances aggregating Rs.60,826.93 lacs and Investments aggregating Rs. 27,354.56 lacs respectively on March 31, 2018 to certain subsidiaries and associates which have incurred losses and have negative net worth as on March 31, 2018.</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: Impact is not quantified by the auditor.</p> <p>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 associates, in which the Company is having economic interest and the same are generally repayable on demand and investment in these subsidiaries and associates are considered strategic and long term in nature. Such subsidiaries and associates 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>a. Details of Audit Qualification: The Company has measured 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 is higher by Rs 12,154.65 lacs and Rs 9,626.48 lacs (net of tax) and deferred tax assets is lower by Rs 2,528.17 lacs respectively.</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: Investments in these instruments and other comprehensive income is higher by Rs 12,154.65 lacs and Rs 9,626.48 lacs (net of tax) and deferred tax assets is lower by Rs 2,528.17 lacs respectively. 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. 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>



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4	<p>a. Details of Audit Qualification: Observations in para 4 (b) above and paras 6 (b) to 6 (j) below made by us in our report and their impact on the Statement have not been disclosed in the Statement.</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: Impact is not quantified by the auditor.</p> <p>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: Auditors have audited the accompanying Statement of Annual Consolidated Ind AS Financial Results of the Company and its subsidiaries, its associates and joint ventures for the year then ended March 31, 2018 ("the Statement"), the notes in the said Statement 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="311 772 1524 817">Signatories</td> </tr> <tr> <td data-bbox="311 817 853 862">Managing Director</td> <td data-bbox="853 817 1524 862"></td> </tr> <tr> <td data-bbox="311 862 853 907">Shahid Balwa</td> <td data-bbox="853 862 1524 907" rowspan="3">  </td> </tr> <tr> <td data-bbox="311 907 853 952">CFO</td> </tr> <tr> <td data-bbox="311 952 853 996">Asif Balwa</td> </tr> <tr> <td data-bbox="311 996 853 1041">Audit Committee Chairman</td> <td data-bbox="853 996 1524 1041" rowspan="2">  </td> </tr> <tr> <td data-bbox="311 1041 853 1086">Mahesh Gandhi</td> </tr> <tr> <td data-bbox="311 1086 853 1131">Statutory Auditor</td> <td data-bbox="853 1086 1524 1131" rowspan="2">  </td> </tr> <tr> <td data-bbox="311 1131 853 1176">Snehal Shah</td> </tr> <tr> <td data-bbox="311 1176 853 1220">Partner - Haribhakti & Co. LLP</td> <td data-bbox="853 1176 1524 1220">  </td> </tr> <tr> <td data-bbox="311 1220 1524 1265">Place: Mumbai</td> <td data-bbox="311 1220 1524 1265"></td> </tr> <tr> <td data-bbox="311 1265 1524 1310">Date: 28th May 2018</td> <td data-bbox="311 1265 1524 1310"></td> </tr> </table>	Signatories		Managing Director		Shahid Balwa		CFO	Asif Balwa	Audit Committee Chairman		Mahesh Gandhi	Statutory Auditor		Snehal Shah	Partner - Haribhakti & Co. LLP		Place: Mumbai		Date: 28th May 2018	
Signatories																					
Managing Director																					
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Snehal Shah																					
Partner - Haribhakti & Co. LLP																					
Place: Mumbai																					
Date: 28th May 2018																					

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, 2018
(See Regulations 33/52 of SEBI (LODR) (Amendment) Regulations, 2016**

I

Sr. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
1	Turnover/ Total Income	1,198,616,660	Not ascertainable
2	Total Expenditure	5,654,784,619	
3	Net Profit/ (Loss)	(3,132,334,575)	
4	Earnings per Share	(12.90)	
5	Total Assets	66,332,120,338	
6	Total Liabilities	42,961,934,188	
7	Net Worth	23,370,186,151	
8	Any other financial items	-	

II **Audit Qualification**

1 **a. Details of Audit Qualification:**
As stated in Note 3 regarding non recognition/ re-measurement of financial guarantees aggregating Rs. 319,010.86 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. 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 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



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2	<p>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)</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: Impact is not quantified by the auditor.</p> <p>e. For Audit Qualification where impact is not quantified by the auditor:</p> <p>(i) Management's estimation on the impact of audit qualification: Not ascertainable</p> <p>(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.</p> <p>(iii) Auditors' Comments on (i) or (ii) above: Included in the Auditors' Report</p>
3	<p>a. Details of Audit Qualification: The Holding Company has measured 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 12,154.65 lacs and Rs 9,626.48 lacs (net of tax) and deferred tax asset is lower by Rs 2,528.17 lacs respectively (Refer Note 4 to the Statement).</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: Investments in these instruments and other comprehensive income are higher by Rs 12,154.65 lacs and Rs 9,626.48 lacs (net of tax) and deferred tax asset is lower by Rs 2,528.17 lacs respectively. Also as mentioned in point no. 2 above, we again state that 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. 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:</p> <p>(i) Management's estimation on the impact of audit qualification: N/A</p> <p>(ii) If management is unable to estimate the impact, reasons for the same: N/A</p> <p>(iii) Auditors' Comments on (i) or (ii) above: Included in the Auditors' Report</p>



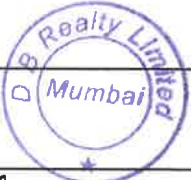
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4	<p>a. Details of Audit Qualification: The Holding Company has not evaluated whether any impairment provision is required for expected credit losses in accordance with Ind AS 109 - 'Financial Instruments' for loans & advances aggregating Rs. 1,800.07 lacs and Investments aggregating Rs. 4,653.73 lacs respectively on March 31, 2018 to certain associates which have incurred losses and have negative net worth as on March 31, 2018.</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: Impact is not quantified by the auditor.</p> <p>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 Associates, 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>																								
5	<p>a. Details of Audit Qualification: Observations in paragraphs 4 (d) above and paragraphs 6 (ii) to 6 (xxxiii) below made by us in our report on Consolidated Ind AS Financial Statements and their impact on the Statement have not been disclosed in the Statement.</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: Impact not quantified by the auditor.</p> <p>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: Auditors have audited the accompanying Statement of Annual Consolidated Ind AS Financial Results of the Company and its subsidiaries, its associates and joint ventures for the year then ended March 31, 2018 ("the Statement"), the notes in the said Statement 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="300 1417 1465 1451">Signatories</td> </tr> <tr> <td data-bbox="300 1451 842 1485">Managing Director</td> <td data-bbox="842 1451 1465 1485"></td> </tr> <tr> <td data-bbox="300 1485 842 1518">Shahid Balwa</td> <td data-bbox="842 1485 1465 1518"></td> </tr> <tr> <td data-bbox="300 1518 842 1552">CFO</td> <td data-bbox="842 1518 1465 1552"></td> </tr> <tr> <td data-bbox="300 1552 842 1585">Asif Balwa</td> <td data-bbox="842 1552 1465 1585"></td> </tr> <tr> <td data-bbox="300 1585 842 1619">Audit Committee Chairman</td> <td data-bbox="842 1585 1465 1619"></td> </tr> <tr> <td data-bbox="300 1619 842 1653">Mahesh Gandhi</td> <td data-bbox="842 1619 1465 1653"></td> </tr> <tr> <td data-bbox="300 1653 842 1686">Statutory Auditor</td> <td data-bbox="842 1653 1465 1686"></td> </tr> <tr> <td data-bbox="300 1686 842 1720">Snehal Shah</td> <td data-bbox="842 1686 1465 1720"></td> </tr> <tr> <td data-bbox="300 1720 842 1753">Partner - Haribhakti & Co. LLP</td> <td data-bbox="842 1720 1465 1753"></td> </tr> <tr> <td data-bbox="300 1753 842 1787">Place:</td> <td data-bbox="842 1753 1465 1787">Mumbai</td> </tr> <tr> <td data-bbox="300 1787 842 1821">Date:</td> <td data-bbox="842 1787 1465 1821">28th May 2018</td> </tr> </table>	Signatories		Managing Director		Shahid Balwa		CFO		Asif Balwa		Audit Committee Chairman		Mahesh Gandhi		Statutory Auditor		Snehal Shah		Partner - Haribhakti & Co. LLP		Place:	Mumbai	Date:	28th May 2018
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Statutory Auditor																									
Snehal Shah																									
Partner - Haribhakti & Co. LLP																									
Place:	Mumbai																								
Date:	28th May 2018																								

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Balwa



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M. M. Gandhi

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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, 2018 ("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 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 framed there under 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. 456,164.86 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 year.
 - 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 and advances aggregating Rs. 60,826.93 lacs and Investments aggregating Rs. 27,354.56 lacs respectively on March 31, 2018 to certain subsidiaries and associates which have incurred losses and have negative net worth as on March 31, 2018.
 - c. The Company has measured 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. 12,154.65 lacs and Rs. 9,626.48 lacs (net of tax) and deferred tax asset is lower by Rs. 2,528.17 lacs respectively.
 - d. Observations in paragraphs 4(b) above and paragraphs 6(b) to 6(j) below made by us in our report on Standalone Ind AS Financial Statements 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 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; 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, 2018.



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.
- b. As regards return on investments of Rs. 77,928.49 lacs in preference shares in a subsidiary company as on March 31, 2018 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. 6,476.33 lacs as on March 31, 2018, 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.
- d. As regards status of inventory consisting of projects having aggregate value of Rs. 30,584.05 lacs as on March 31, 2018 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. 4,004.48 lacs and the investments aggregating Rs. 3,839.79 lacs as on March 31, 2018 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.
- f. 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.



- g. As regards attachment order issued by adjudicating authority under Prevention of Money Laundering Act, 2002, by which the Company's assets amounting to Rs. 2,741.56 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 and Series C of a subsidiary company of Rs. 2,578.24 lacs in earlier years. The impact of the matter, if any, of its outcome is currently unascertainable.
- h. 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.
- i. 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 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.
- 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.
- j. 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.



HARIBHAKTI & CO. LLP

Chartered Accountants

Our report is not modified in respect of these matters.

7. Share of loss (net) from investment in three partnership firms, one Limited Liability Partnership and one Joint Venture aggregating Rs.1,385.75 lacs, included in the statement, is based on the financial statements of such entities. These financial statements have been audited by the auditors of these entities, whose reports have been furnished to us by the Management and our audit report on the Statement is based solely on such audit reports of the other auditors.
8. The Statement includes the results for the Quarter ended March 31, 2018, 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

May 28, 2018

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 then ended March 31, 2018 ("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 relevant rules framed there under 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.



4. BASIS OF QUALIFICATION

- a. As stated in Note 3 regarding non recognition/ re-measurement of financial guarantees aggregating Rs. 319,010.86 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 year.
- b. 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).
- c. The Holding Company has measured 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 12,154.65 lacs and Rs 9,626.48 lacs (net of tax) and deferred tax asset is lower by Rs 2,528.17 lacs respectively. (Refer Note 4 to the Statement).
- d. 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 aggregating Rs. 1,800.07 lacs and Investments aggregating Rs. 4,653.73 lacs respectively on March 31, 2018 to certain associates which have incurred losses and have negative net worth as on March 31, 2018.
- e. Observations in paragraphs 4 (d) above and paragraphs 6 (ii) to 6 (xxxiii) below made by us in our report on Consolidated Ind AS Financial Statements 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.	Dharadhar Developers Private Limited (Former name Sangam City Town Ship Private Limited)	Associate



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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
	Partnership Firms/ LLP's/Association of Persons	
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

- (ii) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
- (iii) give 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, 2018.



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) In case of Holding Company, as regards return on investments of Rs. 77,928.49 lacs in preference shares in a subsidiary company as on March 31, 2018 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. The said subsidiary has not been consolidated in Ind AS Financial Statements.
- (iii) In case of Holding Company, as regards security deposits aggregating Rs. 6,476.33 lacs as on March 31, 2018, 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.
- (iv) As regards status of inventory consisting of projects of the Holding Company having aggregate value of Rs. 30,584.05 lacs as on March 31, 2018 and the opinion framed by the Management about realizable value of the cost incurred, being a technical matter, has been relied upon by us.
- (v) In case of Group, loans and advances aggregating Rs. 4,000 lacs and the project cost carried in inventory aggregating Rs. 12,479.86 lacs as on 31st March, 2018 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.
- (vi) 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.



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- (vii) 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. 2,741.56 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 and Series C of a subsidiary company of Rs. 2,578.24 lacs in earlier years. The impact of the matter, if any, of its outcome is currently unascertainable.
- (viii) The Audited Financial Statements of a Firm where the Holding Company is one of the partners has following disclosures:
- As regards recoverability of Trade Receivables of Rs. 2,722.98 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.
 - 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 lacs.
- (ix) 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 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.
- (x) With respect to work in progress with carrying value of Rs. 7,550.20 lacs in a subsidiary, a writ filed by Jijamata Nagar Sankalp Co-Operative Housing Society against designating the land under the Draft Development Plan 2034 (Draft DP 2034) dated 25th February 2015, is now being shown as designated for reservation of Public Open Space



and Dispensary/Health Post as opposed to existing status of the plot which is partly in residential zone and partly in road and partly reserved for playground, vide letter of Intent (LOI) issued by Slum Rehabilitation Authority dated 15th April, 2009. Draft Development Plan 2034 (Draft DP 2034) dated 25th February 2015 has not been finalized and many changes are done by the Government Authorities in the said draft plan in recent times. The Management is constantly observing the changes and progress to the Draft DP 2034 and is confident that the Final Plan would remove all the anomalies.

- (xi) As regards the mode deployed by a Subsidiary Company for completing the Project and the financial implications arising there from which inter-alia include claim of interest on the said subsidiary company of Rs. 3,433.24 lacs which has not been accepted.
- (xii) In case of a Subsidiary Company, the classification of amount received from Yes Bank Limited as short term borrowing resulting on account of cancellation of units allotted to parties to whom in principle the loans were granted.
- (xiii) In respect of Group, interest free refundable security deposits of Rs. 3,794 lacs were paid to the aggregators for acquiring land. The management is confident that the transaction shall materialise and if not, is of the opinion that the deposit so granted shall be repaid back.
- (xiv) As regards a Subsidiary Company following notes as regards cross securitization provided/loans granted:
 - a. Cross securitization for Goan Hotels & Realty Private Limited to a bank.
 - b. Loans granted to related parties/group concerns.
 - c. The opinions framed by the Management that granting of cross securitization will not have any financial implications on the Company and loans granted are good for recovery.



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- (xv) 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.
- (xvi) A subsidiary company has acquired debts by way of assignment from Yes Bank Limited amounting to Rs. 25,033.19 lacs including related matters and in the opinion framed by the Management of the subsidiary company that debts 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.
- (xviii) In case of a subsidiary company, the status of the cluster development project as also the opinions/ judgements with respect to the amounts advanced in the preceding years in relation to the said project.
- (xix) In case of a subsidiary company, as regards the status of the case pending before the Hon'ble High Court of Bombay against the arbitrary cancellation of Tender by P.W. Department.
- (xx) As regards the status of land owned by the subsidiary company as well as the opinion of the holding company with respect to its value and other related matters.
- (xxi) 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.
- (xxii) As regards accrual of revenue in respect of a subsidiary company, on execution of Memorandum of Understanding for granting development rights of land and other consequential matters thereto.
- (xxiii) In case of a subsidiary company, as regards the state of affairs of the subsidiary company's project "DB Ozone", the Management re-evaluated the estimated project cost and revised the same. Consequently, there is a reversal of Rs. 2,055.91 lacs. Therefore, based on the percentage of work completion and keeping in view the amount of profits/ losses recognised in the preceding years, the subsidiary company has recognised loss of Rs. 8,845.87 lacs.



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- (xxiv) In case of a joint venture, the financial statements are signed by only one member of the entity and that, the present arrangement between the partners is under reconsideration.
- (xxv) In case of a subsidiary company which has granted loan aggregating 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 as at March 31, 2017. 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. Accordingly, the said loan is considered good and recoverable by the Management.
- (xxvi) 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.
- (xxvii) In case of a step down subsidiary company, granting of loans which includes loan to a third party subject to confirmation as also to the opinion of the Management that all the loans are goods for recovery.
- (xxviii) In case of a step down subsidiary company, non-provision of disputed service tax demand of Rs. 1,843.78 lacs.
- (xxix) In case of a step down subsidiary company, non-provision of disputed income tax demand of Rs. 79.05 lacs.
- (xxx) As regards an associate, the notice received from land owner in respect for cancellation of Development Agreement.
- (xxxi) As regards advances granted by a Joint Venture for acquiring occupancy rights to various parties including associates amounting to Rs. 5,805.87 lacs in the consolidated financial statements.



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- (xxxii) In case of a joint venture as regards compensation to occupants aggregating Rs. 169 lacs with whom execution of agreements for obtaining of release of rights in their premises and possession thereof and/ or obtaining possession, is pending.
- (xxxiii) With respect to project work in progress of Rs. 6,448.97 lacs in an associate company where such company is currently under process of resolving the internal disputes amongst 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.

Our report is not modified in respect of these matters.

7. We did not audit the Ind AS financial statements 23 subsidiaries (including 3 step down subsidiaries) included in the statement, whose Ind AS financial statements reflects total assets of Rs. 441,554.30 lacs as at March 31, 2018, total revenues of Rs.11,556.93 lacs and total loss (including other comprehensive income) after tax of Rs.23,515.08 lacs for the 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. 1,108.65 lacs for the year ended March 31, 2018, as considered in the Statement, in respect of 6 associates and 8 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.



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8. The Statement includes Group's share of net loss (including other comprehensive income) of Rs. 58.67 lacs for the year ended March 31, 2018, as considered in the Statement, in respect of 1 associate and 1 joint venture, whose Ind AS financial statements have not been audited by us. These Ind AS financial statements are not audited by their auditors and have been 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 associate and joint venture, 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

May 28, 2018



DB Realty Ltd. Announces Financial Results for the
Quarter ended – March 31st 2018

Mumbai, 28th May 2018: Real Estate developer, DB Realty Limited, announced its financial results today for the Quarter ended March 31st 2018.

Commenting on this past quarter, **Mr Asif Balwa, CFO, DB Realty**, said: "The Real Estate market has been tiding through a very rough phase on account of implementation of RERA, GST & Demonetization. Demonetisation and RERA initially stagnated the property market. However, things are changing quickly, with RERA bringing back the trust factor to the property market. Buyers who were waiting for over a year to gain clarity are now booking flats with confidence. Between January & March, the company has sold **Rs. 8.37 Crs.** worth of inventory across all DB Realty projects, compared to **Rs. 6.86 Crs.** sold in the immediately preceding quarter. We are expecting the coming quarters to reflect some upwards buoyancy.

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



Handwritten signature and blue circular stamp of DB Realty Limited Mumbai.

DB REALTY LIMITED