

REALTY

7th November, 2015

The General Manager, Listing Department, BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001	The Vice President, Listing Department, The 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 2037/ 39	Fax No.: 022 – 26598237/38

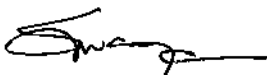
Sub. : Outcome of Board Meeting and Press Release for Unaudited Financial Statements for the 2nd quarter and half year ended 30th September, 2015

Dear Sirs,

The Board of Directors at its meeting held on 7th November, 2015 has approved and taken on record unaudited financial statements of the Company for the second quarter and half year ended 30th September, 2015. The unaudited financial results (standalone and consolidated) along with Limited Review Report of Auditors thereon as well as Press Release by the Company are enclosed herewith.

Yours faithfully,

For D B Realty Limited



S A K NARAYANAN
Company Secretary

DB REALTY LIMITED

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



DB Realty Ltd. announces Q2 FY 15-16 Results

Highlights of the Consolidated Financials for Q2 FY 15-16

- **Total Income for the Quarter at Rs. 646.09 Mn**
- **Net Profit for the Quarter at Rs. 135.50 Mn**

Mumbai, November 7th 2015: Real Estate developer, DB Realty Limited, announced its financial results today for the second quarter of FY 15-16. The company has recorded a 35% increase in the profits for the quarter compared to last year.

Commenting on the results, Mr. Vipul Bansal, CEO, DB Realty, said: "This quarter the company has seen significant improvement in the sales of DB Crown, DB Skypark and Project Bandra through our marketing push and interactions with our respected Channel Partners.

We are also happy to announce our latest partnership with Vishwaroop Estates and Developers Pvt. Ltd. (Radius Group) for the development of Project Bandra in Bandra East. All the approvals required at this stage have been received and the project has seen an extremely successful pre-launch. The formal launch of the project is scheduled on 09.11.2015."

Update on Projects:

- **DB Skypark:** Our residential project at Sahar, next to the T2 International Airport and adjacent to The Hilton Mumbai, International Airport had received its Commencement Certificate on June 16, 2015. The construction is ongoing at a speedy pace and excavation has been completed. We expect the first phase of the project to be completed and handed over in 18 months.
- **MIG Bandra (Project Bandra):** The redevelopment project is spread over 5 acres in Bandra (E). The project is being developed by MIG (Bandra) Realtors & Builders Pvt. Ltd. (a subsidiary of DB Realty Ltd.) in a joint venture with Vishwaroop Estates and Developers Pvt. Ltd. (Radius Group). The project is currently in its Pre-Launch phase and will see a formal launch this Diwali. Project Bandra has received an overwhelming response in its first month on the market as excavation work is to commence.
- **DB Crown:** Construction at DB Crown continues at a strong pace with increased sales activity being seen daily, despite a poor overall market.

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 90 million sq.ft. of prime real estate - managed by over 500 internationally and nationally acclaimed executives – across 36 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.

For more information on the company, please visit, www.dbrealty.co.in




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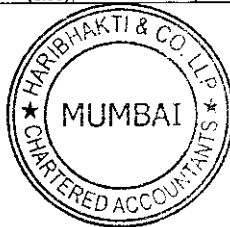
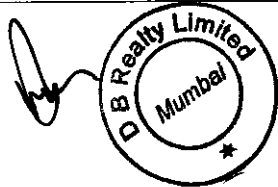
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PART I

₹ In Lacs

STATEMENT OF UNAUDITED RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30/09/2015

PARTICULARS	STANDALONE RESULTS						CONSOLIDATED RESULTS					
	Quarter Ended			Half Year Ended		Year Ended	Quarter Ended			Half Year Ended		Year Ended
	30/09/2015	30/06/2015	30/09/2014	30/09/2015	30/09/2014	31/03/2015	30/09/2015	30/06/2015	30/09/2014	30/09/2015	30/09/2014	31/03/2015
	Unaudited			Unaudited		Audited	Unaudited			Unaudited		Audited
1 Income from Operations												
a. Net Sales / Income From Operations	2,311.74	3,322.04	-	5,633.78	-	-	6,460.90	6,205.42	7,997.30	12,666.33	14,113.97	25,894.16
b. Other Operating Income	-	-	-	-	-	-	81.55	66.02	-	147.58	-	449.79
c. Share of Profit (Loss) from investment in Partnership Firms (net)	(67.08)	(389.87)	5.93	(456.96)	424.05	107.80	-	-	-	-	-	-
Total Income from Operations (Net)	2,244.66	2,932.17	5.93	5,176.82	424.05	107.80	6,542.45	6,271.44	7,997.30	12,813.91	14,113.97	26,343.96
2 Expenses												
a. Project Expenses	566.07	315.89	138.18	881.97	217.02	2,809.69	13,756.72	8,778.47	11,279.61	22,535.19	16,541.30	48,996.27
b. Purchase of stock in trade	-	4,745.44	-	4,745.44	-	-	-	4,745.44	-	4,745.44	-	-
c. Changes in Inventories	(566.07)	(3,098.52)	(138.18)	(3,664.59)	(217.02)	(2,809.69)	(10,777.68)	(8,990.86)	(5,308.65)	(19,768.54)	(5,819.08)	(31,102.79)
d. Employee Benefits Expenses	299.95	307.03	313.52	606.98	449.72	1,125.86	474.00	491.57	431.91	965.57	679.13	1,812.90
e. Legal and Professional Expenses	45.89	67.28	19.54	113.17	93.84	199.03	147.73	130.53	96.04	278.26	232.71	475.28
f. Advertisement and Publicity	1.97	3.39	8.53	5.36	13.90	329.53	65.66	237.94	16.07	303.60	127.72	1,249.49
g. Business Promotion Expenses	11.27	8.29	5.82	19.56	9.86	11.25	94.54	31.33	14.38	125.87	22.53	76.84
h. Depreciation and Amortisation	119.73	131.26	243.43	260.98	335.26	548.39	206.22	216.94	310.07	423.16	500.88	1,431.95
i. Other Expenses	142.01	93.00	106.35	235.00	235.97	503.62	451.08	519.04	911.03	970.13	1,489.97	3,183.82
Total Expenses	620.81	2,573.06	697.19	3,193.88	1,138.55	2,717.69	4,418.27	6,160.40	7,750.47	10,578.67	13,775.15	26,123.77
3 Profit (Loss) from Operations before Other Income, Finance Costs and Exceptional Items (1-2)	1,623.85	359.10	(691.26)	1,982.94	(714.50)	(2,609.89)	2,124.17	111.04	246.83	2,235.24	338.82	220.19
4 Other Income	282.08	264.99	1,041.17	547.07	1,449.14	3,490.40	365.87	561.00	1,291.88	926.87	1,924.15	2,265.92
5 Profit (Loss) from ordinary activities before Finance Costs and Exceptional Items (3+4)	1,905.93	624.09	349.91	2,530.01	734.64	880.51	2,490.04	672.04	1,538.71	3,162.11	2,262.97	2,486.11
6 Finance Costs	915.12	976.17	1,090.19	1,891.29	2,169.32	4,112.52	1,015.03	1,172.06	1,373.65	2,187.09	2,600.26	5,282.74
7 Profit (Loss) from ordinary activities after Finance Costs but before Exceptional Items (5-6)	990.81	(352.08)	(740.28)	638.72	(1,434.68)	(3,232.01)	1,475.02	(500.02)	165.06	975.02	(337.29)	(2,796.62)
8 Exceptional Items	-	-	479.87	-	479.87	476.80	-	-	890.68	-	890.68	705.15
9 Profit (Loss) from ordinary activities before tax (7+8)	990.81	(352.08)	(260.41)	638.72	(954.80)	(2,755.21)	1,475.02	(500.02)	1,055.73	975.02	553.38	(2,091.47)
10 Tax Expenses												
Current Tax	142.00	(0.96)	-	141.04	-	315.45	130.29	14.44	305.45	144.74	470.83	167.44
Deferred Tax (Income)/Expenses'	(11.15)	(55.68)	(50.71)	(66.83)	(32.54)	(368.08)	(171.92)	(247.62)	(32.89)	(419.54)	(88.54)	(1,068.14)
Excess provision for tax relating to prior years	-	-	-	-	-	(302.00)	-	-	-	-	-	(1,486.00)
11 Net Profit (Loss) from Ordinary activities after tax (9-10)	859.96	(295.44)	(209.70)	564.51	(922.26)	(2,400.58)	1,516.65	(266.84)	783.18	1,249.82	171.10	295.22
12 Prior Period Item	(1.20)	(0.23)	(0.06)	(1.43)	(0.06)	(43.18)	(1.20)	0.22	(0.06)	(0.98)	0.73	(43.18)
13 Extraordinary items (Net of Tax Expenses)	-	-	-	-	-	-	-	-	-	-	-	-
14 Net Profit (Loss) for the period (11-12-13)	858.76	(295.67)	(209.76)	563.08	(922.32)	(2,443.76)	1,515.45	(266.62)	783.11	1,248.85	171.83	252.04
15 Minority Interest (net of taxes)	-	-	-	-	-	-	(142.19)	(92.24)	(104.14)	(234.43)	(100.28)	(692.82)
16 Share of Profit in Associates, net	-	-	-	-	-	-	(18.25)	169.07	322.88	150.82	204.47	497.57
17 Net Profit (Loss) of the Group (14+15+16)	858.76	(295.67)	(209.76)	563.08	(922.32)	(2,443.76)	1,355.00	(189.78)	1,001.85	1,165.24	276.02	56.79
18 Paid up Equity Share Capital (243,258,782 Shares of ₹ 10 each)	24,325.88	24,325.88	24,325.88	24,325.88	24,325.88	24,325.88	24,325.88	24,325.88	24,325.88	24,325.88	24,325.88	24,325.88
19 Reserves Excluding Revaluation Reserves (As per balance sheet of previous accounting year)	-	-	-	-	-	313,182.78	-	-	-	-	-	316,770.63
20 EPS (In ₹) Before and After Extra Ordinary Items (Face value of ₹ 10 per Equity Share)												
Basic	0.35	(0.12)	(0.09)	0.23	(0.38)	(1.00)	0.56	(0.08)	0.41	0.48	0.11	0.02
Diluted	0.35	(0.12)	(0.09)	0.23	(0.38)	(1.00)	0.56	(0.08)	0.41	0.48	0.11	0.02



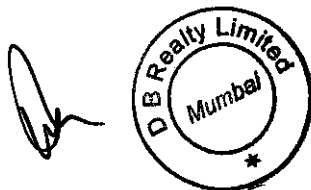
PART II**SELECT INFORMATION FOR THE QUARTER AND HALF YEAR ENDED 30/09/2015**

PARTICULARS		STANDALONE RESULTS						CONSOLIDATED RESULTS					
		Quarter Ended		Half Year Ended		Year Ended		Quarter Ended		Half Year Ended		Year Ended	
		30/09/2015	30/06/2015	30/09/2014	30/09/2015	30/09/2014	31/03/2015	30/09/2015	30/06/2015	30/09/2014	30/09/2015	30/09/2014	31/03/2015
		Unaudited		Unaudited		Audited		Unaudited		Unaudited		Audited	
A	PARTICULARS OF SHAREHOLDING												
1	Public Shareholding												
	Number of Shares (Face value of ₹ 10 each)	91,955,503	92,062,541	93,831,067	91,955,503	93,831,067	92,234,505	91,955,503	92,062,541	93,831,067	91,955,503	93,831,067	92,234,505
	Percentage of Shareholding	37.80	37.85	38.57	37.80	38.57	37.92	37.80	37.85	38.57	37.80	38.57	37.92
2	Promoters and Promoter Group Shareholding												
	a. Pledged / Encumbered												
	Number of Shares	127,976,661	127,976,661	127,976,661	127,976,661	127,976,661	127,976,661	127,976,661	127,976,661	127,976,661	127,976,661	127,976,661	127,976,661
	Percentage of Shares (as a % of the total Shareholding of Promoter and promoter group)	84.58	84.64	85.64	84.58	85.64	84.74	84.58	84.64	85.64	84.58	85.64	84.74
	Percentage of Shares (as a % of the total Share Capital of the Company)	52.61	52.61	52.61	52.61	52.61	52.61	52.61	52.61	52.61	52.61	52.61	52.61
	b. Non-encumbered												
	Number of Shares	23,326,618	23,219,580	21,451,054	23,326,618	21,451,054	23,047,616	23,326,618	23,219,580	21,451,054	23,326,618	21,451,054	23,047,616
	Percentage of Shares (as a % of the total Shareholding of Promoter and promoter group)	15.42	15.36	14.36	15.42	14.36	15.26	15.42	15.36	14.36	15.42	14.36	15.26
	Percentage of Shares (as a % of the total Share Capital of the Company)	9.59	9.54	8.82	9.59	8.82	9.47	9.59	9.54	8.82	9.59	8.82	9.47

PARTICULARS		Quarter Ended 30/09/2015
B	INVESTOR COMPLAINTS	
	Pending at the beginning of the quarter	Nil
	Received during the quarter	01
	Responded during the quarter	01
	Pending at the end of the quarter	Nil

NOTES :

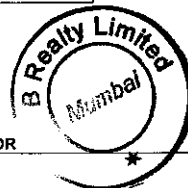
- The above results for the quarter and half year ended September 30, 2015 were reviewed by the Audit Committee and thereafter were approved and taken on record by the Board of Directors in its meeting held on November 7, 2015. The Statutory Auditors have carried out limited review of the above results pursuant to clause 41 of the Listing Agreement.
- The Company is mainly engaged in the business of real estate development viz. construction of residential buildings/ commercial complexes. On that basis, the Company has only one reportable business segment, the results of which are embodied above.
- The Consolidated Financial Results for the quarter and half year ended September 30, 2015 have been prepared in accordance with principles and procedures as set in the AS-21 on 'Consolidated Financial Statements', AS-23 on 'Accounting for Investments in Associates in Consolidated Financial Statements' and AS-27 on 'Financial Reporting of Interests in Joint Ventures'.
- The cost of beautification of Bandra Worli Sea Link amounting to ₹2389.56 lacs has been treated as Intangible asset under development. As per agreement with MSRDC, the Company has a right to commercial use of such area for defined purposes as per agreement for next 10 years. The management is of the opinion that the future revenue from this would be higher than the cost.
- In respect of a company which falls under the definition of the subsidiary as per the Companies Act, 2013 and is under the definition of associate as per Accounting Standard 23, the financial results of that company have been consolidated as a subsidiary. Such results have not yet been approved by board of the that company and not reviewed by its auditors.
- The Company has received orders of the Hon. Hight Court, Bombay approving the scheme of amalgamation of Gokuldharm Real Estate Development Company Private Limited with the Company w.e.f. 01st April, 2013 and is in the process of filing the same with ROC. The provision of tax has accordingly been made on a consolidated basis. Hence, no provision is made for current tax of ₹ 352 lacs. Consequently the loss for the quarter is lower by ₹352 lacs and provision for income tax is lower by the same amount.
- In respect of a project under development having a value of ₹ 3506.79 lacs (forming a part of inventory) the Bombay High Court has ordered payment of money under the award as and by way of part compensation of ₹ 728.88 lacs towards land acquisition (included under current liabilities). The Company has moved Supreme Court against such order of the High Court seeking further compensation of ₹ 2,168.13 lacs. The Company also expects to recover amounts paid to other parties towards the project. Pending outcome of the matter, no adjustments have been made in the accounts in this regard.
- The Company has ceased to be a partner in six LLPs w.e.f. 01st July, 2015, since these LLPs had not carried on any business activity.



₹ In Lacs

PARTICULARS	STANDALONE RESULTS		CONSOLIDATED RESULTS	
	Half Year Ended	Year Ended	Half Year Ended	Year Ended
	30/09/2015	31/03/2015	30/09/2015	31/03/2015
	Unaudited	Audited	Unaudited	Audited
A EQUITY AND LIABILITIES				
1 Shareholders' Funds				
(a) Share Capital	24,325.88	24,325.88	24,325.88	24,325.88
(b) Reserve and Surplus	311,302.11	310,739.02	317,992.46	316,827.42
(c) Money received against Share Warrants				
Sub-total Shareholders' Funds	335,627.99	335,064.90	342,318.34	341,153.30
2 Share Application Money pending allotment				
3 Minority Interest			8,273.68	7,725.25
4 Non-current Liabilities				
(a) Long-term Borrowings	2,575.96	3,060.49	64,881.28	64,535.34
(b) Deferred Tax Liabilities (Net)	-	-		
(c) Other Long-term Liabilities	-	-	14,571.51	1,680.53
(d) Long-term Provisions	330.51	283.97	610.86	526.32
Sub-total Non-current Liabilities	2,906.47	3,344.46	80,063.65	66,742.19
5 Current Liabilities				
(a) Short-term Borrowings	18,143.99	18,208.55	27,985.08	42,200.34
(b) Trade Payables	2,558.99	1,258.66	10,713.04	14,475.51
(c) Other Current Liabilities	35,078.64	31,783.72	206,413.54	170,801.94
(d) Short-term Provisions	343.89	203.60	3,933.23	3,921.10
Sub-total Current Liabilities	56,125.51	51,454.53	249,044.89	231,398.89
TOTAL EQUITY AND LIABILITIES	394,659.97	389,863.89	679,700.58	647,019.64
B ASSETS				
1 Non-Current Assets				
(a) Fixed Assets	3,378.02	3,320.59	22,068.70	21,971.91
(b) Goodwill on Consolidation	-	-	29,138.90	29,138.90
(c) Non-current Investments	230,813.90	232,979.45	170,953.43	170,616.89
(d) Deferred Tax Assets (Net)	701.36	634.53	5,628.21	5,208.67
(e) Long-term Loans and Advances	66,020.79	67,037.91	85,418.24	86,588.62
(f) Other Non-current Assets	63.87	330.30	1,625.41	1,388.57
Sub-total Non-Current Assets	300,977.94	304,302.77	314,832.89	314,913.55
2 Current Assets				
(a) Current Investments	10,582.33	18,083.10	20.12	50.69
(b) Inventories	29,095.89	25,431.30	250,092.16	230,482.57
(c) Trade Receivables	263.23	-	9,866.04	13,619.98
(d) Cash and Cash Equivalents	206.49	189.16	2,380.20	1,877.05
(e) Short-term Loans and Advances	52,955.49	41,845.60	97,800.86	79,543.36
(f) Other Current Assets	578.60	11.96	4,708.28	6,532.44
Sub-total Current Assets	93,682.03	85,561.12	364,867.66	332,106.08
TOTAL ASSETS	394,659.97	389,863.89	679,700.54	647,019.64

10 The figures of the corresponding periods have been regrouped/reclassified, wherever necessary, to make them comparable.

PLACE : MUMBAI
DATED : November 7, 2015Vinod Goenka
CHAIRMAN & MANAGING DIRECTOR

Limited Review Report

Review Report to
The Board of Directors
D B Realty Limited

1. We have reviewed the accompanying Statement of Unaudited Financial Results of D B Realty Limited ('the Company') for the quarter ended 30th September, 2015 ("the Statement"), except for the disclosures in Part II with respect to 'Particulars of Shareholding' and 'Investor Complaints', which have been traced from the details furnished by the Registrar & Transfer Agent. This Statement is the responsibility of the Company's Management ("the Management") and has been approved by its Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Observations mentioned below in para 5(c) to (k) and their impact on the Statement have not been disclosed in the Statement.
4. Based on our review conducted as above and subject to the effects of the matter described in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards as specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other recognised accounting practices and policies have not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.



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Chartered Accountants

5. We draw attention to:

- a. Note No. 4 to the Statement regarding the cost of beautification of Bandra Worli Sea Link project aggregating Rs. 2,389.56 lacs. The Management is of the opinion that the future revenue from this project would be higher than the cost.
- b. Note No. 7 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.
- c. The Company has issued guarantees and provided securities to banks and financial institutions on behalf of various entities aggregating Rs. 341,973.68 lacs as on 30th September, 2015, which are significant in relation to the net-worth of the Company. In the opinion of the Management, these are not expected to result into any financial liability on the Company.
- d. The Company has investments aggregating Rs. 22,374.89 lacs and loans and advances aggregating Rs. 26,017.60 lacs as on 30th September, 2015 in/to certain subsidiaries, associates and jointly controlled entities, which have incurred losses and have negative net worth. As explained to us, these entities are in early stages of real estate development and the investments/ loans and advances are considered good and recoverable based on Management's assessment of the projects under execution.
- e. The Company's loans and advances aggregating Rs. 22,441.60 lacs and the investments aggregating Rs. 3,840.79 lacs as on 30th September 2015 are under litigation and are sub-judice. Based on Management's assessment of the outcome, no adjustments are considered necessary in respect of these assets.
- f. As regards return on investments of Rs. 142,769.61 lacs in preference shares of an entity as on 30th September, 2015, as explained by the Management, investments in this entity is considered strategic and long term in nature and the current market value and future prospects of these investments are significantly in excess of Company's investment in this entity.
- g. As regards security deposits aggregating Rs. 35,734.16 lacs as on 30th September, 2015, given to various related parties for acquisition of development rights, as explained by Management, the Company is in process of obtaining necessary approvals with regard to these properties that their current market values are significantly in excess of their carrying values and are expected to achieve adequate profitability on substantial completion of the projects.



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- h. As regards status of the projects and the opinion framed by the Management about realizable value of the cost incurred, being a technical matter, have been relied upon by us.
- i. As regards recoverability of trade receivables aggregating Rs. 5,837.77 lacs, these amounts are considered as good and recoverable as explained in Note 26A (iii)(2) of the audited financial statements for the year ended 31st March 2015.
- j. As regards certain allegations made by the Central Bureau of Investigation of India against one of the firms in which the Company has investments, relating to 2G spectrum case and attachment of certain assets of the Company and of the said firm. This matter is sub-judice and the impact, if any, of the outcome is unascertainable at this stage, as explained in Note No. 26(A)(iii)(1) and 38 of the audited financial statements for the year ended 31st March 2015.
- k. 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, would be recognised only when the AOP debits/credits such member's account in its books.

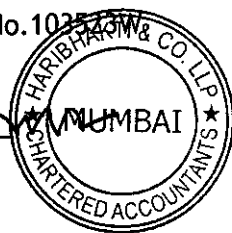
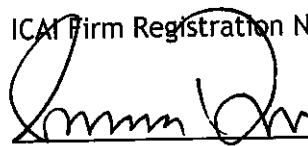
Our report is not modified in respect of these matters.

- 6. Share of loss (net) from investment in three partnership firms and two Limited Liability Partnership ("LLPs") aggregating Rs 67.08 lacs, included in the Statement, is based on the financial results of such partnership firms and LLPs. These financial results have been reviewed by the other auditors whose reports have been furnished to us by the Management and our review report on the Statement is based solely on review reports of the other auditors.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 102520W



Chetan Desai

Partner

Membership No.: 017000

Mumbai

7th November 2015

HARIBHAKTI & CO. LLP

Chartered Accountants

Limited Review Report

Review Report to

The Board of Directors

DB Realty Limited

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of DB Realty Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), its associates and jointly controlled entities for the quarter ended 30th September, 2015 ("the Statement"), except for the disclosures in Part II with respect to 'Particulars of Shareholding' and 'Investor Complaints', which have been traced from the details furnished by the Registrar & Transfer Agent. This Statement is the responsibility of the Holding Company's management and has been approved by its Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. We believe that the review procedures performed by us and performed by the other auditors in terms of their report referred to in paragraph 7 below, is sufficient and appropriate to provide a basis for our reporting on the Statement.
4.
 - a) (i) The Statement includes unaudited financial results of an Association of Persons ('AOP'), a subsidiary of the Holding Company, whose results for the quarter ended 30th September 2015 reflect total revenue of Rs. Nil, net loss after tax of Rs. 80.42 lacs and total assets of Rs. 24,117.83 lacs, which are approved only by the Holding Company as one of the two members of the AOP.



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- (ii) The Statement includes unaudited financial results of a subsidiary, whose results for the quarter ended 30th September 2015 reflect total revenue of Rs. Nil, net loss after tax of Rs. 67.83 lacs and total assets of Rs. 75,473.99 lacs, which are unapproved by its Board (Refer Note No. 5 to the Statement).

We are unable to comment upon the consequential impact, if any, on the Statement of the Group.

- b) Note No. 6 of the Statement regarding non-provision of tax of Rs. 352 lacs by a subsidiary for the current quarter. Further, taking cognizance of the proposed merger of the subsidiary with the Company with appointed date 1st April 2013, the subsidiary has reversed a provision for tax for earlier years amounting to Rs. 1,499 lacs and has also not made provision for tax amounting to Rs. 1,281 lacs for the previous year ended 31st March 2015. Consequently, the consolidated net profit for the previous year was higher by Rs. 2,780 lacs and provision for income tax was lower by the same amount. However, the said amalgamation scheme is still subject to necessary approvals/compliances. This is not in compliance with Accounting Standard - 14 'Accounting for Amalgamations' and Accounting Standard - 29 'Provisions, Contingent Liabilities and Contingent Assets'.
- c) Observations mentioned in para 6 (c) to (m) below and their impact on the Statement have not been disclosed in the Statement.
5. Based on our review conducted as above, and on consideration of the reports of the other auditors and subject to the effects of the matter described in paragraph 4 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards as specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Account) Rules, 2014 and other recognised accounting practices and policies have not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We draw attention to:
- a. Note No. 4 to the Statement regarding the cost of beautification of Bandra Worli Sea Link aggregating Rs. 2,389.56 lacs incurred by the Holding Company. The management of the Holding Company is of the opinion that the future revenue from this project would be higher than the cost.



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- b. Note No. 7 to the Statement regarding no adjustment having been made by the Holding Company in the value of inventory, pending outcome of the matter referred by it to the Supreme Court.
- c. The Group has issued guarantees and provided securities to banks and financial institutions on behalf of various entities aggregating Rs. 248,363.38 lacs as on 30th September 2015, which are significant in relation to the net-worth of the Group. Further, the said guarantees issued and securities provided are prejudicial to the interests of the Group. In the opinion of the management of the Holding Company, these are not expected to result in to any financial liability on the Group.
- d. In case of Holding Company, loans and advances aggregating Rs. 5,393.47 lacs and the project cost carried in inventory aggregating Rs. 14,050.16 lacs as on 30th September 2015 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 assets.
- e. The Group has investments aggregating Rs. 1,943.55 lacs in certain associates and project advance aggregating Rs.3,241.80 lacs as on 30th September 2015 to an associate which have incurred losses and have negative net worth. As explained to us, these entities are in early stage of real estate development and the investments/ loans and advances are considered good and recoverable based on assessment of the projects under execution made by the management of the respective entity.
- f. In case of Holding Company, as regards return on investments of Rs. 146,212.88 lacs in preference shares of an entity as on 30th September, 2015, as explained by the Management of the Holding Company, such investment is considered strategic and long term in nature and the current market value and future prospects of such investments are significantly in excess of its carrying value.
- g. In case of Holding Company, as regards security deposits aggregating Rs.35,734.16 lacs as on 30th September, 2015, given for acquisition of development rights, as explained by management of the Holding Company, it is in process of obtaining necessary approvals with regard to said properties and the said properties have current market values significantly in excess of their carrying values and are expected to achieve adequate profitability on substantial completion of the projects.
- h. As regards the status of the projects of the Holding Company and one of the jointly controlled entities, the opinion framed by the management of respective entity regarding



realizable value of the cost incurred, being a technical matter, has been relied upon by us.

- i. In case of Holding Company, as regards recoverability of trade receivables amounting to Rs. 5,837.77 lacs, these amounts are considered as good and recoverable as explained in Note No. 33(A)(i)(b) of the audited consolidated financial statements for the year ended 31st March 2015.
- j. As regards certain allegations made by the Central Bureau of Investigation of India against one of the firms in which the Holding Company has investments, relating to 2G spectrum case and attachment of certain assets of the Holding Company and of the said firm. This matter is sub-judice and the impact, if any, of the outcome is unascertainable at this stage, as explained in Note No. 33(A)(iii) and 42 of the audited financial statements for the year ended 31st March 2015.
- k. As regards the claim of a subsidiary over the ownership of salt pan land which is under litigation and is sub-judice, based on assessment of the outcome made by the management of the subsidiary, it has a rightful claim over the ownership of the salt pan land and will be in a position to defend its title.
- l. As regards status of various ongoing projects, recognition of expense and income and the realizable value of the costs incurred, are as per the judgment of management of respective entity and certified by their technical personnel and being of technical nature, have been relied upon by us.
- m. In case of a subsidiary, as regards recoverability of short term loans and advances aggregating Rs. 9,433.59 lacs given in 2010-11 to an erstwhile contractor for its project the amount has remained outstanding since then. Management of the subsidiary considers such amount as good and recoverable.

Our report is not modified in respect of these matters.

7. We did not review the financial results of the following which are included in the Statement:
- (a) twenty two subsidiaries and eight jointly controlled entities whose financial results reflect total revenues of Rs. 4,549.06 lacs and net profit after tax of Rs. 1,216.94 lacs for the quarter ended 30th September 2015 and total assets of Rs. 398,911.30 lacs as at 30th September 2015 and
 - (b) Group's share of loss after tax of Rs. 18.25 lacs for the quarter ended 30th September, 2015 in respect of six associates.



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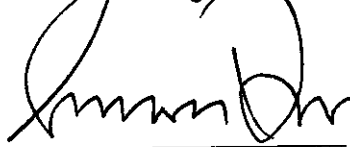
These financial results have been reviewed by the other auditors whose reports have been furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, is based solely on the reports of the other auditors.

8. We did not review the financial results of a jointly controlled entity included in the Statement, whose financial results reflect total revenues of Rs. Nil and net profit after tax of Rs. Nil for the quarter ended 30th September 2015 and total assets of Rs. 420.08 lacs as at 30th September 2015, as considered in the Statement. These financial results are not reviewed by their auditors and have been furnished to us by the Management and our reporting on the Statement, in so far as it relates to the amounts and disclosures included in respect of this jointly controlled entity, is based solely on such unreviewed financial results. According to the information and explanations given to us by the Management, these financial results are not material to the Group.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W



Chetan Desai

Partner

Membership No.: 017000



Mumbai

7th November, 2015