

6th February, 2016

The Secretary, BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001	The Secretary, 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 / 3121	Fax No.: 022 – 26598237/38

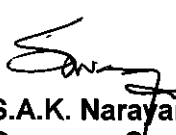
Sub.: Outcome of Board Meeting and Press Release for Unaudited Financial Statements for the third quarter and nine months ended 31st December, 2015.

Dear Sirs,

The Board of Directors at its meeting held on 6th February, 2016 (which commenced at 12 noon and concluded at 3.30 P.M.) has approved and taken on record unaudited financial statements of the Company for the third quarter and nine months ended 31st December, 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



D B REALTY LIMITED

Regd. Office : DB House, Gen. A. K. Vaidya Marg, Goregaon (East), Mumbai - 400 063. • Tel.: 91-22-4077 8600 • Fax: 91-22-2841 5550 / 2842 1667

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

CIN: L70200MH2007PLC166818

DB Realty Ltd. announces 9 monthly FY 15-16 Results

Highlights of the Financials for 9 months period (April - December)	FY 2015-16 (Rs. Lakhs)	FY 2014-15 (Rs. Lakhs)
Stand Alone		
Total Income for 9 month period	12,045.43	110.12
Net Profit/ (Loss) for the Period	107.93	(2,451.21)
Consolidated		
Total Income for 9 month period	15,217.21	21,197.13
Net Profit/(Loss) for the Period	(2,059.92)	1,085.35

Mumbai, February 6th 2016: Real Estate developer, DB Realty Limited, announced its financial results today for the third quarter and 9 months ended December 31, 2015.

Commenting on the results, Mr. Vipul Bansal, CEO, DB Realty, said: "This quarter the Company has seen significant improvements in DB Crown, DB Skypark and Project Bandra. We have witnessed an impressive pace of construction and a stronger sales and marketing push to further each individual project over the course of these three months.

The launch of Project Bandra (BKC) in association with Radius Group has been very well received, as is evident from the impressive number of sales seen over the course of the pre-launch in mid-November. The Bhoomi Poojan was attended by over 3,000 guests over the course of one afternoon and we expect great things from this project."

Update on Projects:

- **DB Skypark:** Our residential project at Sahar, next to the T2 International Airport and adjacent to The Hilton Mumbai, International Airport. The construction of the basement levels of Tower D are ongoing and the number of workmen on site is seeing a steady increase to accommodate a quicker pace of work.
- **MIG Bandra (Project Bandra):** The pre-launch of Project Bandra was a grand success as is evident from the large number of sales achieved at the Bhoomi Poojan on the 9th of November. Construction on site is ongoing and piling work is in progress. In addition to that, the sales gallery for Project Bandra is close to completion.
- **DB Crown:** Pace of construction has seen a greater increase as the jump formwork system has begun jumping allowing for a shorter slab cycle. We have currently reached the 19th slab across both Towers A and B, and column work for Tower C has also begun.
- **Bandra Worli Sea Link Promenade:** The waterfront promenade is being managed and maintained by DB Realty Ltd. The location is currently undergoing numerous civil works and beautification. Furthermore, at midnight on New Years Eve, a 15 minute long fireworks display welcomed 2016 off the Bandra Worli Sea Link Promenade with more events to be hosted once all safety and beautification works are completed.

Updates on DB Realty Ltd.

Over the past 2 quarters, the company has welcomed a number of well respected members to join in its ranks. The introduction of these key individuals has strongly impacted the company for the better, allowing for fresher ideas, new and improved processes, efficient operations and effective execution.



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Due to newer procedures being set in place, the company has seen dramatic advancements namely in the field of construction of some of its larger projects.

The new key entrants of DB Realty Ltd. are:

1. Mr. Daniel Jones- VP Projects- Joined on 04 August 2015.
2. Mr. Kishor P Shetye- Executive Director Projects- Joined on 20 August 2015.
3. Vishal Godhe- VP Sales- Joined on 15 September 2015.
4. Mr. Hein Alexander Barnard- Sr. VP Design- Joined on 14 December 2015.
5. Mr. Taisik Hong- Director Projects- 01 February 2016.

DB Realty Ltd. has also collaborated with a number of globally renowned organisations in the fields of interior design, architecture, landscape architecture, lighting, and engineering. These tie ups have ensured a superior quality of product as the projects aim to achieve comparability to internationally respected real estate standards.

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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PART I

STATEMENT OF UNAUDITED RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31/12/2016

₹ in Lacs

PARTICULARS	STANDALONE RESULTS						CONSOLIDATED RESULTS					
	Quarter Ended		Nine Months Ended		Year Ended		Quarter Ended		Nine Months Ended		Year Ended	
	31/12/2016	30/09/2016	31/12/2014	31/12/2015	31/12/2014	31/03/2015	31/12/2015	30/09/2015	31/12/2014	31/12/2015	31/12/2014	31/03/2015
	Unaudited	Unaudited		Unaudited		Audited	Unaudited	Unaudited		Unaudited		Audited
1 Income from Operations												
a. Net Sales / Income From Operations	1,956.27	2,311.74	-	12,410.32	-	-	2,359.92	6,480.90	7,083.16	15,026.25	21,197.13	25,894.16
b. Other Operating Income	7.70	-	-	52.57	-	-	43.38	81.55	-	190.98	-	448.79
c. Share of Profit (Loss) from investment in Partnership Firms (net)	39.49	(67.08)	(313.93)	(417.48)	110.12	107.80	(0.00)	-	-	(0)	-	-
Total Income from Operations (Net)	2,003.46	2,244.66	(313.93)	12,045.41	110.12	107.80	2,403.30	6,562.45	7,083.16	15,217.21	21,197.13	26,343.95
2 Expenses												
a. Project Expenses	227.64	566.07	173.70	2,872.07	390.72	2,809.89	24,617.27	13,756.72	16,482.08	47,152.45	33,023.38	48,996.27
b. Purchase of stock in trade	-	-	-	4,745.44	-	-	-	-	-	4,745.44	-	-
c. Changes in inventories	1,087.80	(566.07)	(173.70)	(1,566.85)	(390.72)	(2,809.89)	(22,822.04)	(10,777.68)	(11,433.08)	(42,690.58)	(17,252.17)	(31,102.78)
d. Employee Benefits Expenses	305.91	298.95	308.08	977.23	757.79	1,125.86	488.24	474.00	459.74	1,453.81	1,138.88	1,812.90
e. Legal and Professional Expenses	52.36	45.89	1,284.39	214.96	1,378.23	199.03	109.82	147.73	1,326.94	388.08	1,559.66	475.28
f. Advertisement and Publicity	10.21	1.97	0.95	23.45	14.85	329.53	(216.99)	65.66	258.79	86.61	386.51	1,249.49
g. Business Promotion Expenses	17.89	11.27	24.06	37.45	33.92	11.25	673.58	94.54	50.26	799.43	72.79	76.84
h. Depreciation and Amortisation	117.74	119.73	112.56	368.73	447.83	548.39	204.50	206.22	188.23	627.67	689.10	1,431.95
i. Other Expenses	174.25	142.01	110.37	489.02	346.34	503.62	382.47	451.08	641.32	1,352.59	2,131.29	3,183.82
Total Expenses	1,993.80	620.81	1,840.41	8,171.50	2,978.96	2,717.69	3,336.83	4,418.27	7,874.29	13,916.81	21,748.45	26,123.77
3 Profit (Loss) from Operations before Other Income, Finance Costs and Exceptional Items (1-2)	9.66	1,623.85	(2,154.34)	3,873.93	(2,868.84)	(2,609.89)	(933.53)	2,124.17	(891.13)	1,301.70	(582.32)	220.18
4 Other Income	319.37	282.08	1,503.30	886.01	2,952.44	3,490.40	422.29	365.87	1,764.46	1,349.16	3,688.61	2,265.92
5 Profit (Loss) from ordinary activities before Finance Costs and Exceptional Items (3+4)	329.03	1,905.93	(651.04)	4,760.94	63.60	880.51	(511.23)	2,490.04	873.33	2,650.86	3,136.29	2,486.11
6 Finance Costs	1,836.57	815.12	1,112.50	3,756.99	3,281.82	4,112.52	2,587.97	1,015.03	1,366.09	4,775.06	3,966.35	5,282.74
7 Profit (Loss) from ordinary activities after Finance Costs but before Exceptional Items (5-6)	(1,507.54)	990.81	(1,763.54)	1,002.95	(3,198.21)	(3,232.01)	(3,099.21)	1,475.02	(492.76)	(2,124.20)	(830.06)	(2,796.62)
8 Exceptional Items	(750.00)	-	-	(750.00)	479.87	476.80	(750.00)	-	6.23	(750.00)	896.91	705.15
9 Profit (Loss) from ordinary activities before tax (7+8)	(2,257.54)	990.81	(1,763.54)	252.95	(2,718.34)	(2,755.21)	(3,849.21)	1,475.02	(486.52)	(2,874.20)	86.85	(2,091.47)
10 Tax Expenses												
Current Tax	3.00	142.00	0.45	144.04	0.45	315.45	4.59	130.29	(421.48)	149.32	49.35	167.44
Deferred Tax (Income)/Expenses	74.63	(11.15)	(235.09)	125.27	(267.63)	(368.08)	(2.66)	(171.92)	(401.21)	(422.20)	(489.75)	(1,068.14)
Provision for tax relating to prior years	141.00	-	-	141.00	-	(302.00)	141.00	-	(1,499.00)	141.00	(1,499.00)	(1,486.00)
MAT Credit Entitlement	(285.00)	-	-	(286.00)	-	-	(286.00)	-	-	(286.00)	-	-
11 Net Profit (Loss) from Ordinary activities after tax (9-10)	(2,190.17)	859.96	(1,528.90)	128.64	(2,451.16)	(2,400.58)	(3,706.12)	1,516.45	1,835.16	(2,456.32)	2,006.25	295.22
12 Prior Period Item (Expenses)/ Income	(19.28)	(1.20)	-	(20.71)	(0.06)	(43.18)	(19.28)	(1.20)	(0.79)	(20.26)	(0.06)	(43.18)
13 Extraordinary items (Net of Tax Expenses)	-	-	-	-	-	-	-	-	-	-	-	-
14 Net Profit (Loss) for the period (11-12-13)	(2,209.45)	858.76	(1,528.90)	107.93	(2,451.21)	(2,443.76)	(3,725.40)	1,515.25	1,834.38	(2,476.58)	2,006.19	252.04
15 Minority Interest	-	-	-	-	-	-	506.38	(142.19)	(998.07)	271.95	(1,098.35)	(692.82)
16 Share of Profit / (Loss) in Associates, (net)	-	-	-	-	-	-	(6.11)	(18.25)	(26.97)	144.71	177.51	497.57
17 Net Profit (Loss) after Taxes, Minority Interest and Share of Profit/ (Loss) of Associates (14+15+16)	(2,209.45)	858.76	(1,528.90)	107.93	(2,451.21)	(2,443.76)	(3,225.13)	1,356.00	809.34	(2,069.82)	1,995.35	66.79
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)	-	-	-	-	-	3,13,182.78	-	-	-	-	-	3,16,770.83
20 EPS (In ₹) Before and After Extra Ordinary Items (Face value of ₹ 10 per Equity Share)												
Basic	(0.91)	0.35	(0.63)	0.04	(1.01)	(1.00)	(1.33)	0.56	0.33	(0.85)	0.45	0.02
Diluted	(0.91)	0.35	(0.63)	0.04	(1.01)	(1.00)	(1.33)	0.56	0.33	(0.85)	0.45	0.02

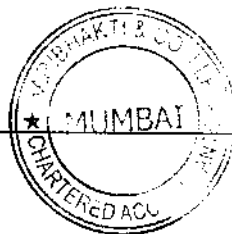
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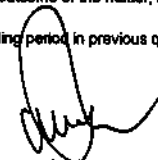


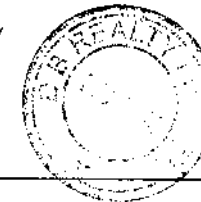
NOTES :

- 1 The above results for the quarter and nine months ended December 31, 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 February 6, 2016. The Statutory Auditors have carried out review of the above results pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 2 The Company is mainly engaged in the business of real estate development viz. construction of residential / commercial properties. On that basis, the Company has only one reportable business segment, the results of which are embodied above.
- 3 The Consolidated Financial Results for the quarter and nine months ended December 31, 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.
- 4 Out of the cost of beautification of Bandra Worli Sea Link, impairment loss of Rs. 750 lacs has been charged during the quarter as an exceptional item. The balance cost amounting to Rs. 1,724.19 lakhs 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 9 years. The management is of the opinion that the future revenue from this would be higher than the carrying value.
- 5 Pursuant to the Order passed by the Hon. High Court, Bombay on October 16, 2015 and October 27, 2015 and taken on record by the Registrar of Companies, Ministry of Corporate Affairs, on December 23, 2015, Gokuldham Real Estate Development Company Private Limited, an erstwhile subsidiary of the Company has been amalgamated with the Company w.e.f. April 1, 2013, the Appointed Date as per the Scheme of Amalgamation. Accordingly, the impact of the Scheme has been incorporated in the Standalone Financial Results and Consolidated Financial Results in the quarter. The Company has made provision for tax on merged results since the Appointed Date and has given effect of the same in the current quarter. Consequently, qualification in earlier Limited Review Reports has been resolved.
- 6 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 that company and not reviewed by its auditors.
- 7 In respect of a project under development having a value of ₹ 3,500.33 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 ₹ 726.88 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.
- 8 The standalone results for the quarter and nine months ended 31st December 2015 include the results of merged subsidiary giving effect to the Scheme discussed in Note 5 above, while the standalone results of the corresponding period in previous quarter and period ended 31st December 2014, previous quarter ended 30th September 2015 and the previous year ended 31st March, 2015 do not include the results of the merged subsidiary and hence the same are not comparable.

PLACE : MUMBAI
DATED : FEBRUARY 6, 2016




VINOD GOENKA
MANAGING DIRECTOR



Limited Review Report

Review Report to

The Board of Directors

D B Realty Limited

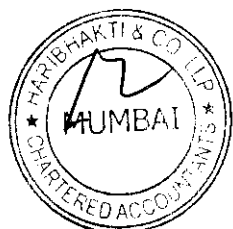
1. We have reviewed the accompanying Statement of Unaudited Financial Results of D B Realty Limited ('the Company') for the quarter ended 31st December, 2015 ("the Statement"). This Statement is the responsibility of the Company's Management and it has been approved by the Board of Directors. Our responsibility 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 is 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 in para 5(c) to (l) below made by the auditors in their report on earlier financial statements 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 Regulation 33 of the SEBI



(Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. We draw attention to :

- a. Note No. 4 to the Statement regarding the carrying value of beautification of Bandra Worli Sea Link project aggregating Rs.1,724.20 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 for amounts aggregating Rs. 360,933.88 lacs to banks and financial institutions on behalf of various entities as on 31st December, 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. 22,393.39 lacs and loans and advances aggregating Rs. 32,815.87 lacs as on 31st December, 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. 22,473.61 lacs (including amount inventorised Rs. 111 lacs), and the investments aggregating Rs. 3,840.79 lacs as on 31st December, 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 31st December, 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. 35,743.16 lacs as on 31st December, 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.
- 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 standalone 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.



HARIBHAKTI & CO. LLP

Chartered Accountants

- I. As regards MAT Credit Entitlement aggregating Rs. 346 lacs as on 31st December, 2015 is based on the judgment of management.

Our report is not modified in respect of these matters.

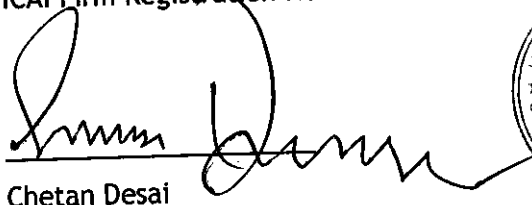
6. Share of profit (net) from investment in three partnership firms and two Limited Liability Partnership ("LLPs") aggregating Rs 39.49 lacs, included in the Statement, is based on the financial results of such partnership firms and LLPs. These financial results have been reviewed by the other auditors 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.

Our report is not modified in respect of the matter.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W



Chetan Desai

Partner

Membership No.: 17000



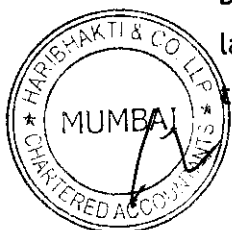
Mumbai

6th February, 2016

Limited Review Report

Review Report to
The Board of Directors
D B Realty Limited

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of D B 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 31st December, 2015 ("the Statement"). This Statement is the responsibility of the Company's management and has been approved by the 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 is 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(a) 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 31st December, 2015 reflect total revenue of Rs. Nil and net loss after tax of Rs. 55.45 lacs, which are approved only by the Holding Company as one of the two members of the AOP.



(ii) The Statement includes unaudited financial results of a subsidiary, whose results for the quarter ended 31st December, 2015 reflect total revenue of Rs. Nil and net loss after tax of Rs. 4.39 lacs, which are unapproved by its Board (Refer Note No. 6 to the Statement).

(iii) The Statement includes unaudited financial results of a Limited Liability Partnership ('LLP'), a jointly controlled entity, whose results for the quarter ended 31st December, 2015 reflect total revenue of Rs. Nil and net loss after tax of Rs. 0.66 lacs, which are approved by only three partners out of the six partners of the LLP.

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

b. Observations in para 6 (c) to (n) below made by the auditors in their report on earlier financial statements 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 Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

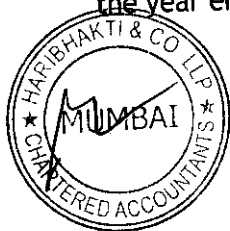


6. We draw attention to:

- a. Note No. 4 to the Statement regarding the carrying value of beautification of Bandra Worli Sea Link aggregating Rs. 1,724.20 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.
- 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 for amounts aggregating Rs. 248,169.88 to banks and financial institutions on behalf of various entities as on 31st December, 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. 5,300.88 lacs and the project cost carried in inventory aggregating Rs. 17,249.91 lacs as on 31st December, 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.3,241.90 lacs as on 31st December, 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 and a subsidiary Company, as regards return on investments of Rs. 146,212.88 lacs in preference shares of an entity as on 31st December, 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.35,743.16 lacs as on 31st December, 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, 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.



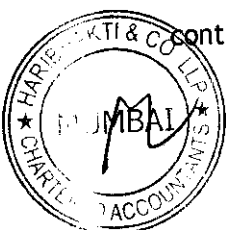
- k. As regards the claim of a subsidiary over the ownership of salt pan land which is under litigation and is sub-judice, based on assessment of the outcome made by the management of the subsidiary, it has a rightful claim over the ownership of the salt pan land and will be in a position to defend its 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.
- n. As regards MAT Credit Entitlement aggregating Rs. 346.72 lacs as on 31st December, 2015 is based on the judgment of management.

Our report is not modified in respect of these matters.

7. (a) We did not review the financial results of the following which are included in the Statement:

- i. twenty two subsidiaries and six jointly controlled entities whose financial results reflect total revenues of Rs. 442.88 lacs and net loss after tax of Rs. 1,195.30 lacs for the quarter ended 31st December, 2015 and
- ii. Group's share of loss after tax of Rs. 6.11 lacs for the quarter ended 31st December, 2015 in respect of six associates.

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.



HARIBHAKTI & CO. LLP

Chartered Accountants

(b) 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 31st December, 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.

Our report is not modified in respect of these matters.

For Haribhakti & Co. LLP

Chartered Accountants

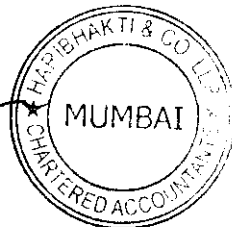
ICAI Firm Registration No.103523W



Chetan Desai

Partner

Membership No.: 17000



Mumbai

6th February, 2016