# AUDITED ANNUAL REPORT

# OF

# D M D DEVELOPERS PVT LTD

303, Jewellers Apartment
Peddar Road
Mumbai-400026

FOR

ASSESSMENT YEAR -- 2016-17

PREVIOUS YEAR -- 2015-16

AUDITED BY :

M/s. PKMG & COMPANY
*Chartered Accountants*
4021, WORLD TRADE CENTRE
RING ROAD
SURAT 395 002

# D M D DEVELOPERS PVT LTD

| | |
|---|---|
| BOARD OF DIRECTORS : | MR. DHARMESH BHAI PATEL<br>MR DHWANIL P PATEL<br>MRS. MANJULA BEN PATEL |
| AUDITORS : | M/s. PKMG & COMPANY<br>4021, WORLD TRADE CENTRE<br>RING ROAD<br>SURAT 395 002 |
| BANKERS : | SYNDICATE BANK |
| REGISTERED OFFICE : | 303, JEWELLERS APPARTMENT<br>PEDDAR ROAD<br>MUMBAI-400026 |

# INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS,
DMD DEVELOPERS PVT LTD.

## Report on the standalone Financial Statements

We have audited the accompanying financial statements of DMD DEVELOPERS PVT LTD ("the company"), which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

## Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

PKMG & COMPANY * SURAT * Chartered Accountants

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016;
b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure-A a statement on the matters specified in the paragraph 3 and 4 of the order to the extent applicable.

2. As required by Section 143 (3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

   c) the Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   e) On the basis of written representations received from the directors as on 31 March, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2016, from being appointed as a director in terms of Section 164(2) of the Act.

   f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and

   g) With respect to the other matters included in the Auditor's Report and to our best of our information and according to the explanations given to us:

      i. The Company does not have any pending litigations which would impact its financial position.
      ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
      iii. There were no amounts whichwere required to be transferred to the Investor Education and Protection Fund by the Company.

for PKMG AND COMPANY
Chartered Accountants
Firm Reg No. 129894W

PKMG & COMPANY SURAT Chartered Accountants

Place : SURAT
Date : 01/09/2016

PANKAJ KARNAWAT
(Partner)
4021, WORLD TRADE CENTER, RING ROAD,
SURAT-395002 GUJARAT

## ANNEXURE - A TO THE AUDITORS' REPORT

The Annexure referred to in our report to the members of DMD DEVELOPERS PVT LTD for the year ended 31st March, 2016.

(i) (a) The Company is maintaining proper records showing full particulars including quantitative details and situations of fixed assets.

(b) According to information and explanation given to us, fixed assets have been physically verified by the management according to the regular programme of periodical verification in a phase manner, which in our opinion is reasonable having regard to the size of the company and the nature of its fixed assets. No material discrepancies were noticed on such verification. However, there is no evidence available to substantiate the same.

(c) The title deeds of immovable properties are held in the name of the company.

(ii) (a) According to information and explanation given to us, the inventory has been physically verified by management at reasonable intervals during the year. In our opinion, the frequency of verification is reasonable.

(b) In our opinion and according to information and explanation given to us, the procedure of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

(iii) In respect of loans granted to companies, firms or other parties in the register maintained under section 189 of the Companies Act. The company has not granted any loans, secured or unsecured to parties covered in register required to be maintained under section 189 of the Act, hence clause (b) and (c) are not applicable to the company.

(iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act,2013 in respect of loans making, investments, providing guarantees and securities as applicable.

(v) The Company has not accepted any deposits during the year from the public to which the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under apply.

(vi) We have broadly reviewed the books of account maintained by the company pursuant to the Rules made by the Central Government for the maintenaince of cost records under section 148(1) of the Comapnies Act, 2013 and are of the opinion that prima facie the prescribed accounts have been made and maintained.

(Vii) (a) According to the information and explanations given to us, the company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other statutory dues as applicable with the appropriate authorities. There are no arrears of outstanding statutory dues as at the last day of the financial year for a period more than six month from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of sales tax, wealth tax, service tax, duty of customs, valve added tax and cess which have not been deposited with the appropriate authorities on account of any dispute.

PKMG & COMPANY SURAT Chartered Accountants

(viii) In our opinion and according to the information & explanation given to us, the Company has not defaulted in repayment of dues to financial institutions or banks. The company does not have any borrowing by way of debentures.

(ix) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments.The Company has raised new term loans during the year. The term loans outstanding at the beginning of the year have been applied for the purposes for which they were raised.

(x) During the course of our examination of the books of accounts and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanation given to us, we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by management.

(xi) The provisions of section 197 read with Schedule V to the Companies Act managerial remuneration is not applicable to private company.

(xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.

(xiii) In our opinion, all transactions with the related parties are in compliance with section 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.Morever section 177 of the companies Act 2013 is not applicable to this company.

(xiv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.

(xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

(xvi) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

*for* PKMG AND COMPANY
Chartered Accountants

PANKAJ KARNAWAT
4021, WORLD TRADE CENTER, RING ROAD,
SURAT-395002 GUJARAT

Place : SURAT
Date : 01/09/2016

PKMG & COMPANY SURAT Chartered Accountants

ANNEXURE - B TO THE AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of DMD DEVELOPERS PVT LTD. ("The Company") as of 31 March 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

## Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

## Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

PKMG & COMPANY SURAT 395002 Chartered Accountants

## Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

for PKMG AND COMPANY
Chartered Accountants

PANKAJ KARNAWAT
4021, WORLD TRADE CENTER, RING ROAD,
SURAT-395002 GUJARAT

Place : SURAT
Date : 01/09/2016

PKMG & COMPANY SURAT Chartered Accountants

# D M D DEVELOPERS PVT LTD

## BALANCE SHEET AS AT MARCH 31, 2016

| EQUITY AND LIABILITIES | NOTES | 31-Mar-16 | 31-Mar-15 |
|---|---|---|---|
| (1) SHAREHOLDERS FUNDS : | | | |
| (a) Share Capital | 2 | 477,000,000 | 250,000,000 |
| (b) Reserves and Surplus | 3 | 110,147,318 | 67,217,611 |
| | | 587,147,318 | 317,217,611 |
| (2) NON-CURRENT LIABILITIES : | | | |
| (a) Long Term Borrowings | 4 | 1,643,349,387 | 1,094,634,747 |
| (b) Deferred Tax Liabilities (Net) | | | |
| (c) Other Long- Term Liabilities | | - | - |
| (d)Long-Term Provision | | - | - |
| | | 1,643,349,387 | 1,094,634,747 |
| (3) CURRENT LIABILITIES : | | | |
| (a) Short Term Borrowings | 6 | 70,921,256 | 324,174,276 |
| (b) Trade Payables | 7 | 97,847,106 | 78,186,860 |
| (c )Other Current Liabilities | 8 | 539,565,694 | 575,001,159 |
| (d) Short Term Provisions | 9 | 2,548,925 | 1,005,405 |
| | | 710,882,981 | 978,367,700 |
| Total Equity and Liabilities | | 2,941,379,686 | 2,390,220,057 |
| ASSETS | | | |
| (1) NON-CURRENT ASSETS: | | | |
| (a) Fixed Assets : | | | |
| (i) Tangible assets | 10 | 48,697,411 | 55,480,944 |
| (ii) Intangible assets | | 146,400 | 58,800 |
| (iii) Capital Work-in-progress | | - | - |
| (b) Non current investment | 14 | 218,420,601 | 274,739,344 |
| (c) Deferres tax Assets (Net) | 5 | 3,114,748 | 134,679 |
| (d) Long term Loans & Advances | 11 | 259,840,919 | 20,001,256 |
| | | 530,220,079 | 350,415,023 |
| (2) CURRENT ASSETS: | | | |
| (a) Current Investment | | | |
| (b) Inventories | 12 | 2,300,116,816 | 1,802,197,973 |
| (C)Trade Receivable | 13 | 8,196,751 | 10,534,932 |
| (d) Cash and Cash Equivalent | 15 | 13,545,726 | 149,737,375 |
| (e) Short term loans and Advances | 16 | 89,300,314 | 77,334,754 |
| (f) Other current assets | 17 | - | - |
| | | 2,411,159,607 | 2,039,805,034 |
| Total Assets | | 2,941,379,686 | 2,390,220,057 |

Significant accounting policies 1

The accompanying notes are an integral part of the financial statements. 2 to 31

As per our report of even date

M/s. PKMG & COMPANY
Chartered Accountants
Firm Reg No :129894 W

Pankaj Karnawat
Partner
Membership No. 77896
Place: Surat
Date:1-09-2016

For and on behalf of the Board

Dharmesh Patel
Director
Din no:00014810

Manjulaben Patel
Director
Din no:00014816

# D M D DEVELOPERS PVT LTD

STATEMENT OF PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED MARCH 31,2016

| | NOTES | 31-Mar-16 | 31-Mar-15 |
|---|---|---|---|
| INCOME : | | | |
| Net sales/Revenue from operations | 18 | 550,325,000 | 616,750,000 |
| Incomes from maintainance dept | 20 | 12,692 | 25,926,978 |
| Other income | 19 | 11,893,129 | 1,551,691 |
| Total Revenue | | 562,230,821 | 644,228,669 |
| EXPENDITURE : | | | |
| Cost of Construction | 21 | 511,249,507 | 572,305,937 |
| Cost of maintanance dept | 23 | - | 21,935,090 |
| Other exp | 22 | 21,017,152 | 12,515,386 |
| Total expenses | | 532,266,659 | 606,756,413 |
| Profit/(loss) before Tax | | 29,964,162 | 37,472,256 |
| Prior Period Expenses | | | |
| Tax Expenses | | | |
| Current Tax | | 13,125,780 | 12,267,292 |
| Deferred Tax | | (2,980,069) | 18,576 |
| Excess/Short provision of tax | | | (10,250) |
| Total Tax expenses | | 10,145,711 | 12,275,618 |
| Profit/(loss) for the year | | 19,818,450 | 25,196,638 |
| Earnings per equity share of face value of Rs. 10 each Basic and Diluted (in Rs.) | 24 | 0.79 | 1.01 |

Significant accounting policies 1

The accompanying notes are an integral part of the financial statements. 2 to 31

As per our report of even date

M/s. PKMG & COMPANY
Chartered Accountants
Firm Reg Nos 129894 W

Pankaj kamowat
Partner
Membership No. 77896
Place: Surat
Date:1-09-2016

PKMG & COMPANY SURAT Chartered Accountants

For and on behalf of the Board

Director
Dharmesh patel
Din no:00014810

Director
Manjulaben patel
Din no:00014816

# DMD DEVELOPERS PVT LTD

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31 MARCH 2016

| | March 31,2016 | March 31,2015 |
|---|---|---|
| **A CASH FLOW FROM OPERATING ACTIVITY** | | |
| Profit before Taxation | 29,964,162 | 25,196,640 |
| Adjustment for: | | |
| Depreciation | 18,281,410 | 5,480,520 |
| Ammortization Exp. | 46,400 | 718,300 |
| Operating Profit before working capital changes (T | 48,291,972 | 31,395,460 |
| Changes in working capital :- | | |
| Increase/(Decrease) in trade payables | 19,660,246 | (35,722,643) |
| Increase/(Decrease) in Provision | 1,543,520 | 783,157 |
| Increase/(Decrease) in other current liabilities | (35,435,465) | 114,330,212 |
| (Increase)/Decrease in trade receviable | (38,708,806) | 31,400,926 |
| (Increase)/Decrease in inventories | (497,918,844) | (176,147,940) |
| (Increase)/Decrease in deffered tax assets | | |
| (Increase)/Decrease in loans and advances | 29,030,678 | (50,172,330) |
| (Total-B) | (521,828,671) | (115,528,618) |
| Cash generated from Operations (A+B) | (473,536,698) | (84,133,159) |
| Less:- Taxes paid(net of refund) | (13,125,780) | |
| Net Cash generated from operating activities (A) | (486,662,478) | (84,133,159) |
| **B. CASH FLOW FROM INVESTING ACTIVITY** | | |
| Long-Term loans and advances | (239,788,913) | 24,364,986 |
| Purchase of tangible assets | (11,631,876) | (53,264,088) |
| Purchase of land-stock in trade | | |
| non Current investment | 56,329,998 | (292,905,687) |
| Net Cash generated from Investing activities (B) | (195,090,791) | (321,804,789) |
| **C. CASH FLOW FROM FINANCING ACTIVITY** | | |
| Proceeds from Long-Term Borrowings | 548,714,640 | 489,171,843 |
| Proceeds from Short-Term Borrowings | (253,253,020) | (41,026,868) |
| Increase in reserves and serplus | 23,100,000 | |
| Issue of shares capital | 227,000,000 | 100,000,000 |
| Net Cash generated from Financing activities ( C) | 545,561,620 | 548,144,975 |
| Net Increase/(Decrease) in cash and cash equivalents (A+B+C) | (136,191,649) | 142,207,027 |
| CASH & CASH EQUIVALENTS, AT THE BEGINNING OF YEAR | 149,737,375 | 7,530,348 |
| CASH & CASH EQUIVALENTS, AT THE END OF YEAR | 13,545,726 | 149,737,375 |
| Net Increase/(Decrease) in cash and cash equivalents | (136,191,649) | 142,207,027 |

For PKMG & Company
Chartered Accountants
Firm Reg Nos : 129894 W

Pankaj karnawat
Partner
Membership No. 77896

PKMG & COMPANY * SURAT * Chartered Accountants

Date:1-09-2016
Place: Surat

For and on behalf of the Board

Dharmesh Patel
Director
Din no:00014810

Manjulaben Patel
Director
Din no:00014816

DMD DEVELOPERS PVT LTD

Notes to financial statements for the year ended 31 March 2016

## 1.Significant accounting policies

• **Basis of Preparation of Financial Statements**

The financial statements have been prepared on accrual basis in accordance with the Generally Accepted Accounting Principles ('GAAP') in compliance with the provision of Companies Act,2013 (the 'Act') including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. Further, the guidance note/announcements issued by the Institute of chartered Accountants of India are also considered wherever applicable .The financial statements are prepared on the basis of historical cost convention, and on the accounting principle of a going concern. The Company follows mercantile system of accounting and recognizes income and expenditure on accrual basis.

• **Use of estimates**

The preparation of financial statements requires the management of the group to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and the reported amount of income and expenses during the reporting period. Example of such estimates include provision for doubtful receivables,employee benefits,provision for income taxes,useful lives of depreciable fixed assets.Future results could differ due to changes in these estimates and the difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

• **Revenue Recognition**

Revenue is recognized to the extent it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue from sale of flats/shops is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually when sale deed is registered.

• **Fixed Assets**

Fixed assets are stated at cost of acquisition reduced by appropriate depreciation as per provision of Schedule II of Companies Act 2013. Acquisition cost includes taxes, duties, freight, insurance and other incidental expenses related to acquisition and installation and are net of modvat credits, where applicable.

• **Borrowing Cost**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

• **Depreciation**

Depreciation on tangible fixed assets is provided using the written down value at the rates and in the manner specified in Schedule XIV to the companies Act, 1956 up to 31st March 2014. From 1st April,2014 , the company has provided depreciation on the basis of useful lives of fixed assets specified by Schedule II to the Companies Act 2013.

Depreciation on addition of fixed assets is computed on pro-rata basis from the date of assets is ready for intended use and depreciation on sale/ disposal of fixed assets is provided on pro-rata basis up to the date of sale / disposal

• Impairment of Tangible and Intangible assets.

At each balance sheet date, the management reviews the carrying amounts of its assets included in each cash generating unit to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and risks specific to the asset.Reversal of impairment loss is recognised as income in the statement of profit and loss.For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment annually or more frequently when there is indication for impairment. If the recoverable amount of the cashgenerating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carryingamount of goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carryingamount of each asset in the unit.

• Investments

Long-term investments and current maturities of long-term investments are stated at cost, less provision for other than temporary diminution in value. Current investments, except for current maturities of long-term investments, comprising investments in mutual funds, government securities and bonds are stated at the lower of cost and fair value.

• Inventories

In the case of all Projects, cost of flats/shops sold during the year is calculated as estimated cost per Sq. ft. For calculation of estimated cost, all the construction expenses, administration expenses and financial èxpenses pertaining to the project are considered for project cost. Inventories are Valued at Cost as on 31st march.

• Employee Benefits

Short-term employee benefits are recognized as an expense in the profit and loss account of the year in which the related service is rendered.

Post employment and other long term employee benefits such as gratuity, leave encasement, voluntary retirement (not generally incurred by the company) are recognized as an expense in the Profit and Loss account as and when paid which is not in accordance with AS-15 Employee Benefits prescribed by ICAI.

• Income Tax

Tax expense comprises current and deferred tax. Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961. Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date.

MAT is recognized as an asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with it will fructify.

In the event of unabsorbed depreciation and carry forward of losses, deferred tax assets are recognised only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available to realise such assets. In other situations, deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available to realise these assets.

• Foreign currency transaction

There are no foreign currency transactions during the year.

• **Cash and Cash equivalents.**
Cash and Cash equivalents for the purpose of cash flow statement comprise cash on hand and cash at bank including fixed deposit with original maturity period of three months or less and short term highly liquid investments with an original maturity of three months or less.

• **Accounting for provisions and contingent liabilities.**
There is no contingent liability at the year end.

• **Earnings Per Share**
Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

*for* DMD DEVELOPERS PVT LTD

Dharmesh Patel
**Director**

Place : SURAT
Date : 25/08/2016

*for* PKMG AND COMPANY
Chartered Accountants

PANKAJ KARNAWAT
4021, WORLD TRADE CENTER, RING ROAD, SURAT-395002 GUJARAT

PKMG & COMPANY SURAT Chartered Accountants

## D M D DEVELOPERS PVT LTD

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

2 SHARE CAPITAL :

| PARTICULARS | 31-Mar-16 | 31-Mar-15 |
|---|---|---|
| Authorised Capital<br>500,00,000 Equity share of Rs. 10/- each<br>(P.Y-500,00,000 equity shares of Rs.10/- each) | 500,000,000 | 500,000,000 |
| Issued, Subscribed and Fully Paid-up<br>477,00,000 equity Share of Rs. 10/- each fully paid up<br>( P.Y-25,000,000 equity shares of Rs.10/- each) | 477,000,000 | 250,000,000 |
| Total | 477,000,000 | 250,000,000 |

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

| Equity Shares | No. of shares | No. of shares |
|---|---|---|
| At the beginning of the Year | 25,000,000 | 15,000,000 |
| Add: Issued during the Year | 22,700,000 | 10,000,000 |
| Equity Shares at the end of the Year | 47,700,000 | 25,000,000 |

b. Details of shareholders holding more than 5% shares in the company

| Name of the shareholders | No.of Shares & % of holding | No.of Shares & % of holding |
|---|---|---|
| i) Dharmesh Patel | 25999999(54.51%) | 13749999(54.99%) |
| ii) Manjula Patel | 11200000(23.48%) | 5000000(20%) |
| iii) Dhawnil patel | 10500000(22.01%) | 6250000(25%) |
| Equity Shares of Rs. 10 each fully paid | | |

3 RESERVES AND SURPLUS :

| PARTICULARS | 31-Mar-16 | 31-Mar-15 |
|---|---|---|
| Capital Reserve | | |
| Securities Premium account | | |
| Balance as per the last financial statements | | |
| Add: On issue of shares | 23,100,000 | - |
| Closing balance | 23,100,000 | - |
| Surplus/(Deficit) in the statement of Profit and loss | | - |
| Opening | 67,217,611 | 42,033,563.00 |
| Profit for the year | 19,818,451 | 25,196,639.62 |
| Profit from Partnership firm | 11,257 | - |
| Less: Adjustment in accordance with transitional provision in note 7(b) to Schedule II of the Companies Act 2013. | - | 12,592.00 |
| Net surplus in the statement of profit and loss | 87,047,319 | 67,217,610.62 |
| Total Reserves and surplus | 110,147,319 | 67,217,611 |

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4 LONG-TERM BORROWINGS

| PARTICULARS | 31-Mar-16 | 31-Mar-15 |
|---|---|---|
| **Secured:** | | |
| Kotak Mahindra Bank(lomborgini) | 27,456,593 | 27,777,263 |
| ICICI Loan-LBSUR00001829200 | 15,344,499 | 18,273,337 |
| ICICI Bank Ltd. (volvo) | 4,775,844 | - |
| ICICI Loan-LBSUR00001829209 | 11,593,635 | 13,806,536 |
| Reliance capital ltd(15926) | 38,334,373 | - |
| Reliance capital ltd(15922) | 153,337,491 | - |
| Reliance capital ltd(84518) | - | 22,438,908 |
| Reliance capital ltd(54535) | - | 169,860,008 |
| Syndicate term loan | 1,193,138,411 | 600,217,808 |
| Total(A) | 1,443,980,846 | 852,373,860 |
| Unsecured Loan: | | |
| From Directors | 176,133,309 | 229,060,887 |
| From Shareholders & Relatives & intercorporate loan | 23,235,232 | 13,200,000 |
| Total(B) | 199,368,541 | 242,260,887 |
| Total(A+B) | 1,643,349,387 | 1,094,634,747 |

| | |
|---|---|
| a. | Term Loan from Syndicate Bank carries interest @ 12.60% % p.a. The loan is repayable in 24 monthly instalments along with interest after a construction period of 27 months from the first disbursement viz.31/01/2015 .The loan is Secured byREM of Land and Building of "Radha Raman Textile Market".Further, the loan has been guarantee of the Director of the company. |
| b. | Term Loan from ICICI Bank carries interest @ 10.85 % p.a. The loan is repayable in 126 monthly instalments of Rs. 293311/- each along with interest ,from the date of loan,viz., 30/09/2010 .The loan is Secured by hypothecation of Shop of the Directors .Further, the loan has been guarantee of the Director of the company. |
| c | Term Loan from ICICI BANK carries interest @ 10.85 % p.a. The loan is repayable in 126 monthly instalments of Rs. 388206/- each along with interest ,from the date of loan,viz., 30/09/2010 .The loan is Secured by hypothecation of Shop of the Directors .Further, the loan has been guarantee of the Director of the company. |
| d | Term Loan from RELIANCE CAPITAL LIMITED carries interest @ 14.50% p.a. The loan is repayable in 24 monthly instalments of Rs. 40,00,000/- each till 12 th Installment, then Rs 1,61,75,703/- Each for along with interest ,from the date of loan,viz., 29/12/2015.The loan is Secured by hypothecation of Inventories of the company.Further, the loan has been guarantee of the Director of the company. |
| e | Term Loan from RELIANCE CAPITAL LIMITED carries interest @ 14.50% p.a. The loan is repayable in 24 monthly instalments of Rs. 10,00,000/- each till 12 th installment , then Rs 40,43,926/- Each for along with interest ,from the date of loan,viz., 29/12/2015.The loan is Secured by hypothecation of Inventories of the company.Further, the loan has been guarantee of the Director of the company. |
| f | Term Loan from ICICI Bank carries interest @ 9.36% p.a. The loan is repayable in 36 monthly instalments of Rs. 256828/- The loan is Secured by hypothecation of Inventories of the company.Further, the loan has been guarantee of the Director of the company. |
| g | Term Loan from Kotak MAHINDRA BANK , carries interest @ 9.3% p.a. The loan is repayable in 60 monthy instalments of Rs. 726546 each along with interest ,from the date of loan,viz., 26/12/2014 ..Further, the loan has been guarantee of the Director of the company. |

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5 DEFERRED TAX LIABLITIES(NET)

| PARTICULARS | 31-Mar-16 | 31-Mar-15 |
|---|---|---|
| Deferred tax liability<br>Related to Fixed Assets | | |
| Deferred tax Asset | | |
| Fixed assets: impact of difference between tax depreciation and depreciation charged for the financial reporting | 3,114,748 | 134,679 |
| Net deferred tax liabilities | 3,114,748 | 134,679 |

6 SHORT-TERM BORROWINGS

| PARTICULARS | 31-Mar-16 | 31-Mar-15 |
|---|---|---|
| Secured: | | |
| SBI (Cash credit facility) | 70,921,256 | 324,174,276 |
| | - | - |
| Total | 70,921,256 | 324,174,276 |

Working capital loans are secured by Mortgage of Immovable Properties, hypothecation of Book debts & personal gaurentee of directors.

7 TRADE PAYABLE

| PARTICULARS | 31-Mar-16 | 31-Mar-15 |
|---|---|---|
| Trade Payable | 97,847,106 | 78,186,859.80 |
| Total | 97,847,106 | 78,186,860 |

8 OTHER CURENT LIABILITIES

| PARTICULARS | 31-Mar-16 | 31-Mar-15 |
|---|---|---|
| Current Maturities | | |
| Secured: | | |
| Kotak Mahindra Bank(lamborgini) | - | 5,914,744.00 |
| ICICI Bank Ltd. (volvo) | 2,528,909 | - |
| Reliance capital ltd(84518) | 22,168,106 | 22,411,212.00 |
| Reliance capital ltd(54535) | 82,200,602 | 115,729,919.00 |
| Reliance capital ltd(15926) | 11,463,721 | - |
| Reliance capital ltd(15922) | 45,854,882 | - |
| ICICI Loan-LBSUR00001829200 | 2,864,582 | 2,464,522.00 |
| ICICI Loan-LBSUR00001829209 | 2,164,348 | 1,862,078.00 |
| Total-A | 169,245,150 | 148,382,475 |
| Unsecured: | | |
| Maintanance/ Rent in advance | 40,000 | 2,242,949.00 |
| RKLP Booking deposit | - | - |
| SV Booking Deposit | 52,746,364 | 117,665,972.00 |
| DMDLP Booking deposits | 48,772,044 | 179,842,954.00 |
| RRTM Booking deposit | 214,439,461 | 80,529,764.40 |
| RKLP Security Deposit | 6,417,930 | 8,911,222.60 |
| Security Deposit Employee | 162,568 | - |
| Sv Security Deposit | 4,033,304 | 5,565,673.56 |
| DMDLP security deposits | 3,942,011 | 8,559,728.00 |
| RRTM security deposits | 25,155,235 | 5,368,874.00 |
| Rent Deposit | 660,000 | |
| Maintanance security deposts | - | 460,552.00 |
| Other Deposit | - | 1,149,219.00 |
| Service Tax Payable | 77,148 | - |
| Inter department Advance | - | 7,439,946.17 |
| M/s Tanmantha Ventures | 10,000,000 | - |
| RRTM Booking Refundable | 625,000 | - |
| ESI payable | - | - |
| Vat Payable | 34,692 | 8,123,593.00 |
| TDS Payable | 3,214,788 | 758,236.00 |
| Total-B | 370,320,544 | 426,618,684 |
| Total(A+B) | 539,565,694 | 575,001,159 |

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9 SHORT TERM PROVISIONS

| PARTICULARS | 31-Mar-16 | 31-Mar-15 |
|---|---|---|
| Other Provisions | | |
| Provision for Tax | 1,445,406 | - |
| Provision for Salary exp | 847,785 | 801,921 |
| Audit Fees Payable | 255,734 | 203,484 |
| | - | |
| Total | 2,548,925 | 1,005,405 |

10 TANGIBLE ASSETS

| PARTICULARS | 31-Mar-16 | 31-Mar-15 |
|---|---|---|
| Total Tangible Assets | 48,697,411 | 55,480,944 |
| | - | |
| Total | 48,697,411 | 55,480,944 |

11 LONG-TERM LOANS AND ADVANCES

| PARTICULARS | 31-Mar-16 | 31-Mar-15 |
|---|---|---|
| (Unsecured and Considered good) | | |
| Security Deposit | 5,276,340 | 1,535,694 |
| Total -A | 5,276,340 | 1,535,694 |
| Other loans and advances | | |
| Advance for Land | 243,134,200 | 11,500,000.00 |
| Vat Receivable | - | - |
| ST Receivable | 8,184,456 | 3,720,023.06 |
| Advance Tax 2015-16 | - | - |
| TDS Recievable | 384 | - |
| IT Refund-14-15 | 1,488,689 | 1,488,689.00 |
| IT Refund-15-16 | 1,756,850 | 1,756,850.00 |
| Total -B | 254,564,579 | 18,465,562 |
| Total (A+B) | 259,840,919 | 20,001,256 |

12 INVENTORIES

| PARTICULARS | 31-Mar-16 | 31-Mar-15 |
|---|---|---|
| Work-in -Progress | 2,300,116,816 | 1,802,124,553 |
| DMDLP Maintanence-wip | - | - |
| Closing Stock | - | 73,420 |
| Total | 2,300,116,816 | 1,802,197,973 |

13 TRADE RECIVABLE

| PARTICULARS | 31-Mar-16 | 31-Mar-15 |
|---|---|---|
| Short Term Loans & Advances | 8,091,750 | 10,534,932 |
| Rent Receivable | 105,001 | |
| Total | 8,196,751 | 10,534,932 |

14 INVESTMENTS

| PARTICULARS | 31-Mar-16 | 31-Mar-15 |
|---|---|---|
| Non-Current Investments | | |
| Indo Overseas Construction Company | 217,520,601 | 273,939,344 |
| Shares in DMD Services Pvt. Ltd | 900,000 | 800,000 |
| Total Non Current Investments | 218,420,601 | 274,739,344 |

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15 CASH AND CASH EQUIVALENT

| PARTICULARS | 31-Mar-16 | 31-Mar-15 |
|---|---|---|
| Cash on hand | 1,979,480 | 2,036,091 |
| Bank balances | | |
| HDFC | - | - |
| SBI SV | 7,018,052 | 165,187 |
| SBI RKLP | 25,636 | 26,816 |
| icici bank 856 | - | 434,765 |
| ICICI BANK LTD. Share Application Money | 8,425 | - |
| ICICI Bank-1400 | 182,931 | 49,365 |
| SBI(e-payment) | 797,738 | 2,332,439 |
| SBI(Main) | 82,079 | 161,697 |
| ICICI | - | 10,739 |
| ICICI Bank | 19,145,805 | 48,159,464 |
| Syndicate bank escrow | - | 4,083,954 |
| Syndicate bank RRTM | 1,658,318 | 100,205,174 |
| Linked fd with ICICI bank | - | 261,070 |
| Total | 13,545,726 | 149,737,375 |

16 SHORT-TERM LOANS AND ADVANCES

| PARTICULARS | 31-Mar-16 | 31-Mar-15 |
|---|---|---|
| (Unsecured and Considered good) | | |
| Advances recoverable in cash or kind | - | 7,454,497 |
| Out standing maintananece | - | 1,995,910 |
| Prepaid Expense | 173,601 | 384,397 |
| Interst recievable on fd | - | 1,297 |
| Income recievable from scrap maintanace | - | - |
| Service Tax input credit not utilize | 16,926,491 | 4,984,948 |
| Advance to sundry Creditors | 105,520 | 8,156,811 |
| Loan & Advances | 67,344,510 | 52,003,048 |
| Staff advance | 72,967 | 86,500 |
| Reliance Capital Ltd ( Ids ) | 4,665,343 | 2,255,464 |
| Kotak Mahindra Bank(Skoda Laura) | 2,095 | 2,095 |
| Kotak Mahindra Prime Ltd.(Mercedes) | 9,787 | 9,787 |
| | - | |
| Total | 89,300,314 | 77,334,754 |

17 OTHER CURRENT ASSETS

| PARTICULARS | 31-Mar-16 | 31-Mar-15 |
|---|---|---|
| Miscellaneous expenditure | | |
| (to the extent not written off) | | |
| 1) Opening Balance | - | - |
| Less: Written Off | - | - |
| (A) | - | - |
| 2) Opening Balance | - | 718,300 |
| Less: Written off | - | 718,300 |
| (B) | - | - |
| Total(A+B) | - | - |

18 NET REVENUE FROM SALES

| PARTICULARS | 31-Mar-16 | 31-Mar-15 |
|---|---|---|
| SALES OF FLAT & SHOPS | 550,325,000 | 616,750,000 |
| TOTAL | 550,325,000 | 616,750,000 |

19 OTHER INCOME

| PARTICULARS | 31-Mar-16 | 31-Mar-15 |
|---|---|---|
| Income from rent | 3,138,519 | 191,670 |
| Income from fd | 441,620 | 826,293 |
| Income from it refund | - | 302 |
| Supervision fees | 26,122 | - |
| Interest on loan given | 8,286,868 | 533,426 |
| | 11,893,129 | 1,551,691 |

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20 INCOME FROM MAINTANACE DEPARTMENT

| PARTICULARS | 31-Mar-16 | 31-Mar-15 |
|---|---|---|
| Discount | - | 180 |
| Income From Penalty and Gate Pass | - | 151,040 |
| Income From Scrap Mantanance | - | 195,996 |
| Income from Fd | - | 44,000 |
| Income from trolly issued | - | 41,085 |
| Income From Water Mantanace | - | 99,999 |
| Other income | 12,692 | 110,009 |
| Maintanance Income | - | 25,284,669 |
| TOTAL | 12,692 | 25,926,978 |

21 COST OF CONSTRUCTION

| PARTICULARS | 31-Mar-16 | 31-Mar-15 |
|---|---|---|
| Opening WIP | 1,798,858,838 | 1,590,852,853 |
| Add: Purchase | 650,345,185 | 499,155,123 |
| | 2,449,204,023 | 2,090,007,976 |
| Add: Land Cost | - | 34,842,000 |
| Add: Other Expenses | - | |
| Additional Infrastructure | - | |
| Bank Charges | 71,535 | 42,973 |
| Accomodation and Food Exp | 47,704,601 | 47,880,259 |
| Brokrage | - | 645,000 |
| Advertisement/Brochure exp | 55,900 | 82,426 |
| Carting Expenses | 45,848,851 | 40,301,100 |
| Commom exp allocation | 66,595,832 | 77,677,932 |
| Depriciation Exp | 1,583,154 | 59,941 |
| Discount | - | 36,360 |
| Electric Connection expense | - | 1,884,930 |
| Electricity Exp. | 249,724 | 3,104,857 |
| Fee for Architectural Sercices | - | 1,019,100 |
| Foreign Tour and Travelling | - | 306,532 |
| Gas Connection Expense | 716,100 | 40,950 |
| House keeping exp | 9,987 | 26,167 |
| Inferior quality | - | 2,996,848 |
| Insurance Expenses | 66,833 | 170,416 |
| Interest on CC A/c | 154,091,577 | 46,613,272 |
| Lift Permissions Expense | - | 6,000 |
| other charges | 1,000 | 64,476 |
| Mehsul exp | - | 85,570 |
| Professional Fees | 80,000 | |
| Project management consultancy | - | 700,000 |
| Reimbursed Expense | 61,128 | 299,409 |
| Round Off | - | 3,767 |
| Salary | 8,672,587 | 2,105,597 |
| security deposit | 92,681 | - |
| Site Expenses | 943,258 | 4,651,608 |
| stamp duty charges | - | 473,200 |
| Sevice tax exp | 84,704 | 71,172 |
| SMC Tax | 277,476 | 193,990 |
| Structural Consultancy | - | 764,300 |
| Talati Exp | 38,504 | |
| Tempo Wages | - | 11,598 |
| Water Connection Exp | 138,232 | |
| Vat exp | 34,778,637 | 20,061,464 |
| | 362,162,301 | 281,156,799 |
| LESS: CLOSING WIP | 2,300,116,816 | 1,798,858,838 |
| | 511,249,507 | 572,305,937 |

PKMG & COMPANY SURAT Chartered Accountants

22 OTHER EXP

| PARTICULARS | 31-Mar-16 | 31-Mar-15 |
|---|---|---|
| Advertisement expense | 169351 | - |
| Ammortization Exp | 46400 | 19600 |
| Brokerage Exp. | 800000 | - |
| Income Tax | 225440 | - |
| Depriciation A/c | 16698256 | - |
| Interest on service tax | 96448 | - |
| Interest om Tds | 4057 | 5565 |
| Penalty on TDS | 200 | - |
| Registration Charges | 5000 | - |
| Service Tax Penalty | 500 | - |
| Donation exp | 2,971,500 | 486,000 |
| Vat exp | - | 12,004,221 |
| TOTAL | 21,017,152 | 12,515,386 |

23 COST OF MAINTANANCE DEPT

| PARTICULARS | 31-Mar-16 | 31-Mar-15 |
|---|---|---|
| OPENING -WIP | | 92,383 |
| ADD:PURCHASE | | 14,175 |
| | - | 106,558 |
| ADD:OTHER EXPENSES | - | - |
| | - | - |
| AC Repairing Charges | - | - |
| Bank Charges | - | 2,972 |
| Depreciation | - | 739,870 |
| Diesel | - | 280,000 |
| Electric Exp | - | 688,740 |
| Electricity Expenses | - | 3,419,807 |
| Fire Safety Expenses | - | 12,790 |
| House Keeping Expenses | - | 1,830,869 |
| Interest on Service Tax | - | 697 |
| Interest on TDS On Contractor | - | 201 |
| Land tax exp | - | 269,791 |
| Maintenace Expenses | - | 4,350,633 |
| Office Expenses | - | 182,788 |
| Petty Cash Expenses | - | 222,610 |
| Plumbing Labour Expenses | - | 46,158 |
| Plumbing Material Expense | - | - |
| Salary | - | 2,852,674 |
| Security Expenses | - | 2,897,703 |
| Stationery Expenses | - | 58,344 |
| Water Proffing /coluring expExpenses | - | 4,045,306 |
| | - | 21,901,953 |
| LESS: CLOSING STOCK | - | 73,421 |
| Total | - | 21,935,090 |

21.1 Payment to Auditors

| PARTICULARS | 31-Mar-16 | 31-Mar-15 |
|---|---|---|
| Internal Audit fees | - | 180,000 |
| Total | - | 180,000 |

21.2 Expenditure In foreign Currency

| PARTICULARS | 31-Mar-16 | 31-Mar-15 |
|---|---|---|
| Traveling Expenses | - | 494,530 |
| Total | - | 494,530 |

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24 Earning Per share (EPS)

| | PARTICULARS | 31-Mar-16 | 31-Mar-15 |
|---|---|---|---|
| i) | Net Profit after tax as per Statement of Profit and Loss | 19,818,451 | 60,038,639 |
| ii) | Weighted Average number of equity shares | 25,000,000 | 25,000,000 |
| iii) | Basic and Diluted Earnings per share | 0.79 | 2.40 |
| iv) | Face Value per equity share | 10 | 10 |

25 Related Party Disclosure

| | Name of Party | Nature of Transaction | Amount |
|---|---|---|---|
| 1 | Dharmesh Patel | Interest | 7,992,302 |
| 2 | Dharmesh Patel | Salary | 960,000 |
| 3 | Manju Patel | Salary | 480,000 |
| 4 | Dhwanil p patel | Salary | 720,000 |
| 5 | Dharmesh Patel | Loan o/s as on 31/3/16 | 176,133,309 |

Notes:

I. The related party relationships have been determined on the basis of the requirements of the Accounting Standard (AS) -18 "Related Party Disclosures" and the same have been relied upon by the Auditors.

II. The relationships as mentioned above pertains to those related parties with whom transactions have taken place during the Current / previous year, except where control exist, in which case the relationships have been mentioned irrespective of transactions with the related party.

26 PRIOR PERIOD ITEMS

There are no prior period transactions that affects the financial statement of the current year.

27 DUE TO MICRO AND SMALL SUPPLIERS

The Company has not received any information from its suppliers regarding their registeration under the 'Micro, Small and Medium Enterprises Development Act, 2006'.

28 In the opinion of management, trade receivables, loans and advances have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet. The provision for depreciation and all known liabilities is adequate and not in excess of the amount reasonably stated.

29 Balance in the accounts of trade receivables, loans and advances, trade payables and other current liabilities are subject to confirmation/ reconciliation, if any. The management does not expect any material adjustment in respect of the same effecting the financial statements on such reconciliation/ adjustments.

30 Expenditure In Foreign Currency

There is no expenditure in foreign currency.

31 Previous year figures have been re-grouped/re-arranged, wherever considered necessary to make it conform with the current year's presentation.

FOR PKMG & COMPANY
Chartered Accountants
Firm Reg No:129894 W

(Pankaj Karnawat)
PARTNER
Membership No. 77896
Place: Surat
Date:1-09-2016

PKMG & COMPANY SURAT Chartered Accountants

For and on behalf of the Board

| Director | Director |
|---|---|
| Dharmesh patel | Manjulaben patel |
| Din no:00014810 | Din no:00014816 |

DMD DEVELOPERS PVT LTD

F.Y. 2015-16

# FIXED ASSETS

| Block of Assets | Gross Block | | | | Depreciation | | | | | Net Block | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | 01/04/2015 | Additions | Sale/Adj. | 31/03/2016 | 01/04/2015 | For the Year | Sale/Adj. | Residual Value Adjustment | 31/03/2016 | 31/03/2016 | 31/03/2015 |
| | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees |
| COMPUTERS AND DATA PROCESSING UNITS | 4,84,168.00 | 1,60,774.00 | 0.00 | 6,44,942.00 | 4,11,258.50 | 56,180.23 | 0.00 | 0.00 | 4,67,438.73 | 1,77,503.27 | 72,909.50 |
| ELECTRICAL INSTALLATIONS AND EQUIPMENT | 44,091.00 | 0.00 | 0.00 | 44,091.00 | 5,504.00 | 10,024.90 | 0.00 | 0.00 | 15,528.90 | 28,562.10 | 38,587.00 |
| FURNITURE AND FITTINGS | 6,37,488.00 | 83,966.00 | 0.00 | 7,21,454.00 | 2,80,037.00 | 1,03,610.37 | 0.00 | 0.00 | 3,83,647.37 | 3,37,806.63 | 3,57,451.00 |
| MOTOR VEHICLES | 5,48,87,398.00 | 1,06,82,501.00 | 0.00 | 6,55,69,899.00 | 59,44,832.00 | 1,64,54,276.56 | 0.00 | 0.00 | 2,23,99,108.56 | 4,31,70,790.44 | 4,89,42,566.00 |
| OFFICE EQUIPMENT | 30,81,615.00 | 5,70,637.00 | 0.00 | 36,52,252.00 | 13,89,417.00 | 8,62,579.03 | 0.00 | 0.00 | 22,51,996.03 | 14,00,255.97 | 16,92,198.00 |
| PLANT AND MACHINERY | 57,71,684.00 | 0.00 | 0.00 | 57,71,684.00 | 13,94,452.00 | 7,94,739.10 | 0.00 | 0.00 | 21,89,191.10 | 35,82,492.90 | 43,77,232.00 |
| Grand Total | 6,49,06,444.00 | 1,14,97,878.00 | 0.00 | 7,64,04,322.00 | 94,25,500.50 | 1,82,81,410.19 | 0.00 | 0.00 | 2,77,06,910.69 | 4,86,97,411.31 | 5,54,80,943.50 |

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