

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
MR DHWANIL P PATEL
MRS. MANJULA BEN PATEL

AUDITORS ; M/s. PKMG & COMPANY
4021, WORLD TRADE CENTRE
RING ROAD
SURAT 395 002

BANKERS : SYNDICATE BANK

REGISTERED OFFICE : 303, JEWELLERS APPARTMENT
PEDDAR ROAD
MUMBAI-400026

PKMG & COMPANY
CHARTERED ACCOUNTANTS

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 consider 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.



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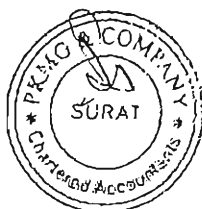
Opinion

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;

- In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016;
- In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- 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

- 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.
- As required by Section 143 (3) of the Act, we report that:
 - 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.
 - 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.
 - 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.
 - 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.
 - 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.
 - 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
 - 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:
 - The Company does not have any pending litigations which would impact its financial position.
 - The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.



Place : SURAT
Date : 01/09/2016

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

PANKAJ KARNAWAT
(Partner)

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

4021, WORLD TRADE CENTER, RING ROAD, SURAT - 395002. TEL. : 0261 - 2302334, 3912334 FAX: 0261-3912333

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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 maintenance of cost records under section 148(1) of the Companies 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, value added tax and cess which have not been deposited with the appropriate authorities on account of any dispute.

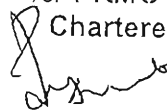


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- (viii) In our opinion and according to the information & explanation given to us, the Company has not defaulted in repayment of dues to financial institutions or banks. The company does not have any borrowing by way of debentures.
- (ix) Based upon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



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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.

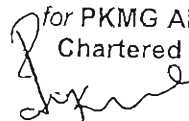
Inherent Limitations of Internal Financial Controls over Financial Reporting

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.

Place : SURAT
Date : 01/09/2016

for PKMG AND COMPANY
Chartered Accountants


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



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) Deferred 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			
Dhormesh 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 depl	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 maintainance depl	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

For and on behalf of the Board

M/s. PKMG & COMPANY
Chartered Accountants
Firm Reg Nos N 29894 W

[Signature]

Pankaj kamowal

Partner

Membership No. 77896

Place: Surat

Date: 1-09-2016



Director

Dhormesh patel

DIn no:00014810

[Signature]

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	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 receivable	(38,708,006)	31,400,926
(Increase)/Decrease in inventories	(497,918,844)	(176,147,940)
(Increase)/Decrease in deferred 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	(11,631,076)	(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 surplus	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

Date: 1-09-2016
Place: Surat



For and on behalf of the Board

(Signature)

Dharmesh Patel Manjulaben Patel
Director Director
Dln no:00014810 Dln 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 cash generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount 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 expenses 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.

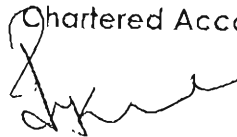
for DMD DEVELOPERS PVT LTD



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
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 500,00,000 Equity share of Rs. 10/- each (P.Y-500,00,000 equity shares of Rs.10/- each)	500,000,000	500,000,000
Issued, Subscribed and Fully Paid-up 477,00,000 equity Share of Rs. 10/- each fully paid up (P.Y-25,00,00,000 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

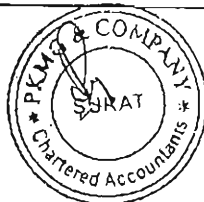
Equity Shares	No. of shares	No. of shares
At the beginning of the Year	25,000,000	15,000,000
Add: Issued during the Year	22,700,000	10,000,000
Equity Shares at the end of the Year	47,700,000	25,000,000

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
<u>Capital Reserve</u> Securities Premium account Balance as per the last financial statements Add: On issue of shares Closing balance	23,100,000 23,100,000	- -
Surplus/(Deficit) in the statement of Profit and loss Opening Profit for the year Profit from Partnership firm	67,217,611 19,818,451 11,257	42,033,563.00 25,196,639.62 -
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



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 lld(15926)	38,334,373	-
Reliance capital lld(15922)	153,337,491	-
Reliance capital lld(84518)	-	22,438,908
Reliance capital lld(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 by REM 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 12th 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 12th 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 monthly 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.



5 DEFERRED TAX LIABILITIES(NET)

PARTICULARS	31-Mar-16	31-Mar-15
Deferred tax liability 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

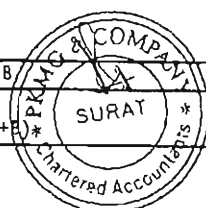
PARTICULARS	31-Mar-16	31-Mar-15
Secured:		
SBI (Cash credit facility)	70,921,256	324,174,276
Total	70,921,256	324,174,276
Working capital loans are secured by Mortgage of Immovable Properties, hypothecation of Book debts & personal gaurentee of directors.		

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
<u>Current Maturities</u>		
Secured:		
Kotak Mahindra Bank(lamborgini)	-	5,914,744.00
ICICI Bank Ltd. (volvo)	2,528,909	-
Reliance capital lld(84518)	22,168,106	22,411,212.00
Reliance capital lld(54535)	82,200,602	115,729,919.00
Reliance capital lld(15926)	11,463,721	-
Reliance capital lld(15922)	45,854,082	-
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 deposits	-	460,552.00
Other Deposit	-	1,149,219.00
Service Tax Payable	77,148	-
Inter department Advance	-	7,439,946.17
M/s Tanmantha Venlures	10,000,000	-
RRTM Booking Refundable	625,000	-
ESI payable	-	-
Val 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



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
Vol Receivable	-	-
ST Receivable	8,184,456	3,720,023.06
Advance Tax 2015-16	-	-
IDS Recievable	384	-
II Refund-14-15	1,488,689	1,488,689.00
II 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 Maintenance-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



15 CASH AND CASH EQUIVALENT

PARTICULARS	31-Mar-16	31-Mar-15
Cash on hand	1,979,480	2,036,091
<u>Bank balances</u>		
HDFC	-	-
SBI SV	7,018,052	165,187
SBI RKL	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 maintainance	-	1,995,910
Prepaid Expense	173,601	384,397
Interst recievable on fd	-	1,297
Income recievable from scrap maintainance	-	-
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
Kolak Mahindra Bank(Skoda Laura)	2,095	2,095
Kolak 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
Total	11,893,129	1,551,691

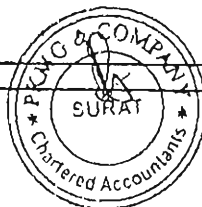


20 INCOME FROM MAINTANACE DEPARTMENT

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 lroly issued	-	41,085
Income From Water Mantanance	-	99,999
Other income	12,692	110,009
Maintenance 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
Accommodation and Food Exp	47,704,601	47,880,259
Brokrage	-	645,000
Advertisement/Brochure exp	55,900	82,426
Carling Expenses	45,848,851	40,301,100
Common exp allocation	66,595,832	77,677,932
Depreciation 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 Services	-	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
Service 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	-
Val 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



22 OTHER EXP

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

23 COST OF MAINTANANCE DEPT

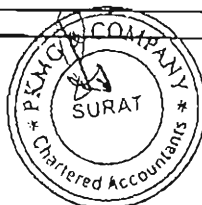
PARTICULARS	31-Mar-16	31-Mar-15
OPENING -WIP		92,383
ADD: PURCHASE		14,175
ADD: OTHER EXPENSES	-	106,558
AC Repairing Charges	-	-
Bank Charges	-	2,972
Depreciation	-	739,870
Diesel	-	280,000
Electric Exp	-	688,740
Electricity Expenses	-	3,419,807
Fire Safety Expenses	-	12,790
House Keeping Expenses	-	1,830,869
Interest on Service Tax	-	697
Interest on TDS On Contractor	-	201
Land tax exp	-	269,791
Maintenance 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 Proling /coluring exp	-	4,045,306
LESS: CLOSING STOCK	-	21,901,953
	-	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 forelan Currency

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



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 a/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 exists, 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 registration 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

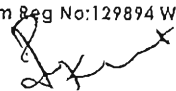
There is no expenditure in foreign currency.

- 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

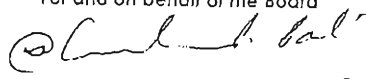
Membership No. 77896

Place: Surat

Date:1-09-2016



For and on behalf of the Board



Director

Dharmesh Patel

Din no:00014810

Director

Manjulaben Patel

Din no:00014816

FIXED ASSETS

Block of Assets	Gross Block				Depreciation				Net Block					
	01/04/2015		31/03/2016		01/04/2015		31/03/2016		Residual Value Adjustment		31/03/2016		31/03/2015	
	Rupees	Additions	Rupees	Sale/Adj.	Rupees	For the Year	Rupees	Sale/Adj.	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
COMPUTERS AND DATA PROCESSING UNITS ELECTRICAL INSTALLATIONS AND EQUIPMENT FURNITURE AND FITTINGS MOTOR VEHICLES	4,84,168.00	1,50,774.00	0.00	0.00	6,44,942.00	4,11,258.50	56,180.23	0.00	0.00	0.00	4,67,438.73	1,77,503.27	72,909.50	
	44,091.00	0.00	0.00	0.00	44,091.00	5,504.00	10,024.90	0.00	0.00	0.00	15,528.90	28,562.10	38,587.00	
	6,37,488.00	83,966.00	0.00	0.00	7,21,454.00	2,80,037.00	1,03,610.37	0.00	0.00	0.00	3,83,647.37	3,37,806.63	3,57,451.00	
	5,48,87,398.00	1,06,82,501.00	0.00	0.00	6,55,69,899.00	59,44,832.00	1,64,54,276.56	0.00	0.00	0.00	2,23,99,108.56	4,31,70,790.44	4,89,42,566.00	
OFFICE EQUIPMENT PLANT AND MACHINERY Grand Total	30,81,615.00	5,70,637.00	0.00	0.00	36,52,252.00	13,89,417.00	8,62,579.03	0.00	0.00	0.00	22,51,996.03	14,00,255.97	16,92,198.00	
	57,71,684.00	0.00	0.00	0.00	57,71,684.00	13,94,452.00	7,94,739.10	0.00	0.00	0.00	21,89,191.10	35,82,492.90	43,77,232.00	
	6,49,06,444.00	1,14,97,878.00	0.00	0.00	7,64,04,322.00	94,25,500.50	1,82,81,410.19	0.00	0.00	0.00	2,77,06,910.69	4,86,97,411.31	5,54,80,943.50	

