

**STATEMENT OF ACCOUNTS FOR THE
YEAR ENDED 31ST MARCH, 2016**

**AJMERA ESTATES (KARNATAKA)
PRIVATE LIMITED**

V. PAREKH & ASSOCIATES
CHARTERED ACCOUNTANTS
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INDEPENDENT AUDITOR'S REPORT

The Members,
AJMERA ESTATES (KARNATAKA) PRIVATE LIMITED
MUMBAI,

REPORT ON THE FINANCIAL STATEMENTS

1. We have audited the accompanying standalone financial statements of **AJMERA ESTATES (KARNATAKA) PRIVATE LIMITED** ("the company"), which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss, and 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

2. 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 standalone 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

3. 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
4. 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.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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.



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6. In making those risk assessments, the auditor 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.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

OPINION

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the Company as at 31st March, 2016 and its loss and its cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

9. 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 paragraphs 3 and 4 of the Order.
10. 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 the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone 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



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- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rule, 2014, in our opinion and to the 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 does not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**FOR AND ON BEHALF OF
V. PAREKH & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGN NO. 107488W**



Rasesh V. Parekh

Place : Mumbai,
Dated : 19TH May, 2016

**RASESH V. PAREKH PARTNER
MEMBERSHIP NO. 38615**

AJMERA ESTATES (KARNATAKA) PRIVATE LIMITED (2015-2016)

ANNEXURE-A REFERRED TO IN PARAGRAPH 3 TO OUR REPORT ON THE ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2016.

The Annexure referred to in Independent Auditor's Report to the members of the Company on the standalone financial statements for the year ended 31st March, 2016, we report that:

1. In respect of it's Fixed Assets:
 - (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) These fixed assets have been physically verified by the management at reasonable intervals. Discrepancies noticed during the course of such verification are dealt with adequately in the books of accounts.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records, The Company does not have any Immovable Property as a Fixed Assets.

2. In Respect of it's Inventories:
 - (a) Physical verification of inventory has been conducted at reasonable intervals by the management.
 - (b) In our opinion and according to the explanations given to us, the procedures for physical verification of inventories followed by the Management are reasonable and adequate in relation to the size of the Company and nature of its business.
 - (c) In our opinion and according to the explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were observed during the course of physical verification.

3. The company has granted interest free loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. In respect of the said loans, the maximum outstanding during the year is 111.78 Crores and the year end balance is 111.78 Crores (Previous Year it is 45.89 Crores)
 - (a) The Terms and Condition of the grant of such loans are not Prejudicial interest of the company.
 - (b) Receipt of the principal amount are also regular.
 - (c) In respect of the said loans, the same are repayable on demand and therefore the question of the Overdue amount does not arise.

4. 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 Act, with respect to the loans and investments made.



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5. The Company has not accepted deposits, the directives issued by the Reserve Bank of India and the provision of section 73 to 76 or any other relevant provision of the Companies Act and the rules framed there under.
6. The Central Government has prescribed maintenance of Cost Records Sec.148 and as per the explanation given to us, the company has maintained *prima facie* requisite records as per Sec.148.
7.
 - a. The Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employee's state insurance, income tax, sales tax, service tax and other statutory dues to the extent applicable to it. There is no outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.
 - b. The Company does not have any dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of any dispute.
8. In our opinion and according to information and explanation given to us, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. And the Money raised by way of term loans were applied for the purposes for which those are raised.
10. Based on the audit procedure performed and information and explanation given by the Management, we report that no fraud on or by the Company has been noticed or reports during the year.
11. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.



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14. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**FOR AND ON BEHALF OF
V. PAREKH & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGN NO. 107488W**



Rasesh V Parekh

**RASESH V. PAREKH PARTNER
MEMBERSHIP NO. 38615**

**Place : Mumbai,
Dated : 19TH May, 2016**

Annexure - B to the Auditors' Report

REPORT ON THE INTERNAL FINANCIAL CONTROL 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 **AJMERA ESTATES (KARNATAKA) PRIVATE LIMITED** ("the company") as of 31 March 2016 in conjunction with our audit of the standalone 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.

AUDITOR'S 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.



AJMERA ESTATES (KARNATAKA) PRIVATE LIMITED (2015-2016)

MEANING OF THE INTERNAL FINANCIAL CONTROL 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 AND ON BEHALF OF
V. PAREKH & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGN NO. 107488W



Rasesh V. Parekh

RASESH V. PAREKH PARTNER
MEMBERSHIP NO. 38615

Place : Mumbai,
Dated : 19TH May, 2016

AJMERA ESTATE(KARNATAKA) PRIVATE LIMITED
BALANCE SHEET AS ON 31ST MARCH, 2016

(Amt in Rs.)

Particulars	Note	As at 31st March 2016		As at 31 March 2015	
I. Equity and Liabilities					
(1) Shareholders' Funds					
(a) Share Capital	2		100,000		100,000
2) Reserves and Surplus					
(b) Reserves and Surplus	3		385,371,338		419,652,277
(2) Non-Current Liabilities					
(a) Long-term borrowings	4	1,454,505,680		769,586,825	
			1,454,505,680		769,586,825
(3) Current Liabilities					
(a) Short-term borrowings	5	172,466,348		615,822,359	
(b) Trade Payables	6	22,900		10,725,260	
			172,489,248		626,547,619
Total			2,012,466,266		1,815,886,721
II. Assets					
(1) Non-current Assets					
a) Non Current Investment	7	705,305,595		677,922,450	
b) Long Term Loans and Advances	8	1,117,751,201		458,917,828	
			1,823,056,796		1,136,840,278
(2) Current Assets					
(c) Cash and cash equivalents	9	20,192,576		20,213,071	
(d) Short-term loans and advances	10	169,216,894		658,833,373	
			189,409,470		679,046,444
Total			2,012,466,266		1,815,886,721
Summary of significant accounting	1				

This is the Balance sheet referred to in our report of even date.

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

FOR AND ON BEHALF OF AJMERA ESTATE
(KARNATAKA) PRIVATE LTD

V. PAREKH & ASSOCIATES

Chartered Accountants

Firm Reg. No. 107488W



RASESH V. PAREKH - PARTNER

(Partner)

Membership No. 38615

Place : Mumbai

Date : 19/05/2016

(Signature)
(Director)

(Signature)
(Director)

AJMERA ESTATE(KARNATAKA) PRIVATE LIMITED
PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

(Amt in Rs.)

Particulars	Note No.	For the year ended 31 March 2016	For the year ended 31 March 2015
I. Revenue from operations			
Profit From Share	11	73,481,993	42,344,595
III. Total Revenue (I + II)		73,481,993	42,344,595
IV. Expenses			
(a) Finance Cost	12	414	2,575
(b) Other expenses	13	1,465,900	27,505
Total Expenses		1,466,314	30,080
XI. Profit/(Loss) for the period from continuing operations		72,015,678	42,314,515
XII. Profit/(Loss) from discontinuing operations			
XIII. Tax Expense of discontinuing operations			
XIV. Profit/(Loss) from discontinuing operations (after tax)			
XV. Profit/ (Loss) for the period [Profit after tax (PAT)]		72,015,678	42,314,515
XVI. Earnings per equity share			
(1) Basic		(12.19)	(12.19)
(2) Diluted		(12.19)	(12.19)
Summary of significant accounting policies	1		

This is the Profit and Loss Statement referred to in our report of even date.
The accompanying notes are an integral part of the financial statements.

V. PAREKH & ASSOCIATES

Chartered Accountants
Firm Reg. No. 107488W



Rasesh V. Parekh
RASESH V. PAREKH - PARTNER
(Partner)

Membership No. 38615

**FOR AND ON BEHALF OF AJMERA ESTATE
(KARNATAKA) PRIVATE LIMITED**

D.R.A.
(Director)

[Signature]
(Director)

Place : Mumbai
Date : 19/05/2016

AJMERA ESTATE(KARNATAKA) PRIVATE LIMITED

Notes to financial statement for the year ended 31st March, 2016

Notes forming part of Financial Statements for the Year

Notes to Accounts

Note : 1

1. Corporate information

AJMERA ESTATE (KARNATAKA) PRIVATE LIMITED is a Private Limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The company is engaged in production of renewable energy.

1 Basis of preparation of financial statements:

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956 read with the general circular 15/2013 dated September 13, 2013 of the ministry of corporate affairs in respect of section 133 of the Companies Act, 2013. These financial statements have been prepared on an accrual basis and under the historical cost of convention.

2 Use of Estimates:

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these adjustments are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

c. Current and Non Current Classification

An asset is classified as current when it satisfies any of the following criteria :

- i. It is expected to be realized/ settled, or is intended for sale or consumption, In the companies normal operating cycle or
- ii. It is held primarily for the purpose of being traded or
- iii. It is expected to be realized/ due to be settled within 12 months after the reporting date or
- iv. It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date or
- v. The company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

All other assets and liabilities are classified as non current

3 Significant accounting policies:

(a) Fixed Assets:

Tangible Assets:

- (i) Fixed assets, are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any .The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent expenditure related to an item of fixed is added to its book value only if it increases the



AJMERA ESTATE(KARNATAKA) PRIVATE LIMITED

Notes to financial statement for the year ended 31st March, 2016

(ii) Fixed assets, are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent expenditure related to an item of fixed is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred. Gains or losses arising from de recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Intangible Assets:

(i) Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred. Cost comprises the purchase price and any attributable cost of bringing the assets to its working condition for its intended use. Gains or losses arising from de recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

(b) Depreciation:

(i) "Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management, or those prescribed under the schedule XIV to the companies Act, 1956. Whichever is higher.

(ii) Intangible assets are amortized on a straight line basis over the estimated useful economics life"

g. Impairment of Tangible and Intangible Assets

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generated units (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other asset or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. In determining net selling price, recent market transaction is taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

h. Borrowing Cost

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange difference arising from currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur



AJMERA ESTATE(KARNATAKA) PRIVATE LIMITED

Notes to financial statement for the year ended 31st March, 2016

i Investments

Investments which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investment. On initial recognized, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued.

Current investments are carried in the financial statement at lower of cost and fair value determined on an individual investment basis. Long-term investment is carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investment.

j Revenue Recognition

Income is recognized when no significant uncertainty as to measurability or collectability exists and when the owners right to receive payment is established.

ii. Interest Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

iii. Dividend Income

Dividend income is recognized with the company's right to receive dividend is established by the reporting date.

iv. Other Income

i Foreign Currency Transactions

"Foreign currency transaction are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.



AJMERA ESTATE(KARNATAKA) PRIVATE LIMITED

Notes to financial statement for the year ended 31st March, 2016

Exchange differences

- (ii) i. Exchange difference arising on a monetary item that, in substance forms part of the company's net investment in a non-integral foreign operation is accumulated in the foreign currency translation reserve until the disposal of the net investment. On the disposal of such net investment, the cumulative amount of the exchange differences which have been deferred and which relates to that investment is recognized as income or as expenses in the same period in which the gain or loss on disposal is recognized.
- ii. Exchange difference arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalized and depreciated over the remaining useful life of the asset. For this purpose, the company treats a foreign monetary item as "long-term foreign currency monetary items", if it has a term of 12 months or more at the date of its origination.
- iii. Exchange differences arising on other long-term foreign currency monetary items are accumulated in the "Foreign Currency Monetary Translation Difference Account" and amortized over the remaining life of the concerned monetary item.
- iv. All other exchange differences are recognized as income or as expenses in the period in which they arise.

ii) Retirement and Employee Benefits

"Retirement benefit in the form of provident fund is a defined contribution scheme. The contribution to the provident fund is charged to the statement of profit and loss for the year when the contributions are due. The company has no obligation, other than the contribution payable to the provident fund.

The company operates two defined benefit plans for its employee, viz., gratuity and post employment medical benefit liability. The costs of providing benefits under these plans are determined on the basis actuarial valuation at each year-end. Separate actuarial valuation is carried out for each plan using the projected unit credit method. Actuarial gains and losses for both defined plans are recognized in full in the period in which they occur in the statement of profit and loss. Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short - term employee benefit. The company measures the expected cost of such absences as the additional amount that is except to pay as a result of the unused entitlement that has accumulated at the reporting date.

The company treats accumulated leave excepted to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.



AJMERA ESTATE(KARNATAKA) PRIVATE LIMITED

Notes to financial statement for the year ended 31st March, 2016

TAX

INCOME

"Tax expenses comprise current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdiction where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted ay the reporting date. Deferred income tax relating to items recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situation where the company has unabsorbed or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

In the situation where the company is entitled to a tax holiday under the income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdiction where it operates, no deferred tax (asset or liability) is recognized in respect of timing differences which reverse during the tax holiday period, to the extent the company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which after the tax holiday is recognized in the year in which the timing differences originate. "

"However , the restrict recognition of deferred tax assets to the extent that it has become reasonable certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax can be realized. For recognition of deferred taxes, the timing difference which originates first is considered to reverse first.

At each reporting date, the company re-assesses unrecognized deferred tax assets. It recognized unrecognized deferred asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of deferred tax asset to the extent that is no longer reasonably certain or virtually certain , as the case may be , that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such written-down is reserved to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specific period, i. e, the period for which MAT credit is allowed to be carried forward. In the year in which the company recognize MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the income -tax Act,1961,the said is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement."

The company reviews the "MAT credit entitlement "asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

(e) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares



AJMERA ESTATE(KARNATAKA) PRIVATE LIMITED

Notes to financial statement for the year ended 31st March, 2016

outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a right issue, share split, and reserve share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

(f) Provisions

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statement.

(i) Cash and Cash Equivalents

Cash and cash an equivalent for the purposes of cash flow statement comprises cash at bank and in hand and short-term investments with an original maturity of three months or less.

(ii) Regrouping of Previous Year Figures.

The company has regrouped / rearranged and reclassified previous year figures to conform to current year's classificati



AJMERA ESTATE(KARNATAKA) PRIVATE LIMITED
Notes to financial statement for the year ended 31st March 2016

Note : 2 : Share Capital

(Amt in Rs.)

Authorized, Issued, Subscribed and paid-up share capital and par value per share

Particulars	31st March 2016	31st March 2015
Authorized Share Capital 10,000 (Previous year 10,000) Equity Shares of Rs. 10/- each (Previous year 10,000 Equity shares of Rs. 10 each)	100,000	100,000
	100,000	100,000
Issued & Subscribed Share Capital 10,000 (Previous year 10,000) Equity Shares of Rs. 10/- each (Previous year 10,000 Equity shares of Rs. 10 each)	100,000	100,000
	100,000	100,000

(A) Reconciliation of number of shares outstanding at the beginning and at the end of the year

Particulars	For the year ended 31st March 2016	Amount (Rs.)	For the year ended 31st March 2015	Amount (Rs.)
Number of Equity Shares outstanding as at the beginning of the year	10,000	100,000	10,000	100,000
Add : Number of shares allotted for cash	-	-	-	-
Number of Equity Shares outstanding as at the end of the year	10,000	100,000	10,000	100,000

(B) Terms / rights attached to equity shares

The company has only one class of equity shares having a par value of Rs. 10 per share. Each shareholder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company. The distribution will be in proportion to the number of equity shares held by the shareholders.

C) Shares held by holding/ultimate holding company and/or their subsidiaries/associates

	31st March, 2016		31st March, 2015	
	No. of shares	Amount (Rs.)	No. of shares	Amount (Rs.)
Ajmera Realty & Infra India Limited - The holding Company	10,000	100,000	10,000	100,000

10000(PY 10000) equity shares Rs.10 each fully paid



Aggregate numbers of bonus shares issued, share issued for consideration other than cash and shares brought back during the period of five years immediately preceding the reporting date:

	31st March, 2016	31st March, 2015
	No. of shares	No. of shares
2015-2016	-	-
2014-2015	-	-
2013-2014	-	-
2012-2013	-	-
2011-2012	-	-

In addition, the company has issued total Nil shares (PY NIL) during the period of five years immediately preceding the reporting

(D) Details of shareholders holding more than 5 % shares in the company

Name of the shareholder	31st March, 2016		31st March, 2015	
	Number of shares held	Percentage of Holding	Number of shares held	Percentage of Holding
Equity shares of Rs. 10 each fully paid Ajmera Realty & Infra India Limited	10,000	100.00%	10,000	100.00%

As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

Note : 3 : Reserves and Surplus

(Amt in Rs.)

Particulars	As at 31st March 2016	As at 31st March 2015
Surplus/(deficit) in the statement of profit and loss		
Balance as per last financial statement	372,162,738	397,782,463
Add : Profit/ (Loss) for the year	72,015,678	42,314,515
Less: Appropriations	-	-
Interim equity dividend (Refer Note. No. 3(b))	88,300,000	53,000,000
Tax on proposed equity dividend	17,996,618	10,702,788
Total appropriations	337,881,799	63,702,788
Total reserves and surplus	337,881,799	376,394,190
Less : Transfer to General Reserve	7,201,568	4231451
Total-A	330,680,231	372162738
General Reserve :		
As per last financial statement	47,489,539	43,258,087
Transfer to Statement of Profit and Loss	7,201,568	4,231,451
Total -B	54,691,107	47,489,539
Total A+B	385,371,338	419,652,277



AJMERA ESTATE (KARNATAKA) PRIVATE LIMITED
Notes to Financial statement for the year ended 31st March 2016

(Amt. in Rs.)

(2) Non-Current Liabilities	31st March 2016	31st March 2015
Note : 4: Long term borrowings From Related Parties	1,454,505,680	769,586,825
	1,454,505,680	769,586,825

3) Current Liabilities

Note : 5 : Short term Borrowings

(Amt in Rs.)

Particulars	31st March 2016	31st March 2015
Interest free loans and advances from related parties repayable on demand (unsecured)	138,766,226	615,822,359
Proposed Dividend	28,000,000	-
Dividend Tax	5,700,122	-
Total	172,466,348	615,822,359

Note : 6 : Trade Payables

(Amt in Rs.)

Particulars	31st March 2016	31st March 2015
Trade payables (Refer note 33 for details of dues to micro	22,900	22,472
Provision for dividend tax	-	10,725,260
Total	22,900	10,747,732



AJMERA ESTATE (KARNATAKA) PRIVATE LIMITED
Notes to Financial statement for the year ended 31st March 2016

II. ASSETS

(1) Non-current assets

(Amt in Rs.)

(unsecured, considered good)

Particulars	31st March 2016	31st March 2015
Note : 07: Non current investments		
Non current investments	705,305,595	677,922,450
Total	705,305,595	677,922,450

Note : 08 : Long Term Loan and Advances

Particulars	31st March 2016	31st March 2015
Long Term Loan and Advances	1,117,751,201	458,917,828
Long Term Loans And Advances	1,117,751,201	458,917,828

AJMERA ESTATE (KARNATAKA) PRIVATE LIMITED
Notes to Financial statement for the year ended 31st March 2016

(2) Current assets

Note : 09 : Cash and Bank Balance

(Amt in Rs.)

Particulars	31st March 2016	31st March 2015
Cash and Cash Equivelents		
Cash on hand	98,557	98,557
Bank Balance	20,094,019	20,114,514
Total	20,192,576	20,213,071

Note : 10 : Short Term Loan and Advances

Particulars	31st March 2016	31st March 2015
Short Term Loan and Advances	138,766,226	615,822,359
Long Term Loans And Advances	138,766,227	615,822,359



AJMERA ESTATE(KARNATAKA) PRIVATE LIMITED

Note : 14

Related party Disclosures:

(a) List of Related parties and relationships:

Name	Relationship
(A) Key management personnel	
(a) Shri. Rajnikant S. Ajmera	Director
(b) Shri. Ishwarlal S. Ajmera	Director

(B) Relatives of Key Management Personnel

- ATUL C. AJMERA HUF
- ATUL C. AJMERA
- BHOGILAL S. AJMERA
- BINAL S. AJMERA
- JYOTI N. AJMERA
- SANJAY C. AJMERA
- DHAVAL R. AJMERA
- DHAVAL R. AJMERA HUF
- ISHWARLAL S. AJMERA HUF
- JAYANT I. AJMERA
- JAYANT I. AJMERA HUF
- MANOJ I. AJMERA HUF
- MEGHA S. AJMERA
- NATWARLAL S. AJMERA
- NATWARLAL S. AJMERA HUF
- RAJNIKANT S. AJMERA HUF
- SANJAY C. AJMERA HUF
- SONALI A. AJMERA
- SURENDRA I. AJMERA HUF
- TANVI M. AJMERA



(B) Enterprises over which significant influence is exercised by Key management personnel

i. Ultratech Property Developers Private limited	Associate Company
ii. A.G. Estate Private Limited	Associate Company
iii. Ajmera Cement Private Limited	Associate Company
iv. Ajmera Citi Developers Private Limited	Associate Company
v. Ajmera Housing Corporation	Associate Company
vi. Ajmera Housing Corporation Bangalore	Associate Company
vii. Ajmera Realcon Private Limited	Associate Company
ix. Ajmera Bora Associates	Associate Company
x. Ajmera Water N Amusement Park Private Limited	Associate Company
xi. Bombay Freezco Private Limited	Associate Company
xii. Four Brothers	Associate Company
xiii. V.M. Procon Private limited	Associate Company
xiv. Nilkanth Tech Park Private Limited	Associate Company
xv. Pramukh Development Corporation	Associate Company
xvi. Sankalp Holdings Private Ltd	Associate Company
xvii. Shree Precoated Steel Limited	Associate Company
xviii. Vijay Nagar Corporation	Associate Company
xix. Yogi Nagar Vasahat Private Limited	Associate Company
xx. Rushab Investments Private limited	Associate Company
xxi. Comet India Private Limited	Associate Company



AJMERA ESTATE(KARNATAKA) PRIVATE LIMITED
Notes to Financial Statement for the year ended 31st March 2016

(b) Disclosures required for related parties transactions

Transactions during the year	Associates/Subsidiary		Directors and Relatives	
	2015-2016	2014-2015	2015-2016	2014-2015
Transactions during the year				
Finance received / (Given) in form of Loans	127,499,200 (3500000)	1250000	NIL	NIL

Disclosure in respect of material transactions with related parties

Name of Related Party	Relationship	Advance Paid/Repaid	Advance Received	Maximum O/S during the Period 31.03.2016
				Amount (Rupees)
Ajmera Realty and Infra India Ltd	Holding Company	774,800,800.00	900,800,000	1,427,403,351
		884,035,000	778,247,925	714,498,658
Ajmera Housing Corporation (Bangalore)	Associate in which Company is Partner	772,100,000	602,883,106	1,234,729,673
		739,600,000	864,035,000	507,183,411
Ajmera Housing Corporation	Associates	3,500,000	0	80,505,033
		0	0	84,005,033

13. Disclosure under Micro, Small and Medium Enterprises Development Act, 2006:

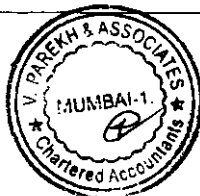
There are no delays in payment to Micro and Small enterprises as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006.

The above information and that given in schedule 7 - "Trade Payables" regarding Micro and Small enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors."

14. Earning and expenditure in foreign currency is Rs. NIL (previous year Rs. NIL).

15. Capital and other commitments

Capital and other commitments on account of revenue as well as capital nature is Rs. NIL (previous year Rs. NIL).



16. Contingent Liabilities

Contingent Liabilities as on the end of the reporting period is Rs. NIL (previous year Rs. NIL).

The Balance in Debtors, Creditors and Advances accounts are subject to confirmation and reconciliation, if any. However as per management opinion no material impact on financial statements out of such reconciliation is anticipated.

17. Taxation

Income Tax

In view of loss during the year no provision for income tax including Minimum Alternative Tax (MAT) has been made.

Deferred Tax

The company does not envisage any deferred tax assets/liability.

19. Subsequent events

There is not any subsequent event reported after the date of financial statements.

V. PAREKH & ASSOCIATES

Chartered Accountants

Firm Reg. No. 107489



R. P. Parekh

RASESH V. PAREKH
(Partner)

Membership No. 38615

**FOR AND ON BEHALF OF AJMERA
ESTATE (KARNATAKA) PRIVATE
LIMITED.**

D. R. A.

(Director)

[Signature]

(Director)

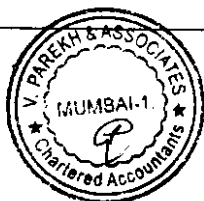
Place : Mumbai

Date : 19/05/2016

AJMERA ESTATE (KARNATAKA) PRIVATE LIMITED

LIABILITIES GROUPING

I. Equity and Liabilities		
PARTICULAR	2015-16	2014-15
(I) shareholder's Funds		
(a) Share Capital		
Equity Shares	1 00 000	1 00 000
PAID UP SHARE CAPITAL	1 00 000	1 00 000
(b) RESERVE & SURPLUS		
PROFIT & LOSS A/C..		
CURRENT YEAR PROFIT	72,015,678	42,314,515
TRANSFERRED DURING CURRENT YEAR	72,015,678	42,314,515
(2) Non-Current Liabilities		
(a) Long-term borrowings		
Ajmera Reality & Infra India Ltd	1,374,000,647	757,086,825
Ajmera Housing Corporation	80,505,033	12,500,000
TOTAL OF NON-CURRENT LIABILITIES	1,454,505,680	769,586,825
(3) Current Liabilities		
(a) Short-term borrowings		
Ajmera Reality & Infra India Ltd	136,701,988	544,317,326
Ajmera Housing Corporation	-	71,505,033
Jolly Brothers Pvt Ltd	1,500,000	-
Dena Bank Manish Nagar	564,238	-
	138,766,226	615,822,359
(b) Trade payables		
V.PAREKH & ASSOCITES	22 900	22 472
TOTAL OF TRADE PAYABLES	22 900	22 472



AJMERA ESTATE (KARNATAKA) PRIVATE LIMITED

ASSETS GROUPING

II. ASSETS

PARTICULAR	2015-16	2014-15
(1) Non-current assets		
(1) Non-Current Assets		
(a) Long Term Loans and Advances		
Ajmera Housing Corporation	1,065,512,778.51	458,917,828
Ajmera Cement Pvt.Ltd	52,238,422.22	0
Total of Long Term Loans and Advances	1,117,751,201	458,917,828
(b) Non-current investments		
Ajmera Housing Corporation Bangalore	705,305,595	677,922,450
Total of Non-Current Investments	705,305,595	677,922,450
(2) Current assets		
(a) Cash and Bank Balances s		
(I) Cash and cash equivalents		
Cash In Hand	98,557	98,557
(II) Bank Balance		
Dena Bank Manish Nagar	-	20,494
Kotak Mahindra Bank	20,044,019	20,044,019
Icici Bank	50,000	50,000
TOTAL CASH BALANCE	20,192,576	20,213,071
(b) Short-term loans and advances		
Ajmera Cement Pvt.Ltd	-	5 22 38 422
Ajmera Housing Corporation -Bangalore	169,216,894.00	60 65 94 951
TOTAL SHORT TERM LOANS AND ADV	16 92 16 894	65 88 33 373

