

T. P. Ostwal & Associates

CHARTERED ACCOUNTANTS

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Web: <http://www.tpostwal.in>, E-mail: itax@tpostwal.in**Independent Auditors' Report**

To,
The Members,
HL Promoters Private Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of HL Promoters Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of the 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 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. 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.
4. 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 misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements 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 the Company's directors, as well as evaluating the overall presentation of the financial statements.
5. 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.



Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the 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 acceptable in India:

- i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2016;
- ii) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matters

7. We draw attention to the following matter in the Notes to the financial statements: -

Note 27 in the financial statements which indicate that the Company has accumulated losses and its Net worth has been substantially eroded. Although the Company has incurred cash losses during the year, the Company is confident of its continuance in the years to come on account of the promoters support. The financial statements are prepared under going concern assumption though there are accumulated losses.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

8. 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.

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

- a) we have 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 accounts as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) the Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- d) in our opinion, the Balance sheet, the Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) the going concern matter under the Emphasis of Matters paragraph above, in our opinion, may not have an adverse effect on the functioning of the Company.
- f) on the basis of the written representations received from the directors of the Company, taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2016 for being appointed as a director in terms of Section 164(2) of the Act
- g) 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



h) 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) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :

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

For T.P. Ostwal & Associates (Regd.)
Chartered Accountants
(Registration No. 124444W)



T.P. Ostwal
(Partner)
Membership No. 30848

Place: Mumbai

Date: - 6 MAY 2016

06/5/16

Annexure - A to the Independent Auditors' Report – 31st March, 2016

With reference to the Annexure referred to in paragraph 8 of the Independent Auditors' Report of HL Promoters Private Limited on the financial statements for the year ended on 31st March, 2016, we report the following:

- i) In respect of fixed assets:
 - (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The fixed assets were physically verified during the year by the management. According to the information and explanation given to us, no material discrepancies are noticed on such verification.
 - (c) The Company does not have any immovable property.
- ii) According to the information and explanations given to us, the management has conducted physical verification of inventory at reasonable intervals, and no material discrepancies were noticed in such physical verification.
- iii) According to the information and explanations given to us, the Company has not granted any loans to companies covered in the register maintained under Section 189 of the Companies Act, 2013.
- iv) According to the information and explanations given to us, the Company does not have any loans, investments, guarantees and securities.
- v) The Company has not accepted any deposits from the public.
- vi) According to the information and explanations given to us, maintenance of cost records as prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 is not applicable to the company.
- vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, value added tax, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance, duty of excise and duty of customs.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, value added tax, service tax, cess and other material statutory dues were in arrears, as at 31st March, 2016, for a period of more than six months from the date they became payable.
 - (b) There is no statutory dues payable on account of any dispute.
- viii) The Company does not have any loans or borrowings from any financial institution or bank or Government or debenture holders during the financial year under audit.
- ix) The Company has not raised any funds by way of an initial public offer or a further public offer (including debt instruments) and has not taken any term loans during the year.
- x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers/employees has been noticed or reported during the financial year under audit.
- xi) According to the information and explanations given to us, the Company has not paid any managerial remuneration during the financial year under audit.
- xii) According to information and explanations given to us the Company is not a Nidhi Company.



- xiii) According to information and explanations given to us and based on our examination of the records of the Company, transactions with 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.
- xiv) The company has not made any preferential allotment / private placement of shares or fully or partly convertible debentures during the year under audit.
- xv) According to the information and explanations given to us to the best of our knowledge the company has not entered into any non-cash transactions with directors or persons connected with him.
- xvi) The Company is not required to be registered under section 45-IA of the Reserve bank of India Act, 1934.

For T. P. Ostwal & Associates (Regd.)
Chartered Accountants
(Registration No. 124444W)



T. P. Ostwal
(Partner)
Membership No:30848

Place: Mumbai

Date: - 6 MAY 2016

Annexure - B to the Independent Auditors' Report – 31st March, 2016**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 HL Promoters Private Limited ("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.

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 Act.

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 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.

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 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 31st 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: Mumbai

Date: - 5 MAY 2016

For T. P. Ostwal & Associates (Regd.)
Chartered Accountants
(Registration No. 124444W)



T. P. Ostwal
(Partner)
Membership No: 30848

HL Promoters Private Limited

Balance Sheet as at 31st March, 2016

(in ₹)

Particulars	Note No.	As at 31 st March, 2016	As at 31 st March, 2015
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	3	80,000,000	80,000,000
(b) Reserves and surplus	4	(67,542,937)	(778,305)
2 Non - Current Liabilities			
Long-term provisions	5	374,148	-
3 Current liabilities			
(a) Short-term borrowings	6	775,550,349	560,907,808
(b) Trade payables	7		
(i) total outstanding dues of micro enterprises and small enterprises		1,004,549,189	620,042,258
(ii) total outstanding dues of other trade payables		105,954,098	23,018,465
(c) Other current liabilities	8		
(d) Short term provisions	9	228,089	-
TOTAL		1,899,112,936	1,283,190,226
II. ASSETS			
1 Non-current assets			
(a) Fixed Assets	10		
Tangible Assets		810,987	485,140
(b) Deferred Tax Assets (Net)		33,347,043	-
(c) Long term loans and advances	11	1,317,707	69,863
2 Current assets			
(a) Inventories	12	1,674,808,378	1,213,521,584
(b) Trade Receivables	13	6,524,397	-
(c) Cash and bank balances	14	5,584,865	699,820
(d) Short-term loans and advances	15	113,701,570	68,413,819
(e) Other current assets	16	63,017,989	-
TOTAL		1,899,112,936	1,283,190,226
Significant accounting policies and other notes on financial statements	1 to 31		

As per our report of even date attached
For T. P. Ostwal & Associates (Regd.)
Chartered Accountants
(Registration No. 124444W)

T.P. Ostwal
(Partner)
Membership No: 30848

Place:
Date: - 6 MAY 2016

For and on behalf of the Board of Directors

Director

Director
RAKESH JOON

Company Secretary

HL Promoters Private Limited

Statement of Profit And Loss for the Year Ended 31st March, 2016

(in ₹)

Particulars	Note No.	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
Revenue			
I. Revenue from Operations	17	280,447,312	8,000
II. Other income	18	10,468	144,786
III. Total revenue (I + II)		280,457,780	152,786
IV. EXPENSES			
Cost of Sales	19	267,247,869	-
Employee Benefits Expense	20	9,733,261	-
Finance Costs	21	-	-
Depreciation and amortisation expenses	10	869,264	17,727
Other expenses	22	102,719,060	306,077
Total expenses		380,569,454	323,804
V. Profit/(Loss) before tax (III- IV)		(100,111,674)	(171,018)
VI. Tax expense:			
Deferred tax		(33,347,043)	-
		(33,347,043)	-
VII. Profit/(Loss) for the year		(66,764,631)	(171,018)
VIII. Earnings per equity share of ₹ 10 each			
- Basic	23	(8.35)	(0.02)
- Diluted	23	(8.35)	(0.02)
Significant accounting policies and other notes on financial statements	1 to 31		

As per our report of even date attached
For T. P. Ostwal & Associates (Regd.)
Chartered Accountants
(Registration No. 124444W)

T. P. Ostwal
(Partner)
Membership No: 30848

Place :
Date: - 6 MAY 2016

For and on behalf of the Board of Directors

Director

Director

RAKESH JOON

Company Secretary

HL Promoters Private Limited

Cash Flow Statement for the year ended 31st March, 2016

(in ₹)

Particulars	For the year ended 31 st March, 2016	For the period ended 31 st March, 2015
Cash flow from operating activities		
Profit/(loss) before tax	(100,111,674)	(171,018)
Adjustments for:-		
Depreciation and amortisation expenses	869,264	17,727
Interest Income	(10,468)	(144,786)
Operating profit before working capital changes	(99,252,878)	(298,077)
Adjustments for:-		
(Increase) in Trade receivables (including unbilled revenue)	(6,524,397)	
(Increase) in Inventories	(461,286,794)	(1,213,521,583)
Decrease/(Increase) in loans and advances	(45,287,751)	(12,080,819)
Decrease/(Increase) in other current assets	(63,017,990)	-
Increase in Trade payable and other current liabilities	467,442,565	641,737,011
Increase in provisions	602,237	
Cash used in from operations	(207,325,008)	(584,163,468)
Direct taxes paid (net)	(1,247,844)	-
Net Cash used in operating activities	A (208,572,852)	(584,163,468)
Cash flow from investing activities		
Purchase of fixed assets	(1,195,111)	(502,867)
Sale/(Purchase) of Fixed Deposit (under lien)	(100,000)	
Interest received	10,468	144,786
Net cash used in investing activities	B (1,284,643)	(358,081)
Cash flow from financing activities		
Share capital issued (including share premium)	-	30,500,000
Proceeds from borrowings	227,635,867	553,997,808
Repayment of borrowings	(12,993,327)	-
Net cash from financing activities	C 214,642,540	584,497,808
Net Increase/ (Decrease) in cash and cash equivalents	(A+B+C) 4,785,045	(23,742)
Cash and cash equivalents at the beginning of the year	699,820	723,562
Cash and cash equivalents at the end of the year	5,484,865	699,820
	4,785,045	(23,742)
Significant accounting policies and other notes on financial statements - Refer Notes 1 to 31		

As per our report of even date attached
For T. P. Ostwal & Associates (Regd.)
Chartered Accountants
(Registration No. 124444W)

T.P. Ostwal
(Partner)
Membership No: 30848

Place :
Date: - 6 MAY 2016

For and on behalf of the Board of Directors

Director

Company Secretary

Director
RAKESH JOON

HL Promoters Private Limited

Notes on financial statements for the year ended 31st March 2016

Note – 1 Corporate Information

The company (CIN No. U45200DL2013PTC254832), incorporated on 3rd July, 2013, is a 51% subsidiary of HLT Residency Private Limited (a 100% subsidiary of Tata Value Homes Limited).

The company is into real estate development.

Note – 2 SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 133 of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention and on a going concern basis. The Accounting Policies adopted in the preparation of the Financial Statements are consistent with those followed in the Previous Year.

B. Use of Estimates

The preparation of the financial statements in conformity with Generally Accepted Accounting Policies (GAAP) requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of an item or information in the financial statements. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates.

C. Inventories

Inventories are valued at lower of cost and net realisable value.

- a. For Construction Material cost is determined on a weighted average basis.
- b. For Construction Work-in-progress cost includes justifiable borrowing costs attributable to each project.

D. Cash and Cash Equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

E. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

F. Fixed Assets

Fixed Assets are capitalised at cost and incidental expenses, including borrowing costs attributable to additions till the date of capitalisation.

G. Depreciation

- (a) Depreciation on fixed assets is provided using Written Down Value method in manner prescribed in Schedule II of the Companies Act, 2013.
- (b) Depreciation on additions/deletions of assets during the year is provided on a pro-rata basis.
- (c) Leasehold improvements are amortized over the period of lease.



HL Promotes Private Limited

H. Revenue recognition

In respect of projects which have already commenced but where revenue is being recognised for the first time on or after April 1, 2012, the Company has followed the Percentage of Completion method as per the Guidance Note on Accounting for Real Estate Transactions (Revised 2012) for recognising revenue from projects, based on estimation of the outcome of the project when the following are completed:

- a. All critical approvals for commencement have been obtained;
- b. At least 25% of development/costs for the project have been incurred;
- c. At least 25% of the saleable project area is secured by contracts or agreements with buyers and;
- d. At least 10% of the total revenue as per the aforementioned sale agreements have been realised in respect of each such contract and it is expected that the parties will comply with the payment terms of the contracts.

I. Other income

Dividend income is recognised when the right to receive dividend is established.

Other Incomes are accounted on accrual basis.

J. Investments

Investments are capitalised at cost plus brokerage, stamp charges and other attributable expenses. Long-term investments are carried at cost of acquisition, net of diminution in value, if any, which is other than temporary. Current investments are valued at lower of cost and fair value.

J. Employee Benefits

Contributions to Provident and Superannuation Fund are recognised in the Statement of Profit and Loss.

The net present value of the Company's obligation towards gratuity to employees is actuarially determined at the end of the year based on the projected unit credit method. Actuarial gains and losses are immediately recognised in the Statement of Profit and Loss.

Other long term employee benefit comprising of compensated absences and long service awards are provided based on an actuarial valuation as at the year end.

K. Borrowing Costs

Borrowing Costs attributable to qualifying construction projects in progress are added to Construction Work-in-progress till the completion of the project.

L. Taxes on Income

Current Tax: Provision for current income tax is made on the basis of the estimated taxable income for the current accounting period in accordance with the specific applicable laws.

Deferred Tax: Deferred tax is measured based on the tax rate and tax laws enacted or substantially enacted at the balance sheet date. Deferred tax assets are recognized only if there is a reasonable/virtual certainty that they will be realized.

M. Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognised in Profit and Loss Account wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is higher of the assets' net selling price and value in use. In assessing value in use, the

HL Promoters Private Limited

estimated future cash flows are discounted to their present value using weighted average cost of capital.

N. Foreign Currency Transactions

Foreign currency transactions are recorded by applying the respective rate of exchange in force on the date of the transactions. Exchange differences arising on foreign currency transactions settled during the year are recognized in the profit and loss account for the year.

Current assets, current liabilities and borrowings denominated in foreign currency are translated at the exchange rate prevalent at the date of the Balance Sheet. The resultant gain/loss, except in cases where they relate to the acquisition of fixed assets, are recognized in the Profit & Loss Account.

O. Provisions and Contingent Liabilities

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognized and are disclosed by way of notes to accounts.



HL PROMOTERS PRIVATE LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 3: Share capital

(a) Authorised/Issued/Subscribed and Paid-up

Particulars	As at 31 st March, 2016		As at 31 st March, 2015	
	Number of shares	₹	Number of shares	₹
Authorised Equity shares of ₹ 10/- each	10,000,000	100,000,000	10,000,000	100,000,000
Issued, Subscribed and paid-up Equity shares of ₹ 10/- each fully paid-up	8,000,000	80,000,000	8,000,000	80,000,000
	8,000,000	80,000,000	8,000,000	80,000,000

(b) Reconciliation of number of equity shares and amount outstanding at the beginning and at the end of the year:

Particulars	As at 31 st March, 2016		As at 31 st March, 2015	
	Number of shares	₹	Number of shares	₹
Shares outstanding at the beginning of the year	8,000,000	80,000,000	4,950,000	49,500,000
Shares issued during the year	-	-	3,050,000	30,500,000
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	8,000,000	80,000,000	8,000,000	80,000,000

(c) Shares held by holding company and its subsidiary:

Name of shareholder	As at 31 st March, 2016		As at 31 st March, 2015	
	Number of shares	% Holding	Number of shares	% Holding
HLT Residency Private Limited	4,080,000	51	4,080,000	51

(d) Details of equity shares held by shareholders holding more than 5% of equity shares in the Company:

Particulars	As at 31 st March, 2016		As at 31 st March, 2015	
	Number of shares	% Holding	Number of shares	% Holding
HLT Residency Private Limited	4,080,000	51	4,080,000	51
SAS Realtech LLP	3,920,000	49	3,920,000	49

(e) Details of shares issued otherwise than for cash/bonus shares/shares bought back during the immediately preceding 5 years - None

(f) Rights, preference and restriction attached to shares

The company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend, if proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.



HL Promoters Private Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(in ₹)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Note 4 : Reserves and surplus		
Surplus/(Deficit) in the Statement of Profit and Loss		
Opening balance	(778,305)	(607,287)
Add: Net profit/(loss) for the year	(66,764,631)	(171,018)
Closing balance	(67,542,937)	(778,305)
Note 5: Long-term Provisions		
Provision for employee benefits		
- Compensated absences	354,982	-
- Long service award	19,166	-
	374,148	-
Note 6 : Short-term borrowings		
Loans and Advances from related parties (Unsecured)		
HLT Residency Private Limited	645,730,349	431,087,808
SAS Realtech LLP	129,820,000	129,820,000
	775,550,349	560,907,808
In case of continuing default as on the Balance Sheet date in repayment of loans and interest	Not Applicable	Not Applicable
1. Period of default	-	-
2. Amount	-	-
Note 7 : Trade payables		
Payable to Micro, Small and Medium Enterprises	-	-
Others	997,682,650	618,862,929
Retention monies payable	6,866,539	1,179,329
	1,004,549,189	620,042,258
Note 8 : Other current liabilities		
Income received in advance (Unearned revenue)	13,614,706	-
Statutory remittances (Withholding tax, service tax and VAT, etc.)	29,786,140	3,784,265
Employees Contribution to Provident Fund & ESIC	31,953	23,775
Interest accrued but not due on borrowings (included in related party transactions)	62,521,299	19,160,425
Earnest money deposits	-	50,000
	105,954,098	23,018,465
Note 9 : Short-term provisions		
Provision for Employee Benefits		
- Gratuity (net)	71,770	-
- Compensated absences	156,319	-
	228,089	-



HL Promoters Private Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 10 : Fixed assets

Particulars	Gross block		Depreciation / Amortisation		Net block	
	As at 1 st April, 2015	Additions Deductions	As at 31 st March, 2016	For the year Deductions	As at 31 st March, 2016	As at 31 st March, 2015
Tangible assets						
Furnitures and Fixtures	-	400,734	400,734	85,513	315,221	-
Office Equipments	89,117	361,294	450,411	261,525	180,593	80,824
Computers	413,750	433,083	846,833	522,226	315,173	404,316
Total	502,867	1,195,111	1,697,978	869,264	810,987	485,140
Previous Year	-	502,867	502,867	17,727	485,140	-



HL Promoters Private Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(in ₹)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Note 11 : Long-term loans and advances		
Other advances - Unsecured, considered good		
- Advance income tax (net of provisions)	1,317,707	69,863
	1,317,707	69,863
Note 12 : Inventories		
Construction material	9,834,466	-
Construction work-in-progress (includes interest cost)	1,664,973,912	1,213,521,584
	1,674,808,378	1,213,521,584
Note 13: Trade Receivables		
Outstanding for a period exceeding six months from the date they were due		
- Unsecured, Considered Good	426,392	-
- Doubtful	-	-
Less: Provision for doubtful trade receivables	-	-
	426,392	-
Others		
- Unsecured, Considered Good	6,098,005	-
	6,524,397	-
Note 14 : Cash and bank balances		
Cash and cash equivalents		
Cash on Hand	-	50,500
Balances with banks		
-In current accounts	5,484,865	649,320
B. Balances with Banks		
In earmarked account		
- In deposit account under lien	100,000	-
	5,584,865	699,820



HL Promoters Private Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 15 : Short-term loans and advances

(In ₹)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Unsecured, considered good		
Other receivable from related parties - SAS Realech LLP	14,976,568	2,915,032
Advance for projects	53,825,423	57,122,975
Deposit with Government Authorities	2,966,744	3,783,485
Deposit with others	160,202	-
Mobilisation Advance	11,956,668	-
Balances with government authorities	29,795,964	4,592,327
	113,701,570	68,413,819
Note 16 : Other current assets		
Unbilled Revenue (Unbilled revenue represents future instalments receivable from customers)	63,011,334	-
Interest accrued on deposits	6,654	-
Total	63,017,989	-



HL Promoters Private Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(in ₹)

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
Note 17: Revenue from Operations		
Sale of properties	280,403,310	-
Other Operating Revenues		
- Other income from customers	44,002	8,000
	280,447,312	8,000
Note 18 : Other income		
Interest on		
- Bank deposits	6,654	-
- Loans and deposits	-	73,636
- Delayed payment charges	3,814	-
Other non-operating income		
Net Gain on Foreign Currency Transactions and Translations	-	39,965
Miscellaneous Income	-	31,185
	10,468	144,786
Note 19: Cost of Sale of projects		
Cost of Sales	267,247,869	-
	267,247,869	-
Note 20: Employee Benefits Expense		
Salaries and Bonus etc.	9,288,259	-
Contribution to Provident and Other Funds	406,559	-
Staff Welfare Expenses	38,443	-
	9,733,261	-
Note 21 : Finance costs		
Interest expense on borrowings:		
- Interest on fixed loans	89,519,496	21,114,526
- Interest on Others	26,603,075	46,766,951
Total Interest expenses	116,122,571	67,881,477
Other borrowing costs:		
- Other ancillary costs	100,500	-
Total finance cost	116,223,071	67,881,477
Less: Apportionment to construction work in progress	116,223,071	67,881,477
	-	-
Note 22 : Other expenses		
Professional fees	295,284	28,855
Travelling expenses	-	3,572
Repairs and Maintenance		
- Others	8,947	-
Insurance	23,262	-
Net Loss on Foreign Currency Transactions and Translations	233,118	-
Selling expenses	102,024,271	-
Payable to auditors		
- Audit fees	60,000	21,910
- Service tax	-	3,090
Administrative and other expenses	74,178	248,650
	102,719,060	306,077



HL Promoters Private Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 23 : Earnings per share (EPS)

In accordance with the Accounting Standard on "Earnings Per Share" (AS-20) notified by the Companies (Accounting Standards) Rules, 2006 the Earning Per Share has been computed by dividing the Net Profit After Tax by the weighted average number of ordinary shares.

(In ₹)

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
Profit / (Loss) after tax (in ₹)	(66,764,631)	(171,018)
Number of equity shares	8,000,000	8,000,000
Weighted average number of equity shares	8,000,000	6,997,260
Earnings per share (basic & diluted) - in ₹	(8.35)	(0.02)
Face value per share (in ₹)	10	10

Note 24 : Segment reporting

As the Company is engaged only in the business of development of property and related activities in India, it has no reportable segments in terms of Accounting Standard 17 on Segment reporting notified by the Companies (Accounting Standards) Rules, 2006.



HL Promoters Private Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 25 : Related party transactions

25.1 List of related parties and relationships

Sr. No.	Related party
1	Holding company HLT Residency Private Limited
2	Company which holds substantial interest SAS Realtech LLP

25.2 Transactions with the related parties

Sr. No.	Particulars	Holding Company	Company which holds substantial interest
1	Share capital Issue of equity shares	(15,555,000)	(14,945,000)
2	Finance Interest expense on inter corporate deposits taken	65,368,447 (20,876,481)	24,151,049 (238,044)
3	Inter corporate deposits taken	227,635,867 (424,177,808)	(129,820,000)
4	Loans and inter-corporate deposits repaid	12,993,327	-

19.3 Closing balance at the year ended

1	ASSETS		
	Advance given	26,520,000 (26,520,000)	25,480,000 (25,480,000)
	Outstanding Receivable		14,976,568 (2,915,032)
2	LIABILITIES		
	Inter corporate deposit payable	645,730,348 (431,087,808)	(129,820,000)
	Interest accrued but not due	40,571,114 (18,946,184)	21,950,184 (21,950,184)
	Outstanding payable	14,976,568 (2,915,032)	

Figures in brackets are for the previous year



HL Promoters Private Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 26 : Micro, Small and Medium Enterprises

- 26.1 Sundry creditors include principal amount of ₹ Nil (As at 31st March, 2015 ₹ Nil) due to the suppliers covered under Micro, Small and Medium Enterprises Development Act, 2006
- 26.2 No interest was paid during the current year as well as during the previous year by the Company to such suppliers.
- 26.3 No interest is due and payable for the period of delay in making payment, if any, at the end of the current year as well as previous year by the Company to such suppliers.
- 26.4 No interest was accrued and remains unpaid at the end of the current year as well as previous year by the Company to such suppliers.

The above information has been determined to the extent such suppliers have been identified on the basis of information available with the Company.

Note 27: Going concern

The Company has incurred net cash loss of ₹95,596,462 during the year (P.Y : ₹ 1,53,291). Although the company has incurred cash losses during the year it is confident of its continuance in the years to come on account of the promoters experience and their involvement and support in the concerned business.

Note 28: Pending litigation

There are no pending litigations against the company as at 31st March 2016, which will impact its financial position.

Note 29: Foreseeable losses

The Company does not have any long-term contracts nor derivatives contracts, which require a provision for any foreseeable losses.

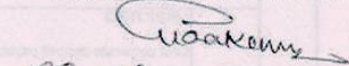
Note 30: Investor Education and Protection Fund

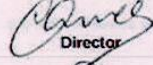
There were no amounts which were required to be transferred to the above fund as at 31st March, 2016.

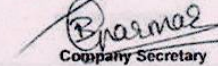
Note 31: Other note

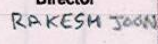
Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For and on behalf of the Board of Directors


Director


Director


Company Secretary


RAKESH JOON

Place: Mumbai

Date: - 6 MAY 2016

