

NEW AGE REALTY PRIVATE LIMITED

CIN: U70101WB2007PTC113240
REGD OFF: EMAMI TOWER, 2ND FLOOR,
687, ANANDAPUR, E.M. BYPASS
KOLKATA-700107

Audited Financial Statements for the year ended 31st March, 2016

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the 10th Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2016.

The financial performance of the Company for the year ended on 31st March, 2016 is summarised below:

(Amount in)

Particulars	2015-16	2014-15
Increase/(Decrease) in Inventories	38,58,444	94,97,454
Total Revenue	38,58,444	94,97,454
Total Expenses	2,84,58,889	2,74,52,868
Profit/(Loss) Before Taxation	(2,46,00,445)	(1,79,55,414)
Tax Expenses		
- Current Tax	-	-
Profit/(Loss) After Taxation	(2,46,00,445)	(1,79,55,414)
Profit/(Loss) Brought Forward	(6,31,84,587)	(4,52,29,173)
Balance Carried Forward	(8,77,85,032)	(6,31,84,587)

DIVIDEND

In view of the loss during the year, your Directors do not recommend any dividend for the financial year 2015-16.

STATE OF COMPANY AFFAIRS

As reported under Note 17 of the Notes to Financial Statements, the matter is still sub-judice.

CHANGE IN NATURE OF BUSINESS, IF ANY

During the year under review, there has been no change in the nature of business of the Company.

HOLDING COMPANY AND SUBSIDIARY

The Company is a subsidiary of Emami Realty Limited. Further, the Company has no subsidiary, joint venture or associate.

MATERIAL CHANGES AND COMMITMENTS AFTER THE BALANCE SHEET DATE

There have been no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

There were no loans, guarantees, securities and investments made by the Company under Section 186 of the Companies Act, 2013 during the Financial Year 2015-16.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

There are no contracts or arrangements entered into by the Company with Related Parties referred to in Section 188(1) of the Companies Act, 2013.

PUBLIC DEPOSITS

The Company has not invited or accepted deposits from the public covered under Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

AUDITOR & AUDITOR'S REPORT

M/S S. K. Agrawal & Co., Chartered Accountants (Firm Registration No. 306033E), Statutory Auditors of the Company have been appointed by the members at the Annual General Meeting held on 5th September, 2014 to hold office for a period of 5 years subject to ratification of members annually. Accordingly, appointment of M/S S. K. Agrawal & Co., Chartered Accountants, as Statutory Auditors of the Company is placed for ratification by the shareholders. In this regard, the Company has received a certificate from the auditors to the effect that if they are re-appointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

The Auditor's Report to the shareholders for the year under review does not contain any qualification.

DIRECTORS

There is no change in Directorship during the year.

As per the provisions of Section 152(6)(c) of the Companies Act, 2013, Mr. Girja Kumar Choudhary retires by rotation, and being eligible, offers himself for re-appointment. The Board recommends his re-appointment for the approval of the members.

MEETINGS OF BOARD OF DIRECTORS

During the financial year ended 31st March, 2016, five Board Meetings were held on 22nd May, 2015, 25th June, 2015, 18th September, 2015, 21st December, 2015 and 15th March, 2016. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

The details of the number of meetings held and attendance of the Directors thereat is given herein below:

Name of Directors	No. of Meetings held	No. of Meetings attended
Mr. Girja Kumar Choudhary	5	5
Mr. Sanjay Choudhary	5	4
Mr. Hari Khemchand	5	2
Mr. Suresh Menda	5	NIL

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of Section 134(3)(c) and 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, the Directors hereby confirm that:-

- (i) in the preparation of the annual accounts for the year ended 31st March, 2016, the applicable accounting standards, have been followed and there are no material departures from the same;
- (ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the loss of the Company for that period;
- (iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- (iv) the Directors have prepared the annual accounts of the Company on a 'going concern' basis.
- (v) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the nature of its business and the size of its operations.

EXTRACT OF THE ANNUAL RETURN

Extract of the Annual Return as on the financial year ended 31st March, 2016 in Form MGT 9 is annexed hereto as "**Annexure - 1**" and forms a part of this report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNALS

There are no significant material orders passed by the Regulators / Courts/Tribunals which would impact the going concern status of the Company and its future operations.

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

- A. The operations of the Company are not energy intensive as the Company is not engaged in any manufacturing activity and hence reporting under this does not arise.
- B. No technology has been developed and / or imported by way of foreign collaboration.
- C. During the year, the Company has had "nil" foreign exchange earnings and outgo.

APPRECIATION

Your Board of Directors wish to place on record their sincere thanks to the Shareholders, Company's Bankers and other Business Associates for their support, co-operation and confidence in the management of the Company.

For and on behalf of the Board of Directors

Kolkata
May 26, 2016

Sd/-
Girja Kumar Choudhary
Director (DIN: 00821762)

Sd/-
Sanjay Choudhary
Director (DIN: 00669470)

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the Financial Year ended on 31st March 2016

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i) CIN	U70101WB2007PTC113240
ii) Registration Date	09/02/2007
iii) Name of the Company	New Age Realty Private Limited
iv) Category Sub-Category of the Company	Private Company limited by Shares Indian Non-Government Company
v) Address of the Registered office and contact details	Emami Tower, 2 nd Floor, 687 Anandapur, E. M. Bypass, Kolkata-700 107 Phone: 033 6613 6264 Email: secretarial@emamirealty.com
vi) Whether listed company -Yes / No	No
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
	None	-	-

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
1.	Emami Realty Limited Emami Tower, 2 nd Floor, 687 Anandapur, E. M. Bypass, Kolkata- 700107	U45200WB2006PLC111894	Holding	60%	2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									NO CHANGE DURING THE YEAR
(1) Indian									
a) Individual/HUF	-								
b) Central Govt	-								
c) State Govt (s)	-								
d) Bodies Corp.	-	50,000	50,000	100	-	50,000	50,000	100	
e) Banks / FI	-	-	-	-	-	-	-	-	
f) Any Other	-	-	-	-	-	-	-	-	
Sub-total (A) (1):-	-	50,000	50,000	100	-	50,000	50,000	100	
(2) Foreign									
a) NRIs -Individuals	-	-	-	-	-	-	-	-	
b) Other – Individuals	-	-	-	-	-	-	-	-	
c) Bodies Corp.	-	-	-	-	-	-	-	-	
d) Banks / FI	-	-	-	-	-	-	-	-	
e) Any Other	-	-	-	-	-	-	-	-	
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	-	50,000	50,000	100	-	50,000	50,000	100	

B. Public Shareholding	-	-	-	-	-	-	-	-	
1. Institutions									
a) Mutual Funds									
b) Banks / FI	-	-	-	-	-	-	-	-	
c) Central Govt	-	-	-	-	-	-	-	-	
d) State Govt(s)	-	-	-	-	-	-	-	-	
e) Venture Capital Funds	-	-	-	-	-	-	-	-	
f) Insurance Companies	-	-	-	-	-	-	-	-	
g) FIs	-	-	-	-	-	-	-	-	
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	
i) Others (specify)	-	-	-	-	-	-	-	-	
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian									
ii) Overseas	-	-	-	-	-	-	-	-	
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 L									
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	-	-	-	-	-	-	-	-	
c) Others (specify)	-	-	-	-	-	-	-	-	
Sub-total (B)(2):-	-	-	-	-	-	-	-	-	
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	-	-	-	-	-	-	-	
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	
Grand Total (A+B+C)	-	50,000	50,000	100	-	50,000	50,000	100	

(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Emami Realty Limited *	30,000	60	Nil	30,000	60	Nil	No Change
2	Presidium Constructions (Coimbatore) Private Limited	20,000	40	Nil	20,000	40	Nil	

*Out of 30,000 equity shares, 200 shares are held by Nominee Shareholders of Emami Realty Limited

(iii) Change in Promoters' Shareholding-

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	50,000	100	50,000	100
2.	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change during the year			
3.	At the End of the year	50,000	100	50,000	100

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): - Not Applicable

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	For Each of the Top 10 Shareholders				
1.	At the beginning of the year				
2.	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
3.	At the End of the year (or on the date of separation, if separated during the year)				

(v) Shareholding of Directors and Key Managerial Personnel: NIL

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	None of the Directors hold Shares in the Company			
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc):	None of the Directors hold Shares in the Company			
	At the End of the year	None of the Directors hold Shares in the Company			

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

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	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	14,92,87,978	-	14,92,87,978
ii) Interest due but not paid	-	2,16,49,460	-	2,16,49,460
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	17,09,37,438		17,09,37,438
Change in Indebtedness during the financial year				
• Addition	-	4,65,94,020	-	4,65,94,020
• Reduction	-	1,83,00,247	-	1,83,00,247 -
Net Change	-	2,82,93,773		2,82,93,773
Indebtedness at the end of the financial year	-		-	
i) Principal Amount	-	17,13,32,978	-	17,13,32,978
ii) Interest due but not paid	-	2,78,98,233	-	2,78,98,233
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	19,92,31,211	-	19,92,31,211

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: **NIL**

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		
2	Stock Option		
3	Sweat Equity		
4	Commission - as % of profit - others, specify...		
5	Others, please specify		
	Total (A)		
	Ceiling as per the Act		

B. Remuneration to other directors: **NIL**

Sl. No.	Particulars of Remuneration	Name of Directors	Total Amount
1	1. Independent Directors • Fee for attending Board Meetings		
	• Commission		
	• Others, please specify		
	Total (1)		
2	Other Non-Executive Directors • Fee for attending board / committee Meetings		
	• Commission		
	• Others, please specify		
3	Total (2)		
4	Total (1+2)		
5	Total Managerial Remuneration		
6	Overall Ceiling as per the Act		

C. Remuneration to key managerial personnel other than MD/MANAGER/WTD:
Not Applicable

Sl. no.	Particulars of Remuneration	Key Managerial Personnel	
			Total
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		
	(b) Value of perquisites u/s17(2) Income-tax Act,1961		
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961		
2	Stock Option		
3	Sweat Equity		
4	Commission - as % of profit - others, specify...		
5	Others, please Specify		
	Total		

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

Type	Section of The Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

Independent Auditor's Report

To the Members of NEW AGE REALTY PRIVATE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **NEW AGE REALTY PRIVATE LIMITED ("the Company")** which comprise the Balance Sheet as at 31ST March, 2016, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation 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 maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting 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 adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the 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.

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

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its Loss and its Cash Flow for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, 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 to the extent applicable.
2. As required by section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion proper books of account 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 the Cash Flow Statement dealt with by this Report are in agreement with the books of account
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of written representations received from the Directors as on March 31, 2016 taken on record by the Board of Directors, none of the Directors except Mr. Suresh Menda whose declaration has not been received by the Company is disqualified as on March 31, 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**".
 - (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) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statement- Refer Note 17 to the financial statements.
 - (ii) The Company did not have any long-term contracts including derivative contracts.
 - (iii) There is no sum which needs to be transferred, to the Investor Education and Protection Fund by the Company.

For S.K. Agrawal & Co.
Chartered Accountants
Firm's Registration No- 306033E

Place: Kolkata
Date: 26th May, 2016

Sd/-
Mamta Jain
(Partner)
Membership No- 061299

Annexure A to the Independent Auditors' Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2016:

- (i) The Company does not have any fixed assets and accordingly this clause of the Order is not applicable on the Company.
- (ii) As explained to us, the inventories were physically verified during the year by the management at reasonable interval and no material discrepancies were noticed on physical verification of the inventory as compared to books records.
- (iii) The Company has not granted any 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 ("the Act").
- (iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, guarantees and security and therefore Section 185 & Section 186 of the Act are not applicable to the Company.
- (v) The Company has not accepted any deposits from the public.
- (vi) As explained to us, the Company is not required to maintain cost records prescribed by the Central Government under sub-section (1) of section 148 of the Act.
- (vii) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Income Tax, Service Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2016 for a period of more than six months from the date on which they became payable. During the year, the company did not have any dues towards Provident Fund, Employee State Insurance, Duty of Customs, Duty of Customs.

(b) According to the information and explanations given to us, there are no material dues in respect of Income Tax, Service Tax and Cess which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) The Company does not have any borrowings from any financial institution, bank, Government or debenture holder and accordingly, this clause of the Order is not applicable on the Company.
- (ix) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not raised moneys by way of initial public offer or further public offer including debt instruments and Term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations given to us, the Company has not paid or provided for any managerial remuneration and accordingly this clause of the Order is not applicable.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.

- (xiii) The Company has not entered into any transaction with related parties during the financial year pursuant to Section 188 of the Act. Further, Section 177 of the Act is not applicable to the Company. Accordingly, this clause of the order is not applicable.
- (xiv) According to the information and explanations given to us and based on our examination of records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of records of the Company, the Company has not entered into any non-cash transactions with Directors or persons connected with them. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable.
- (xvi) The Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

For S.K. Agrawal & Co.
Chartered Accountants
Firm's Registration No- 306033E

Place: Kolkata
Date: 26th May, 2016

Sd/-
Mamta Jain
(Partner)
Membership No- 061299

Annexure B to the Independent Auditors' Report .

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

We have audited the internal financial controls over financial reporting of **NEW AGE REALTY PRIVATE LIMITED** to the extent records available with us in conjunction with our audit of the financial statements of the company as of and for the year ended 31st March, 2016.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls. 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, 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2016, based on the internal control over financial reporting criteria established by the Company.

**For S.K. Agrawal & Co.
Chartered Accountants
Firm's Registration No- 306033E**

**Place: Kolkata
Date: 26th May, 2016**

**Sd/-
Mamta Jain
(Partner)
Membership No- 061299**

NEW AGE REALTY PRIVATE LIMITED
Balance Sheet as at 31st March, 2016

Amount in ₹

	Note	As at 31.03.2016	As at 31.03.2015
<u>EQUITY AND LIABILITIES</u>			
Shareholders' Funds			
Share Capital	2	5,00,000	5,00,000
Reserves and Surplus	3	<u>(8,77,85,032)</u>	<u>(6,31,84,587)</u>
		(8,72,85,032)	(6,26,84,587)
Current Liabilities			
Short -Term Borrowings	4	19,92,31,211	17,09,37,438
Other Current Liabilities	5	<u>7,34,493</u>	<u>5,80,977</u>
		19,99,65,704	17,15,18,415
TOTAL		<u><u>11,26,80,672</u></u>	<u><u>10,88,33,828</u></u>
<u>ASSETS</u>			
Non - Current Assets			
Long - Term Loans & Advances	6	4,50,00,000	4,52,53,624
Current Assets			
Inventories	7	6,71,64,920	6,33,06,476
Cash and Bank Balances	8	359	8,653
Short - Term Loans and Advances	9	<u>5,15,393</u>	<u>2,65,075</u>
		6,76,80,672	6,35,80,204
TOTAL		<u><u>11,26,80,672</u></u>	<u><u>10,88,33,828</u></u>
Summary of Significant Accounting Policies and Notes to Accounts	1 to 20	-	

As per our report of even date
For S. K. Agrawal & Co.
Chartered Accountants
Firm Registration No. 306033E

Sd/-
Mamta Jain
Partner
M. No. 061299
Place: Kolkata
Date: 26th May 2016

For and on behalf of the Board

Sd/-
Girja Kumar Choudhary
Director (DIN:00821762)

Sd/-
Sanjay Choudhary
Director (DIN:00669470)

NEW AGE REALTY PRIVATE LIMITED

Statement of Profit and Loss for the year ended 31st March, 2016

Amount in ₹

Particulars	Note	2015-16	2014-15
<u>Income</u>			
Revenue from Operations		-	-
Other Income		-	-
Increase/(Decrease) in Inventories	10	38,58,444	94,97,454
Total Revenue (I)		38,58,444	94,97,454
<u>Expenses</u>			
Finance Costs	11	2,45,49,020	1,79,36,071
Project Expenses	12	38,58,444	94,97,454
Other Expenses	13	51,425	19,343
Total Expenses (II)		2,84,58,889	2,74,52,868
Profit/(loss) before tax (I-II)		(2,46,00,445)	(1,79,55,414)
Tax Expenses			
Current Tax		-	-
Profit/(loss) for the period		(2,46,00,445)	(1,79,55,414)
Earnings per equity share of face value of ₹10/- each			
Basic & Diluted	14	(492.01)	(359.11)
Summary of Significant Accounting Policies and Notes to Accounts	1 to 20		

As per our report of even date

For S. K. Agrawal & Co.

Chartered Accountants

Firm Registration No. 306033E

For and on behalf of the Board

Sd/-

Mamta Jain

Partner

M. No. 061299

Place: Kolkata

Date: 26th May 2016

Sd/-

Girja Kumar Choudhary

Director (DIN:00821762)

Sd/-

Sanjay Choudhary

Director (DIN:00669470)

NEW AGE REALTY PRIVATE LIMITED

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

Amount in ₹

Particulars	2015-16	2014-15
<u>A. Cash Flow from Operating Activities</u>		
Profit/(Loss) before tax	(2,46,00,445)	(1,79,55,414)
<u>Add: Adjustment for</u>		
Finance Costs	2,45,49,020	1,79,36,071
Operating Profit before Working Capital Changes	(51,425)	(19,343)
<u>Adjustment for:</u>		
Increase in Other Current Liabilities	1,53,516	7,57,792
Increase in Inventories	(38,58,444)	(94,97,454)
Decrease in Long Term Loans and Advances	2,53,624	-
Decrease/(Increase) in Short - Term Loans and Advances	(2,50,318)	7,49,590
Cash used in Operations	(37,53,047)	(80,09,415)
Taxes Paid	-	-
Net Cash used in Operating Activities (A)	(37,53,047)	(80,09,415)
<u>B. Cash Flow from Investing Activities</u>		
	-	-
Net Cash from Investing Activities (B)	-	-
<u>C. Cash Flow from Financing Activities</u>		
Proceeds from Short - Term Borrowing	2,82,93,773	2,59,38,778
Interest Paid	(2,45,49,020)	(1,79,36,071)
Net Cash from Financing Activities (C)	37,44,753	80,02,707
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	(8,294)	(6,708)
Cash and Cash Equivalents at the beginning of the year *	8,653	15,361
Cash and Cash Equivalents at the end of the year *	359	8,653

* Represents Cash and Bank Balances as indicated in Note No. 8

As per our report of even date

For S. K. Agrawal & Co.

Chartered Accountants

Firm Registration No. 306033E

Sd/-

Mamta Jain

Partner

M. No. 061299

Place: Kolkata

Date: 26th May 2016

For and on behalf of the Board

Sd/-

Jirja Kumar Choudhary
Director (DIN:00821762)

Sd/-

Sanjay Choudhary
Director (DIN:00669470)

NEW AGE REALTY PRIVATE LIMITED

1. Significant Accounting Policies for the year ended 31st March 2016

I. Basis of preparation

These financial statements are prepared in accordance with Indian Generally Accepted Accounting principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act 2013 (the 'Act') read with Rule 7 of the Companies (Accounts) Rules 2014 and the provisions of the Act (to the extent notified). Accounting policies have been consistently applied except where a new accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

II. Use of estimates

The preparation of financial statements, in conformity with the generally accepted accounting principles, requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known / materialized.

III. Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation. Interest and other financial charges on loans borrowed specifically for acquisition of capital assets are capitalized till the start of its intended use.

IV. Intangible Assets

Intangible assets are recognized, only if it is probable that the future economic benefits that are attributable to the assets will flow to the enterprises and the cost of the assets can be measured reliably. The intangible assets are recorded at cost and are carried at cost less accumulated amortization and accumulated impairment losses, if any.

V. Depreciation and Amortisation

Depreciation are provided on written down value basis, at the rate determined with reference to the useful lives specified in the Schedule II of the Companies Act 2013.

Intangible Assets are amortized over a period of five years.

VI. Investments

Long term investments are stated at cost. Current investments are stated at cost or fair value whichever is lower. Diminution in value of long term investments other than temporary in nature is charged to Statement of Profit & Loss.

VII. Inventories

Inventories are valued at lower of cost and net realisable value. Work-in-Progress is valued of construction works certified by the Management.

VIII. Provisions and Contingent Liabilities

Provisions are recognized when the Company has a legal and constructive obligation as a result of a past event, for which it is probable that a cash outflow will be required and reliable estimate can be made of the amount of the obligation. Contingent liabilities are disclosed when the Company has a possible obligation or a present obligation and it is probable that a cash outflow will not be required to settle the obligation. Provisions and Contingent Liabilities are revalued at each Balance sheet date.

IX. Revenue Recognition

Revenues are recognised in accordance with the guiding principles of Accounting Standard - 9, notified in the Companies (Accounting Standards) Rules, 2006.

X. Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of assets. All other borrowing costs are charged to revenue. A qualifying asset is one that takes substantial period of time to get ready for its intended use.

XI. Taxation

Income Tax expense comprises of current tax and deferred taxes. Income tax Expense is accounted for in accordance with AS-22 "Accounting for Taxes on Income" which includes current tax and deferred taxes.

Deferred income tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences for earlier years. Deferred tax assets arising from timing differences are recognised to the extent , there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets will be realised.

NEW AGE REALTY PRIVATE LIMITED

1. Significant Accounting Policies for the year ended 31st March 2016

XII. Employee Benefits

a) Short term employee benefits are recognised as expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.

b) Post employment and other long term employee benefits are recognised as expense in the Statement of Profit and Loss for the year in which the employees have rendered services. The expenses are recognised at the present value of amounts payable determined using the actuarial valuation techniques at the end of each financial year. Actuarial gains or losses in respect of post employment and other long term benefits are charged to Statement of Profit & Loss.

XIII. Segment Reporting

Based on the guiding principles given in the Accounting Standard - 17 on "Segment Reporting", issued by the Institute of Chartered Accountants of India, the Company's primary business segment is Real Estate. Hence, the disclosure requirements of AS-17 in this regard is not applicable.

XIV. Impairment of Assets

The Company identifies impairable assets at the year end in accordance with the guiding principals of Accounting Standard 28, notified in Companies (Accounting Standards) Rules 2006, for the purpose of arriving at impairment loss thereon being the difference between the book value and recoverable value of relevant assets. Impairment loss, when crystallizes, are charged against revenues for the year.

XV. Earning per share

Basic earnings per share are calculated by dividing the net profit/loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of equity shares outstanding during the period are adjusted for the effects for all dilutive potential equity shares.

XVI. Cash and Cash Equivalents

Cash and cash equivalents for the purpose of cash flow statement comprise current account bank balance, cash in hand and bank deposit account balance.

NEW AGE REALTY PRIVATE LIMITED
Notes to Financial Statements for the year ended 31st March 2016

	As at 31st March 2016 Amount (₹)		As at 31st March 2015 Amount (₹)	
2 Share Capital				
Authorized Shares				
1,00,000 Equity Shares of ₹10/- each.		10,00,000		10,00,000
Issued, subscribed & fully paid-up shares				
50,000 Equity Shares of ₹10/- each		5,00,000		5,00,000
		<u>5,00,000</u>		<u>5,00,000</u>
a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period				
Equity Shares	As at 31st March 2016		As at 31st March 2015	
	No of shares	Amount (₹)	No of shares	Amount (₹)
At the beginning of the period	50,000	5,00,000	50,000	5,00,000
Issued during the period	-	-	-	-
Outstanding at the end of the period	<u>50,000</u>	<u>5,00,000</u>	<u>50,000</u>	<u>5,00,000</u>
b. Rights attached to Equity Shares				
The company has only one class of equity shares having a par value of ₹10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.				
c. Shares held by Holding Company				
Out of Equity Shares issued by the Company, shares held by its Holding Company are as below:				
		As at 31st March 2016 Amount (₹)		As at 31st March 2015 Amount (₹)
Emami Realty Limited, Holding Company				
30,000 Equity Shares of Rs. 10/- each fully paid		3,00,000		3,00,000
d. Details of shareholders holding more than 5% shares in company				
Name of Shareholders	As at 31st March 2016		As at 31st March 2015	
	No of shares	% holding in the class	No of shares	% holding in the class
Equity shares of ₹10 each fully paid				
Emami Realty Limited, Holding Company	30,000	60%	30,000	60%
Presidium Constructions (Coimbatore) Private Limited, Investing entity to which the Company is an Associate	20,000	40%	20,000	40%
3 Reserves & Surplus				
Surplus/(deficit) in the Statement of Profit and Loss				
At the beginning of the year			(6,31,84,587)	(4,52,29,173)
Add: Surplus/(deficit) transferred from Statement of Profit & Loss			(2,46,00,445)	(1,79,55,414)
Total Reserves and Surplus			<u>(8,77,85,032)</u>	<u>(6,31,84,587)</u>
4 Short -Term Borrowings				
Unsecured				
Loans from Related Party (Refer Note No. 15) *			19,92,31,211	17,09,37,438
			<u>19,92,31,211</u>	<u>17,09,37,438</u>
* Repayable on demand.				
5 Other Current Liabilities				
Liabilities for Expenses			57,094	1,41,636
Cheques Overdrawn			43,406	-
Other Payables*			6,33,993	4,39,341
			<u>7,34,493</u>	<u>5,80,977</u>
* Includes Statutory dues				
6 Long -Term Loans & Advances				
(Unsecured considered good)				
Deposit under Joint Development Agreement			4,00,00,000	4,00,00,000
Other Advances			50,00,000	52,53,624
			<u>4,50,00,000</u>	<u>4,52,53,624</u>
7 Inventories				
Work-in-Progress			6,71,64,920	6,33,06,476
			<u>6,71,64,920</u>	<u>6,33,06,476</u>
8 Cash and Bank Balances				
Cash and Cash Equivalents				
Balances with Banks			-	8,176
Cash in hand			359	477
			<u>359</u>	<u>8,653</u>
9 Short- Term Loans and Advances				
(Unsecured, considered good)				
Other Receivables			50,000	1,50,000
Balances with Government Authorities				
Service Tax Credit Receivable			4,65,393	1,15,075
			<u>5,15,393</u>	<u>2,65,075</u>
10 Increase/(decrease) in Inventories				
I. Opening Stock				
Work-in-Progress			6,33,06,476	5,38,09,022
			<u>6,33,06,476</u>	<u>5,38,09,022</u>
II. Closing Stock				
Work-in-Progress			6,71,64,920	6,33,06,476
			<u>6,71,64,920</u>	<u>6,33,06,476</u>
Net Increase / (Decrease) (II - I)			<u>38,58,444</u>	<u>94,97,454</u>

NEW AGE REALTY PRIVATE LIMITED
Notes to Financial Statements for the year ended 31st March 2016

	Year ended 31st March 2016 Amount (₹)	Year ended 31st March 2015 Amount (₹)
11 Finance Costs		
Interest Expenses	2,45,49,020	1,79,36,071
	<u>2,45,49,020</u>	<u>1,79,36,071</u>
12 Project Expenses		
Travelling & Conveyance	2,40,030	68,282
Electricity	31,075	10,017
Land Development Expenses	-	84,04,623
Site Expenses	6,13,577	1,10,336
Insurance Premium	-	2,999
Other Operating Expenses	6,697	597
Legal & Professional Fees	29,67,065	9,00,600
	<u>38,58,444</u>	<u>94,97,454</u>
13 Other Expenses		
Rates & Taxes excluding Taxes on Income	4,550	4,400
Miscellaneous Expenses	35,425	3,707
Auditors' Remuneration (Refer Note No 16)	11,450	11,236
	<u>51,425</u>	<u>19,343</u>
14 Earnings per share (EPS)		
Earnings per Share is calculated as follows:		
Net Profit/(loss) after tax attributable to Equity Shareholders	(2,46,00,445)	(1,79,55,414)
Weighted average number of equity shares	50,000	50,000
Nominal value of equity share	10	10
Basic and Diluted Earnings per Share	(492.01)	(359.11)

15 Related Party Disclosures

i) List of related parties where control exists and related parties with whom transactions have taken place and relationships:

Name of Related Party	Relationship
Emami Realty Limited	Holding Company
Presidium Constructions (Coimbatore) Private Limited	Investing entity to which the Company is an Associate

ii) Key Managerial Personnel & Other Directors

a) Key Managerial Personnel:

Mr. Girja Kumar Choudhary Director

b) Other Directors:

Mr. Sanjay Choudhary Director

Mr. Suresh Menda Director

Mr. Hari Khemchand Director

iii) Transactions during the year with related parties:

Nature of Transactions □	Holding Company		Investing entity to which the Company is an Associate	
	31/03/2016	31/03/2015	31/03/2016	31/03/2015
Loans Taken	2,20,45,000	88,10,000	-	-
Interest Paid	1,83,00,247	2,69,041	-	-
Reimbursements	4,65,500	3,65,201	-	-
Deposit taken u/s 160	1,00,000	-	-	-
Refund of Deposit taken u/s 160	1,00,000	-	-	-
Balance as on 31st March 2016				
Loans Taken	18,70,46,281	15,87,52,508	1,21,84,930	1,21,84,930

	Year ended 31st March 2016 Amount (₹)	Year ended 31st March 2015 Amount (₹)
16 Auditors' Remuneration		
As Auditors :		
Audit Fees	11,450	11,236
	<u>11,450</u>	<u>11,236</u>

17 Against the JDA Assignment Agreement entered by the Company with M/S. Presidium Construction (Coimbatore) Pvt. Ltd. and M/S Karthikeya Ancillaries Pvt. Ltd. (the landlord) for assignment of JDA entered into between the landlord and Presidium Construction Pvt. Ltd. for development of an immovable property situated at Avinashi Road, Coimbatore, the said landlord has served Termination Notice. The Company has taken requisite legal steps including challenging the termination and filing of cases before the various Courts. In terms of order of injunction passed by the learned Principal District Munsif, Coimbatore, the subject property is presently in possession of the Company. Pursuant to the order of the Hon'ble Madras High Court, Justice P K Balasubramanian, Retired Judge of the Supreme Court of India, the Sole Arbitrator, has commenced the arbitration proceedings and the Company has filed the Statement of Claims. The matter is pending disposal before the Arbitral Tribunal. The Company has been legally advised that the result of such proceedings are expected to be in its favour.

18 Deferred Tax

Since there is no virtual certainty supported by convincing evidence, the company has not recognized the deferred tax assets of ₹2,71,17,245/- (Previous Year ₹1,95,15,708/-) as computed below as at 31.03.2016 on unabsorbed business loss as recommended under Accounting Standard (AS - 22) on "Deferred Taxation" issued by The Institute of Chartered Accountants of India.

Particulars	2015-16	2014-15
	Amount (₹)	Amount (₹)
Current Year Loss	2,46,00,445	1,79,55,414
Earlier Year Loss	6,31,57,630	4,52,02,216
Total	8,77,58,075	6,31,57,630
Deferred Tax Asset/(Liabilities)	2,71,17,245	1,95,15,708

19 The Company operates in a single Business Segment i.e. Real Estate Development.

20 Previous year's figures have been rearranged or regrouped wherever necessary.

As per our report of even date
For S. K. Agrawal & Co.
Chartered Accountants
Firm Registration No. 306033E

Sd/-
Mamta Jain
Partner
M. No. 061299
Place: Kolkata
Date: 26th May 2016

For and on behalf of the Board

Sd/-
Girja Kumar Choudhary
Director (DIN:00821762)

Sd/-
Sanjay Choudhary
Director (DIN:00669470)