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## INDEPENDENT AUDITOR'S REPORT

TO,

**THE MEMBERS OF RR REAL ESTATE DEVELOPMENT PVT. LTD.**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of **RR REAL ESTATE DEVELOPMENT PVT. LTD** ("the Company"), which comprise the Balance Sheet as at **31/03/2015**, the Statement of Profit and Loss, 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**

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 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 of 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 thereunder.

D.DADHEECH & CO

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 **31/03/2015**, and its **Loss and it's cash flows** for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditors' Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act, 2013. We give in the Annexure A statements on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.

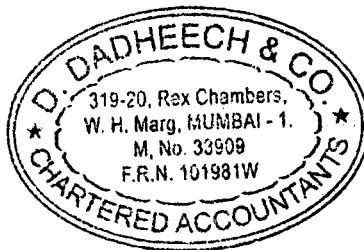
As required by Section 143 (3) of the Act, we report that:

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

- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as 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 the written representations received from the directors as on 31/03/2015 taken on record by the Board of Directors, none of the directors is disqualified as 31/03/2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) 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 statements.
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

6 MAY 2015

Date :  
Place : Mumbai



**FOR D DADHEECH & CO**  
**(Chartered Accountants)**

**Reg No. : 101981W**

*D. Dadheech*

**DEVESH H DADHEECH**

**Proprietor**

**M.No. : 033909**

## **Annexure to the Independent Auditors' Report**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

### **(1) In Respect of Fixed Assets**

(a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) Fixed assets have been physically verified by the management at reasonable intervals; No material discrepancies were noticed on such verification.

### **(2) In Respect of Inventory**

(a) Physical verification of inventory has been conducted at reasonable intervals by the management.

(b) Procedures for physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the company and the nature of its business. There is no inadequacy in such procedures that should be reported.

(c) Company is maintaining proper records of inventory. No material discrepancies were noticed on physical verification.

### **(3) Loans and advances to parties covered under section 189**

As informed to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Act, so sub clause (a) and (b) of this clause are not applicable.

(a) N.A.

(b) N.A.

### **(4) Internal Control in reference to Purchase of Inventory and Fixed Assets and whether there is continue failure of Internal control**

There is adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit no major weakness has been noticed in the internal control system.

### **(5) Rules followed while accepting Deposits**

No deposits within the meaning of Sections 73 to 76 or any other relevant provision of the Act and rules framed thereunder have been accepted by the Company.

### **(6) Maintenance of cost records**

We have broadly reviewed the books of accounts relating to materials, labour and other items of cost maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (l) of section 148 of the Companies Act, 2013 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.

**(7) According to the information and explanations given to us in respect of statutory dues**

(a) The company is regular in depositing with appropriate authorities undisputed statutory dues including Provident fund, Investor education protection fund, Employees' state insurance, Income tax, Sales tax, Wealth tax, Service tax, Custom duty, Excise duty, Cess and other material statutory dues applicable to it.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax or cess and any other statutory dues with the appropriate authorities were in arrears, as at 31st March, 2015 for a period of more than six months from the date they became payable.

(c) N.A.

**(8) Company which has been registered for a period less than five years and accumulated losses are more than 50% of Net worth, Reporting of cash Losses**

The company's accumulated losses at the end of the financial year are more than Fifty percent of its net worth. The company has incurred cash loss of Rs.18.53 Lakh during the year. In the immediately preceding financial year the company had incurred cash loss of Rs.8.25 lakhs.

**(9) Default in Repayment of Loans taken from Bank or Financial Institutions**

The company has not defaulted in repayment of dues to financial institution or bank.

**(10) Terms for Loans and Advances from Banks or Financial Institutions prejudicial to the interest of the company**

On the basis of records examined by us and information provided by the management, we are of the opinion that the company has not given guarantees for loans taken by other from banks or financial institutions.

**(11) Application versus purpose for which Loan Granted**

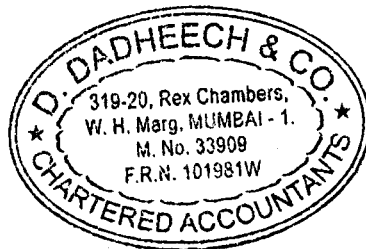
According to the information and explanations given to us, in our opinion, the terms loans were applied for the purpose for which they were obtained.

**(12) Reporting of Fraud During the Year Nature and Amount**

According to the information and explanation given to us, no fraud on or by the company has been noticed or reported during the year.

Place : Mumbai  
Date :

6 MAY 2015



FOR D DADHEECH & CO  
(Chartered Accountants)  
Reg No. :101981W

*[Handwritten Signature]*

DEVESH H DADHEECH  
(Proprietor)  
Membership No : 033909

RR REAL ESTATE DEVELOPMENT PRIVATE LTD.

BALANCE SHEET AS ON 31ST MARCH 2015

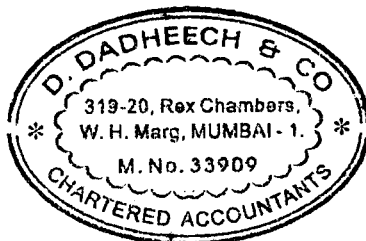
(Rs In Lakhs)

	Note No.	31-Mar-15	31-Mar-14
<b>Particulars</b>			
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>Shareholders Funds</b>			
Share Capital	1	7.50	7.50
Reserve & Surplus	2	(1,065.13)	(783.62)
<b><u>Non-Current Liabilities</u></b>			
Long Term Borrowings	3	3,605.31	3,574.18
<b>Current Liabilities</b>			
Trade payables	4	3.14	2.33
Other Current Liabilities	5	0.03	0.79
<b>TOTAL.....</b>		<b>2,550.85</b>	<b>2,801.18</b>
<b><u>ASSETS</u></b>			
<b><u>Non-Current Assets</u></b>			
<b>Fixed Assets</b>			
Tangible Assets	6	2,515.47	2,235.11
Capital Work in progress			537.66
Long Term Advances	7	25.71	25.41
<b><u>Current assets</u></b>			
(i) Cash & Cash Equivalents	8	9.38	2.69
(ii) Trade Receivable	9	0.30	0.30
<b>TOTAL.....</b>		<b>2,550.85</b>	<b>2,801.18</b>

For and on behalf of  
D. Dadheech & Co.  
Chartered Accountants

*D. Dadheech*

Devesh Dadheech  
Proprietor  
FR No.101981W  
M.No. 33909  
Date :06th May 2015  
Mumbai



For and on behalf of Board of Directors

*Urvi A. Piramal*

Urvi A. Piramal  
DIN NO.00044954

Director

*Nandan A. Piramal*  
Nandan A. Piramal  
DIN NO. 00045003

*Nandan A. Piramal*

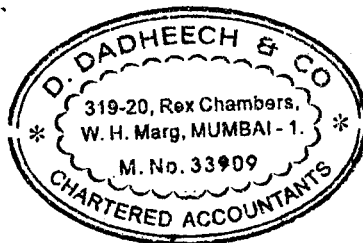
Director

## Statement of Profit and Loss for the year ended March 31,2015

	Note No.	31-Mar-15	31-Mar-14
<b>INCOME:</b>			
Income from Operation		-	-
<b>Total Revenue</b>		-	-
<b>EXPENSES:</b>			
Printing & Stationery			
Professional Fees		0.32	0.34
Electricity Charges		6.41	-
Repairs & Maintenance -Building		11.25	7.28
Rates & Taxes		0.22	0.31
ROC Charges		0.03	0.04
Audit Fees		0.28	0.28
Depreciation		262.83	-
Expenses other than Finance Cost		<b>281.35</b>	<b>8.25</b>
<b>Finance costs</b>			
Interest		0.16	-
Other finance charges		0.00	0.02
<b>Total Expenses</b>		<b>281.51</b>	<b>8.26</b>
<b>Profit / (Loss) before tax</b>		<b>(281.51)</b>	<b>(8.26)</b>
<b>Tax expense:</b>			
Current tax		-	-
Short provision of Income Tax of Earlier years		-	1.04
<b>Profit/Loss after tax</b>		<b>(281.51)</b>	<b>(9.31)</b>
<b>Balance Carried to Balance Sheet</b>			
Earning Per equity share:			
Basic & Diluted ( Refer Note 7 of (II) of Note 10)		(2,815.10)	(93.05)
<b>SIGNIFICANT ACCOUNTING POLICIES</b>			
(For notes forming part of accounts Refer Note No. 10 )			

For and on behalf of  
D. Dadheech & Co.  
Chartered Accountants

Devesh Dadheech  
Proprietor  
FR No.101981W  
Date :06th May 2015  
Mumbai



For and on behalf of Board of Director's

Urvi A. Piramal  
DIN NO.00044954

Director

Nandan A. Piramal  
DIN NO. 00045003

Director

**RR REAL ESTATE DEVELOPMENT PRIVATE LTD.**

NOTE NO. 6

**FIXED ASSETS (At Cost)**

Description	GROSS BLOCKS		
	As on 31.03.2014	Additions during the year	De Write
<b>Intangible Assets</b>			
Goodwill	-	-	
<b>Tangible Assets</b>			
Residential Property	2,235.11	543.19	
<b>TOTAL (A)</b>	<b>2,235.11</b>	<b>543.19</b>	
Previous Year (A)	2,245.35	-	

The Company has charged the Depreciation on the basis of useful depreciation works out to Rs229.40 Lacs charged to Profit & Loss



## NOTE : 1 SHARE CAPITAL

(Rs In Lakhs)

Particulars	31-Mar-15	31-Mar-14
<b>Authorised</b>		
20,000 (P.Y. 20000) Equity Shares of Rs.10/- each	2.00	2.00
70000 (P.Y. 20000) 1% Non Cumulative Redeemable Preference Shares of Rs 10/- each	7.00	7.00
<b>Issued, Subscribed and Paid up</b>		
<b>Equity Shares</b>		
10,000 (P.Y. 10000) Equity Shares of Rs.10/- each (Wholly owned subsidiary of Peninsula Holdings and Investments Private Limited)	1.00	1.00
Share Holder Holding more than 5% of Share Capital of the company (i) 100% (P.Y. 100%) of equity share capital Held by Peninsula Holdings and Investments Private Limited		
<b>Preference Shares</b>		
65000 1% Non Cumulative Redeemable Preference Shares of ( P.Y. 65000) Rs.10/- each Fully paid Share Holder Holding more than 5% of Share Capital of the company-refer note below	6.50	6.50
	7.50	7.50

**Share Holder Holding more than 5% of Non-Cumulative Redeemable Preference Share Capital of the company as on 31.03.13 & 31.03.2014**

Name of Share holder	No. of Share	% Holding	Rs in Lacs
(i) Anjali Talwar	50000	76.92%	5.00
(ii) Rohan Talwar	7500	11.54%	0.75
(iii) Sanjana Talwar	7500	11.54%	0.75
	<b>65,000</b>	<b>100%</b>	<b>6.50</b>

## NOTE : 2 RESERVES AND SURPLUS

Particulars	31-Mar-15	31-Mar-14
<b>Profit &amp; Loss Accounts</b>		
Balance as per Profit and Loss Account	(783.62)	(774.32)
Add : Profit/(Loss) of current year	(281.51)	(9.31)
<b>Closing Balance of Reserve and surplus</b>	<b>(1065.13)</b>	<b>(783.62)</b>

## NOTE : 3 LONG TERM BORROWINGS

Unsecured Loan	31-Mar-15	31-Mar-14
Loan from Ultimate Holding Company ( Peninsula Land Limited)	3,605.31	3,574.18
	3605.31	3574.18

## NOTE No. 4 CURRENT LIABILITIES

(Rs In Lakhs)

	31-Mar-15	31-Mar-14
<b>Trade Payables</b>		
MSMED	-	-
Others	3.14	2.33
	<b>3.14</b>	<b>2.33</b>

## NOTE No. 6 OTHER CURRENT LIABILITIES

	31-Mar-15	31-Mar-14
a) Statutory Dues	0.03	0.79
	<b>0.03</b>	<b>0.79</b>

NOTE No. 7 LONG TERM LOANS & LONG TERM LOANS & ADVANCES  
( Unsecured Considered Good)

	31-Mar-15	31-Mar-14
a) Advance Tax ( Net of Provision)	25.06	25.06
b) Capital Advances	-	-
c) Deposit with Public Bodies	0.64	0.35
	<b>25.71</b>	<b>25.41</b>

## NOTE No. 8 CASH AND CASH EQUIVALENTS

	31-Mar-15	31-Mar-14
a) Cash on Hand	0.92	0.92
b) Balance with banks in current Accounts	8.45	1.77
	<b>9.38</b>	<b>2.69</b>

NOTE No. 9 TRADE RECEIVABLE  
( Unsecured Considered Good)

	31-Mar-15	31-Mar-14
(i) Over six month	0.30	0.30
(ii) Others	-	-
	<b>0.30</b>	<b>0.30</b>

**RR REAL ESTATE DEVELOPMENT PRIVATE LTD.**  
**NOTE NO. 10**

**I Significant Accounting Policies**

1. The financial statements are prepared under the historical cost convention in accordance with Generally Accepted Accounting Principles in India and comply with the Accounting Standards issued by The Institute of Chartered Accountants of India and the provisions of the Companies Act 2013
2. **Fixed assets**  
Fixed Assets are stated at cost less accumulated depreciation.
3. **Miscellaneous Expenditure:**  
Preliminary and pre operative expenses are fully written off to be in line with AS 26.
4. **Depreciation/Amortisation**  
The Company has provided Depreciation as per Schedule II of the Company's Act 2013 as below

Assets	Useful Life of Assets
Building	60 Years

5. **Investments**  
The Company does not have any Investments.
6. **Taxation**
  - (i) **Current Tax**  
The current charge for income tax is calculated in accordance with the relevant tax regulations applicable to the Company.
  - (ii) **Deferred Tax**  
As per the clause 17 of accounting Standard (AS 22) of Institute of Chartered Accountant of India, deferred tax asset should be recognized only to the extent there is virtual certainty that sufficient future income tax will be available against unabsorbed depreciation or carried forward losses.

The management in its wisdom has decided to not to provide deferred tax asset in view of reasonable uncertainty as to future profitability.

7. **Borrowing Costs**  
Borrowing costs that are directly attributable to and incurred on acquiring qualifying assets (assets that necessarily takes a substantial period of time for its intended use) are capitalized. Other borrowing costs are recognized as expenses in the period in which same are incurred.
8. **Provisions, Contingent Liabilities and Contingent Assets**
  - i) Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources and the amount of which can be reliably estimated.
  - ii) Contingent Liabilities are not recognized but are disclosed in the Notes. Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non occurrence of one or more uncertain future event not wholly within the control of the Company.
  - iii) Contingent assets are neither recognized nor disclosed in the financial statements. Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

**II Notes to Accounts**

1. Company is in the business of property Development & Income from operation include Lease rental from property
2. Based on the information available with the Company, there are no suppliers who are registered under the Micro, Small and Medium Enterprises Development Act, 2006 as at March 31st 2015 Hence, the information as required under the Micro, Small and Medium Enterprises Development Act, 2006 is not disclosed.
3. Details require as per schedule III of the Companies Act 2013 wherever applicable has been provided in the notes forming parts of the accounts.
4. In the opinion of the Board, the Current Assets are approximately of the value stated, if realised in the ordinary course of business
5. Cash On Hand at the end of the year is physically verified by the Management on which the Auditors have kept reliance.
6. List of Related Parties and Transactions During the year.

**A Ultimate Controlling Company**  
Peninsula Land Limited

**B Key Management Personnel**  
Rajeev A. Piramal - till part of the year  
Urvi A. Piramal w.e.f. 5th March 2015  
Nandan A. Piramal

Details of Transaction are Follows	Year Ended 2014-2015 (Rs In Lacs )	Year Ended 2013-2014 (Rs In Lacs)
<b>C Loan Taken From</b>		
Ultimate Controlling Company	30.00	40.00
<b>D Reimbursements of Expenses</b>	1.12	0.59
<b>E Outstanding Balances as at March 31.03.2015</b>		
Payable by Company		
Holding Company-PLL	3,605.31	3,574.18

7	Earning Per share (EPS)-As per AS-20 of (CA)	2014-2015	2013-2014
	Profit/(Loss) after Tax (Rs In Lakhs)	(281.51)	(9.31)
	Number of Shares	10000.00	10000.00
	Basic and Diluted EPS (In Rs)	(2,815.10)	(93.05)

8	Payment to statutory auditors	2014-2015	2013-2014
	Statutory Audit fees	0.28	0.28
	Other service	-	0.23

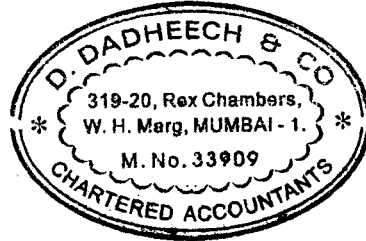
9 Depreciation includes Rs 229.40 Lacs (P.Y. NIL ) provided in respect of earlier years

10 The Company is registered with MCA under CIN No. U45400MH2007PTC171261

11 Previous year figures have been regrouped wherever necessary.

For and on behalf of  
**D. Dadheech & Co.**  
Chartered Accountants

*D. Dadheech*  
Devesh Dadheech  
Proprietor  
FR No.101981W  
M.No. 33909  
Date :06th May 2015  
Mumbai



For and on behalf of Board of Director's

*Urvi A. Piramal*

Urvi A. Piramal  
DIN NO.00044954

Director

*Nandan A. Piramal*  
Nandan A. Piramal  
DIN NO. 00045003

*Nandan A. Piramal*

Director



## RR REAL ESTATE DEVELOPMENT PRIVATE LTD.

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31,2015

(Rs In Lacs)

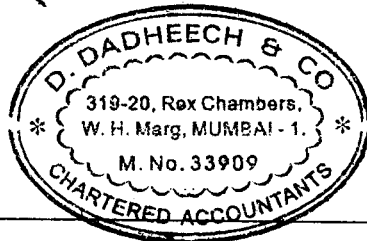
		For the Year Ended 2014-2015	For the Year Ended 2013-2014
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net Profit (Loss) Before Tax and Extra Ordinary Items		(281.51)	(8.26)
Adjustment for:			
Depreciation		262.83	
<b>Adjustments for:</b>			
Less: Increase (Decrease) in Trade and Other Receivables		(0.29)	(0.35)
( Increase)/ Decrease in Loans and Advances		0.05	2.54
Increase/(Decrease )in Trade Payables			
Cash Generated from Operations		(0.24)	2.19
Less : Income Tax paid /( Refund)		-	-
<b>Net Cash From Operating Activities</b>	(A)	<b>(18.92)</b>	<b>(6.08)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
Addition in ( Capital Advance)/refund		(5.52)	(37.65)
<b>Net Cash From Investing Activities</b>	(B)	<b>(5.52)</b>	<b>(37.65)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>			
Loan from Holding Company		31.12	40.58
<b>Net Cash Used in Financing Activities</b>	(C)	<b>31.12</b>	<b>40.58</b>
<b>Net Increase in Cash and Cash Equivalents (A)+(B)+(C)</b>		<b>6.68</b>	<b>(3.15)</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>		<b>2.69</b>	<b>5.84</b>
<b>Cash and Cash Equivalents at the end of the year</b>		<b>9.38</b>	<b>2.69</b>

As per our report of even date.

- The above cash flow statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statement issued by the ICAI
- Previous figures have been regrouped or rearranged or reclassified wherever necessary to confirm the current year's classifications

For and on behalf of  
D. Dadheech & Co.  
Chartered Accountants

Devesh Dadheech  
Proprietor  
FR No.101981W  
Date :06th May 2015  
Mumbai



For and on behalf of Board of Director's

Urvi A. Piramal  
DIN NO.00044954

Director

Nandan A. Piramal  
DIN NO. 00045003

Director