

**AJIT M. GHELANI**  
**B.Com (Hons), F.C.A., GRAD. C.W.A.**

**CHINTAN A. GHELANI**  
**B.Com (Hons), F.C.A., C.S**

**INDEPENDENT AUDITOR'S REPORT**

**To the Members of**  
**Palladium Constructions Private Limited**

**Report on the Financial Statements**

We have audited the accompanying financial statements of **Palladium Constructions Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and 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 of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of the appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that we are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and fair 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.



**A. M. GHELANI & COMPANY**  
**CHARTERED ACCOUNTANTS**

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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 judgement, 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

**Opinion**

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<sup>st</sup> March, 2016, its Profit and its cash flows 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") 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" statement on the matters specified in paragraph 3 and 4 of the Order.
2. As required under provisions of section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c. The Balance Sheet, 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 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 31<sup>st</sup> March, 2016 taken on record by the Board of Directors, none of the directors 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 control over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".




**A. M. GHELANI & COMPANY**  
**CHARTERED ACCOUNTANTS**

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- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rules 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 [Refer Note 27 to the financial statements].
  - ii. The Company did not have any long term contracts including derivative contracts that require provision under any law or accounting standards for which there were any material foreseeable losses.
  - iii. There were no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company during the year.

**For A.M. Ghelani & Company**  
Chartered Accountants  
Registration No : 103173W

  
**Chintan Ghelani**  
Partner  
Membership No.: 104391



Place : Mumbai  
Dated : 6<sup>th</sup> May, 2016

**A. M. GHELANI & COMPANY**  
**CHARTERED ACCOUNTANTS**

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**“Annexure A” referred to in paragraph 1 under the heading Report on other legal and regulatory requirements of our report of even date**

- i) In respect of its Fixed Assets :
- a. The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets on the basis of available information.
  - b. As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
  - c. In our opinion and according to the information and explanations given to us, the Title Deeds of the immovable properties are held in the name of company.
- ii) In respect of its Inventories :
- a. The Inventories constitute Land & Realty Work-in-Progress. According to the information and explanations given to us, the stock of Land has been physically verified by the management during the year.
  - b. The company has maintained proper records of inventory and discrepancies noticed on physical verification of inventory as compared to books records which has been properly dealt with in the books of account were not material.
- iii) The Company has granted unsecured loans, to Companies / firms or other parties covered in the register maintained under section 189 of the Act.
- a. The repayment of principal amounts and interest, if any, are regular.
  - b. There are no overdue amounts.
- iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the companies Act, 2013 in respect of loans, investments, guarantees and security.
- v) According to the information and explanations given to us, the company has not accepted any deposits within the meaning of provisions of section 73 to 76 or any other relevant provisions of the Act and rules framed hereunder. Therefore, provisions of Clause (v) of paragraph 3 of the Order are not applicable to the company.
- vi) We have broadly reviewed the cost records maintained by the company pursuant to the companies (Cost Accounting Records) Rules, 2014 prescribed by the central Government under section 148(1) of the companies Act, 2013 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii) In respect of Statutory dues :
- a. According to the records of the Company, undisputed statutory dues namely Provident Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess, if applicable, and any other applicable statutory dues have been regularly deposited with appropriate authorities.




**A. M. GHELANI & COMPANY**  
**CHARTERED ACCOUNTANTS**

According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2016 for a period of more than six months from the date of becoming payable.

- b. The Disputed KVAT amounting to Rs.84,58,919/- is pertaining to Financial Year 2013-14, out of which Rs. 25,37,695/- has been paid & the company has furnished a Bank Guarantee for the balance Rs. 59,21,224/-. The said matter is in appeal before the Joint Commissioner (Appeals) of Karnataka VAT (Bangalore).
- viii) According to the records examined by us and the information and explanation given to us, we are of the opinion that the company has not defaulted in re-payment of dues to financial institution and banks.
- ix) The Company has not obtained any Term Loans during the year.
- x) Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi) Based upon the audit procedures performed and information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provision of section 197 read with "schedule v" to the companies Act, 2013.
- xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause (xii) of Paragraph 3 of the Order are not applicable to the Company.
- xiii) In our opinion, all the transactions with the related parties are in compliance with section 177 and 188 of The Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable Accounting Standards.
- xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause (xiv) of paragraph 3 of the Order are not applicable to the Company.
- xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with the directors or persons connected with him and covered under section 192 of the Act. Hence, the provisions of clause (xv) of paragraph 3 of the Order are not applicable to the Company.
- xvi) To the best of our knowledge and as explained, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For A.M. Ghelani & Company**  
Chartered Accountants  
Registration No : 103173W

  
**Chintan Ghelani**  
Partner  
Membership No.: 104391



Place : Mumbai  
Dated : 6<sup>th</sup> May, 2016



**“Annexure B” referred to in paragraph 1 under the heading Report on other legal and regulatory requirements of our report of even date**

**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 **Palladium Constructions Private Limited** (“the Company”) as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, 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 March 31, 2016, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

**For A.M. Ghelani & Company**  
Chartered Accountants  
Registration No : 103173W

  
**Chintan Ghelani**  
Partner  
Membership No.: 104391



Place : Mumbai

Dated : 6<sup>th</sup> May, 2016

**Palladium Constructions Private Limited**

**CIN: U45400MH2008PTC178115**

**Balance Sheet as at 31st March, 2016**

(Amount in Rs.)


Particulars	Notes	As at March 31, 2016	As at March 31, 2015
<b>Equity and Liabilities</b>			
<b>Shareholders Funds</b>			
Share Capital	2	327,785,740	327,785,740
Reserves And Surplus	3	4,722,511,772	4,183,311,736
		<u>5,050,297,512</u>	<u>4,511,097,476</u>
<b>Non-Current Liabilities</b>			
Other Long Term Liabilities	4	25,516,025	10,232,361
Long-Term Provisions	5	5,831,981	5,652,507
		<u>31,348,006</u>	<u>15,884,868</u>
<b>Current Liabilities</b>			
Short Term Borrowings	6	-	20,625,651
Trade Payables	7	-	-
Total Outstanding dues of creditors other than Micro & Small Enterprises		145,346,035	56,991,812
Other Current Liabilities	8	1,351,725,858	1,145,952,854
Short Term Provisions	9	1,480,415	3,726,539
		<u>1,498,552,308</u>	<u>1,227,296,857</u>
		<u>6,580,197,826</u>	<u>5,754,279,201</u>
<b>Assets</b>			
<b>Non Current Assets</b>			
<b>Fixed Assets</b>			
Tangible Assets		5,393,526	8,135,897
Intangible Assets	10	3,099,115	3,690,013
Deferred Tax Asset [Refer to Note No. 36]		695,637	731,941
Long Term Loans & Advances	11	97,945,983	15,696,689
Other Non-Current Assets	12	38,864,839	21,577,383
		<u>145,999,100</u>	<u>49,831,923</u>
<b>Current Assets</b>			
Current Investments	13	-	190,000,000
Inventories	14	5,057,574,277	4,027,404,587
Cash And Cash Equivalents	15	20,039,468	12,401,128
Trade Receivables	16	561,750,419	290,766,108
Short-Term Loans And Advances	17	782,325,448	1,178,959,634
Other Current Assets	18	12,509,114	4,915,820
		<u>6,434,198,726</u>	<u>5,704,447,277</u>
		<u>6,580,197,826</u>	<u>5,754,279,201</u>

Significant Accounting Policies and Notes on Financial Statements

1 to 38

As per our Report of even date

For **A. M. Ghelani & Company**  
Chartered Accountants  
Firm Registration No.: 103173W

  
**Chintan A. Ghelani**  
Partner  
Membership No.: 104391



For and on behalf of the Board of Directors

  
**Dipesh Gandhi**  
Director  
DIN: 02079576

  
**Shishir Shrivastava**  
Director  
DIN: 01266095



  
**KVS Rammohan Gupta**  
Chief Financial Officer

  
**Sunny Makwana**  
Company Secretary  
M. No. A30770

Place : Mumbai  
Date : 6th May, 2016



# Palladium Constructions Private Limited

CIN: U45400MH2008PTC178115

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

(Amount in Rs.)

Particulars	Notes	For the year	
		2015 - 16	2014 - 15
<b>INCOME :</b>			
Revenue from operations	19	2,465,612,034	2,251,076,381
Other Income	20	118,676,333	103,420,568
<b>Total Revenue</b>		<b>2,584,288,368</b>	<b>2,354,496,950</b>
<b>EXPENDITURE:</b>			
Variation in Inventories	21	(1,018,696,609)	(310,073,958)
Construction & Other related Costs	22	2,581,834,656	1,671,780,887
Employee Cost	23	50,251,626	37,893,968
Operating & Other Expenses	24	43,995,606	22,631,255
Selling & Marketing Expenses	25	125,462,814	105,329,917
Interest & Finance Charges	26	18,188,099	13,527,521
Depreciation		4,505,835	3,701,578
<b>Total Expenses</b>		<b>1,805,542,027</b>	<b>1,544,791,168</b>
<b>Profit Before Tax</b>		<b>778,746,340</b>	<b>809,705,781</b>
<b>Tax Expense:</b>			
Current Tax		(239,510,000)	(188,000,000)
Deferred Tax Asset/(Liability)		(36,304)	457,696
<b>Profit/(Loss) for the Year</b>		<b>539,200,036</b>	<b>622,163,478</b>
<b>Earnings per equity share</b>			
<b>[Refer to Note No.34]</b>			
Basic		16.45	17.94
Diluted		16.45	17.94

Significant Accounting Policies and Notes on Financial Statements

1 to 38

As per our Report of even date  
For **A. M. Ghelani & Company**  
Firm Registration No. 103173W  
Chartered Accountants

For and on behalf of the Board of Directors

  
**Chintan A. Ghelani**  
Partner  
Membership No. 104391



  
**Dipesh Gandhi**  
Director  
DIN: 02079576



**Shishir Shrivastava**  
Director  
DIN: 01266095

Place : Mumbai  
Date : 6th May, 2016

  
**KVS Ramnohan Gupta**  
Chief Financial Officer

  
**Sunny Makwana**  
Company Secretary  
M. No. A30770



**PALLADIUM CONSTRUCTIONS PRIVATE LIMITED**  
**CIN: U45400MH2008PTC178115**  
**Cash Flow Statement for the Financial Year ended on 31st March, 2016**

Sr. No.	Particulars	2015-16 (Rs.)	2014-15 (Rs.)
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Net Profit/(Loss) before Tax as per Statement of the Profit & Loss	778,746,340	809,705,781
	<b>Adjustments for Non Cash / Non Operating Income:-</b>		
	Dividend on Mutual Funds	-	(16,110,860)
	(Profit)/Loss on sale of Investments (Net)	(4,148,903)	(62,965,424)
	Interest Expenses	18,188,099	13,527,521
	Interest Income	(95,644,371)	(1,097,342)
	Profit on sale of Asset	(18,938)	-
	Depreciation	4,505,835	3,701,578
	Operating Cash Flow before Working Capital Changes	701,628,063	746,761,254
	<b>Adjustments for Working Capital changes:-</b>		
	Inventories [Net of transfer from Capital WIP]	(1,030,169,690)	(336,460,956)
	Trade Payables and other payables	227,689,781	673,972,241
	Trade Receivables and others	41,462,541	(268,743,405)
	Cash Generated from Operations	(59,389,304)	815,529,135
	Taxes Paid	(242,104,835)	(183,354,405)
	<b>Net Cash Generated/(Used) from Operating Activities</b>	<b>(301,494,139)</b>	<b>632,174,730</b>
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Purchase of Fixed Assets	(1,241,002)	(4,675,963)
	Sale of Fixed Assets	87,376	-
	(Purchase)/Sale of Investments in Mutual Funds[Net]	194,148,903	1,099,536,222
	Dividend on Mutual Fund Investments	-	16,110,860
	Inter Corporate Deposits Received back/(Given) (Net)	59,306,584	(514,487,608)
	Interest Received	95,644,371	1,097,342
	<b>Net Cash Generated/(Used) In Investing Activities</b>	<b>347,946,232</b>	<b>597,580,852</b>
<b>C</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Proceeds from the Working Capital Loan taken during the year [Net]	(20,625,653)	(726,059,066)
	Payments towards the Buyback of the Equity Shares	-	(487,500,265)
	Interest Paid	(18,188,099)	(13,527,521)
	<b>Net Cash Generated from / (used in) Financing Activities</b>	<b>(38,813,752)</b>	<b>(1,227,086,852)</b>
	<b>Net Increase/ (Decrease) In Cash and Cash Equivalents</b>	<b>7,638,340</b>	<b>2,668,731</b>
	<b>Opening Balance of Cash and Cash Equivalents</b>	<b>12,401,129</b>	<b>9,732,398</b>
	<b>Closing Balance of Cash and Cash Equivalents</b>	<b>20,039,469</b>	<b>12,401,129</b>

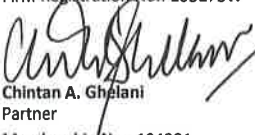
Notes:-

Cash and Cash Equivalents include :

Cash on hand	102,656	152,397
Balances with Scheduled Banks	19,936,812	12,248,732
Cash and Bank Balances	<b>20,039,469</b>	<b>12,401,129</b>

- The Cash Flow Statement has been prepared under the "Indirect Method" set out in Accounting Standard - 3 "Cashflow Statements" (AS-3) issued by the Institute of Chartered Accountants of India.
- The figures in brackets represent Cash outflows.

As per our Report of even date

For **A. M. Ghelani & Company**  
Chartered Accountants  
Firm Registration No.: 103173W  
  
**Chintan A. Ghelani**  
Partner  
Membership No.: 104391



For and on behalf of the Board of Directors

  
**Dipesh Gandhi**  
Director  
DIN: 02079576

  
**Shshir Shrivastava**  
Director  
DIN: 01266095



  
**KVS Rammohan Gupta**  
Chief Financial Officer

  
**Sunny Makwana**  
Company Secretary  
M. No. A30770

Place : Mumbai  
Date : 6th May, 2016

**PALLADIUM CONSTRUCTIONS PRIVATE LIMITED**  
**U45400MH2008PTC178115**

**NOTE "1"**

**SIGNIFICANT ACCOUNTING POLICIES:**

**a) Basis of Preparation of Financial Statements**

The Financial statements have been prepared under the historical cost convention on the accrual basis of accounting in accordance with the accounting principles generally accepted in India ("GAAP") and comply with the mandatory Accounting Standards ("AS") as notified by the companies Accounting Standard (Rules), 2006 to the extent applicable and with the relevant provisions of the Companies Act, 2013.

**b) Inflation**

The financial statements are based on historical costs. These costs are not adjusted to reflect the impact of the changing value of the purchasing power of money.

**c) Use of Estimates**

The preparation of Financial Statements in conformity with GAAP requires Management to make estimate and assumption that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of financial statements and reported amount of revenue and expenses for the year. Actual result could differ from these estimates. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized. Any revision to an accounting estimate is recognized prospectively in the year of revision.

**d) Revenue Recognition**

- 1) Revenue from the Project is recognized as per the conditions specified In the Guidance Note on Accounting for Real Estate Transactions [Revised 2012] issued by the ICAI.

Revenue from the sale of properties under construction is accordingly recognized on the basis of the Registered Sale Agreements (Provided the significant risk and rewards have been transferred to the buyer and there is reasonable certainty of realization of the monies), proportionate to the percentage of physical completion of construction/development work, as certified by the company's technical personnel [which being a technical matter has been relied upon by the auditors].

Accordingly, the cost of construction/development is charged to the Statement of Profit and Loss, in proportion to the revenue recognized during the period and the balance costs are carried as a part of the Realty Work in Progress, under Inventories.



**PALLADIUM CONSTRUCTIONS PRIVATE LIMITED**  
**U45400MH2008PTC178115**

The amounts receivable/payable are reflected as Trade Receivables/Advances from Customers, respectively, to the extent of the income recognized in the aforesaid manner.

The estimates of saleable area and costs are revised periodically by the management and are considered as change in estimates. The effect of such changes is recognized in the period such changes are determined.

- II) Interest is recognised on time proportion basis.
- III) Dividend Income is recognised when the right to receive the same is established.

**e) Inventory**

- i. Inventories comprise Land and Realty Work in Progress representing properties under construction/development.
- ii. Inventories are valued at lower of cost or net realizable value.
- iii. Cost of Realty construction/development is charged to the Statement of Profit & Loss in Proportion to the revenue recognized during the period and balance cost is carried over under Inventory as part of Realty Work-in-Progress. Cost of realty construction / development includes all costs directly related to the project and other expenditure as identified by the management which are incurred for the purpose of executing and securing the completion of the Project (net off incidental recoveries/receipts).

**f) Fixed Assets**

**i) Tangible Assets**

Fixed Assets are stated at cost net of cenvat credit less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any attributable costs of bringing the assets to their working condition for intended use.

**ii) Intangible Assets**

Intangible assets are recognized when it is probable that the future economic benefits are attributable to the asset will flow to the enterprise and the cost of the assets can be measured reliably.





**PALLADIUM CONSTRUCTIONS PRIVATE LIMITED**  
**U45400MH2008PTC178115**

**g) Depreciation**

**Tangible Assets:**

Depreciation on Fixed Assets is provided on Written Down Value method in the manner and at the rates specified in Schedule II to the Companies Act, 2013.

**Intangible Assets:**

Computer Software is amortised over a period of five years.

**h) Impairment of Assets**

In accordance with AS-28 on "Impairment of Assets" issued by the Institute of Chartered Accountants of India, where there is any indication of impairment of the company's assets related to cash generating units, the carrying amounts of such assets are reviewed at each balance sheet date to determine whether there is any impairment. The recoverable amount of such assets is estimated as the higher of its net selling price and its value in use. An impairment loss is recognized whenever the carrying amount of such assets exceeds its recoverable amount. Impairment loss, if any, is recognized in the Profit & Loss account.

**i) Investments**

Investments that are intended to be held for more than a year, from the date of acquisition, are classified as long term investments and are carried at cost. Provision for diminution in their values is made only if the diminution is other than temporary in nature. Current investments are carried at the lower of cost and quoted/fair value, computed category wise.

**j) Foreign Currency Transactions**

- i) Transactions denominated in foreign currencies are recorded at exchange rate prevailing at the time of the transaction. Monetary items denominated in foreign currencies at Balance sheet date are restated at the year end rates. Non Monetary foreign currency items are carried at cost.
- ii) Exchange differences arising as a result of the subsequent settlements or on transactions are recognized as income or expenses in the statement of Profit & Loss except the exchange differences arising on long term foreign currency monetary items relating to the acquisition of the fixed assets, which are adjusted to the carrying cost of the assets.



# PALLADIUM CONSTRUCTIONS PRIVATE LIMITED

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**k) Borrowing Costs**

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

**l) Employee Benefits**

Short term employee benefits are charged off at the undiscounted amount in the year in which the related service is rendered.

Post employment and other long term employee benefits are charged off in the year in which employee has rendered services. The amount charged off is recognized at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gain and losses in respect of post employment and other long term benefits are charged to Statement of Profit and Loss/Work in Progress.

**m) Taxes On Income**

Provision for current tax, if any, is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961.

Deferred tax, if any, resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. The deferred tax asset, if any, is recognized and carried forward only to the extent that there is a reasonable certainty that the asset will be realized in future.

**n) Share/Debenture Issue Expenses**

Expenditure in connection with the issue of shares/debentures is adjusted against Securities Premium account.

**o) Provisions, Contingent Liabilities and Contingent Assets**

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. Contingent Liabilities are not recognized but are disclosed in the Notes to Accounts. Contingent Assets are neither recognized nor disclosed in the financial statements.



**Palladium Constructions Private Limited**  
**CIN: U45400MH2008PTC178115**  
**Notes to financial statements for the year ended 31st March, 2016**

(Amount in Rs.)

Notes	Particulars	As at March 31, 2016	As at March 31, 2015
<b>2</b>	<b>Share Capital</b>		
	<b>Authorised</b>		
	36,000,000 (P.Y. 36,000,000) Equity Shares of Rs.10/- each	360,000,000	360,000,000
	<b>Issued, Subscribed and Paid Up</b>		
	32,778,574 (P.Y. 32,778,574) Equity Shares of Rs.10/- each fully paid up	327,785,740	327,785,740
		<b>327,785,740</b>	<b>327,785,740</b>
	<b>a] Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period</b>		
	<b>Equity Shares</b>		
	Shares outstanding at the beginning the year	32,778,574	18,751,135
	Add : Shares issued to the shareholders of Platinum Spaces Pvt. Ltd., on account of the merger/scheme of amalgamation	-	17,000,000
	Less : Shares cancelled on buy back	-	2,972,561
	Shares outstanding at the end of the year	32,778,574	32,778,574
	<b>b] Shares held by Holding Company/Associates:-</b>		
	<b>Holding company</b>		
	The Phoenix Mills Limited, 17,192,079 (P.Y. 15,836,664) equity shares of Rs.10/- each fully paid up	171,920,790	158,366,640
	<b>c] Details of shareholders holding more than 5% Shares in the company</b>	<b>March 31, 2016</b>	<b>March 31, 2015</b>
		<b>Number of shares</b>	<b>Number of shares</b>
		<b>% of Holdings</b>	<b>% of Holdings</b>
	Equity Shares of Rs.10 each fully paid up		
	The Phoenix Mills Limited	17,192,079	15,836,664
	Phoenix Hospitality Private Limited	15,586,495	14,357,706
	K2F Residential Limited	-	2,584,204
		52.45	48.31
		47.55	43.80
		-	7.88
	<b>d] The company has only one class of Equity shares having a face value of Rs.10/- per share. Each holder of equity share is entitled to one vote per share.</b>		
	<b>e] The company has bought back Nil (P.Y. 2,972,561) equity shares during the F.Y. 2015- 2016.</b>		
<b>3</b>	<b>Reserves &amp; Surplus</b>		
	<b>Securities Premium Account:</b>		
	As at the Beginning of the year	2,742,578,740	3,200,353,395
	Less: Utilized for the buy back of Equity Shares	-	(457,774,655)
	As at the End of the year	2,742,578,740	2,742,578,740
	<b>Surplus in the statement of Profit &amp; Loss:</b>		
	As at the Beginning of the year:	1,440,732,997	818,574,665
	Less: Depreciation on Assets, whose useful life [As per The Companies Act, 2013] is already exhausted	-	(5,146)
	Add: Profit during the year	539,200,036	622,163,478
	As at the end of the year	1,979,933,033	1,440,732,997
		<b>4,722,511,772</b>	<b>4,183,311,736</b>



Notes	Particulars	As at March 31, 2016	As at March 31, 2015
<b>4 Other Long Term Liabilities</b>			
	Retention Money of Contractors	25,516,025	10,232,361
		<b>25,516,025</b>	<b>10,232,361</b>
<b>5 Long Term Provisions</b>			
	Provision for Employee Benefits:		
	Gratuity (Funded)	2,895,231	3,492,334
	Leave Encashment	2,936,750	2,160,173
		<b>5,831,981</b>	<b>5,652,507</b>
<b>6 Short Term Borrowings</b>			
	Secured :		
	Working Capital Loan (Secured against Land, all the movable assets and Present & Future Receivables of the company)	-	20,625,651
		-	<b>20,625,651</b>
<b>7 Trade Payables</b>			
	Micro & Small Enterprises (Refer Note No. 28 for details of dues to Micro & Small Enterprise)	-	-
	Total Outstanding dues of creditors other than Micro & Small Enterprises	145,346,035	56,991,812
		<b>145,346,035</b>	<b>56,991,812</b>
<b>8 Other Current Liabilities</b>			
	Advances Received From Prospective Buyers	1,001,077,445	1,059,868,485
	Statutory Dues	11,821,199	8,071,410
	Other Liabilities	398,827,214	78,012,959
		<b>1,351,725,858</b>	<b>1,145,952,854</b>
<b>9 Short Term Provisions</b>			
	Provision for Employee Benefits:		
	Salary Payable	270,538	-
	Gratuity (Funded)	-	58,035
	Leave Encashment	172,018	35,810
	Provision for Income Tax (Net of Taxes paid)	1,037,859	3,632,694
		<b>1,480,415</b>	<b>3,726,539</b>
<b>11 Long Term Loans &amp; Advances</b>			
	Advances Recoverable in cash or kind or for value to be received (Unsecured, considered good - unless otherwise stated).		
	Advances to Contractors/Suppliers	90,989,920	11,159,237
	Other Advances/Deposits	6,956,063	4,537,452
		<b>97,945,983</b>	<b>15,696,689</b>
<b>12 Other Non-Current Assets</b>			
	Fixed Deposit with Bank (Original Maturity more than 1 year) (Furnished as Bank Guarantee to the Karnataka VAT Authorities towards the Sales tax demand for Financial Year 2013-14, Refer Note	5,921,224	5,921,224
	Interest Accrued on Fixed Deposit	544,717	58,199
	Miscellaneous Expenditure (to the extent not written off / adjusted)	32,398,898	15,597,960
		<b>38,864,839</b>	<b>21,577,383</b>





**PALLADIUM CONSTRUCTIONS PRIVATE LIMITED**  
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**Notes to and forming part of the Balance Sheet as at 31st March, 2016**

Note "10"

	Fixed Assets		Gross Block (At Cost)		Accumulated Depreciation				Net Block (W.D.V.)	
	As at 1 April 2015	Additions during the year	Sale/Disposals during the year	As at 31st March, 2016	As at 1 April 2015	Charged for the year	Adjusted to Reserve (Refer Note Given Below)	On disposals	As at 31st March, 2016	As at 31 March 2015
<b>a</b>										
<b>Tangible Assets</b>										
Furniture and Fixtures	3,147,914	147,805	-	3,295,719	1,183,873	541,686	-	-	1,725,559	1,964,041
Office Equipments [incl. Electric Installations]	4,324,344	109,352	-	4,433,696	1,971,247	990,486	-	-	2,961,733	2,353,097
Computers	4,837,941	588,331	318,880	5,107,392	2,335,676	1,637,248	-	250,442	3,722,482	2,502,265
Motor Vehicles	1,819,675	-	-	1,819,675	503,181	350,004	-	-	853,185	1,316,494
<b>Total</b>	<b>14,129,874</b>	<b>845,488</b>	<b>318,880</b>	<b>14,656,482</b>	<b>5,993,977</b>	<b>3,519,423</b>	<b>-</b>	<b>250,442</b>	<b>9,262,959</b>	<b>8,135,897</b>
<b>b</b>										
<b>Intangible Assets</b>										
Computer Software	4,659,972	395,514	-	5,055,486	969,959	986,412	-	-	1,956,371	3,690,013
<b>GRAND TOTAL</b>	<b>18,789,846</b>	<b>1,241,002</b>	<b>318,880</b>	<b>19,711,968</b>	<b>6,963,936</b>	<b>4,505,835</b>	<b>-</b>	<b>250,442</b>	<b>11,219,330</b>	<b>11,825,910</b>
Previous year	14,113,883	4,675,963	-	18,789,846	3,257,213	3,701,578	5,146	-	6,963,937	10,856,670

Note : The Adjustment to Reserve represents the depreciation on assets, whose useful life [As per The Companies Act, 2013] is already exhausted.



Notes	Particulars	As at March 31, 2016	As at March 31, 2015
<b>13</b>	<b>Current Investments (At Cost)</b>		
	Investments In Mutual Funds:		
	- Units of face value Rs.10/- each, unless otherwise stated.		
	Nil (P.Y. 85,194) DSP BlackRock Liquidity Fund - Int'nal		
	Plan-Growth, units of Rs. 1,000/-	-	170,000,000
	Nil (P.Y. 5,877) Reliance Liquid Fund - Treasury Plan		
	(Growth), units of Rs. 1,000/-	-	20,000,000
		<u>-</u>	<u>190,000,000</u>
	<b>Aggregate value of Investments:</b>		
	Book Value	-	190,000,000
	Market Value	-	190,359,235
<b>14</b>	<b>Inventories</b>		
	(As taken, valued and certified by the Management)		
	Land	2,296,400,315	2,467,328,672
	Realty Work in Progress	2,723,313,883	1,533,688,917
	Construction Materials on hand	37,860,079	26,386,998
		<u>5,057,574,277</u>	<u>4,027,404,587</u>
<b>15</b>	<b>Cash &amp; Cash Equivalents</b>		
	a. Balances with Banks		
	In current accounts	19,936,812	12,248,732
	b. Cash on hand	102,656	152,396
		<u>20,039,468</u>	<u>12,401,128</u>
<b>16</b>	<b>Trade Receivables</b>		
	(Unsecured and considered good)		
	Debts exceeding six months	166,503,973	130,938,129
	Others	395,246,446	159,827,979
	[Including Rs. Nil (P.Y. Rs. 334,833) from fellow Subsidiaries]		
		<u>561,750,419</u>	<u>290,766,108</u>
<b>17</b>	<b>Short Term Loans &amp; Advances</b>		
	Advances Recoverable In Cash or Kind or value to be received		
	( Unsecured, Considered Good - unless otherwise stated )		
	Inter Corporate Deposits given to related parties	455,181,024	514,487,608
	Advances to Contractors/Suppliers	195,229,965	178,753,504
	Balances with the Government Authorities	129,123,135	45,890,656
	Deposits :		
	Security Deposits	-	439,375,500
	[including Rs. Nil (P.Y. Rs.438,275,500) from fellow Subsidiaries]		
	Other Advances/Deposits	2,514,526	23,370
	Prepaid Expenses	276,798	428,996
		<u>782,325,448</u>	<u>1,178,959,634</u>
<b>18</b>	<b>Other Current Assets</b>		
	Miscellaneous Expenditure (to the extent not written off / adjusted)	12,509,114	4,915,820
		<u>12,509,114</u>	<u>4,915,820</u>



**Palladium Constructions Private Limited**

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**Notes to Statement of Profit & Loss for the year ended on 31st March, 2016**

Notes	Particulars	For the year 2015 - 16 (Rs.)	For the year 2014 - 15 (Rs.)
<b>19</b>	<b>Revenue from operations</b>		
	Sale of Property	2,465,612,034	2,251,076,381
		<b>2,465,612,034</b>	<b>2,251,076,381</b>
<b>20</b>	<b>Other Incomes</b>		
	Dividend on Mutual Funds	-	16,110,860
	Profit/(Loss) on sale of Investments (Net)	4,148,903	62,965,424
	Transfer Fees Collected from Buyers	-	6,491,168
	<b>Interest Income :</b>		
	From Buyers on delayed payments	18,864,122	16,620,649
	On Inter Corporate Deposits	95,103,795	1,097,342
	On Fixed Deposits with Bank	540,576	58,199
	On Income Tax Refund	-	76,927
	Profit/(Loss) on sale of Assets	18,938	-
		<b>118,676,333</b>	<b>103,420,568</b>
<b>21</b>	<b>Variation in the Inventories</b>		
	As at the beginning of the year	4,001,017,589	3,690,943,632
	Less : As at the end of the year	(5,019,714,198)	(4,001,017,589)
		<b>(1,018,696,609)</b>	<b>(310,073,958)</b>
<b>22</b>	<b>Constructions &amp; Other related Costs</b>		
	Cost of Transferable Development Rights (TDR)	93,331,198	161,143,200
	Consultancy Charges	146,307,389	78,431,325
	Site Operating Expenses (Including Personnel Cost)	202,275,570	112,063,711
	Civil Work (Including Materials, Interiors Cost etc.)	1,780,126,473	1,044,963,157
	Rates & Taxes	25,975,323	53,761,564
	Approvals & Statutory Payments	66,770,214	88,746,884
	Electric Installation Expenses, Plumbing Works, Fire Fighting Equipments etc.	267,048,489	132,671,047
		<b>2,581,834,656</b>	<b>1,671,780,887</b>
<b>P</b>	<b>Employee Cost</b>		
	Salary, Wages & Bonus	48,934,238	37,023,573
	Staff Welfare Expenses	1,317,388	870,395
		<b>50,251,626</b>	<b>37,893,968</b>
<b>24</b>	<b>Operating &amp; Other Expenses</b>		
	Office Expenses	3,935,338	2,826,793
	Telephone & Internet Charges	1,592,524	1,107,589
	Postage, Printing & Stationery Expenses	1,911,842	1,316,719
	Legal & Professional fees	8,111,573	2,421,430
	<b>Auditors' Remuneration:</b>		
	Audit Fees	1,150,000	925,000
	Certification Fees	42,000	211,000
	House Keeping Expenses	1,047,698	3,133,867
	Travelling Expenses	8,044,091	2,652,504
	Sundry Expenses	3,699,462	1,491,814
	Bank Charges	1,075,364	733,219
	Donations	876,600	531,000
	Miscellaneous Expenditure written off		
	[Expenses on increase in Authorised Share Capital, Share Issue Expenses etc.]	12,509,114	5,280,320
		<b>43,995,606</b>	<b>22,631,255</b>
<b>25</b>	<b>Selling &amp; Marketing Expenses</b>		
	Business Promotion Expenses	85,558,023	93,223,082
	Brokerage/Commission	39,904,791	12,106,835
		<b>125,462,814</b>	<b>105,329,917</b>
<b>26</b>	<b>Interest &amp; Finance Charges</b>		
	Interest & Other Charges on Bank Overdraft	18,188,099	13,527,521
		<b>18,188,099</b>	<b>13,527,521</b>



**PALLADIUM CONSTRUCTIONS PRIVATE LIMITED**  
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**27 Contingent Liabilities :**

Disputed KVAT Liability, including interest and penalty thereon, amounting to Rs. 8,458,919 (P.Y. Rs. 8,458,919) as the matter is in appeal before the Joint Commissioner (Appeals), Karnataka VAT, Bangalore. The Company has paid Rs. 2,537,695 equivalent to 30% of the said tax demand and has furnished a Bank Guarantee for the balance of Rs. 5,921,224 in the form of Fixed Deposit with Corporation Bank.

28 There is no Micro or Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at March 31, 2016. The above information, regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.

29 In the opinion of the management, the Current Assets, Loans and advances are approximately of the value stated in the balance sheet if realized in the ordinary course of business and provision for all known liabilities is adequate and not in excess of amount considered reasonably necessary.

30 The said account balances are however, subject to confirmations from the respective parties and the adjustments / reconciliations arising there from, if any.

31 The Company's activities during the period relates to developing a residential complex. Considering the nature of the company's business and operations, there are no separate reportable segments (business and/or geographical) in accordance with the requirements of Accounting Standard 17 -'Segment Reporting', as notified by Companies (Accounting Standard) Rules, 2006.

32 As per Accounting Standard 15 (AS-15) Revised " Employee Benefits", issued by the Institute of Chartered Accountants of India, the disclosures of Employee Benefits as defined in the Accounting Standard are given below:

**Defined Benefit Plan:**

The company provides gratuity benefit to its employees which are a defined benefit plan. The present value of obligations is determined based on actuarial valuation using the Projected Unit Credit Method. The obligation for leave encashment is recognized in the same manner as gratuity.





**PALLADIUM CONSTRUCTIONS PRIVATE LIMITED**  
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Particulars	2015-2016		2014-15	
	Gratuity (Funded) (Rs.)	Leave Encashment (Unfunded) (Rs.)	Gratuity (Funded) (Rs.)	Leave Encashment (Unfunded) (Rs.)
<b>Reconciliation of opening and closing balances:</b>				
Defined Benefit Obligation at the beginning of the year	3,550,369	2,195,983	1,751,163	1,150,099
Interest Cost	395,115	340,659	157,605	103,509
Current Service Cost	1,576,906	2,217,517	1,214,707	664,334
Benefits paid during the year	(915,000)	(2,104,926)	(36,058)	(269,101)
Actuarial (gain)/loss on Defined Benefit Obligation	(1,712,159)	459,535	462,952	547,142
Defined Benefit Obligation at the end of the year	2,895,231	3,108,768	3,550,369	2,195,983

Particulars	Gratuity (Funded)	Gratuity (Funded)
	2015-16	2014-15
<b>Reconciliation of opening and closing balances of Plan Assets:</b>		
Plan Assets at the beginning of the year	2,356,271	2,167,624
Expected Return on plan assets	197,817	190,394
Contribution	2,216,739	34,211
Benefits paid during the year	(915,000)	(36,058)
Actuarial (gain)/loss on Plan Assets	(43,748)	-
Plan Assets at the end of the year	3,812,079	2,356,271



**PALLADIUM CONSTRUCTIONS PRIVATE LIMITED**  
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Amount to be recognized in Balance sheet:	2015-16		2014-15	
	Gratuity (Funded) (Rs.)	Leave Encashment (Unfunded) (Rs.)	Gratuity (Funded) (Rs.)	Leave Encashment (Unfunded) (Rs.)
Present value of Defined Gratuity Benefit Obligation	2,895,231	3,108,768	3,550,369	2,195,983
Fair Value of plan assets at the end of the year	(3,812,079)	-	(2,356,271)	-
Amount recognized in Balance sheet	(916,848)	3,108,768	1,194,098	2,195,983

Amount to be recognized in Profit & Loss Account/Project Development Account:	2015-16		2014-15	
	Gratuity (Funded) (Rs.)	Leave Encashment (Unfunded) (Rs.)	Gratuity (Funded) (Rs.)	Leave Encashment (Unfunded) (Rs.)
Current Service Cost	1,576,906	2,217,517	1,214,707	664,334
Interest cost on obligation	395,115	340,659	157,605	103,509
Expected Return on plant assets	(197,817)	0	(190,394)	-
Net Actuarial (gain)/loss recognized for the year	(1,668,411)	459,535	462,952	547,142
Expense recognized in the statement of Profit & Loss account	105,793	3,017,711	1,644,870	1,314,985

Actual return on plan assets for the year:	Gratuity (Funded)	Gratuity (Funded)
	2015-16	2014-15
Expected return on Plan Assets	197,817	190,394
Actuarial (gain)/loss on Plan Assets	(43,748)	-
Actual return on plan assets	154,069	190,394



**PALLADIUM CONSTRUCTIONS PRIVATE LIMITED**  
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<b>Actuarial assumptions:</b>				
Mortality Table (LIC)	2006-08	2006-08	2006-08 (Ultimate)	2006-08 (Ultimate)
Discount Rate (per annum)	7.70%	7.70%	7.75%	7.75%
Rate of escalation in salary (per annum)	7.50%	7.50%	6.00%	6.00%

The Contribution in respect of gratuity is made to Life Insurance Corporation of India (LIC) who administers the gratuity scheme of the Company.

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

33 As Per Accounting Standard 18 (AS- 18) "Related Party Disclosures", issued by the Institute of Chartered Accountants of India, the disclosures of transactions with the related parties (as identified by management) as defined in the Accounting Standard are given below :-

a) **Particulars of the Related Parties [With whom transactions have taken place]:-**

Sr. No.	Name of the Related Party	Relationship
1	The Phoenix Mills Ltd	Holding Company
2	Alliance Spaces Pvt Ltd	Fellow Subsidiary
3	Island Star Mall Developers Pvt Ltd	Fellow Subsidiary
4	Marketcity Resources Pvt Ltd	Fellow Subsidiary
5	Phoenix Hospitality Pvt Ltd	Fellow Subsidiary
6	Graceworks Realty Leisure Pvt Ltd	Fellow Subsidiary
7	Offbeat Developers Pvt Ltd	Fellow Subsidiary
8	Pallazzo Hotels & Leisures Ltd	Fellow Subsidiary
9	Mayank Ruia	Key Managerial Person (upto 14/08/2015)



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**b) Transactions during the year with the Related Parties: -**

Sr. No.	Nature of Transactions	2015 – 16	2014 – 15
		(Rs.)	(Rs.)
<b>With Fellow Subsidiary</b>			
1	Allotment of Equity Shares	-	119,000,000
2	Inter Corporate Deposits Given	1,279,800,000	513,500,000
3	Inter Corporate Deposits Returned by parties	1,424,700,000	-
4	Security Deposit Given	-	438,275,500
5	Security Deposit Returned by parties	438,275,500	-
6	Project Management Fees (Expense) [Exclusive of Service Tax]	(30,275,000)	(28,500,000)
7	Income from Shared Services	8,922,300	8,652,000
8	Interest Income on ICD	95,103,795	1,097,342
<b>With Key Managerial Person</b>			
1	Director's Remuneration	6,864,895	23,304,208
2	Legal & Professional Fees	-	4,359,565



**PALLADIUM CONSTRUCTIONS PRIVATE LIMITED**  
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c) Balances as at the end of the year:-

Sr. No.	Nature of Balances	2015 – 2016	2014 – 2015
		(Rs.)	(Rs.)
<b>of Holding Company</b>			
1	Equity Share Capital (Face Value)	171,920,790	158,366,640
<b>of Fellow Subsidiary</b>			
1	Equity Share Capital (Face Value)	155,864,950	143,577,060
2	Inter Corporate Deposits	455,181,024	514,487,608
3	Security Deposits	-	438,275,500
4	Trade Receivables	-	334,833
<b>Of Key Managerial Person</b>			
1	Trade Payables	394,800	387,071

**34 Earnings per Share:**

Basic as well as Diluted - EPS	Amount (Rs.) 2015-16	Amount (Rs.) 2014-15
Nominal Value of Equity Shares	10	10
Profit after Tax	539,200,036	622,163,478
Profit attributable to Equity Shareholders	539,200,036	622,163,478
Weighted average number of equity shares	327,785,74	34,676,127
Basic EPS	<b>16.45</b>	<b>17.94</b>
Diluted EPS	<b>16.45</b>	<b>17.94</b>





**35 Expenditure in foreign currency:**

Particulars	2015-16						2014-15				
	Amount	Amount	Amount	Amount	Amount	Total	Amount	Amount	Amount	Amount	Total
	(USD)	(GBP)	(CNY)	(Baharini Dinar)	(AED)	(INR)	(USD)	(GBP)	(EURO)	(INR)	
Architects' Fees	17,849	-	-	-	-	1,162,143	240,605	-	-	14,641,974	
Travelling	50	-	10,600	106	-	130,110	20,488	-	-	1,280,500	
Material Purchase	814,505	6,540	-	-	-	53,663,714	498,635	-	-	30,375,260	
Advertisement & Business Promotion	4,400	10,630	-	-	1,020	297,662	20,000	8,465	-	2,040,356	
Buy back of Equity Shares	-	-	-	-	-	-	-	-	6,337,756	487,500,265	
<b>Total</b>	<b>836,804</b>	<b>17,170</b>	<b>10,600</b>	<b>106</b>	<b>1,020</b>	<b>55,253,629</b>	<b>779,728</b>	<b>8,465</b>	<b>6,337,756</b>	<b>535,838,355</b>	

**36 Deferred Tax :**

In accordance with the Accounting Standard (AS) 22 "Accounting for Taxes on Income", the breakup of the Net Deferred Tax Assets as on March 31, 2016 is as under:-

Particulars	(Amount in Rs.)		
	Deferred tax Asset/(Liability) as at April 1, 2015	Current Year (Charge)/ credit	Deferred tax Asset/(Liability) as at March 31, 2016
Difference between Book and Tax Depreciation	(441,298)	346,333	(94,964)
Provisions for Gratuity and Leave Encashment	1,173,239	(413,373)	759,866
<b>Deferred Tax Assets [Net]</b>	<b>731,941</b>	<b>(36,304)</b>	<b>695,638</b>



**PALLADIUM CONSTRUCTIONS PRIVATE LIMITED**  
**U45400MH2008PTC178115**

37 Additional information as per section 186(4) of the Companies Act, 2013

a) Loan to body corporate as at 31<sup>st</sup> March 2016

Name	Amount(Rs.)	Purpose
Offbeat Developers Private Limited	455,181,024	General Corporate Purpose

b) There are no investments or guarantees given to any Body Corporate as at 31<sup>st</sup> March,2016

38 Figures of the previous year have been regrouped and /or recast wherever necessary to conform to the current year's classification.

As per our Report of even date

For **A. M. GHELANI & COMPANY**

**Chartered Accountants**

Firm Registration No.: 103173W



**Chintan A. Ghelani**

Partner

Membership No.: 104391



for and on behalf of the Board of Directors



**Dipesh Gandhi**

Director

DIN: 02079576



**Shishir Shrivastava**

Director

DIN: 01266095



Place : Mumbai

Date : 6<sup>th</sup> May 2016



**KVS Rammohan Gupta**

Chief Financial Officer



**Sunny Makwana**

Company Secretary

M. No. A30770