

**Albrecht Builder Private Limited**

Financial statements  
together with the  
Independent Auditors' Report  
for the year ended 31 March 2016

# Albrecht Builder Private Limited

## **Financial statements together with the Independent Auditors' Report** *for the year ended 31 March 2016*

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# B S R & Co. LLP

Chartered Accountants

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## Independent Auditors' Report

### To the Members of Albrecht Builder Private Limited

#### Report on the financial statements

We have audited the accompanying financial statements of Albrecht Builder Private Limited ('the Company'), which comprise the balance sheet as at 31 March 2016 and the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### Management's responsibility for the financial statements

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 the 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.

#### Auditors' 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.

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.



## **Independent Auditors' Report (Continued)**

### **Albrecht Builder Private Limited**

#### **Auditors' responsibility (Continued)**

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that given 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 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 March 2016 and its loss and its cash flows for the year ended as 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, a statement on the matters specified in paragraphs 3 and 4 of the said Order.
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 purposes of our audit;
  - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - (c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
  - (d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) on the basis of written representations received from the Directors as on 31 March 2016, and taken on record by the Board of Directors, none of the Directors are disqualified as on 31 March 2016, from being appointed as a Director in terms of Section 164(2) of the Act;





**Independent Auditors' Report (Continued)**


**Albrecht Builder Private Limited**

**Report on other legal and regulatory requirements (Continued)**

- (f) with respect to the adequacy of the internal financial controls over financials reporting of the company and the operating effectiveness of such controls, refer to our separate report in Annexure B; and
- (g) with respect to other matters to be included in the Auditors' 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 explanation given to us:
  - i. the Company has disclosed the impact of pending litigations on its financial position in 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, for which there were any material foreseeable losses; and
  - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2016.

For BSR & Co. LLP  
Chartered Accountants

Firm's Registration No: 101248W/W-100022



**Vijay Mathur**  
Partner

Membership No: 046476

Mumbai  
10 May 2016

## Albrecht Builder Private Limited

### Annexure A to the Independent Auditors' Report – 31 March 2016

(Referred to in our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets and investment property.
- (b) The Company has a regular programme of physical verification of its fixed assets and investment property by which all the fixed assets and investment property are verified annually. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed upon such verification during the year.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company
- (ii) The Company does not hold any physical inventory. Accordingly, paragraph 3(ii) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us, 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'). Accordingly, paragraphs 3(iii) (a), (b) and (c) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanation given to us, the Company has not given any loans, investments, guarantees and security, hence the provision of Section 185 and 186 of the Companies Act, 2013 ('the Act') are not applicable to the Company.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted deposits as per the directives issued by the Reserve Bank of India under the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the services rendered by the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues of Income-tax, Service tax, Works contract tax, and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of Sales tax, Value added tax, Profession tax, Provident fund, Duty of customs, Duty of excise, Wealth tax, Investor Education and Protection Fund and Employees' State Insurance.

According to the information and explanations given to us, no undisputed amounts payable in respect of Income-tax, Service tax, Works contract tax and other material statutory dues were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable.



# Albrecht Builder Private Limited

## Annexure to the Independent Auditors' Report – 31 March 2016 (Continued)

- (b) According to the information and explanations given to us, there are no dues of income-tax and service tax which have not been deposited with the appropriate authorities on account of any dispute, except as stated below:

Name of statute	Nature of dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending	Amount paid under protest (Rs.)
Service Tax under Finance Act, 1994	Demand of service tax including penalty and interest	6,642,354	Financial Year: 2008-2009	The Commissioner of Service Tax (Appeals)-II	249,088
Income-tax Act, 1961	Demand of short deduction of income tax including penalty and interest	8,605,708	Financial Year: 2009-2010	C.I.T. (A)-7, Mumbai	2,7000,000
Income-tax Act, 1961	Demand of short deduction of income tax including penalty and interest	7,900,850	Financial Year: 2009-2010	The Commissioner of Income Tax (Appeals)-8, Mumbai	-
Income-tax Act, 1961	Demand of short deduction of income tax including penalty and interest	6,300,180	Financial Year: 2011-2012	The Commissioner of Income Tax (Appeals)-8, Mumbai	-

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted during the year in repayment of dues to its bankers. The Company does not have any dues to financial institutions, government and debenture holders during the year.
- (ix) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not raised by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly paragraph 3(ix) of the Order is not applicable to the Company.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (xi) According to the information and explanations given to us and on the basis of our examination of the records of the company, no managerial remuneration has been paid or provided by the Company in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

## Albrecht Builder Private Limited

### **Annexure to the Independent Auditors' Report – 31 March 2016 (Continued)**

- (xiii) In our opinion and according to the information and explanations given to us, the Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act where applicable and the details of such related party transactions have been disclosed in the financial statements as required by Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (xiv) According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has not made any preferential allotment or private placement of shares or partly convertible debentures during the year under review. Accordingly paragraph (xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- (xvi) According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

**For B S R & Co. LLP**

*Chartered Accountants*

Firm's Registration No : 101248W/W-100022



**Vijay Mathur**

*Partner*

Membership No: 046476

Mumbai  
10 May 2016



## Albrecht Builder Private Limited

### Annexure B to the Independent Auditors' Report – 31 March 2016

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

We have audited the internal financial controls over financial reporting of the Company as of 31 March 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls


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



## Albrecht Builder Private Limited

### Annexure B to the Independent Auditors' Report – 31 March 2016 (Continued)

#### 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 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No : 101248W/W-100022



Vijay Mathur

Partner

Membership No: 046476

Mumbai  
10 May 2016



# Albrecht Builder Private Limited

## Balance sheet

as at 31 March 2016

(Currency: Indian rupees)

	Note	31 March 2016	31 March 2015
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	4	10,000,000	10,000,000
Reserves and surplus	5	(574,120,132)	(29,330,136)
		<u>(564,120,132)</u>	<u>(19,330,136)</u>
<b>Non-current liabilities</b>			
Long-term borrowings	6	1,604,168,293	5,100,000,000
Other long-term liabilities	7	676,850,793	13,760,274
Long-term provisions	8	3,088,257	-
		<u>2,284,107,343</u>	<u>5,113,760,274</u>
<b>Current liabilities</b>			
Trade payables			
- Due to Micro and Small Enterprises	24	-	-
- Due to others	9	12,479,121	5,511,250
Other current liabilities	10	3,969,014,466	969,854
		<u>3,981,493,587</u>	<u>6,481,104</u>
<b>TOTAL</b>		<u><u>5,701,480,798</u></u>	<u><u>5,100,911,242</u></u>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets			
- Tangible assets	11	659,882	-
- Intangible assets	12	2,531,342,426	-
Non-current investments			
- Investment property	13	2,174,930,174	-
- Trade investments	13	-	5,072,338,220
Long-term loans and advances	14	81,314,016	-
		<u>4,788,246,498</u>	<u>5,072,338,220</u>
<b>Current assets</b>			
Trade receivables	15	13,165,906	-
Cash and bank balances	16	867,492,937	27,444,554
Short-term loans and advances	17	7,290,565	1,128,468
Other current assets	18	25,284,892	-
		<u>913,234,300</u>	<u>28,573,022</u>
<b>TOTAL</b>		<u><u>5,701,480,798</u></u>	<u><u>5,100,911,242</u></u>

Significant accounting policies

Notes to the financial statements

The accompanying notes are an integral part of the financial statements.  
As per our report of even date attached.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Vijay Mathur

Partner

Membership No: 046476

Mumbai

10 May 2016

For and on behalf of the Board of Directors of

Albrecht Builder Private Limited

CIN No. U74120MH2014PTC251684

Abhijeet Maheshwari

Director

DIN No: 06900660

Gaurav Khanna

Director

DIN No: 03085284

Shubhanan Giri

Chief Financial Officer

Membership No.: 115610

Kaustubh Shevade

Company Secretary

Membership No.: A27833

Mumbai

10 May 2016



# Albrecht Builder Private Limited

## Statement of profit and loss for the year ended 31 March 2016

(Currency: Indian rupees)

	Note	31 March 2016	31 March 2015
<b>Revenue</b>			
Revenue from operations	19	828,159,267	-
Other income	20	54,460,536	-
		<u>882,619,803</u>	<u>-</u>
<b>Expenses</b>			
Employee benefits expense	21	1,138,725	-
Finance costs	22	601,455,763	23,091,175
Depreciation and amortisation expense	11, 12	688,183,803	-
Other expenses	23	131,758,623	6,238,961
		<u>1,422,536,914</u>	<u>29,330,136</u>
<b>(Loss) for the year before tax</b>		<b>(539,917,111)</b>	<b>(29,330,136)</b>
<b>Tax expense</b>			
Current tax		19,836,288	-
Deferred tax charge		-	-
<b>(Loss) for the year</b>		<u><b>(559,753,399)</b></u>	<u><b>(29,330,136)</b></u>
<b>Basic and diluted earnings per share</b>	25	<u><b>(559.75)</b></u>	<u><b>(395.91)</b></u>
(Face value of INR 10 each)			
<b>Significant accounting policies</b>	2		
<b>Notes to the financial statements</b>	3 to 34		

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


As per our report of even date attached.


For B S R & Co. LLP  
Chartered Accountants  
Firm's Registration No: 101248W/W-100022

  
**Vijay Mathur**  
Partner  
Membership No: 046476

Mumbai  
10 May 2016

For and on behalf of the Board of Directors of  
Albrecht Builder Private Limited  
CIN No. U74120MH2014PTC251684

  
**Abhijeet Maheshwari**  
Director  
DIN No: 06900660

  
**Gaurav Khanna**  
Director  
DIN No: 03085284

  
**Shubhanan Giri**  
Chief Financial Officer  
Membership No.: 115610

  
**Kaustubh Shevade**  
Company Secretary  
Membership No.: A27833

Mumbai  
10 May 2016

# Albrecht Builder Private Limited

## Cash flow statement

for the year ended 31 March 2016

(Currency: Indian rupees)

	31 March 2016	31 March 2015
<b>( A ) Cash flow from operating activities</b>		
(Loss) before tax	(539,917,111)	(29,330,136)
<b>Adjustments for:</b>		
Depreciation and amortisation expense	688,183,803	-
Finance costs	601,455,763	23,091,175
Interest income	(50,135,718)	-
Sundry balances written back	(961,422)	-
<b>Operating income before working capital changes</b>	<b>698,625,315</b>	<b>(6,238,961)</b>
<b>Changes in working capital:</b>		
(Decrease) / increase in trade payables	(8,994,894)	5,511,250
Increase in other long term liabilities	25,958,075	-
Increase in long-term provisions	3,088,257	-
(Decrease) / increase in other current liabilities	783,915	969,854
(Increase) in long-term loans and advances	(843,249)	-
Decrease in trade receivables	1,349,713	-
(Increase) in other current assets	(18,347,253)	-
(Increase) in short-term loans and advances	(2,303,313)	(1,128,468)
<b>Net change in working capital</b>	<b>691,251</b>	<b>5,352,636</b>
<b>Cash generated from operating activities</b>	<b>699,316,566</b>	<b>(886,325)</b>
Taxes paid, net	(92,690,737)	-
<b>Net cash flow generated from /(used in) operating activities</b>	<b>606,625,829</b>	<b>(886,325)</b>
<b>( B ) Cash flow from investing activities</b>		
Purchase of fixed assets	(1,739,004)	-
Investment in subsidiary	-	(5,072,338,220)
Interest received	47,994,690	-
<b>Net cash flow generated from/(used in) investing activities</b>	<b>46,255,686</b>	<b>(5,072,338,220)</b>
<b>( C ) Cash flow from financing activities</b>		
Proceeds from issuance of equity shares	-	10,000,000
Proceeds from issue of Non- Convertible Debentures	-	5,100,000,000
Repayment of long-term borrowings	(231,249,996)	-
Interest paid	(41,325,673)	(9,330,901)
<b>Net cash flow (used in) /generated from financing activities</b>	<b>(272,575,669)</b>	<b>5,100,669,099</b>
<b>Net increase in cash and cash equivalents</b>	<b>(A+B+C) 380,305,846</b>	<b>27,444,554</b>
Add: Cash and cash equivalents acquired pursuant to the Scheme of Amalgamation (Refer note 3)	459,742,537	-
Cash and cash equivalents at the beginning of the year	27,444,554	-
<b>Cash and cash equivalents at the end of the year (refer note 2)</b>	<b>867,492,937</b>	<b>27,444,554</b>



# Albrecht Builder Private Limited

## Cash flow statement (Continued) for the year ended 31 March 2016

(Currency: Indian rupees)

31 March 2016

31 March 2015

### Notes:

1 The Cash flow statement has been prepared under the indirect method as set out in Accounting Standard-3, Cash Flow Statement prescribed in the Companies (Accounting Standard) Rules, 2006, which continue to apply under Section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014.

2 Cash and cash equivalents at the end of the year comprise of:

Balance with banks:

- in current accounts

- in deposit account with original maturity of less than three months

16,492,937

851,000,000

27,444,554

-

867,492,937

27,444,554

### Significant accounting policies

2

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

As per our report of even date attached.

For BSR & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Vijay Mathur

Partner

Membership No: 046476

Abhijeet Maheshwari

Director

DIN No: 06900660

For and on behalf of the Board of Directors of

Albrecht Builder Private Limited

CIN No. U74120MH2014PTC251684

Gaurav Khanna

Director

DIN No: 03085284

Shubhanan Giri

Chief Financial Officer

Membership No.: 115610

Mumbai

10 May 2016

Mumbai

10 May 2016

Kaustubh Shevade

Company Secretary

Membership No.: A27833



# Albrecht Builder Private Limited

## Notes to the financial statements

for the year ended 31 March 2016

(Currency: Indian rupees)

### 1 Background

Albrecht Builder Private limited was incorporated on 4 January 2014 to carry on the business of development of real estate and infrastructure facilities. The Company is a subsidiary of Tata Realty and Infrastructure Limited ('the holding company'), which is a wholly owned subsidiary of Tata Sons Limited, the ultimate holding company.

### 2 Significant accounting policies

#### 2.1 Basis of preparation of financial statements

The accompanying financial statements have been prepared in compliance with the requirements under Section 133 of the Companies Act, 2013 (to the extent notified) ('the Act'), read with Rule 7 of the Companies (Accounts) Rules, 2014, and other generally accepted accounting principles (GAAP) in India, to the extent applicable, under the historical cost convention, on the accrual basis of accounting. GAAP comprises mandatory accounting standards as specified in the Companies (Accounting Standards) Rules, 2006.

#### 2.2 Going concern

As at 31 March 2016, the Company's paid up capital and reserves (excluding the deficit in the profit and loss) were INR 10,000,000 and correspondingly, the Company's accumulated losses aggregated INR 574,120,130 (2015: INR 29,330,136). However, management believes that the Company will be able to continue operations on a going concern basis and meet all its liabilities as they fall due for payment in the foreseeable future based on continued support, as required, from Tata Realty and Infrastructure Limited, the holding company.

The financial statements have been prepared on a going concern basis based on the confirmation of financial support received from the holding company and taken on record by the Board of the Company. Accordingly, these financial statements do not include any adjustments relating to the recoverability and classification of recorded assets, or to amounts and classification of recorded liabilities that might be necessary if the Company is unable to continue as a going concern.

#### 2.3 Use of estimates

The preparation of financial statements in conformity with GAAP requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Management believes that the estimates made in the preparation of the financial statements are prudent and reasonable. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

#### 2.4 Current/non-current classification

The Schedule III to the Act requires assets and liabilities to be classified as either current or non-current.

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

- (a) it is expected to be realised in, or is intended for sale or consumption in, the entity's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is expected to be realised within twelve months after the balance sheet date; or
- (d) it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the balance sheet date.

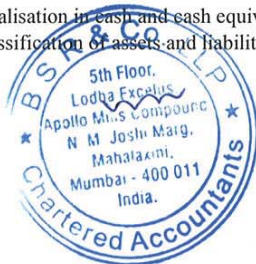
All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be settled in, the entity's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is due to be settled within twelve months after the balance sheet date; or
- (d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the balance sheet date.

All other liabilities are classified as non-current.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out above which are in accordance with the Schedule III to the Act. Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current, non-current classification of assets and liabilities.



# Albrecht Builder Private Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2016

(Currency: Indian rupees)

### 2 Significant accounting policies (Continued)

#### 2.5 Capital work in progress

Property that is being constructed for future use as investment property is accounted for as capital work-in-progress until construction or development is complete.

Direct expenses like cost of land, development rights, site labor cost, material used for project construction, project management consultancy, costs for moving the plant and machinery to the site and general expenses incurred specifically for the respective project like insurance, design and technical assistance, borrowing costs and construction overheads are taken as the cost of the project.

Capital work-in-progress represents the cost incurred in respect of areas under construction of the real estate development projects less impairment losses, if any.

#### 2.6 Fixed assets and depreciation / amortisation

##### Intangible assets

(i) Intangible assets comprise application software purchased / developed, which are not an integral part of the related hardware, and are amortised using the straight line method over a period of the software license, which in Management's estimate represents the period during which the economic benefits will be derived from their use.

(ii) Goodwill that arises on an amalgamation or on the acquisition of a business is presented as an intangible asset.

Goodwill arising from amalgamation is measured at cost less accumulated amortisation and any accumulated impairment loss. Such goodwill is amortised over its estimated useful life or five years whichever is shorter.

Goodwill arising on acquisition of a business is measured at cost less any accumulated impairment loss. Goodwill is tested for impairment annually.

##### Tangible assets

Fixed assets are stated at cost less accumulated depreciation and impairment loss, if any. Cost comprises of purchase price and any attributable cost such as duties, freight, borrowing costs, erection and commissioning expenses incurred in bringing the asset to its working condition for its intended use.

Depreciation on fixed assets has been provided using the straight line method as per the useful life of assets estimated by the management which is lower than or equal to those prescribed under Schedule II of the Act, and listed in the table below.

Depreciation on addition/deletion of fixed asset made during the year is provided on pro-rata basis from / upto the date of each addition / deletion.

Individual assets costing less than INR 5,000 are depreciated fully in the year of purchase.

#### 2.7 Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

#### 2.8 Operating lease

Lease rentals in respect of assets acquired on operating leases are recognised in the statement of profit and loss on a straight line basis over the lease term.

#### 2.9 Investments

Long-term investments are carried at cost. Provision for diminution is made to recognise a decline, other than temporary in value of long term investments and is determined separately for each individual investment. Current investments are carried at lower of cost and fair value, computed separately in respect of each category of investment.

#### 2.10 Employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, and short term compensated absences, etc. and the expected cost of ex-gratia are recognised in the period in which the employee renders the related service.





# Albrecht Builder Private Limited

## Notes to the financial statements

for the year ended 31 March 2016

### 2 Significant accounting policies (Continued)

#### 2.11 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Revenues from property leased out under an operating lease is recognised over the tenure of the lease / service agreement on a straight line basis, except where there is uncertainty of ultimate collection.

Maintenance income is recognised as and when related expenses are incurred.

Interest income is recognised on time proportion basis.

#### 2.12 Provisions and contingencies

The Company creates a provision where there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

#### 2.13 Income taxes

Income-tax expense comprises current income-tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the year). The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed at each balance sheet date and written down or written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

#### 2.14 Earnings per share

Basic earning per share is calculated by dividing the net profit/loss for the year attributable to the equity share holders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit/loss for the year attributable to the equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares outstanding during the year, except where the results would be anti-dilutive.

#### 2.15 Investment property and depreciation

Properties including land, building and other assets (attached to property), which are held either for long-term rental yield or for capital appreciation or for both, and which are not occupied substantially by the Company are classified as investment properties.

Investment properties are initially recognised at cost, including related transaction costs less impairment losses, if any. Cost comprises of cost of land, site labor cost, material used for project construction, project management consultancy, borrowing costs and costs for moving the plant and machinery to the site and general expenses incurred specifically for the respective project like insurance, design and technical assistance, and construction overheads are taken as the cost of the project direct expenses.

Acquisitions and disposals are accounted for at the date of completion.

Depreciation on investment property has been provided using the straight line method in the manner and at the rates prescribed by Schedule II of the Act. Depreciation on addition / deletion of investment property made during the year is provided on pro-rata basis from / up to the date of each addition / deletion.

Individual assets costing less than INR 5,000 are depreciated fully in the year of purchase.

#### 2.16 Borrowing costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are treated as direct cost and are considered as part of cost of such assets. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred.





# Albrecht Builder Private Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2016

(Currency: Indian rupees)

### 3 Scheme of Amalgamation of Peepul Tree Properties Limited with the Company

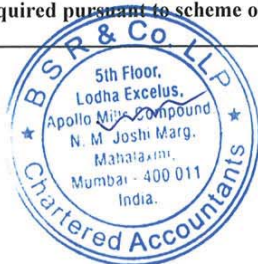
The Board of Directors at their meeting held on 24 March 2015, had approved the Amalgamation proposal and approved the "Scheme of Amalgamation" to amalgamate Peepul Tree Properties Limited ('the Transferor company') under Section 391 read with Section 394 of the Companies Act, 1956, with effect from 19 March 2015, ('the Appointed Date') subject to obtaining necessary approvals of the Shareholders, Creditors, Honourable Bombay High Court and other statutory and regulatory authorities.

The said Scheme received the approval of the Hon'ble Bombay High Court vide order passed on 9 January 2015 and other statutory and regulatory authorities. The Scheme has become effective 10 February 2016. Since the Scheme received all the requisite approvals after the financial statements for the year ended 31 March 2015, which were adopted by the shareholders, the impact of amalgamation has been given in the current financial year i.e. 2015-16 with effect from the Appointed date.

#### In accordance with the provisions of the aforesaid Scheme:

- There was no issue of shares by the Company (The Transferee Company) to the Transferor Company, as the Transferor Company was a wholly owned subsidiary of the Company.
- The Transferee Company has accounted for the amalgamation of the Transferor Company pursuant to the Scheme on the basis of the Accounting Standards for Amalgamation notified by the Central Government under Section 133 of Companies Act 2013 (corresponding to Section 211 (3C) of the Companies Act, 1956). The amalgamation is accounted under the 'Purchase method' as per Accounting Standard 14 - Accounting for Amalgamations, as referred to in the Scheme of amalgamation approved by the High Court.
- The transfer of assets and liabilities of the Transferor Company at book value has been effected from the "Appointed date" of 19 March 2015, as defined in the Scheme.
- Book value of assets and liabilities related to the Transferor company acquired with effect from the Appointed date i.e. 19 March 2015, are as under:

Particulars	Amount (INR)
<b>Assets</b>	
Tangible fixed assets	2,231,011,892
Intangible assets	-
Investment property	-
Long-term loans and advances	10,655,842
Other non-current assets	3,801,000
Trade receivables	15,115,171
Cash and bank balances	495,776,523
Other current assets	9,603,285
	<u>2,765,963,713</u>
<b>Liabilities</b>	
Long-term borrowings	254,689,118
Other long-term liabilities	78,672,000
Trade payables	21,730,441
Other current liabilities	502,711,966
	<u>857,803,525</u>
<b>Net assets taken over</b>	<b>1,908,160,188</b>
Investments made by the Company in equity and preference shares of Peepul Tree Properties Limited	5,072,338,220
<b>Goodwill acquired pursuant to scheme of amalgamation</b>	<b><u>3,164,178,032</u></b>



# Albrecht Builder Private Limited

## Notes to the financial statements (Continued)

as at 31 March 2016

(Currency: Indian rupees)

### 4 Share capital

31 March 2016

31 March 2015

#### Authorised

40,250,000 (2015: 1,000,000) equity shares of INR 10 each

402,500,000

10,000,000

#### Issued, subscribed and paid-up

1,000,000 (2015: 1,000,000) equity shares of INR 10 each, fully paid-up

10,000,000

10,000,000

10,000,000

10,000,000

#### a. Reconciliation of the number of shares outstanding at the beginning and at the end of the year

	31 March 2016		31 March 2015	
Equity shares	No of shares	Rupees	No of shares	Rupees
At the beginning of the year	1,000,000	10,000,000	-	-
Issued during the year	-	-	1,000,000	10,000,000
Outstanding at the end of the year	1,000,000	10,000,000	1,000,000	10,000,000

#### b. Rights, preferences and restrictions attached to equity shares:

The Company has a single class of equity shares having par value of INR 10 per share. Accordingly, all equity shares rank equally with regard to dividend as declared from time to time. The voting rights of an equity shareholder on a poll are in proportion to his share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

During the year ended 31 March 2016, the amount of per share dividend recognised as distribution to equity shareholders was INR Nil (2015: INR Nil). In the event of liquidation of the Company, the holders of the 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 share holders.

#### c. Shares held by holding company

Out of equity shares issued by the Company, shares held by its holding company are as below:

	31 March 2016		31 March 2015	
Equity shares of INR 10 each, fully paid up	No of shares	Rupees	No of shares	Rupees
Tata Realty and Infrastructure Limited, the holding company and its nominees	740,000	7,400,000	1,000,000	10,000,000

#### d. Details of shareholders holding more than 5% in the Company as at 31 March 2016 is as set out below:

	31 March 2016		31 March 2015	
Equity shares of INR 10 each, fully paid-up	No of Shares	% Holding	No of Shares	% Holding
Tata Realty and Infrastructure Limited, the holding company and its nominee	740,000	74	1,000,000	100
Standard Chartered Real Estate Investment (Singapore) VII Private Limited	260,000	26	-	-



# Albrecht Builder Private Limited

## Notes to the financial statements (Continued)

as at 31 March 2016

(Currency: Indian rupees)

	31 March 2016	31 March 2015
<b>5 Reserves and surplus</b>		
(Deficit) - Profit and loss balance		
At the commencement of the year	(29,330,136)	-
Add: Profit from the period from 19 March 15 to 31 March 15	14,963,403	-
Add: (Loss) for the year	(559,753,399)	(29,330,136)
	<u>(574,120,132)</u>	<u>(29,330,136)</u>
<b>6 Long-term borrowings</b>		
<b>Secured loan</b>		
Term loans from bank*	4,168,293	-
3,500 (2015: 3,500) nos, zero coupon non-convertible debentures of INR 1,000,000 each fully paid **	-	3,500,000,000
<b>Unsecured loan</b>		
1,600 (2015: 1,600) 11% non-convertible debentures of INR 1,000,000 each, fully paid-up.***	1,600,000,000	1,600,000,000
	<u>1,604,168,293</u>	<u>5,100,000,000</u>

\* The term loan from the Axis bank taken in November 2009, is secured against the building and carries interest @ 11.15 % up to 12 April 2015, @10.95% from 13 April 2015 to 31 July 2015, @10.85% from 1 August 2015 to 4 October 2015 and thereafter @10.50% (based on current PLR of the bank). The same is repayable by monthly installment of INR 19,270,833 per month along with applicable interest upto the period ending on November 2017.

\*\*Zero coupon non convertible debentures (series-II) are redeemable at a premium at the end of two years from the date of allotment, viz., 18 March 2015. The company has an option to redeem these debentures earlier. However, the company cannot redeem these debentures before 18 May 2016. The redemption premium payable on redemption of these debentures will provide a yield of 10.25% (compounded annually) to the debenture holders, till the date of redemption of NCD's.

\*\*\*11% non convertible debentures (NCD's) (series-I) will be redeemed after a period of ten years from the date of allotment viz., 18 March 2015. Interest on these NCD's will accrue and become payable based on the performance of the company as determined by the Board of Directors of the company.





# Albrecht Builder Private Limited

## Notes to the financial statements (Continued)

as at 31 March 2016

(Currency: Indian rupees)

	31 March 2016	31 March 2015
<b>7 Other long-term liabilities</b>		
Interest accrued but not due on borrowings	572,220,718	13,760,274
Interest- free security deposits from customers	104,529,257	-
Others		
- Retention money payable	100,818	-
	<u>676,850,793</u>	<u>13,760,274</u>
<b>8 Long-term provisions</b>		
Provision for tax (net of advance tax of INR 351,240,545 (2015: NIL) )	3,088,257	-
	<u>3,088,257</u>	<u>-</u>
<b>9 Trade payables</b>		
- Due to micro and small enterprises (refer note 24)	-	-
- other trade payables	12,479,121	5,511,250
	<u>12,479,121</u>	<u>5,511,250</u>
<b>10 Other current liabilities</b>		
Current maturities of long-term debt	3,731,249,996	-
Interest- free security deposits from customers	212,815,080	-
Advances from customers	8,210,712	-
Other payables		
- Tax deducted at source payable	5,193,930	968,150
- Work contract tax payable	68,095	-
- Other liabilities	6,193,056	1,704
Accrued expenses	2,371,162	-
Creditors for contractual obligations	2,912,435	-
	<u>3,969,014,466</u>	<u>969,854</u>



# Albrecht Builder Private Limited

## Notes to the financial statements (Continued) as at 31 March 2016

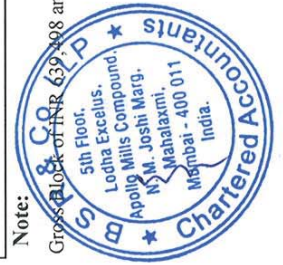
(Currency: Indian rupees)

### 11 Tangible assets

Cost	Computers	Vehicles	Total
At 1 April 2014	-	-	-
Additions	-	-	-
Disposals	-	-	-
At 31 March 2015	-	-	-
Additions	526,925	-	526,925
Acquired pursuant to scheme of arrangement	232,754	406,744	639,498
Disposals	-	-	-
At 31 March 2016	759,679	406,744	1,166,423
Depreciation			
At 1 April 2014	-	-	-
Adjustment	-	-	-
Charge for the year	-	-	-
Disposals	-	-	-
At 31 March 2015	-	-	-
Charge for the year	73,097	56,169	129,266
Adjustment pursuant to scheme of arrangement	226,585	150,690	377,275
Disposals	-	-	-
At 31 March 2016	299,682	206,859	506,541
Net Block			
At 31 March 2015	-	-	-
At 31 March 2016	459,997	199,885	659,882

Note:

Gross Block of INR 639,498 and accumulated depreciation of INR 377,275, relating to Peepul Tree Properties Limited has been acquired pursuant to the Scheme of Arrangement (refer note 3).



# Albrecht Builder Private Limited

## Notes to the financial statements (Continued) as at 31 March 2016

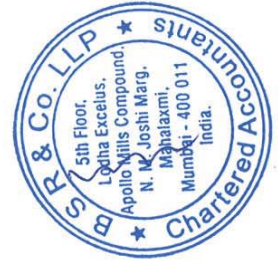
(Currency: Indian rupees)

### 12 Intangible assets

Cost	Software	Goodwill	Total
At 1 April 2014	-	-	-
Additions	-	-	-
Disposals	-	-	-
At 31 March 2015	-	-	-
Additions (Refer note 3)	-	3,164,178,032	3,164,178,032
Acquired pursuant to scheme of arrangement	16,533	-	16,533
Disposals	-	-	-
At 31 March 2016	16,533	3,164,178,032	3,164,194,565
<b>Depreciation</b>			
At 1 April 2014	-	-	-
Charge for the year	-	-	-
Disposals	-	-	-
At 31 March 2015	-	-	-
Charge for the year	-	632,835,606	632,835,606
Adjustment pursuant to scheme of arrangement	16,533	-	16,533
Disposals	-	-	-
At 31 March 2016	16,533	632,835,606	632,852,139
<b>Net Block</b>			
At 31 March 2015	-	-	-
At 31 March 2016	-	2,531,342,426	2,531,342,426

#### Note:

Gross Block of INR 16,533 and accumulated depreciation of INR 16,533, relating to Peepul Tree Properties Limited has been acquired pursuant to the Scheme of Arrangement (Refer note 3).





# Albrecht Builder Private Limited

## Notes to the financial statements (Continued) as at 31 March 2016

(Currency: Indian rupees)

### 13A Investment property

Cost	Building	Electrical fittings	Plant and equipment	Furniture and fixtures	Total
At 1 April 2014	-	-	-	-	-
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
At 31 March 2015	-	-	-	-	-
Additions	-	-	1,108,907	103,172	1,212,079
Acquired pursuant to scheme of arrangement	2,424,481,380	74,849,678	26,511,138	2,978,703	2,528,820,899
Disposals	-	-	-	-	-
At 31 March 2016	2,424,481,380	74,849,678	27,620,045	3,081,875	2,530,032,978
Depreciation					
At 1 April 2014	-	-	-	-	-
Adjustment	-	-	-	-	-
Charge for the year	-	-	-	-	-
Disposals	-	-	-	-	-
At 31 March 2015	-	-	-	-	-
Charge for the year	40,470,159	12,379,478	1,960,909	408,385	55,218,931
Adjustment pursuant to scheme of arrangement	263,373,457	31,602,005	3,611,865	1,296,546	299,883,873
Disposals	-	-	-	-	-
At 31 March 2016	303,843,616	43,981,483	5,572,774	1,704,931	355,102,804
Net Block					
At 31 March 2015	-	-	-	-	-
At 31 March 2016	2,120,637,764	30,868,195	22,047,271	1,376,944	2,174,930,174

#### Note:

Gross Block of INR 2,528,820,899 and accumulated depreciation of INR 299,883,873 relating to Peepul Tree Properties Limited has been acquired pursuant to the Scheme of Arrangement (refer note 3).



# Albrecht Builder Private Limited

## Notes to the financial statements (Continued) as at 31 March 2016

(Currency: Indian rupees)

	31 March 2016	31 March 2015
<b>13 Non-current investments</b>		
Investment property (refer note 13A)	2,174,930,174	-
	<u>2,174,930,174</u>	<u>-</u>
Trade Investments (at cost)		
Unquoted equity shares, fully paid up		
Investment in subsidiary company:		
Nil (2015: 2,04,75,000) equity shares of INR 10 each in Peepul Tree Properties Limited	-	5,020,938,652
Unquoted preference shares, fully paid up		
Investment in subsidiary company:		
Nil (2015: 1,28,80,000) 0.0001% compulsorily convertible preference shares of INR 10 each in Peepul Tree Properties Limited	-	51,399,568
Aggregate value of unquoted investments	<u>-</u>	<u>5,072,338,220</u>
<b>14 Long-term loans and advances</b> (Unsecured, considered good)		
Security deposits	4,697,500	-
Advance tax and tax deducted at source (net of provision for tax INR 387,590,387; 2015: INR Nil)	71,972,267	-
Prepaid expenses	4,061,747	-
Capital advances	582,502	-
	<u>81,314,016</u>	<u>-</u>
<b>15 Trade receivables:</b>		
(A) Secured, considered good		
- Outstanding for a period exceeding six months from the date they are due for payment	-	-
- Others	13,165,906	-
	<u>13,165,906</u>	<u>-</u>
(B) Unsecured, considered good		
- Outstanding for a period exceeding six months from the date they are due for payment	-	-
- Others	-	-
	<u>-</u>	<u>-</u>
<b>Total</b>	<u>13,165,906</u>	<u>-</u>



# Albrecht Builder Private Limited

## Notes to the financial statements (Continued) as at 31 March 2016

(Currency: Indian rupees)

	31 March 2016	31 March 2015
<b>16 Cash and bank balances</b>		
<i>Cash and cash equivalents</i>		
Cash on hand	-	-
Balances with banks		
- in current accounts	16,492,937	27,444,554
- in deposit account with original maturity of less than three months	811,000,000	-
<i>Other bank balances</i>		
Bank deposits due to mature within 12 months of the reporting date	40,000,000	-
	<u>867,492,937</u>	<u>27,444,554</u>
<b>17 Short-term loans and advances</b>		
<i>(Unsecured, considered good)</i>		
<i>To other than related parties</i>		
Prepaid expenses	4,213,510	-
Balance with Government and local authorities	3,077,055	1,128,468
	<u>7,290,565</u>	<u>1,128,468</u>
<b>18 Other current assets</b>		
Interest accrued on bank deposits	6,883,017	-
Unearned lease rentals	6,922,800	-
Other receivables	2,218,283	-
Unbilled revenue	9,260,792	-
	<u>25,284,892</u>	<u>-</u>





# Albrecht Builder Private Limited

## Notes to the financial statements (Continued) for the year ended 31 March 2016

(Currency: Indian rupees)

	31 March 2016	31 March 2015
<b>19 Revenue from operations</b>		
Lease rentals	759,367,582	-
Recovery of Common Area Maintenance (CAM) expenses	68,791,685	-
	<u>828,159,267</u>	<u>-</u>
<b>20 Other income</b>		
Interest on bank deposits	50,135,718	-
Other operating income (parking income, promotions and kiosk income)	3,081,341	-
Miscellaneous income	282,055	-
Sundry balances written back	961,422	-
	<u>54,460,536</u>	<u>-</u>
<b>21 Employee benefits expense</b>		
Salary, wages and bonus	1,113,068	-
Staff welfare	25,657	-
	<u>1,138,725</u>	<u>-</u>
<b>22 Finance costs</b>		
Interest expense (Interest of INR 7,878,358 pertain to previous year)	599,786,117	13,760,274
Other borrowing costs	1,669,646	9,330,901
	<u>601,455,763</u>	<u>23,091,175</u>
<b>23 Other expenses</b>		
Rates and taxes	3,377,672	5,738,620
Common Area Maintenance (CAM) charges	64,521,942	-
Property tax	17,398,850	-
Asset management fees	16,485,584	-
Advertising and branding	503,371	-
Brokerage	2,579,376	-
Insurance premium	1,484,208	-
Printing and stationery	176,850	-
Legal and professional fees	11,562,914	467,884
Payment to auditors' (excluding service tax) (refer note 34)		
- as auditor	400,000	25,000
- other services	100,000	-
- reimbursement of expenses	14,670	-
Communication expenses	322,964	-
Traveling and conveyance	77,299	1,204
Directors sitting fees	215,000	-
Donations	300,000	-
Repairs and maintenance - others	11,540,561	-
Bank charges	2,058	6,219
Miscellaneous expenses	695,304	34
	<u>131,758,623</u>	<u>6,238,961</u>



# Albrecht Builder Private Limited

## Notes to the financial statements (Continued) for the year ended 31 March 2016

(Currency: Indian rupees)

### 24 Micro, Small and Medium Enterprises

Under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED') which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the management, there are no outstanding dues to the Micro and Small enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 as set out in the following disclosures:

	2016	2015
Principal amount remaining unpaid to any supplier as at the period end	-	-
Interest due thereon	-	-
Amount of interest paid by the Company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting period.	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED, 2006	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting period	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-

### 25 Earnings per share

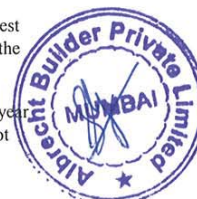
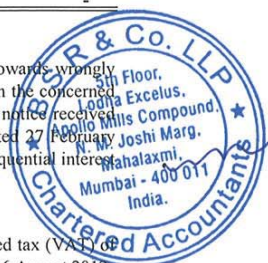
		2016	2015
Basic earnings per share			
(Loss) after tax attributable to equity shareholders	A	(559,753,399)	(29,330,136)
Number of equity shares outstanding at the beginning of the year		1,000,000	
Equity shares issued during the year		-	1,000,000
Number of equity shares outstanding at the end of the year		1,000,000	1,000,000
Weighted average number of equity shares outstanding during the year (based on date of issue of shares)	B	1,000,000	74,082
Basic earnings per share of face value of INR 10 each	[C = A/B]	(559.75)	(395.91)
Diluted earnings per share			
Potential equity shares outstanding during the year	D	-	-
Total number of equity shares used to compute diluted earning per share	[E=B+D]	1,000,000	74,082
Diluted earnings per share of face value of INR 10 each	[F = A/E]	(559.75)	(395.91)

### 26 Commitments

	31 March 2016	31 March 2015
Estimated amount of contracts remaining to be executed and not provided for (net of advances)	534,302	-
	<u>534,302</u>	<u>-</u>

### 27 Contingent liability

- During the financial year 2012-13, Company has received a show cause cum demand notice from the service tax department towards wrongly availed service tax input credit of INR 3,536,635. The Company has rejected the above referred demand and has filed reply with the concerned authorities. Pursuant to the reply filed by the company during the financial year 2013-14 against the show cause cum demand notice received from service tax department for wrong availment of service tax input credit of INR 3,536,635 the company received order dated 27 February 2015 disallowing cenvat credit amounting to INR 3,321,177 further penalty of identical of Rs.3,321,177 has been imposed. Consequential interest at applicable rate on INR 3,321,177 has also been levied. The Company has filed an appeal 29 July 2015 on against the above order.
- During the financial year 2012-13, Company has received a demand notice from Infinity Developers (seller) towards value added tax (VAT) of INR 41,280,000 payable on Purchase consideration paid during 20 June 2006 to 31 March 2010 as per the trade circular issued on 6 August 2012. The Company has rejected the above referred demand on the ground that the liability of VAT is primarily on the seller and also the supplemental agreement entered between the Company and the seller has confirmed the payments of all the dues. The management is of the view that the said demand does not warrant any provision in the books of account.
- During the financial year 2012-13, Company has received a demand of INR 8,605,780 from the Income Tax department for the assessment year 2010-11. The appellate authorities upheld the demand while allowing credit for short TDS and MAT credit. The Company has deposited INR 2,700,000 as part payment towards the balance demand and has filed an appeal with the Income Tax Tribunal. The management is of the view that the said demand does not warrant any provision in the books of account.
- During the financial year 2014-15, Company has received a demand of INR 7,900,850 from the Income Tax department towards penal interest for the assessment year 2010-11. The Company has filed an appeal against the above referred demand. The management is of the view that the said demand does not warrant any provision in the books of account.
- During the financial year 2014-15, Company has received a demand of INR 6,300,180 from the Income Tax department for the assessment year 2012-13. The Company has filed an appeal against the above referred demand. The management is of the view that the said demand does not warrant any provision in the books of account.



# Albrecht Builder Private Limited

## Notes to the financial statements (Continued) for the year ended 31 March 2016

(Currency: Indian rupees)

### 28 Segment reporting

The Company is operating in the real estate and infrastructure industry and has only domestic operations. The Company has only one reportable business segment, which is development of real estate and infrastructure facilities and only one reportable geographical segment. Accordingly, these financial statements are reflective of the information required by the Accounting Standard 17, for the property development segment.

### 29 Operating leases

The Company has leased properties under non-cancellable operating leases. As on March 31, 2016, the future minimum lease payments in respect of these properties till the expiry of lock in period is as follows:

In the capacity as lessor	2016	2015
Not later than one year	242,639,185	-
Later than one year but not later than 5 years	254,111,761	-
Later than 5 years	-	-

### 30 Related party transaction

#### Ultimate Holding Company

Tata Sons Limited

#### Holding Company

Tata Realty and Infrastructure Limited

#### Fellow subsidiaries

TC Travel and Services Limited

Tata AIA Life Insurance Company Limited

Tata AIG General Insurance Company Limited

Transactions during the year	31 March 2016	31 March 2015
<b>Issue of Equity Shares</b>		
Tata Realty and Infrastructure Limited	-	9,900,000
<b>Issue of 11% Non Convertible Debentures</b>		
Tata Realty and Infrastructure Limited	-	1,600,000,000
<b>Interest expenses</b>		
Tata Realty and Infrastructure Limited	135,949,151	-
<b>Recovery of expenses</b>		
Tata Realty and Infrastructure Limited	6,370,773	-
<b>Asset Management fees</b>		
Tata Realty and Infrastructure Limited	16,485,584	-
<b>Rental and CAM Income</b>		
Tata AIG General Insurance Company Limited	55,987,480	-
<b>Recovery of Property Tax</b>		
Tata AIG General Insurance Company Limited	294,706	-
<b>Services Received</b>		
Tata AIG General Insurance Company Limited	1,364,446	-
Tata AIA Life Insurance Company Limited	1,611	-
<b>Travelling expenses</b>		
TC Travel and Services Limited	24,079	-





# Albrecht Builder Private Limited

## Notes to the financial statements (Continued) for the year ended 31 March 2016

(Currency: Indian rupees)

### 31 Related party transaction (Continued)

	31 March 2016	31 March 2015
<b>Balances outstanding</b>		
11% Non Convertible Debentures		
Tata Realty and Infrastructure Limited	1,184,000,000	1,600,000,000
<b>Other payables</b>		
Tata Realty and Infrastructure Limited	4,073,826	-
<b>Interest accrued and not due</b>		
Tata Realty and Infrastructure Limited	135,949,151	-
<b>Other Receivable</b>		
Tata AIG General Insurance Company Limited	294,706	-
<b>Security deposits received from</b>		
Tata AIG General Insurance Company Limited	19,246,080	-

### 31 Domestic transfer pricing

The Company's domestic transactions with associated enterprises are at arm's length as per the independent accountants report for the year ended 31 March 2016. Management believes that the Company's domestic transactions with related parties post 31 March 2016 continue to be at arm's length and that the transfer pricing legislation will not have any impact on these financial statements, particularly on amount of tax expenses and that of provision for tax.

### 32 Other matters

Information with regard to other matters specified in Schedule III to the Act is either nil or not applicable to the Company for the year.

### 33 Payment to auditors (including service tax)

	31 March 2016	31 March 2015
As auditor		
- Statutory audit	400,000	25,000
- Tax audit	-	-
- Other services	100,000	-
- Reimbursement of expenses	-	-
	500,000	25,000
Service tax	72,500	3,090
	572,500	28,090

### 34 Previous year comparatives

Figures of the previous period have been audited by a firm of chartered accountants other than B S R & Co. LLP.

As per our report of even date attached.

For B S R & Co. LLP  
Chartered Accountants  
Firm's Registration No: 101248W/W-100022

Vijay Mathur  
Partner  
Membership No: 046476

Mumbai  
10 May 2016

For and on behalf of the Board of Directors of  
Albrecht Builder Private Limited  
CIN No. U74120MH2014PTC251684

Abhijeet Maheshwari  
Director  
DIN No: 06900660

Gaurav Khanna  
Director  
DIN No: 03085284

Shubhanan Giri  
Chief Financial Officer  
Membership No.: 115610

Kaustubh Shevade  
Company Secretary  
Membership No.: A27833

Mumbai  
10 May 2016