

INDEPENDENT AUDITOR'S REPORTTo the Members of **S.E. Builders & Realtors Limited****Report on the Financial Statements**

We have audited the accompanying financial statements of **S.E. Builders & Realtors Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, 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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with 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 includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances 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 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 standalone 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 March 31, 2015, its loss and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note 25 to the financial statements regarding uncertainties arising from pending litigations in respect of title of land for the development of which the Company has been incorporated. The Company's ability to develop such land depends upon outcome of aforesaid litigation. Pending final outcome in the matter, no adjustments are considered necessary in the financial statements.

Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2015 ("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 1 a statement on the matters specified in paragraphs 3 and 4 of the 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 purpose of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, 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 standalone 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) In our opinion, the matter described under the Emphasis of Matter paragraph above, may have an adverse effect on the functioning of the Company;
 - (f) On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of section 164 (2) of the Act;
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 25 to the financial statements;



S.R. BATLIBOI & Co. LLP

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- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S. R. Batliboi & Co. LLP

Chartered Accountants

Firm Registration Number: 301003E



per Bhaswar Sarkar

Partner

Membership No.: 055596

Place of Signature: Kolkata

Date: June 26, 2015



Annexure 1 to the Auditor's Report

Referred to in our report of even date to the members of S.E. Builders & Realtors Limited as at and for the year ended March 31, 2015

- i)
 - a) The Company has only one item as fixed asset and has maintained proper records showing full particulars, including quantitative detail and situation of such item.
 - b) The aforesaid item of fixed asset has been physically verified by the management at the year and no material discrepancy was identified on such verification.
- ii)
 - a) The management has conducted physical verification of inventory at reasonable intervals during the year.
 - b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a) and (b) of the Order are not applicable to the Company and hence not commented upon.
- iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory. During the year, the Company has purchased only one item of fixed asset and the procedure adopted for such purchase was reasonable. As informed to us, the Company has not sold goods and services during the year. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the Company in respect of these areas.
- v) The Company has not accepted any deposits from the public.
- vi) To the best of our knowledge and as explained, the requirement to maintain cost records under section 148(1) of the Companies Act, 2013, read with Companies (Cost Records and Audit) Rules, 2014, is not applicable to the company for the year since overall turnover of the Company during the immediately preceding financial year was less than rupees thirty five crores.
- vii)
 - a) The Company is regular in depositing with appropriate authorities undisputed dues towards income-tax, service tax, cess and other material statutory dues applicable to it. During the year, the Company did not have any dues towards provident fund, employees' state insurance, sales-tax, wealth-tax, customs duty, excise duty and value added tax.



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- b) According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, service tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. During the year, the Company did not have any dues towards provident fund, employees' state insurance, sales-tax, wealth-tax, customs duty, excise duty and value added tax.
 - c) According to the information and explanations given to us, there are no dues of income tax, sales-tax, wealth tax, service tax, customs duty, excise duty, value added tax and cess which have not been deposited on account of any dispute.
 - d) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.
- viii) The Company has been registered for a period of less than five years and hence we are not required to comment on whether or not the accumulated losses at the end of the financial year is fifty per cent or more of its net worth and whether it has incurred cash losses in the current financial year and in the immediately preceding financial year.
- ix) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a bank. The Company did not have any outstanding dues to financial institutions and no debentures were outstanding during the year.
- x) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- xi) Based on the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- xii) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

For S. R. Batliboi & Co. LLP

Chartered Accountants

Firm Registration Number: 301003E



per Bhaswar Sarkar

Partner

Membership No.: 055596

Place of Signature: Kolkata

Date: June 26, 2015



S.E. BUILDERS & REALTORS LIMITED
Balance Sheet as at 31st March 2015

Particulars	Notes	As at 31-March-15 Rs.	As at 31-March-14 Rs.
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share capital	2	10,000,000	10,000,000
Reserves and surplus	3	962,147,720	1,006,631,630
		972,147,720	1,016,631,630
Non - Current Liabilities			
Long Term Borrowings	4	350,000,000	-
Current Liabilities			
Short term borrowings	5	109,200,000	287,500,000
Trade payables	6	14,667,508	59,166,339
Other current liabilities	7	6,490,213	1,754,567
Short term provisions	8	50,000	50,000
		130,407,721	348,460,906
TOTAL		1,452,555,441	1,365,092,736
ASSETS			
Non - Current Assets			
Fixed Assets			
Tangible Assets	9	556,118	-
Long term loans and advances	10	67,054	10,054
Other non current assets	11	4,666,666	5,833,333
		5,289,838	5,843,387
Current Assets			
Inventories	12	1,411,615,985	1,327,841,011
Cash and bank balances	13	2,974,385	9,215,223
Short term loans and advances	14	31,508,586	21,026,448
Other current assets	15	1,166,667	1,166,667
		1,447,265,603	1,359,249,349
TOTAL		1,452,555,441	1,365,092,736

Summary of Significant Accounting Policies

1

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S. R. Batliboi & Co. LLP
 CHARTERED ACCOUNTANTS
 Firm Registration No. 301003E

For and on behalf of the Board of Directors of
 S.E. Builders & Realtors Limited

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 per Bhaswar Sarkar
 Partner
 Membership No 055596


Place: Kolkata.
 Dated: 26th June 2015


 Naresh Kumar Jain
 Director


 Pradip Jyoti Agrawal
 Director


 Partha Chakravarty
 Manager

S.E. BUILDERS & REALTORS LIMITED

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

Particulars	Note	For the year ended 31-March-15 Rs	For the year ended 31-March-14 Rs
Income			
Other income	16	42,216	8,859,958
Expenses			
Construction expenses	17	99,267,722	313,828,306
Increase in construction work in progress	18	(131,717,827)	(341,134,000)
Finance Costs	19	48,982,108	467,671
Other expenses	20	27,955,927	27,091,141
Depreciation	9	58,198	
Total		44,526,326	253,118
Profit / (Loss) before tax		(44,484,110)	8,606,840
Tax Expense :			
Current tax		-	2,650,000
Profit / (Loss) after tax for the year		(44,484,110)	5,956,840
Earnings per equity share [Nominal value of Rs.10/- each]	21		
Computed on the basis of total profit for the year			
Basic		(88.97)	11.91
Diluted		(88.97)	5.96

Summary of Significant Accounting Policies

1

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S. R. Batliboi & Co. LLP
CHARTERED ACCOUNTANTS
Firm Registration No. 301003E

For and on behalf of the Board of Directors of
S.E. Builders & Realtors Limited



per Bhaswar Sarkar
 Partner
 Membership No 055596



Place: Kolkata.
 Dated: 26th June 2015



Naresh Kumar Jain
 Director


 Partha Chakravarty
 Manager



Pradip Jyoti Agrawal
 Director

S.E. BUILDERS & REALTORS LIMITED
Cash Flow Statement for the year ended 31st March 2015


	For the year ended 31-March-15	For the year ended 31-March-14
	Rs.	Rs.
A. Cash Flow from Operating Activities		
Profit before tax	(44,484,110)	8,606,840
<i>Adjustment for:</i>		
Interest received	-	(4,929)
Depreciation	58,198	-
Interest expense	48,862,108	467,671
Net gain from redemption of current investments	(22,704)	(8,855,029)
Operating Profit / (Loss) before Working Capital Changes	4,513,490	214,653
<i>Working Capital Adjustment:</i>		
Increase in inventories	(83,774,954)	(404,634,116)
Increase in short term loans and advances and other current assets	(10,482,138)	(15,639,989)
Increase / (decrease) in long term loans and advances and other non current assets	1,166,667	(5,833,333)
(Increase) / decrease in trade payables & other current liabilities	(43,734,563)	51,968,650
Cash used in Operations	(132,311,498)	(373,924,235)
Direct taxes paid	(57,000)	(3,162,549)
Net Cash used in Operating Activities (A)	(132,368,498)	(377,086,784)
B. Cash Flow from Investing Activities		
Investments in mutual funds	(6,500,000)	(20,000,000)
Redemption of mutual funds	6,522,704	117,708,739
Interest received	-	4,929
Net Cash generated from Investing Activities (B)	22,704	97,714,668
C. Cash Flow from Financing Activities		
Purchase of Fixed assets	(614,314)	-
Proceeds from long term borrowings	350,000,000	-
Repayment of short term borrowings	(178,300,000)	-
Proceeds from short term borrowings	-	287,500,000
Interest Paid	(44,980,730)	(46,767)
Net Cash Generated from Financing Activities (C)	126,104,966	287,453,233
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	(6,240,838)	8,081,117
Cash and Cash Equivalents (Opening Balance)	9,215,223	1,134,106
Cash and Cash Equivalents (Closing Balance) (Note 13)	2,974,385	9,215,223

Summary of Significant Accounting Policies

As per our report of even date


For S. R. Batliboi & Co. LLP
CHARTERED ACCOUNTANTS
Firm Registration No. 301003E


For and on behalf of the Board of Directors of
S.E. Builders & Realtors Limited


per Bhaswar Sarkar
a Partner
Membership No 055596



Place: Kolkata
Dated: 26th June 2015


Naresh Kumar Jain
Director


Pradip Jyoti Agrawal
Director


Partha Chakravarty
Manager

1 Summary of Significant Accounting Policies-

1.1 Basis of preparation

The financial statements of the company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those used in the previous year.

1.2 Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and disclosure of contingent liabilities, at the end of reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets and liabilities in future periods.

1.3 Fixed assets

Tangible assets are stated at cost, less accumulated depreciation and impairment losses if any. Cost comprises of purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Intangible assets are stated at cost, less accumulated amortization thereon. Cost comprises the purchase price inclusive of duties (net of conval), taxes and incidental expenses.

1.4 Depreciation

Depreciation on tangible fixed assets is provided using the written down value method as per the useful lives of the assets as prescribed under Schedule II to the Companies Act, 2013, prorated to the period of use of assets. The residual value of an asset for this purpose is determined at the rate of 5% of the original cost of the asset.

Intangible assets are amortized on straight line method over a period of three years from the date when the assets became available for use.

1.5 Impairment

The carrying amounts of fixed assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax-discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

After impairment, depreciation is provided on the revised carrying amount of the fixed assets over its remaining useful life.

1.6 Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

1.7 Inventories

Inventories are valued at lower of cost and net realisable value. The cost of construction materials is determined on the basis of weighted average method. Construction work in progress includes direct attributable costs and appropriate share of indirect costs attributable to construction.



1.8 Revenue recognition

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

Revenue from constructed properties

Revenue from sale of properties / projects is recognized on the basis of percentage of completion method only if the following thresholds have been met;

- a) All critical approvals necessary for the commencement of the project have been obtained;
- b) The expenditure incurred on construction and development costs, excluding land costs, is not less than 25% of the total estimated construction and development costs of the project;
- c) Atleast 25% of the saleable project area is secured by agreements with the buyers; and
- d) Atleast 10% of the sale consideration of each sold unit has been received at the reporting date in respect of such contracts with the buyers.

Percentage of completion is determined with reference to total cost incurred on the project till the year end and the estimated total cost of completion of the project. Such revenue is recognised on transfer of all significant risk, reward of the ownership and effective control of the related property and on establishing certainty of consideration and reasonability of collection thereof.

Others

Interest: Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Revenue in respect of other items is recognised on accrual basis.

1.9 Borrowing cost

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

1.10 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) 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 period attributable to equity shareholders and the wighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. However the effects of antidilutive potential equity shares are ignored in calculating diluted earnings per share.



S.E. BUILDERS & REALTORS LIMITED

Notes to financial Statements as at and for the year ended 31st Mar 2015

1.11 Taxes on income

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act 1961. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each balance sheet date, the Company re-assesses unrecognized deferred tax assets. It recognizes deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets is reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

1.12 Provisions

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent Assets are neither recognised nor disclosed in the financial statements.

1.13 Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

1.14 Segment Reporting

Identification of segments

The Company's operating businesses are organized and managed separately according to the nature of services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

1.15 Cash and cash equivalents

Cash and cash equivalents in the cash flow statement comprise cash at bank and on hand.



S.E. BUILDERS & REALTORS LIMITED

Notes to financial Statements as at and for the year ended 31st Mar 2015

	<u>As at</u> <u>31-March-15</u> <u>Rs.</u>	<u>As at</u> <u>31-March-14</u> <u>Rs.</u>
2 SHARE CAPITAL		
Authorised Share Capital		
10,00,000 (31.03.2014 : 10,00,000) Equity Shares of Rs. 10/- each	10,000,000	10,000,000
10,00,000 (31.03.2014 : 10,00,000) 0.001% Non-Cumulative Compulsorily Convertible Preference Shares (CCPS) of Rs. 10/- each	10,000,000	10,000,000
	<u>20,000,000</u>	<u>20,000,000</u>
Issued, Subscribed and Paid-up.		
5,00,000 (31.03.2014 : 5,00,000) Equity Shares of Rs. 10/- each, fully paid up	5,000,000	5,000,000
5,00,000 (31.03.2014 : 5,00,000) 0.001% Non-Cumulative Compulsorily Convertible Preference Shares (CCPS) of Rs. 10/- each, fully paid up	5,000,000	5,000,000
	<u>10,000,000</u>	<u>10,000,000</u>

2.1 Reconciliation of number of equity shares outstanding at the beginning and at the end of the year

	<u>As at 31-March-15</u>		<u>As at 31st-March-14</u>	
	<u>Nos</u>	<u>Rs.</u>	<u>Nos</u>	<u>Rs.</u>
Equity Shares Outstanding at the beginning and end of the year	500,000	5,000,000	500,000	5,000,000

2.2 Reconciliation of number of CCPS outstanding at the beginning and at the end of the year

	<u>As at 31-March-15</u>		<u>As at 31st-March-14</u>	
	<u>Nos</u>	<u>Rs.</u>	<u>Nos</u>	<u>Rs.</u>
Preference Shares Outstanding at the beginning and end of the year	500,000	5,000,000	500,000	5,000,000

2.3 Terms/rights attached to Equity Shares

The Company has only one class of equity shares having a par value of Rs. 10 (Rupees Ten) per share. Each holder of equity shares is entitled to one vote per share.

Upon occurrence of event of default under the share subscription and shareholders agreement dated 31st January, 2012, IL&FS Trust Company Ltd. and IIRF India Realty XXIII Ltd. (the shareholders) may require the company to buyback the shares from them at a valuation which provides the shareholders a return of 25% per annum.

2.4 Terms/rights attached to CCPS

CCPS are non - cumulative, compulsorily convertible preference shares of a face value of Rs. 10 (Rupees Ten) each.

All CCPS have a right of non cumulative preferential dividend at a fixed rate of 0.001% (one thousandth percentage) per annum. On conversion of CCPS into equity shares, all rights to receive preferential dividend on the CCPS is extinguished. However if the Company declares dividend on its equity shares at a rate higher than 0.001%, the holders of CCPS are entitled to such higher dividend.

CCPS do not have a right to vote except for in meetings dealing with variations in rights of CCPS. However they have a right to vote at every resolution placed before the General Meeting of the Company if the dividend due on such CCPS or any part of such dividend remains unpaid either for a period of 2 years ending with the expiry of the financial year immediately preceding the commencement of the General Meeting or for a period of 3 years comprised in the 6 years ending with the expiry of the financial year immediately preceding the General Meeting as aforesaid.

Each CCPS is convertible into one equity share, any time after the expiration of 6 (Six) years from the date of allotment of such shares or before by mutual consent of all the shareholders.



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Notes to financial Statements as at and for the year ended 31st Mar 2015

2.5 Shares held by Bengal Ambuja Housing Development Limited, the Holding Company

<u>Sl No</u>	<u>Class of shares</u>	<u>As at 31-March-15</u>		<u>As at 31-March-14</u>	
		<u>Nos</u>	<u>Rs.</u>	<u>Nos</u>	<u>Rs.</u>
1	Equity Shares of Rs. 10/- Each (Held by the Holding Company together with nominees)	300,000	3,000,000	300,000	3,000,000
2	CCPS of Rs. 10/- each	300,000	3,000,000	300,000	3,000,000

<u>2.6 Shareholders Holding more than 5 % Shares</u>	<u>No</u>	<u>% of holding</u>	<u>No</u>	<u>% of holding</u>
(A) Equity Shares				
(i) Bengal Ambuja Housing Development Limited and it's nominees	300,000	80.00%	300,000	80.00%
(ii) IIRF India Realty XXIII Limited	198,600	39.72%	198,600	39.72%
(B) CCPS				
(i) Bengal Ambuja Housing Development Limi	300,000	80.00%	300,000	80.00%
(ii) IIRF India Realty XXIII Limited	198,600	39.72%	198,600	39.72%

As per records of the company, including its register of shareholders / members and other declarations received from shareholders, the above shareholding represents legal ownership of shares

3 RESERVES AND SURPLUS

Securities Premium Account

As per last financial statements

<u>As at</u>	<u>As at</u>
<u>31-March-15</u>	<u>31-March-14</u>
<u>Rs.</u>	<u>Rs.</u>

996,000,000 **996,000,000**

Surplus / (Deficit) in the Statement of Profit and Loss

Balance as per the last financial statements

10,631,830 4,674,990

Profit / (Loss) for the year

(44,484,110) 5,956,840

Net Surplus in the Statement of Profit and Loss

(33,852,280) **10,631,830**

962,147,720 **1,006,631,830**

4 LONG TERM BORROWINGS

Secured

Term Loan from bank

350,000,000 -

350,000,000 -

Nature of Security [Loan Amount Rs. 35,00,00,000 (Previous year Rs. NIL) : secured by way of hypothecation of the entire receivable of residential project by name of "Utalika- the Condoville" and second charge by way of hypothecation of the entire movable fixed assets and by way of equitable mortgage of the the entire immovable fixed assets pertaining to the said project. The loan facility is further secured by way of Corporate Guarantee from Ambuja Housing and Urban Infrastructure Company Limited.

Terms of repayment: Repayable in 36 equal monthly instalments starting from 01 April, 2017. The loan carries interest at base rate plus 1% payable at monthly rests.

5 SHORT TERM BORROWINGS

(Unsecured)

Loans from related parties

33,300,000 280,000,000

Loans from Others

75,900,000 7,500,000

109,200,000 **287,500,000**

Unsecured loans carrying interest @ 12% p.a and are repayable on demand



S.E. BUILDERS & REALTORS LIMITED

Notes to financial Statements as at and for the year ended 31st Mar 2015

	<u>As at</u> <u>31-March-15</u> <u>Rs.</u>	<u>As at</u> <u>31-March-14</u> <u>Rs.</u>
6 CURRENT LIABILITIES		
Trade Payables (refer note 26)	14,687,508	59,156,339
7 OTHER CURRENT LIABILITIES		
Interest accrued but not due on borrowings	4,402,282	420,904
Statutory dues payable	2,087,931	1,333,663
	<u>6,490,213</u>	<u>1,754,567</u>
8 SHORT TERM PROVISIONS		
Provision for taxation		
[Net of advance tax Rs.2,600,000 (31.03.2014 : Rs. 2,600,000)]	50,000	50,000



S.E. BUILDERS & REALTORS LIMITED

Notes to financial Statements as at and for the year ended 31st Mar 2015

	<u>As at</u> <u>31-March-15</u> <u>Rs.</u>	<u>As at</u> <u>31-March-14</u> <u>Rs.</u>
10 LONG TERM LOANS AND ADVANCES (Unsecured, considered good unless otherwise stated)		
Advance tax (Net of provision Rs. 2,622,946 (31.03.2014 : Rs. 2,622,946/-)	67,054	10,054
	<u>67,054</u>	<u>10,054</u>
11 OTHER NON CURRENT ASSETS (Unsecured, considered good unless otherwise stated)		
Other assets	4,666,666	5,833,333
	<u>4,666,666</u>	<u>5,833,333</u>
12 INVENTORIES (At lower of cost and net realisable value)		
Other Materials	15,567,443	63,500,116
Construction Work in Progress	1,396,058,522	1,264,340,895
	<u>1,411,615,965</u>	<u>1,327,841,011</u>
13 CASH AND BANK BALANCE Cash and cash equivalent		
Balance with banks in current accounts	2,974,385	9,215,223
	<u>2,974,385</u>	<u>9,215,223</u>
14 SHORT TERM LOANS AND ADVANCES (Unsecured, considered good unless otherwise stated)		
Advances recoverable in cash or kind or for value to be received	4,869,482	8,185,699
Balance with government and other revenue authorities	19,915,192	12,784,568
Prepaid expenses	6,723,912	56,180
	<u>31,508,586</u>	<u>21,026,448</u>
15 OTHER CURRENT ASSETS (Unsecured, considered good unless otherwise stated)		
Other assets	1,166,667	1,166,667
	<u>1,166,667</u>	<u>1,166,667</u>



S.E. BUILDERS & REALTORS LIMITED

Notes to financial Statements as at and for the year ended 31st Mar 2015

	Year ended 31-March-15 (Rs.)	Year ended 31-March-14 (Rs.)
16 OTHER INCOME		
Interest received	-	4,929
Other Income	19,512	-
Gain from redemption of current investments	22,704	8,855,028
	<u>42,216</u>	<u>8,859,958</u>
17 CONSTRUCTION EXPENSES		
Land cost	2,557,110	-
Architect and consultancy Fees	19,846,836	30,504,380
Infrastructure expenses	76,863,776	84,653
Project Sanction Fees	-	283,239,273
	<u>99,267,722</u>	<u>313,828,306</u>
18 INCREASE IN CONSTRUCTION WORK IN PROGRESS		
Opening stock	1,264,340,895	923,206,895
Closing stock	1,396,058,522	1,264,340,895
	<u>(131,717,627)</u>	<u>(341,134,000)</u>
19 FINANCE COSTS		
Interest expense	47,469,416	467,671
Other Borrowing cost	1,492,692	-
	<u>48,962,108</u>	<u>467,671</u>
20 OTHER EXPENSES		
Power and Fuel	8,800	6,035
Rates and taxes	8,589,002	7,769,262
Advertisement and Publicity	519,855	-
Insurance charges	56,180	60,105
Professional and legal charges	10,635,443	10,170,685
Service charges	4,793,302	5,162,503
Payment to auditors		
As auditor		
Audit fees	100,000	100,000
Reimbursement of expenses (including service tax)	-	4,180
Security charges	1,624,397	1,445,779
Travelling expenses	1,388,828	2,019,539
General expenses	240,120	353,053
	<u>27,955,927</u>	<u>27,091,141</u>



S.E. BUILDERS & REALTORS LIMITED

Notes to financial Statements as at and for the year ended 31st Mar 2015

21 Earnings Per Share

The following reflects the profit and share data used in the basic and diluted EPS computations

	Year ended 31-Mar-15	Year ended 31-March-14
Profit after tax	(44,484,110)	5,956,840
Net profit for calculation of basic and diluted EPS	(44,484,110)	5,956,840
Weighted average number of equity shares for calculating basic EPS	500,000	500,000
Effect of Dilution		
Convertible preference shares	500,000	500,000
Weighted average number of equity shares for calculating diluted EPS	1,000,000	1,000,000
Earnings per share [nominal value of share Rs.10 (31st March 2014: Rs. 10)]		
Basic	(88.97)	11.91
Diluted *	(88.97)	5.96

* As the company has incurred loss during the year, effect of dilution is anti dilutive in nature.

22 Deferred tax asset arising from brought forward business loss of Rs. 45,425,266 (previous Year Rs. 841,177) has not been recognised in the financial statement in the absence of virtual certainty supported by convincing evidence regarding realisability of such assets.

23 The Company is engaged in the business of real estate development in India for commercial purposes. Accordingly it has only one reportable business segment (Real Estate Development) and only one reportable geographic segment (India).

24 Related Party Disclosures as per Accounting Standard 18 are detailed below:-

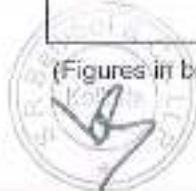
a) Related Parties

Name	Relationship
Where Control exists Bengal Ambuja Housing Development Limited (BAHDL)	Holding Company
Others Ambuja Nectia Holding Pvt. Ltd. (ANH)	Enterprise having significant influence
Ambuja Housing & Urban Infrastructure Company Limited (AHUICL)	Enterprise having significant influence

b) Particulars of transactions during the year ended on 31st March 2015 are detailed below:-

Nature of Transactions	BAHDL	ANH	AHUICL
Consultancy charges	3,167,033	-	-
	(10,126,985)	(-)	(-)
Service Charges	2,945,217	-	-
	(3,282,139)	(-)	(-)
Loans Received	-	33,300,000	-
	(-)	(280,000,000)	(-)
Loans Repaid	-	280,000,000	-
	(-)	(-)	(-)
Interest Expense	-	2,695,740	-
	-	(460,274)	(-)
c) Balance outstanding as at the year ended on 31st March 2015			
Trade payable	3,937,528	-	-
	(11,179,945)	(-)	(-)
Short term borrowings	-	33,300,000	-
	(-)	(280,000,000)	(-)
Interest accrued but not due on borrowings	-	2,426,166	-
	(-)	(414,247)	(-)
Corporate Guarantee Received	-	-	500,000,000
	(-)	(-)	(500,000,000)

(Figures in brackets relates to previous year)



S.E. BUILDERS & REALTORS LIMITED

Notes to financial Statements as at and for the year ended 31st Mar 2015

25 Bengal Ambuja Housing Development Limited (BAHDL), the holding Company, had entered into a development agreement dated December 31, 2009 with West Bengal Housing Board ("Board"), wherein the Board has appointed BAHDL to develop a residential Complex on the Land situated at EM Bypass, Kolkata on the term and condition contained in the said agreement. Subsequently, BAHDL vide an agreement dated 30th January, 2012 had transferred and assigned in favour of the Company, incorporated for the development of this project, all the rights, benefits, interests and entitlements conferred to BAHDL under the Development Agreement on the terms and conditions mentioned in the said agreement. Accordingly, the Company has received the permissive possession of land for which it is required to pay consideration based on profitability of the said project subject to maximum of Rs. 120 crores and minimum of Rs. 80 crores. Final Consideration, if any, shall be determined and paid on the completion of the project.

The construction work on the land is temporarily suspended in view of an order of status-quo passed by a Civil Court pursuant to a title suit of land filed by few individuals against the erstwhile owners of the land. BAHDL had filed a petition with Hon'ble Kolkata High Court for removal of the status quo order passed by the Civil Court but the petition was turned down after which a review petition of the Order was filed which was also turned down by the Court. Consequently, BAHDL filed a SLP with the Hon'ble Supreme Court which has been accepted by the Court and currently the matter is sub-judice.

The resumption of work on the land and eventual completion of the project thereon depends on the outcome of the title suit. However, based on lawyer's opinion, the Management is confident of favourable outcome in the matter and hence these Financial Statements have been prepared on a Going Concern basis.

26 Based on the information / documents available with the Company, none of its creditors during the year was covered under Micro, Small and Medium Enterprises Development Act, 2006.

27 The Company has no employees and hence, the Provisions of the Payment of Gratuity Act 1972, Employees Provident Fund and Misc Provisions Act 1952 and Employees State Insurance Act 1948 are not applicable on the Company.

28 Figures have been rounded off to the nearest rupee.

29 Previous years figures have been regrouped / reclassified, where necessary, to conform to this years classification.

As per our report of even date

For S. R. Batliboi & Co. LLP
CHARTERED ACCOUNTANTS
Firm Registration No. 301003E

For and on behalf of the Board of Directors of
S.E. Builders & Realtors Limited



per Bhaswar Sarkar
Partner
Membership No 056596

Place: Kolkata
Dated: 26th June 2015





Naresh Kumar Jain
Director



Pradip Jyoti Agrawal
Director


Partha Chakravarty
Manager