

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CESSNA GARDEN DEVELOPERS PRIVATE LIMITED

Report on the Standalone Financial Statements

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act. 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 standalone 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 and the Order under section 143 (11) of the Act.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating

the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, 2016, and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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

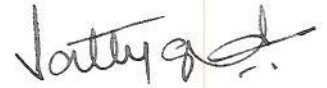
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards prescribed under section 133 of the Act, as applicable.
- (e) On the basis of the written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- (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;
 - 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.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For DELOITTE HASKINS & SELLS

Chartered Accountants

Firm Registration No. 008072S



Sathya P. Koushik

Partner

(Membership No. 206920)

BANGALORE, 30 May, 2016
SPK/ SDB/2016

ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements'
section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 **CESSNA GARDEN DEVELOPERS PRIVATE LIMITED** ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

W

(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.

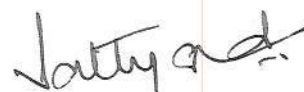
Inherent Limitations of Internal Financial Controls Over Financial Reporting

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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For DELOITTE HASKINS & SELLS
Chartered Accountants
Firm Registration No. 008072S



Sathya P. Koushik
Partner

(Membership No. 206920)

BANGALORE, May 30, 2016
SPK/ SDB/2016

ANNEXURE B" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings, are held in the name of the Company as at the balance sheet date. Immoveable properties of land and buildings whose title deeds have been pledged as security for term loans are held in the name of the Company based on the confirmations directly received by us from lenders.
- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) According to the information and explanations given to us, the Company has granted 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, in respect of which:
 - (a) The terms and conditions of the grant of such loans are, in our opinion, *prima facie*, not prejudicial to the Company's interest.
 - (b) The schedule of repayment of principal and payment of interest has not been stipulated and in the absence of such schedule we are unable to comment on the regularity of the repayments or receipts of principal amounts and interest.
 - (c) The loans granted are repayable on demand and there are no overdue amounts outstanding as at the balance sheet date.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year and did not have any unclaimed deposits.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the

Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

- (vii) According to the information and explanations given to us, in respect of statutory dues:
- (a) Other than delays in remittance of income-tax deducted at source, the Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2016 for a period of more than six months from the date they became payable.
 - (c) Details of dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise duty and Value Added Tax which have not been deposited as on March 31, 2016 on account of disputes are given below:

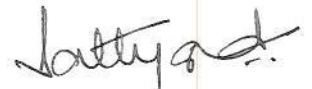
Name of statute	Nature of the dues	Amount involved	Period to which the amount relates	Forum where dispute is pending
Income tax act, 1961	Income tax and interest there on	20,556,080	2009-10	Commissioner Income tax, Appeals

- (viii) In our opinion and according to the information and explanations to us and based on the confirmations given by financial institutions and banks, the Company has not defaulted in the repayment of loans or borrowings to financial institutions and banks. The Company has not taken any loans or borrowings from Government and has not issued any debentures.
- (ix) In our opinion and according to the information and explanations given to us, money raised by way of term loans have been applied by the Company during the year for the purposes for which they were raised, other than temporary deployment pending application of proceeds. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments).
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (xi) The Company is a private company and hence the provisions of section 197 of the Companies Act, 2013 do not apply to the Company.

W,

- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or associate company or persons connected with them and hence reporting under clause (xv) of the Order is not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly reporting under clause (xvi) of the Order is not applicable to the Company.

For DELOITTE HASKINS & SELLS
Chartered Accountants
Firm Registration No. 008072S



Sathya P. Koushik
Partner

(Membership No. 206920)

BANGALORE, May 30, 2016
SPK/ SDB/20116

CESSNA GARDEN DEVELOPERS PRIVATE LIMITED
'The Falcon House' # 1, Main Guard Cross Road Bangalore - 560 001
CIN: U85110KA1995PTC018755

BALANCE SHEET AS AT 31 MARCH, 2016

Particulars	Note no.	As at 31 March 2016 Rs	As at 31 March 2015 Rs
(I) EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	2	39,999,970	39,999,970
(b) Reserves and surplus	3	(217,790,787)	(179,458,658)
		(177,790,817)	(139,458,688)
(2) Non-current liabilities			
(a) Long-term borrowings	4	9,260,557,286	7,025,262,199
(b) Deferred tax liability (net)	28	340,400	340,400
(c) Other long-term liabilities	5	241,509,257	335,390,707
(c) Long-term provisions	6	3,680,848	2,524,911
		9,506,087,791	7,363,518,217
(3) Current liabilities			
(a) Short-term borrowings	7	475,000,001	833,433,522
(b) Trade payable	8		
- Dues to micro & small enterprises		160,300	48,336,281
- Dues to creditors other than micro & small enterprises		65,834,046	20,032,227
(c) Other current liabilities	9	1,568,266,501	2,161,955,134
(d) Short-term provisions	10	6,774,885	175,237,243
		2,116,035,733	3,238,994,407
Total		11,444,332,707	10,463,053,936
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	11	8,871,153,013	8,772,448,485
(ii) Capital work-in-progress		730,887,122	856,705,939
		9,602,040,135	9,629,154,424
(b) Long-term loans and advances	12	583,082,814	426,967,682
		10,185,122,949	10,056,122,106
(2) Current assets			
(a) Inventories	13	4,478,083	3,019,239
(b) Trade receivables	14	25,116,043	14,942,487
(c) Cash and bank balances	15	387,011,406	340,914,290
(d) Short-term loans and advances	16	825,763,130	32,104,847
(e) Other current assets	17	16,841,096	15,950,967
		1,259,209,758	406,931,830
Total		11,444,332,707	10,463,053,936

See accompanying notes forming part of the Financial Statements 1 to 36

In terms of the report attached
for Deloitte Haskins & Sells
Chartered Accountants

Sathya P. Koushik
Partner

Place: Bangalore
Date: May 30, 2016



For and on behalf of the Board

Badrumissa Irfan

Badrumissa Irfan
Director
DIN: 01191458

Place: Bangalore
Date: May 30, 2016

Sameera Noaman

Sameera Noaman
Director
DIN: 01191723

CESSNA GARDEN DEVELOPERS PRIVATE LIMITED

'The Falcon House' # 1, Main Guard Cross Road Bangalore - 560 001

CIN: U85110KA1995PTC018755

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2016

Particulars	Note no.	Year ended 31 March 2016 Rs	Year ended 31 March 2015 Rs
INCOME			
Revenue from operations	18	1,841,236,650	1,581,178,220
Other Income	19	15,606,574	17,217,172
Total Revenue		1,856,843,224	1,598,395,392
Expenses			
Cost of contractual projects		-	202,329,170
Food and Beverage Consumed	20	66,206,492	29,210,912
Employee benefit expense	21	94,365,640	73,033,282
Finance Costs	22	1,021,330,131	856,413,603
Depreciation and Amortization expense	11	504,302,480	450,882,057
Other Expenses	23	208,970,610	220,402,031
Total Expenses		1,895,175,353	1,832,271,055
Profit/ (Loss) for the year before tax		(38,332,129)	(233,875,663)
Tax expense:			
(1) Current tax		-	-
(2) Deferred tax charge		-	-
(3) Prior period income tax		-	289,059
Profit/ (Loss) for the year after tax		(38,332,129)	(234,164,722)
Earnings per share (equity shares, par value Rs 10 each)			
- basic and diluted	27	(9.58)	(58.54)

See accompanying notes forming part of the Financial Statements 1 to 36

In terms of our report attached
for Deloitte Haskins & Sells
Chartered Accountants

Sathya P. Koushik
Partner

Place: Bangalore
Date: May 30, 2016

For and on behalf of the Board

Badrunissa Irfan
Director
DIN: 01191458

Sameera Noaman
Director
DIN: 01191723

Place: Bangalore
Date: May 30, 2016



CESSNA GARDEN DEVELOPERS PRIVATE LIMITED
 'The Falcon House' # 1, Main Guard Cross Road Bangalore - 560 001
 CIN: U85110KA1995PTC018755

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2016

Particulars	Note no.	Year Ended 31 March, 2016 Rs.	Year Ended 31 March, 2015 Rs.
CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit/ (Loss) before taxation		(38,332,129)	(233,875,663)
Adjustments for non cash & non operating items:			
Depreciation		504,302,480	450,882,057
Provision for doubtful debts		2,970,020	597,280
Finance costs		1,021,330,131	856,413,603
Interest on Fixed Deposits		(15,606,574)	(12,241,110)
Operating profit before working capital changes		1,474,663,928	1,061,776,167
Adjustments for			
Increase / (Decrease) in Current & Non-current Liabilities		27,326,626	(298,320,120)
Increase / (Decrease) in Short-term & Long-term Provisions		(148,901,659)	64,836,853
(Increase) / Decrease in Inventories		(1,458,844)	(3,019,239)
(Increase) / Decrease in Trade Receivables		(10,173,556)	(14,577,444)
(Increase) / Decrease in Short-term and Long-term Loans & Advances and other current assets		(800,058,224)	235,077,445
(Increase) / Decrease in other bank balances		67,152,184	(23,195,590)
Cash generated from operations		608,550,455	1,022,578,072
Income tax refund / (payment) - Net		(149,589,974)	(118,264,848)
Net Cash from operating activities - A		458,960,481	904,313,224
CASH FLOW FROM INVESTING ACTIVITIES			
Capital expenditure relating to fixed assets		(747,954,697)	(781,915,566)
Interest received		14,716,445	6,192,022
Net Cash From / used in Investing Activities -B		(733,238,252)	(775,723,544)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from borrowings (Secured loans)		4,790,000,000	7,390,000,000
Repayment of borrowings (Secured loans)		(2,945,754,451)	(7,011,543,787)
Proceeds from/ (Repayment of) short term borrowings (Net)		(358,433,521)	278,929,467
Refund of share application money		(33,100,000)	(20,000,000)
Finance costs		(1,065,184,958)	(806,370,438)
Net Cash From / used in financing activities -C		387,527,070	(168,984,758)



CESSNA GARDEN DEVELOPERS PRIVATE LIMITED
 'The Falcon House' # 1, Main Guard Cross Road Bangalore - 560 001
 CIN: U85110KA1995PTC018755

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2016

Particulars	Note no.	Year Ended 31 March, 2016 Rs.	Year Ended 31 March, 2015 Rs.
Net Increase / (Decrease) in cash and cash equivalents (A+B+C)		113,249,299	(40,395,078)
Cash & Cash equivalents opening balance		158,182,701	198,577,779
Cash & Cash equivalents closing balance		271,432,000	158,182,701
<u>Reconciliation of Cash and cash equivalents with balance sheet</u>			
Cash and bank balances as per Balance Sheet	15	387,011,406	340,914,290
Less: Fixed Deposits & Balances with banks to the extent held as margin money or security against the borrowings, guarantees,		115,579,405	182,731,589
Cash and cash equivalents at the end of the year		271,432,001	158,182,701
Cash and cash equivalents at the end of the year comprises :			
Cash on hand		257,500	182,500
Balances with banks in current accounts		271,174,501	158,000,201
		271,432,001	158,182,701

See accompanying notes forming part of the Financial Statements 1 to 36

In terms of our report attached
 for Deloitte Haskins & Sells
 Chartered Accountants

Sathya P. Koushik
 Partner

Place: Bangalore
 Date: May 30, 2016

For and on behalf of the Board

Badrunissa Irfan
 Director
 DIN: 01191458

Place: Bangalore
 Date: May 30, 2016

Sameera Noaman
 Director
 DIN: 01191723



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1 Corporate Information, Basis of preparation of Financial Statements and significant accounting policies

(i). Corporate Information

Cessna Garden Developers Private Limited ("the Company") was incorporated on September 12, 1995 as a company under the Companies Act, 1956 (the "Act"). The registered office of the Company is in The Falcon House, No.1, Main Guard Cross Road, Bangalore - 560 001, India. The Company is engaged in the business of real estates development.

(ii). Basis for preparation of Financial Statements and Significant accounting policies

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year and are as follows:

A. Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

B. Revenue recognition

(i) Rental income is recognized on accrual basis according to terms and conditions of rental agreements provided it is not unreasonable to expect ultimate collection.

(ii) Revenue from contractual projects undertaken is recognised on the basis of independent certification obtained in terms of the contract.

(iii) Interest income is recognized on accrual basis.

C. Fixed Assets

Fixed assets are stated at cost including expenses incurred to bring the asset to present condition less accumulated depreciation and impairment. Cost includes all costs relating to the acquisition and installation of fixed assets including interest on borrowing for the project / fixed asset up to the date the asset is put to use. Any cost incurred relating to settlement of claims regarding titles to the properties is accounted for and capitalized as incurred.

D. Capital work-in-progress

Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost comprising direct cost, related incidental expenses and attributable interest.

E. Impairment of Fixed Assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. The following intangible assets are tested for impairment each financial year even if there is no indication that the asset is impaired:

(a) an intangible asset that is not yet available for use; and (b) an intangible asset that is amortised over a period exceeding ten years from the date when the asset is available for use.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

F. Depreciation



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on tangible assets is provided on the written-down value method over the useful lives of assets estimated by the Management. The Management estimates the useful lives for the fixed assets as follows:

Category of Asset	Useful life
Building	60 Years
Vehicles*	10 Years
Furniture & Fixtures*	15 Years
Office Equipment*	20 Years
Computer*	6 Years

* For these class of assets, based on internal assessment and independent technical evaluation carried out by external valuers, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, the Management believes that the useful lives as given above best represent the period over which the Management expects to use these assets. Hence the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II to the Companies Act, 2013.

G. Borrowing cost

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the statement of profit and loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the statement of profit and loss during extended periods when active development activity on the qualifying assets is interrupted.

A qualifying asset is an asset that necessarily takes a 12 months or more to get ready for its intended use or sale and includes the real estate properties developed by the Company.

H. Employee benefits

Employee benefits include provident fund and employee state insurance scheme, gratuity and compensated absences.

(i) Defined Contribution Plan

The Company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when the services are rendered by the employees.

(ii) Defined Benefit Plan

For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the statement of profit and loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost.



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(iii) Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under :

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

(iv) Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.

I. Operating leases

Leases, where the Company effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease rentals are recognized as income in the Statement of Profit and Loss in accordance with the accounting policy stated in B above.

J. Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

K. Foreign Currency Transactions

All transactions in foreign currency are recorded on the basis of the exchange rate prevailing as on the date of transaction. The difference, if any, on actual payment / realization is recorded to the Statement of Profit & Loss. Monetary assets and liabilities denominated in foreign currency are restated at rates prevailing at the year-end. The net loss or gain arising out of such conversion is dealt with in the Statement of Profit and Loss.



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

L. Provisions and contingent liabilities

A provision is recognized when the Company has a present obligation as a result of past events and 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 (excluding retirement benefits) are not discounted to their present value and are determined based on the 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 liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

M. Earning Per Share

Employee benefits include provident fund and employee state insurance scheme. The Company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when the services are rendered by the employees.

N. Cash flow statement

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

O. Inventories

Inventories are valued at the lower of average cost and the net realizable value after providing for obsolescence and other losses, where considered necessary.

P. Operating Cycle

Based on the nature activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.



CESSNA GARDEN DEVELOPERS PRIVATE LIMITED
 'The Falcon House' # 1, Main Guard Cross Road Bangalore - 560 001
 CIN: U85110KA1995PTC018755

NOTES FORMING PART OF FINANCIAL STATEMENTS

2 Share capital

	Rs.
Particulars	As at 31 March 2016
	As at 31 March 2015
Authorised capital	
4,000,000 (PY 4,000,000) equity shares of Rs 10 each	40,000,000
Issued, subscribed and paid up capital	
3,999,997 (PY 3,999,997) Equity shares of Rs 10 each, fully paid up	39,999,970
	39,999,970

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

	As at 31 March 2016	As at 31 March 2015
Particulars	No of shares	Amount
	No of shares	Amount
Equity Shares		
At the beginning of the year	3,999,997	39,999,970
Issued during the year	-	-
Outstanding at the end of the year	3,999,997	39,999,970

2.2 Details of shares held by the holding company

Prestige Estates Projects Limited, the holding company	3,399,997	85%	3,399,997	85%
--	-----------	-----	-----------	-----

2.3 List of persons holding more than 5 percent shares in the Company

	As at 31 March 2016	As at 31 March 2015
Name of the share holder	No of shares held	% of holding
	No of shares held	% of holding
Prestige Estates Projects Limited	3,399,997	85%

2.4 The Company has only one class of equity shares with voting rights having par value of Rs. 10 each. The rights, preferences and restrictions attached to such equity shares is in accordance with the terms of issue of equity shares under the Companies Act, 2013 and the Articles of Association of the Company.

3 Reserves and surplus

	Rs.
Particulars	As at 31 March 2016
	As at 31 March 2015
Securities Premium Account	125,042,317
Statement of Profit and Loss	
Opening balance	(304,500,975)
Add: Profit/(Loss) for the year	(38,332,129)
Closing Balance	(342,833,104)
	(217,790,787)



CESSNA GARDEN DEVELOPERS PRIVATE LIMITED
 'The Falcon House' # 1, Main Guard Cross Road Bangalore - 560 001
 CIN: U85110KA1995PTC018755
NOTES FORMING PART OF FINANCIAL STATEMENTS

4 Long-term borrowings

		Rs.	
Particulars	Note no.	As at 31 March 2016	As at 31 March 2015
Secured:			
Term loans			
- From banks	4a	9,260,557,286	7,025,262,199
		9,260,557,286	7,025,262,199

4a Details of securities and repayment terms

a) Project Loans (included under Term loans from Banks)

Security Details :

1. Mortgage of underlying Immovable Property financed under these Loans
2. Pledge of mutual fund investments

Repayment and other terms :

1. Repayable as a bullet payment
2. Personal Guarantee of Relatives of Directors
3. Corporate Guarantee of M/s. Prestige Estates Projects Limited
4. These loans are subject to interest rates ranging from 9.40% to 11.95% per annum.

b) Lease Rental Discounting Loans (Included under Term loans from Banks)

Security Details :

1. Mortgage of underlying Immovable Property financed under these Loans
2. Assignment of rent receipts under lease arrangements

Repayment and other terms :

1. Repayable within 120-180 instalments commencing from August 2013
2. Personal Guarantee of Relatives of Directors
3. Corporate Guarantee of M/s. Prestige Estates Projects Limited
4. These loans are subject to interest rates ranging from 10.10% to 12.25% per annum.

c) Other Details

1. Aggregate amount of loans guaranteed by relatives of directors Rs 575,463,493 (PY Rs 2,516,611,530)
2. Aggregate amount of loans guaranteed by holding company Rs 9,555,343,588 (PY Rs 6,846,207,228)

d) For current maturity of long term borrowings refer Note - 9

5 Other long-term liabilities

		Rs.	
Particulars		As at 31 March 2016	As at 31 March 2015
Lease deposits		241,509,257	335,390,707
		241,509,257	335,390,707



CESSNA GARDEN DEVELOPERS PRIVATE LIMITED
 'The Falcon House' # 1, Main Guard Cross Road Bangalore - 560 001
 CIN: U85110KA1995PTC018755
NOTES FORMING PART OF FINANCIAL STATEMENTS

6 Long-term provisions

		Rs.	
Particulars	Note No.	As at 31 March 2016	As at 31 March 2015
Provision for employee benefits	21a		
- Gratuity		1,451,340	775,710
- Compensated absences		2,229,508	1,749,201
		3,680,848	2,524,911

7 Short-term borrowings

		Rs.	
Particulars	Note No.	As at 31 March 2016	As at 31 March 2015
Term loans (Secured)			
-From banks		475,000,001	475,000,001
Loans and advances from related parties (Unsecured)	25		
Holding Company (repayable on demand)		-	358,433,521
		475,000,001	833,433,522

Notes:

Term loans from Banks

a) Interest and repayment details

The loans carries an interest rate of 9.25 % per annum and are repayable on demand

b) Other details

Secured by way of pledge of mutual fund investments held by the holding company

Loans from Related Parties

The loans carries an interest rate of 15 % per annum and are repayable on demand

8 Trade payable

		Rs.	
Particulars		As at 31 March 2016	As at 31 March 2015
- Dues to micro & small enterprises		160,300	48,336,281
- Dues to creditors other than micro & small enterprises		65,834,046	20,032,227
		65,994,346	68,368,508



CESSNA GARDEN DEVELOPERS PRIVATE LIMITED
 'The Falcon House' # 1, Main Guard Cross Road Bangalore - 560 001
 CIN: U85110KA1995PTC018755
NOTES FORMING PART OF FINANCIAL STATEMENTS

9 Other current liabilities

		Rs.	
Particulars	Note No.	As at 31 March 2016	As at 31 March 2015
Current maturities of long-term debt	9a	774,592,311	1,165,641,849
Interest accrued but not due on borrowings		11,534,760	55,389,587
Share application money received pending allotment		-	33,100,000
Other payables			
- Statutory remittances		11,136,028	11,274,539
- Lease Deposits received		650,374,202	557,143,104
- Creditors for capital expenditure		87,071,624	336,338,130
- Advance from customers		457,576	3,067,925
- Other liabilities		33,100,000	-
		1,568,266,501	2,161,955,134

9a The details of interest rate, repayment terms, nature and value of securities furnished and guarantees given are disclosed under note 4a

10 Short-term provisions

		Rs.	
Particulars	Note No.	As at 31 March 2016	As at 31 March 2015
Provision for employee benefits	21a	272,581	219,980
Provisions for			
- Income tax (Net of advance tax Nil, PY Rs. 85,363,397)		-	18,404,762
- Projects	10a	6,502,304	156,612,501
		6,774,885	175,237,243

10a Details of Provisions as at 31 March 2016 :

Nature of Provision	Probable outflow estimated with in	Provision outstanding at the beginning of the year	Provision made during the year	Provision utilized / reversed during the year	Provision outstanding at the end of the year
Project costs, where project is completed, accrued for pending receipt of invoices/ bills	1 year	156,612,501	90,502,076	240,612,273	6,502,304
	(1 year)	(94,045,426)	(491,247,439)	(428,680,364)	(156,612,501)

In the above table, figures in Brackets relates to Previous year



CESSNA GARDEN DEVELOPERS PRIVATE LIMITED
 'The Falcon House' # 1, Main Guard Cross Road Bangalore - 560 001
 CIN: U85110KA1995PTC018755
NOTES FORMING PART OF FINANCIAL STATEMENTS

12 Long-term loans and advances

	Rs.	
	As at	As at
Particulars	31 March 2016	31 March 2015
Unsecured, considered good		
Capital advances	112,500,000	91,000,000
Security deposits	73,682,123	70,252,203
Advance Tax (Net of provisions Rs.103,768,159 , PY Rs 85,397,397)	340,613,691	209,428,479
MAT credit entitlement	56,287,000	56,287,000
	583,082,814	426,967,682

13 Inventories (lower of cost and net realizable value)

	Rs.	
	As at	As at
Particulars	31 March 2016	31 March 2015
Raw materials:		
- Food & Beverage	4,478,083	3,019,239
	4,478,083	3,019,239

14 Trade receivables (Unsecured)

	Rs.	
	As at	As at
Particulars	31 March 2016	31 March 2015
Outstanding for more than 6 months from the date on which they are due		
- Considered good	87,553	87,553
- Considered doubtful	3,567,300	597,280
Less : Provision for doubtful receivables	(3,567,300)	(597,280)
Others		
- Considered good	25,028,490	14,854,934
	25,116,043	14,942,487

15 Cash and bank balances

	Rs.	
	As at	As at
Particulars	31 March 2016	31 March 2015
Cash in hand	257,500	182,500
Balances with banks		
- in current accounts	271,174,501	158,000,201
- in earmarked accounts		
Balances with banks to the extent held as margin money or security against the borrowings, guarantees, other commitments	115,579,405	182,731,589
	387,011,406	340,914,290
Of the above, the balances that meet the definition of Cash & cash equivalents as per AS-3 Cash Flow Statements is	271,432,001	158,182,701



CESSNA GARDEN DEVELOPERS PRIVATE LIMITED
 'The Falcon House' # 1, Main Guard Cross Road Bangalore - 560 001
 CIN: U85110KA1995PTC018755
NOTES FORMING PART OF FINANCIAL STATEMENTS

16 Short-term loans and advances

	Rs.	
	As at	As at
Particulars	31 March 2016	31 March 2015
Unsecured, considered good		
Prepaid expenses	4,864,416	4,730,784
Balances with Government authorities		
Advance Service Tax & VAT	26,100,724	24,096,127
Other advances	995,210	3,274,380
Advance paid to staff	3,556	3,556
Inter corporate deposits to related party	793,799,224	-
	825,763,130	32,104,847

17 Other current assets

	Rs.	
	As at	As at
Particulars	31 March 2016	31 March 2015
Interest accrued but not due on Fixed Deposits	16,841,096	15,950,967
	16,841,096	15,950,967

18 Revenue from operations

	Rs.	
	As at	As at
Particulars	31 March 2016	31 March 2015
Rental Income (Refer Note 26)	1,433,173,815	1,149,501,522
<i>Sale of services:</i>		
Contractual Projects	15,236,430	244,558,237
Room revenue	249,329,318	107,314,520
Food and beverages	124,980,121	70,088,200
Other operating revenues	18,516,966	8,061,800
Other services	-	1,653,941
	1,841,236,650	1,581,178,220

19 Other income

	Rs.	
	Year ended	Year ended
Particulars	31 March 2016	31 March 2015
Interest income	15,606,574	12,241,110
Miscellaneous income	-	4,976,062
	15,606,574	17,217,172



CESSNA GARDEN DEVELOPERS PRIVATE LIMITED
 'The Falcon House' # 1, Main Guard Cross Road Bangalore - 560 001
 CIN: U85110KA1995PTC018755

NOTES FORMING PART OF FINANCIAL STATEMENTS

20 Food and Beverage Consumed

	Rs.	
	Year ended 31 March 2016	Year ended 31 March 2015
Particulars		
Opening Stock	3,019,239	-
Add: Purchases during the year	67,665,336	32,230,151
Less: Closing Stock	4,478,083	3,019,239
	66,206,492	29,210,912

21 Employee benefit expense

	Rs.	
	Year ended 31 March 2016	Year ended 31 March 2015
Particulars		
Salaries & wages	83,230,871	63,327,390
Contribution to provident & other fund (Refer Note 21a)	3,846,633	3,255,121
Gratuity Expenses (Refer Note 21a)	677,447	598,273
Staff welfare expense	6,610,689	5,852,498
	94,365,640	73,033,282

21a The details of employee benefits as required under Accounting Standard 15 'Employee Benefits' is given below

(i) Defined Contribution Plan : During the year, the Company has recognized the following amounts in the Statement of Profit and Loss -

	Year ended 31 March 2016	Year ended 31 March 2015
Particulars		
Employers' Contribution to Provident Fund	3,404,299	3,229,311
Management Contribution to ESIC	442,335	25,810
	3,846,633	3,255,121



CESSNA GARDEN DEVELOPERS PRIVATE LIMITED
 'The Falcon House' # 1, Main Guard Cross Road Bangalore - 560 001
 CIN: U85110KA1995PTC018755

NOTES FORMING PART OF FINANCIAL STATEMENTS

(ii) **Defined Benefit Plan** : In accordance with Accounting Standard 15 actuarial valuation based on projected unit credit method as on 31 March 2016 has been carried out in respect of the aforesaid defined benefit plan of Gratuity, the details thereon is given below:

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
Components of employer expense		
Current Service cost	777,231	622,820
Interest cost	61,483	16,200
Expected return on plan assets	-	-
Past Service Cost - Vested/Non Vested Benefit	-	-
Actuarial Losses/(Gains)	(161,267)	(40,747)
Total expense/(income) recognized in the Statement of Profit & Loss	677,447	598,273
Change in Fair Value of Assets during the year ended		
Opening Fair Value of Plan Assets	-	-
Expected return on plan assets	-	-
Actuarial gains/(losses)	-	-
Contributions by Employer	-	-
Benefits paid	-	-
Closing Fair Value of Plan Assets	-	-
Change in Defined Benefit Obligation (DBO) during the year ended		
Present Value of DBO at the beginning of the year	778,269	179,996
Current service cost	777,231	622,820
Interest cost	61,483	16,200
Actuarial (gains)/losses	(161,267)	(40,747)
Past Service Cost - Vested/Non Vested Benefit	-	-
Benefits paid	-	-
Present value of DBO at the end of the year - Current portion	4,376	2,559
Present value of DBO at the end of the year - Non Current portion	1,451,340	775,710
Net asset/(liability) recognized in balance sheet		
Fair value of plan assets	-	-
Present Value of Defined Benefit Obligation	1,455,716	778,269
Net asset/(liability) recognized in balance sheet		
Actuarial Assumptions		
Discount Rate	7.60%	7.90%
Expected Return on plan assets	N/A	N/A
Rate of increase in compensation	7.00%	7.00%
Attrition rate	Table	Table
Retirement age	100% of IAL	100% of IAL
Attrition rate		
Age	31 March 2016	31 March 2015
Up to 30	10%	10%
31-40	5%	5%
41-50	3%	3%
Above 50	2%	2%



CESSNA GARDEN DEVELOPERS PRIVATE LIMITED
 'The Falcon House' # 1, Main Guard Cross Road Bangalore - 560 001
 CIN: U85110KA1995PTC018755

NOTES FORMING PART OF FINANCIAL STATEMENTS

Experience adjustment history

Particulars	31 March 2016	31 March 2015	31 March 2014	31 March 2013	31 March 2012
Present Value of Defined Benefit Obligation	1,455,716	778,269	179,996	NA	NA
Fair Value of Plan Assets	NA	NA	NA	NA	NA
Surplus/(Deficit) Recognized	1,455,716	778,269	179,996	NA	NA
The experience adjustments arising on					
Experience adjustment on Plan Liabilities	222,024	154,296	-	-	-
Experience adjustment on Plan Assets	-	-	-	-	-

(i) Composition of the plan assets - The fund is managed by LIC , the fund manager. The details of composition of plan assets managed by the fund manager is not available with the company

(ii) The estimates of future salary increases considered in actuarial valuation take account of inflation, Seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

(iii) Other Employee Benefits – Compensated Absences (Leave Salary)

Leave salary benefit expensed in the statement of profit & loss for the year is Rs 5,31,091/- (Previous Year - Rs. 16,71,504/-) and outstanding towards leave salary is Rs. 24,97,713/- (Previous Year - Rs. 19,66,622/-). Leave Salary liability is not funded.

22 Finance Costs

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
Interest expense		
- on bank borrowings	963,570,748	978,445,344
- on Intercompany deposits	31,826,094	35,137,522
- on others	3,587,360	2,809,254
Other borrowing costs	46,506,120	60,558,922
	1,045,490,322	1,076,951,042
Less: Borrowing cost capitalized to assets including Capital Work in Progress	24,160,191	220,537,439
	1,021,330,131	856,413,603



CESSNA GARDEN DEVELOPERS PRIVATE LIMITED
 'The Falcon House' # 1, Main Guard Cross Road Bangalore - 560 001
 CIN: U85110KA1995PTC018755

NOTES FORMING PART OF FINANCIAL STATEMENTS

23 Other Expenses

		Rs.
Particulars	Note No.	Year ended 31 March 2016
Selling Expenses		Year ended 31 March 2015
Advertisement & sponsorship fees		4,799,040
Commission		4,021,054
Business promotion		30,082,012
Repairs and maintenance		11,065,765
- Computers		1,664,698
- Building		31,387
- Vehicle		12,756,947
Rates and taxes		480,315
License Fees		1,633,901
Property tax		1,252,624
Audit fee	29	11,679,202
Legal and professional		5,362,243
Postage & courier		47,204,915
Power & fuel		83,831,989
Telephone expenses		904,942
Travelling expenses		616,376
Printing & stationery		7,779,420
Rent (Refer Note 26)		5,922,743
Insurance		33,872
Donations		76,040
Provision for doubtful debts		33,449,005
Miscellaneous expenses		27,886,767
		1,514,443
		7,936,101
		2,333,870
		1,499,952
		5,881,182
		4,969,302
		12,300
		-
		2,970,020
		597,280
		23,288,708
		12,663,659
		208,970,610
		220,402,031

24 Contingent liabilities and capital commitments

		Rs
Particulars	Year ended 31 March 2016	Year ended 31 March 2015
Contingent liabilities		
Corporate Guarantees/ Collateral security of properties given on equitable mortgage towards loans taken (including undrawn loan) by Prestige Estates Projects Limited, holding Company w.e.f April 12, 2010	472,180,000	2,011,786,673
Amounts outstanding against such facilities at the Balance Sheet date was Rs. 472,180,000 (PY Rs.1,461,786,673)		
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	258,103	-



CESSNA GARDEN DEVELOPERS PRIVATE LIMITED
 'The Falcon House' # 1, Main Guard Cross Road Bangalore - 560 001
 CIN: U85110KA1995PTC018755
NOTES FORMING PART OF FINANCIAL STATEMENTS

25 Related parties

(i) Names of related parties and description of relationship with the Company:

Holding Company	Prestige Estates Projects Limited (PEPL)
Other related parties with whom the Company had transactions :-	
Entities in which key managerial personnel are interested	Morph Morph Design & Co Window care Prestige Fashions Pvt Ltd Spring Green City Properties Maintenance Company Bangalore Ltd Sublime
Entities under common control	Prestige Leisure Resorts Private Limited Prestige Property Management & Services
Key managerial personnel	Mrs. Badrunissa Irfan, Director Mrs. Almas Rezwan, Director Mrs. Sameera Noaman, Director
Relatives of key managerial personnel	Mr. Irfan Razack Mr. Rezwan Razack Mr. Noaman Razack

(ii) The following transactions were carried out with the related parties in the ordinary course of business, during the year ended March 31, 2016

Transactions	Holding Company	Entities under common control	Entities in which key managerial personnel are interested	Relatives of key managerial personnel	Total
Inter corporate deposit taken					
Prestige Estates Projects Limited	38,000,000 (512,800,000)	- -	- -	- -	38,000,000 (512,800,000)
Inter corporate deposit given					
Prestige Estates Projects Limited	793,799,224 -	- -	- -	- -	793,799,224 -
Inter corporate deposit taken – repaid					
Prestige Estates Projects Limited	396,433,521 (233,870,534)	- -	- -	- -	396,433,521 (233,870,534)
Interest on Inter corporate deposit taken					
Prestige Estates Projects Limited	31,826,094 (35,137,522)	- -	- -	- -	31,826,094 (35,137,522)



CESSNA GARDEN DEVELOPERS PRIVATE LIMITED
 'The Falcon House' # 1, Main Guard Cross Road Bangalore - 560 001
 CIN: U85110KA1995PTC018755

NOTES FORMING PART OF FINANCIAL STATEMENTS

Transactions	Holding Company	Entities under common control	Entities in which key managerial personnel are interested	Relatives of key managerial personnel	Total
Receiving services					
Prestige Estates Projects Limited	6,947 (113,567)	- -	- -	- -	6,947 (113,567)
Prestige Property Management & Services	- -	9,622,624 (18,568,613)	- -	- -	9,622,624 (18,568,613)
City Properties Maintenance Company Bangalore Ltd	- -	- -	- (693,180)	- -	- (693,180)
Purchase of goods					
Morph	- -	- -	- (1,357,999)	- -	- (1,357,999)
Sublime	- -	- -	- (118,099)	- -	- (118,099)
Prestige Fashions Private Limited	- -	- -	85,170 (1,713,779)	- -	85,170 (1,713,779)
Window care	- -	- -	- (44,091)	- -	- (44,091)
Spring Green	- -	- -	- (1,068,200)	- -	- (1,068,200)
Corporate guarantee taken:					
For Loan taken by Cessna Garden Developers Private Limited, Corporate Guarantee given by-					
Prestige Estates Projects Limited	4,824,941,359 (1,276,229,501)	- -	- -	- -	4,824,941,359 (1,276,229,501)
Personal Guarantee given by Relatives of Directors	- -	- -	- -	575,463,493 (1,240,000,000)	575,463,493 (1,240,000,000)
Release of guarantee taken:					
For Loan taken by Cessna Garden Developers Private Limited, Corporate Guarantee given by-					
Prestige Estates Projects Limited	2,115,804,999 (2,317,721,081)	- -	- -	- -	2,115,804,999 (2,317,721,081)
Personal Guarantee given by Relatives of Directors	- -	- -	- -	2,516,611,529 (1,553,532,072)	2,516,611,529 (1,553,532,072)
Corporate guarantee / Collateral security on Equitable mortgage of properties given to loan given by third parties to related parties:					
Release of Corporate guarantee/ Equitable mortgage towards Loan taken by -					
Prestige Estates Projects Limited	989,606,673 (411,056,633)	- -	- -	- -	989,606,673 (411,056,633)



CESSNA GARDEN DEVELOPERS PRIVATE LIMITED
 'The Falcon House' # 1, Main Guard Cross Road Bangalore - 560 001
 CIN: U85110KA1995PTC018755

NOTES FORMING PART OF FINANCIAL STATEMENTS

iii Amounts outstanding as at the balance sheet date -

Transactions	Controlling entity	Entities under common control	Firm/Companies in which director is interested	Relatives of key managerial personnel	Total
Amounts due to:-					
Sundry Creditors					
Prestige Estates Projects Limited	298,858 (2,188,120)	- -	- -	- -	298,858 (2,188,120)
Prestige Property Management & Services Morph	- -	- -	- (6,999,022)	- -	- (6,999,022)
Sublime	- -	- -	- (1,371,708)	- -	- (1,371,708)
Spring Green	- -	- -	- (70,921)	- -	- (70,921)
Prestige Fashions Private Limited	- -	- -	- (87,993)	- -	- (87,993)
	- -	- -	- (348,102)	- -	- (348,102)
Inter corporate deposit payable					
Prestige Estates Projects Limited	- (358,433,521)	- -	- -	- -	- (358,433,521)
Inter corporate deposit receivable					
Prestige Estates Projects Limited	793,799,224 -	- -	- -	- -	793,799,224 -
Interest on Inter corporate deposit payable					
Prestige Estates Projects Limited	- (31,623,770)	- -	- -	- -	- (31,623,770)
Closing Balance as on March 31, 2016					
Guarantees and collaterals taken outstanding:					
For Loan taken -					
Corporate Guarantee given by Prestige Estates Projects Limited	9,555,343,588 (6,846,207,228)	- -	- -	- -	9,555,343,588 (6,846,207,228)
Personal Guarantee given by Relatives of Directors	- -	- -	- -	575,463,493 (2,516,611,529)	575,463,493 (2,516,611,529)
Guarantees and collaterals given outstanding:					
Equitable mortgage on Land offered to a third party for Loan taken					
Prestige Estates Projects Limited	472,180,000 (1,461,786,673)	- -	- -	- -	472,180,000 (1,461,786,673)

Notes:

- Related party relationships are as identified by the Company on the basis of information available with them and relied upon by the auditors.
- The above amounts exclude reimbursement of expenses./amount paid to facilitate online remittance of statutory liabilities.
- No amount is written off or written back during the year in respect of debts due from or to related parties.
- Previous years figures have been given in brackets.
- The closing balances at March 31, 2016 given in the above under the head Guarantees and Collaterals represent the closing balances at the year end of the facilities availed by the recipient of the Guarantee. The undrawn amounts of the facilities in respect of which the Company or other entities as the case may be are contingently liable are as follows.
 Undrawn amount in respect of facilities guaranteed by the Company mentioned above - Nil (PY Rs.550,000,000).
 Undrawn amount in respect of facilities availed by the Company which are guaranteed by other entities mentioned above - Rs.5,930,000,000 (PY Rs.100,000,000).



NOTES FORMING PART OF FINANCIAL STATEMENTS

26 Operating Leases

The Company has taken and given commercial/ residential (only taken) spaces under operating lease basis. The lease rental income recognised during the year towards such leasing aggregates to Rs. 1,433,173,815 (PY Rs.1,149,501,522). Rental expense for operating leases included in the Statement of Profit and Loss for the year is Rs. 1,499,952 [PY Rs. 1,019,365].

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
Future minimum lease rentals receivable in respect of non cancellable lease period for property let out:-		
Not later than one year	405,699,816	584,803,763
Later than one year but not later than five years	304,274,862	512,717,832
Later than five year	-	-

27 Earnings per share

Figures in rupees except number of shares

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
Net profit/ (loss) for the year available to equity shareholders	(38,332,129)	(234,164,722)
Weighted average number of equity shares outstanding		
- Basic	3,999,997	3,999,997
- Diluted	3,999,997	3,999,997
Nominal Value of shares	10	10
Basic Earnings per Share	(9.58)	(58.54)
Diluted Earnings per Share	(9.58)	(58.54)

28 Deferred tax liabilities (Net)

Particulars	As at 31 March 2016	As at 31 March 2015
Difference between Book and Tax Depreciation	340,400	340,400
	340,400	340,400

29 Auditors' remuneration

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
Payment to Auditors (net of applicable service tax) :		
For audit	650,000	600,000
For limited reviews	150,000	-
For tax audit	100,000	-
For reimbursement of expenses	4,942	16,376
	904,942	616,376

30 Disclosure on foreign currency exposures

Foreign currency exposures as at 31 March 2016 that have not been hedged by a derivative instruments or otherwise:

Particulars	As at 31 March 2016 Amount (Rs.)	As at 31 March 2016 Amount (Usd)	As at 31 March 2015 Amount (Rs.)	As at 31 March 2015 Amount (Usd)
Due to:				
Creditors (USD \$)	5,062,335	74,206	-	-
Creditors (SFD \$)	-	-	-	-
Creditors (EURO)	-	-	-	-



CESSNA GARDEN DEVELOPERS PRIVATE LIMITED
 'The Falcon House' # 1, Main Guard Cross Road Bangalore - 560 001
 CIN: U85110KA1995PTC018755

NOTES FORMING PART OF FINANCIAL STATEMENTS

31 Foreign Exchange transactions

Particulars	Rs	
	Year ended 31 March 2016	Year ended 31 March 2015
Earnings in foreign currency	203,110,189	83,404,552
Expenditure in foreign currency	44,418,122	27,203,966
Imports on CIF basis of Capital goods	156,917	8,236,182

32 Micro and Small Enterprises:

Particulars	Rs	
	As at 31 March 2016	As at 31 March 2015
i. Principal amount remaining unpaid to any supplier as at the end of the accounting year	160,300	48,336,281
ii. Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	2,460,395
iii. The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
iv. The amount of interest due and payable for the year	598,182	2,809,254
v. The amount of interest accrued and remaining unpaid at the end of the accounting year	10,714,484	10,116,302
vi. The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	10,714,484	10,116,302

Note: Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

- 33** As at March 31, 2016, the Company's current liabilities exceeded the current assets and the networth has been fully eroded. The management of the Company believes that based on the revenue streams supported by definitive contracts and continued financial support from its Holding Company M/s Prestige Estates Projects Limited, the Company will continue as a going concern and thereby realise its assets and discharge its liabilities in the normal course of its business. Thus these financial statements do not include any adjustments relating to the recoverability of recorded asset amounts and in respect of liabilities as might be necessary for compilation on an alternative basis.

34 Segment Reporting

Business Segments (Primary Segment)

Real Estate Development Segment is engaged in the business of construction, development, sale, management and operation of all or any part of commercial premises and other related activities.

Hospitality Segment is engaged in the business of hoteliering and other related activities

Geographical Segments (Secondary Segment)

As the Company's geographical activity primarily falls within a single geographical segment i.e India, the management is of the view that there are no additional disclosures to be provided under AS 17 'Segment Reporting', other than those already provided in the financial statements.



CESSNA GARDEN DEVELOPERS PRIVATE LIMITED
 'The Falcon House' # 1, Main Guard Cross Road Bangalore - 560 001
 CIN: U85110KA1995PTC018755
NOTES FORMING PART OF FINANCIAL STATEMENTS

	Rs	
Particulars	31 March 2016	31 March 2015
I) Segment revenue		
Real estate development	1,448,410,245	1,394,059,759
Hospitality	392,826,405	187,118,461
Total segment revenue	1,841,236,650	1,581,178,220
Add: Other un-allocable income	15,606,574	17,217,172
Total revenue as per Statement of Profit and Loss	1,856,843,224	1,598,395,392
II) Segment result		
Real estate development	1,042,258,883	789,524,990
Hospitality	(67,348,727)	(180,893,160)
Total segment result	974,910,156	608,631,830
Less: Interest paid & other financial charges	(1,021,330,131)	(856,413,603)
Less: Other un-allocable expenses	(7,518,728)	(3,311,062)
Add: Other un-allocable income	15,606,574	17,217,172
Net profit before tax	(38,332,129)	(233,875,663)
Less: Tax expense	-	(289,059)
Profit/ (Loss) for the year after tax	(38,332,129)	(234,164,722)
	Rs	
Particulars	31 March 2016	31 March 2015
III) Other information		
a) Segment assets		
Real estate development	8,660,272,091	8,379,375,038
Hospitality	1,454,102,437	1,613,221,625
Total segment assets	10,114,374,528	9,992,596,663
Add: Un-allocable corporate assets	1,329,958,179	470,457,273
Total assets as per Balance Sheet	11,444,332,707	10,463,053,936
b) Segment liabilities		
Real estate development	1,024,067,873	1,347,991,500
Hospitality	59,368,498	115,320,777
Total segment liabilities	1,083,436,371	1,463,312,277
Add: Un-allocable corporate liabilities	10,538,687,153	9,139,200,347
Total liabilities as per Balance Sheet	11,622,123,524	10,602,512,624
c) Capital expenditure		
Real estate development	8,258,717,600	8,092,341,154
Hospitality	1,338,057,246	1,532,836,052
Other un-allocable	5,265,289	3,977,218
Total capital expenditure	9,602,040,135	9,629,154,424
d) Depreciation		
Real estate development	341,361,815	283,756,742
Hospitality	161,313,682	165,095,890
Other un-allocable	1,626,983	2,029,425
Total depreciation	504,302,480	450,882,057



NOTES FORMING PART OF FINANCIAL STATEMENTS

- 35** The Company enters into "domestic transactions" with specified parties that are subject to the Transfer Pricing regulations under the Income Tax Act, 1961 ('regulations'). The pricing of such domestic transactions will need to comply with the Arm's length principle under the regulations. These regulations, inter alia, also require the maintenance of prescribed documents and information including furnishing a report from an Accountant which is to be filed with the Income tax authorities.

The Company has undertaken necessary steps to comply with the regulations. The Management is of the opinion that the domestic transactions are at arm's length, and hence the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

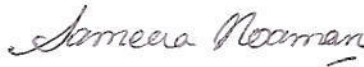
- 36** Previous years figures have been regrouped/reclassified wherever necessary to correspond to the current years classification/disclosure.

Signatures to Notes 1 to 36

For and on behalf of the Board



Badrunissa Irfan
Director
DIN: 01191458



Sameera Noaman
Director
DIN: 01191723

Place: Bangalore
Date: May 30, 2016



Rs

Description	Gross block				Accumulated depreciation			Net block		
	As at 1 April 2015	Additions	Adjustments / Deletions	As at 31 March 2016	Up to 31 March 2015	Charge for the Year	Deletion	Up to 31 March 2016	As at 31 March 2016	As at 31 March 2015
<i>Tangible Assets</i>										
Land - Freehold	467,858,290 (467,858,290)	-	-	467,858,290 (467,858,290)	-	-	-	-	467,858,290 (467,858,290)	467,858,290 (467,858,290)
Buildings - owned	9,045,738,031 (6,637,483,171)	594,378,421 (2,408,254,860)	-	9,640,116,452 (9,045,738,031)	1,394,740,141 (1,071,528,278)	383,678,676 (323,211,863)	-	1,778,418,817 (1,394,740,141)	7,861,697,635 (7,650,997,890)	7,650,997,890 (5,565,954,893)
Computers & Equipment - owned	6,348,065 (5,834,860)	113,729 (513,205)	-	6,461,794 (6,348,065)	3,135,110 (1,136,128)	1,319,691 (1,998,982)	-	4,454,801 (3,135,110)	2,006,993 (3,212,955)	3,212,955 (4,698,732)
Furniture & Fixtures - owned	768,193,270 (319,877)	220,300 (767,873,393)	-	768,413,570 (768,193,270)	124,343,173 (183,947)	116,878,323 (124,159,226)	-	241,221,496 (124,343,173)	527,192,074 (643,850,097)	643,850,097 (135,930)
Office equipment - owned	659,100 (6,990)	2,587,876 (652,110)	-	3,246,976 (659,100)	6,167 (326)	266,131 (5,841)	-	272,298 (6,167)	2,974,678 (652,933)	652,933 (6,664)
Vehicles - owned	7,612,552 (1,530,090)	5,706,682 (6,082,462)	-	13,319,234 (7,612,552)	1,736,232 (230,087)	2,159,659 (1,506,145)	-	3,895,891 (1,736,232)	9,423,343 (5,876,320)	5,876,320 (1,300,003)
Total	10,296,409,308 (7,113,033,278)	603,007,008 (3,183,376,030)	-	10,899,416,316 (10,296,409,308)	1,523,960,823 (1,073,078,766)	504,302,480 (450,882,057)	-	2,028,263,303 (1,523,960,823)	8,871,153,013 (8,772,448,485)	8,772,448,485
Previous year										
of the above owned assets, assets given under lease are :										
Buildings - owned	8,162,233,753 (6,637,483,171)	594,378,421 (1,524,750,582)	-	8,756,612,174 (8,162,233,753)	1,355,285,020 (1,071,528,278)	341,361,815 (283,756,742)	-	1,696,646,835 (1,355,285,020)	7,059,965,339 (6,806,948,733)	6,806,948,733 (5,565,954,893)

Note:
Figures shown in brackets pertain to previous year ended on March 31, 2015.

