



KANISH JAIN & Co.,

Chartered Accountant
Firm Reg. No : 013839S

No. 84, Sampige Road, Malleshwaram,

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INDEPENDENT AUDITORS' REPORT

To The members of Sobha Assets Private Limited,

Report on the Financial Statements

I have audited the accompanying financial statements of M/s Sobha Assets Private Limited, ("the Company"), which comprises the Balance Sheet as at 31st March 2016, the Statement of Profit and Loss and the Cash Flow Statement of the Company 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 and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

I conducted my audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements the Institute of Chartered Accountants of India. Those Standards and pronouncements require that I 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the financial statements.

Opinion

In my opinion and to the best of my information and according to the explanations given to me, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 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 the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the company as I consider appropriate and according to the information and explanations given to me, I am of the opinion that the statement on the matters specified in paragraphs 3 and 4 of the Order are not applicable to the company.
2. As required by section 143(3) of the Act, I report that:
 - a) I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of my audit;
 - b) In my opinion proper books of account as required by law have been kept by the Company so far as appears from my 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 my opinion, the aforesaid financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014,
 - e) On the basis of written representations received from the directors as on 31st March 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 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 my separate report in 'Annexure A'; and
 - 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 my opinion and to the best of my information and according to the explanation given to me :
 - (i) The Company did not have any pending litigations as at 31st March 2016 which have an impact on its financial position in its financial statements;

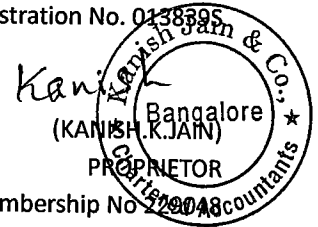


- (ii) The Company did not have any long term contracts including derivative contract for which there were any material foreseeable losses;
- (iii) There has been no delay in transferring amounts, required to transferred, to Investors Education and Protection Fund by the Company.

"SUBJECT TO MY REPORT OF EVEN DATE"

For KANISH JAIN AND CO
CHARTERED ACCOUNTANT

Registration No. 0138395



Place: Bengaluru

Date: 18.05.2016.

Membership No. 220048

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 2(f) of the Independent Auditors' Report of even date to the members of Sobha Assets Private Limited on the financial statements for the year ended March 31, 2016.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. I have audited the internal financial controls over financial reporting of Sobha Assets Private Limited ("the Company") as of March 31, 2016 in conjunction with my audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

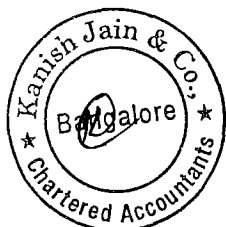
2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal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

Auditors' Responsibility

3. My responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on my audit. I conducted my audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that I 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.
4. My audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. My 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.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that
 - (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;



- (2) provide reasonable assurance that the 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

7. 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

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

"SUBJECT TO MY REPORT OF EVEN DATE"

For KANISH JAIN AND CO
CHARTERED ACCOUNTANT

Registration No. 0138906



Place: Bengaluru

Date: 18.05.2016.

Membership No. 229048

SOBHA ASSETS PRIVATE LIMITED


Sobha, Sarjapur-Marathahalli Outer Ring Road (ORR)
Devarabisanahalli, Bellandur Post, Bangalore - 560 103
CIN:U70100KA2012PTC063003

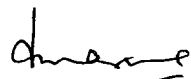
BALANCE SHEET AS AT MARCH 31ST, 2016

| PARTICULARS | Notes No. | [In Rupees] As at 31-Mar-16 | [In Rupees] As at 31-Mar-15 |
|---|-----------|-----------------------------------|-----------------------------------|
| | | | |
| EQUITIES AND LIABILITIES: | | | |
| SHAREHOLDERS' FUNDS | | | |
| (a) Share Capital | 2.1 | 1,00,000 | 1,00,000 |
| (b) Reserves and surplus | 2.2 | (49,736) | (30,846) |
| | | 50,264 | 69,154 |
| NON-CURRENT LIABILITIES | | | |
| (a) Long Term Borrowings | | - | - |
| (b) Deferred Tax Liabilities (Net) | | - | - |
| (c) Other Long Term Liabilities | | - | - |
| CURRENT LIABILITIES | | | |
| (a) Short Term Borrowings | | - | - |
| (b) Trade Payables | | - | - |
| (c) Other Current Liabilities | 2.3 | 7,58,44,869 | 7,30,79,706 |
| TOTAL | | 7,58,44,869 | 7,30,79,706 |
| | | 7,58,95,133 | 7,31,48,860 |
| ASSETS | | | |
| NON-CURRENT ASSETS | | | |
| (a) Fixed assets: | | | |
| Tangible Assets | | | |
| Intangible Assets | | | |
| Capital Work in Progress | | | |
| (b) Non-Current Investments | | - | - |
| (c) Deferred Tax Asset (Net) | | - | - |
| (d) Long Term Loans and Advances: | 2.4 | 2,60,00,000 | 2,60,00,000 |
| (e) Other Non-Current Assets | 2.5 | 7,980 | 7,980 |
| | | 2,60,07,980 | 2,60,07,980 |
| CURRENT ASSETS | | | |
| (a) Inventories | 2.6 | 4,91,74,220 | 4,68,20,506 |
| (b) Trade Receivables | | - | - |
| (c) Cash and Bank Balance | 2.7 | 87,641 | 25,966 |
| (d) Short Term Loans and Advances | | - | - |
| (e) Other Current Assets | 2.8 | 6,25,292 | 2,94,408 |
| | | 4,98,87,153 | 4,71,40,880 |
| TOTAL | | 7,58,95,133 | 7,31,48,860 |
| Significant Accounting Policies and notes | 1 & 2 | | |

Notes referred above form integral part of the financial statements

For and on behalf of the Board of Directors of
Sobha Assets Private Limited


Ravi PNC Menon
Director
DIN : 02070036

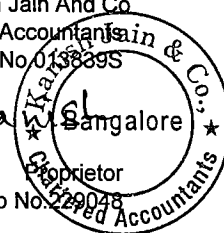

J C Sharma
Director
DIN : 01191608

Date : 18.05.2016
Place : Bengaluru

Subject to our Report of even date

For Kanish Jain And Co
Chartered Accountants
Firms' Registration No. 013889S

Membership No. 229048



SOBHA ASSETS PRIVATE LIMITED


Sobha, Sarjapur-Marathahalli Outer Ring Road (ORR)
Devarabisanahalli, Bellandur Post, Bangalore - 560 103
CIN:U70100KA2012PTC063003

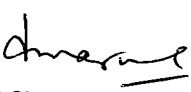
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31ST,2016

| PARTICULARS | Notes No. | [In Rupees] for the year ended 31-Mar-16 | [In Rupees] for the year ended 31-Mar-15 |
|--|--------------|---|---|
| | | | |
| INCOME | | | |
| Income from Operation | | - | - |
| Other Income | | - | - |
| TOTAL | | - | - |
| EXPENSES | | | |
| Changes in Inventories of Stock in Trade | 2.9 | (23,53,714) | (22,73,513) |
| Finance Cost | 2.10 | 22,78,579 | 22,73,513 |
| Other Expenses | 2.11 | 94,025 | 5,600 |
| TOTAL | | 18,890 | 5,600 |
| TAX EXPENSES | | | |
| Current Tax | | - | - |
| Deferred Tax | | - | - |
| Tax relating to prior years | | - | - |
| PROFIT/(LOSS) FOR THE YEAR | | (18,890) | (5,600) |
| Basic & Diluted Earning per Share (Equity Shares of par value of Rs. 10/- each) | | (1.89) | (0.56) |
| No of shares used in computing earning per share | | 10,000 | 10,000 |
| Significant Accounting Policies and notes | 1 & 2 | | |

Notes referred above form integral part of the financial statements

For and on behalf of the Board of Directors of
Sobha Assets Private Limited

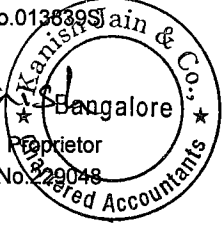

Ravi PNC Menon
Director
DIN :02070036


J C Sharma
Director
DIN : 01191608

Date : 18.05.2016
Place : Bengaluru

Subject to our Report of even date

For Kanish Jain And Co
Chartered Accountants
Firms' Registration No.0138395



Membership No. 229048

SOBHA ASSETS PRIVATE LIMITED
CIN:U70100KA2012PTC063003
Cash Flow Statement for the year ended 31st March 2016

| Particulars | [In Rupees] As at 31-03-2016 | [In Rupees] As at 31-03-2015 |
|---|------------------------------------|------------------------------------|
| A. Cash Flow from Operating Activities | | |
| Profit before Taxation and extraordinary items | (18,890) | (5,600) |
| Adjustments for Depreciation | - | - |
| Operating Profit before working capital changes | (18,890) | (5,600) |
| Changes in Working Capital: | | |
| Increase/(Decrease) in Trade Payables | 27,65,163 | 25,55,080 |
| Increase/(Decrease) in Other Current Liabilities | (23,53,714) | (22,73,512) |
| Increase/(Decrease) in Inventories | (3,30,884) | (2,80,968) |
| Cash generated from Operations | 61,675 | (5,000) |
| Taxes paid (Net of refunds) | - | - |
| Net cash generated from operations before extraordinary items | 61,675 | (5,000) |
| Net cash generated from operating activities | 61,675 | (5,000) |
| B. Cash Flow from Investing Activities | | |
| Purchase of Tangible/Intangible Assets | - | - |
| Net Cash from Investing Activities | - | - |
| C. Cash flow from Financing Activities | | |
| Proceeds from issuance of share capital | - | - |
| Increase/(Decrease) in Borrowings | - | - |
| Net cash raised in Financing activities | - | - |
| Net increase in cash and cash equivalents [A+B+C] | 61,675 | (5,000) |
| Cash and Cash equivalents at the beginning of the year | 25,966 | 30,966 |
| Cash and Cash equivalents at the end of the period | 87,641 | 25,966 |
| Cash and Cash equivalents comprise of | | |
| Cash on Hand | 10 | 10 |
| Balances with Banks | 87,631 | 25,956 |

For and on behalf of the Board of Directors of
Sobha Assets Private Limited

Subject to our Report of even date

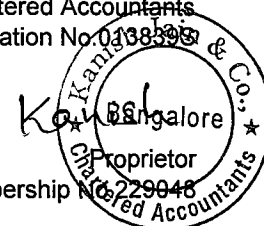

Ravi PNC Menon
Director
DIN : 02070036


J C Sharma
Director
DIN : 01191608

Date : 18.05.2016
Place : Bengaluru

For Kanish Jain And Co
Chartered Accountants
Firms' Registration No. 0138399

Membership No. 229048



2. NOTES ON ACCOUNTS AS AT MARCH 31ST, 2016

2.1 SHARE CAPITAL

| Particulars | As at | As at |
|--|-----------|-----------|
| | 31-Mar-16 | 31-Mar-15 |
| Authorised: | | |
| Equity Share of Rs. 10/- par value 10,000 Equity Shares | 1,00,000 | 1,00,000 |
| Issued, Subscribed and Paid up: | | |
| Equity Share of Rs. 10/- par value 10,000 Equity Shares fully paid up | 1,00,000 | 1,00,000 |

The Company has only one class of Shares referred to as Equity Shares having a par value of Rs.10/-. Each shareholder of equity shares is entitled to one vote per share.

The Company has not declared any dividend during the period.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently.

The distribution will be in proportion to the number of equity shares held by the shareholders.

The details of shareholder holding more than 5% shares is set out below;

| Name of the Shareholder | As at 31-Mar-16 | | As at 31-Mar-15 | |
|---------------------------------|-----------------|---------|-----------------|---------|
| | No. of Shares | % held | No. of Shares | % held |
| Sobha Limited - Holding company | 10,000 | 100.00% | 10,000 | 100.00% |

The reconciliation of the number of shares outstanding and the amount of share capital is set out below;

| Particulars | As at 31-Mar-16 | | As at 31-Mar-15 | |
|------------------------------------|-----------------|----------|-----------------|----------|
| | No. of Shares | Amount | No. of Shares | Amount |
| No. of shares at the beginning | 10,000 | 1,00,000 | 10,000 | 1,00,000 |
| Add: Shares issued during the year | - | - | - | - |
| No. of shares at the end | 10,000 | 1,00,000 | 10,000 | 1,00,000 |

2.2 RESERVES AND SURPLUS

| Particulars | As at | As at |
|---|-----------------|-----------------|
| | 31-Mar-16 | 31-Mar-15 |
| Surplus/(Deficit) in the Profit and Loss statement | | |
| Opening Balance | (30,846) | (25,246) |
| Add: Profit/(Loss) for the year | (18,890) | (5,600) |
| Net Surplus/(Deficit) | (49,736) | (30,846) |
| Total | (49,736) | (30,846) |

2.3 OTHER CURRENT LIABILITIES

| Particulars | As at | As at |
|--|--------------------|--------------------|
| | 31-Mar-16 | 31-Mar-15 |
| Advances received from holding company | 7,58,24,569 | 7,30,63,006 |
| Other Liabilities | 20,300 | 16,700 |
| Total | 7,58,44,869 | 7,30,79,706 |



2.4 LONG TERM LOANS AND ADVANCES

| Particulars | As at 31-Mar-16 | As at 31-Mar-15 |
|--------------------------------------|--------------------|--------------------|
| Advances recoverable in cash or kind | 2,60,00,000 | 2,60,00,000 |
| Total | 2,60,00,000 | 2,60,00,000 |

2.5 OTHER NON CURRENT ASSETS

| Particulars | As at 31-Mar-16 | As at 31-Mar-15 |
|----------------------|--------------------|--------------------|
| Unamortized Expenses | 7,980 | 7,980 |
| Total | 7,980 | 7,980 |

2.6 INVENTORIES

| Particulars | As at 31-Mar-16 | As at 31-Mar-15 |
|------------------|--------------------|--------------------|
| Work-in-Progress | 4,91,74,220 | 4,68,20,506 |
| Total | 4,91,74,220 | 4,68,20,506 |

2.7 CASH AND BANK BALANCE

| Particulars | As at 31-Mar-16 | As at 31-Mar-15 |
|--|--------------------|--------------------|
| Cash on hand | 10 | 10 |
| Balances with Banks in current account | 87,631 | 25,956 |
| Total | 87,641 | 25,966 |

2.8 OTHER CURRENT ASSETS

| Particulars | As at 31-Mar-16 | As at 31-Mar-15 |
|----------------------------------|--------------------|--------------------|
| Balances with statutory agencies | 6,25,292 | 2,94,408 |
| Total | 6,25,292 | 2,94,408 |

2.9 CHANGES IN INVENTORIES OF STOCK IN TRADE

| Particulars | for the year ended 31-Mar-16 | for the year ended 31-Mar-15 |
|--|---------------------------------|---------------------------------|
| Opening Stock | | |
| Work-in-Progress | 4,68,20,506 | 4,45,46,993 |
| | 4,68,20,506 | 4,45,46,993 |
| Less: Closing Stock | | |
| Work-in-Progress | 4,91,74,220 | 4,68,20,506 |
| | 4,91,74,220 | 4,68,20,506 |
| Changes in Inventories of Stock in Trade | (23,53,714) | (22,73,513) |



2.10 FINANCE COST

| Particulars | for the year ended 31-Mar-16 | for the year ended 31-Mar-15 |
|--------------|---------------------------------|---------------------------------|
| Bank Charges | 22,78,579 | 22,73,513 |
| Total | 22,78,579 | 22,73,513 |

2.11 OTHER EXPENSES

| Particulars | for the year ended 31-Mar-16 | for the year ended 31-Mar-15 |
|---------------------------------------|---------------------------------|---------------------------------|
| Rates & Taxes | 3,600 | 600 |
| Professional and Consultancy Expenses | 85,425 | - |
| Auditors' Remuneration | 5,000 | 5,000 |
| Total | 94,025 | 5,600 |

2.12 There is no contingent liability during the year.

2.13 Preliminary expenses will be written off over a period of 5 years after the company commences its business.

2.14 Previous year's figures are regrouped/rearranged wherever necessary, to make them comparable.

~~2.15 Other current liabilities includes Rs.7,58,24,569/- due to Sobha Limited, a holding company~~

2.16 There is no expenditure or earnings in Foreign exchange during the period.

2.17 There are no dues to any party covered under Micro, Small and medium Enterprises Development Act, 2006, and hence information required under the said Act has not been furnished.

2.18 Earnings per Share:

| | | Current period | Previous period |
|---|----|----------------|-----------------|
| Net Profit after tax available for shareholders | a. | (18,890) | (5,600) |
| Weighted average number of Equity shares of Rs. 10/- each fully paid up (No. Of shares) | b. | 10,000 | 10,000 |
| Basic/Diluted earnings per Share (a/b) (Rs.). | | (1.89) | (0.56) |

2.19 In the opinion of the Board of Directors, all current assets, have a value at least equivalent to the value stated in the Balance sheet, if realized in the ordinary course of Business and all accrued liabilities have been provided for.

2.20 The related parties and transactions with them during the year as identified by the management are given under:

a) List of related parties

Key Management Personnel

Mr. Ravi P N C Menon

Mr. J C Sharma

Holding company

Sobha Limited

(formerly Known as Sobha Developers Limited)

Other Related Parties

Allapuzha Fine Real Estate Private Limited

Aluva Realtors Private Limited

Annalakshmi Land Developers Private Limited

Bikasa Properties Private Limited

Bikasa Realestates Private Limited

Bikasa Realtors Private Limited

Chennai Supercity Developers Private Limited

Chikmangaloor Builders Private Limited

Chikmangaloor Developers Private Limited

Chikmangaloor Properties Private Limited

Chikmangaloor Realtors Private Limited

Pillaipakkam Properties Private Limited

Pillaipakkam Builders Private Limited

PNC Lighting Solutions Private Limited

PNC Technologies Private Limited

Punkunnam Builders And Developers Private Limited

Puzhakkal Developers Private Limited

Red Lotus Facility Services Private Limited

Red Lotus Metal Works Facilities And Services Private Limited

Red Lotus Realtors Private Limited

Royal Interiors Private Limited

Rusoh Fine Builders Private Limited



Cochin Cyber City Private Limited
 Cochin Cyber Estates Private Limited
 Cochin Cyber Golden Properties Private Limited
 Cochin Cyber Value Added Properties Private Limited
 Cochin Realtors Private Limited
 Daram Cyber Builders Private Limited
 Daram Cyber Developers Private Limited
 Daram Cyber Properties Private Limited
 Daram Lands Real Estate Private Limited
 Greater Cochin Cybercity Private Limited
 Greater Cochin Developers Private Limited
 Greater Cochin Properties Private Limited
 Greater Cochin Realtors Private Limited
 HBR Consultants Private Limited
 Hill And Menon Securities Private Limited
 Ilupur Builders Private Limited
 Ilupur Developers Private Limited
 Ilupur Properties Private Limited
 Ilupur Real Estate Private Limited
 Ilupur Realtors Private Limited
 Indeset Steel Private Limited
 Kaloor Realtors Private Limited
 Kaveripuram Developers Private Limited
 Kilai Builders Private Limited
 Kilai Properties Private Limited
 Kilai Super Developers Private Limited
 Kottaiyur Developers Private Limited
 Kottaiyur Real Estates Private Limited
 Kottaiyur Realtors Private Limited
 Kuthavakkam Builders Private Limited
 Kuthavakkam Developers Private Limited
 Kuthavakkam Properties Private Limited
 Kuthavakkam Realtors Private Limited
 Lotus Manpower Consultants Services Private Limited
 Mamballi Builders Private Limited
 Mannur Builders Private Limited
 Mannur Properties Private Limited
 Mannur Real Estate Private Limited
 Mapedu Builders Private Limited
 Mapedu Real Estates Private Limited
 Mapedu Realtors Private Limited
 Marina Realtors Private Limited
 Moolamcode Traders Private Limited
 Nasarapet Developers Private Limited
 Nasarapet Properties Private Limited
 Nasarapet Realtors Private Limited
 Navabhusan Properties And Developers Private Limited
 Objective Systems Integrators India Private Limited
 Oman Builders Private Limited
 Padma Lochana Enterprises Private Limited
 Palani Properties Private Limited
 Pallavur Projects Private Limited
 Paramakudi Properties Private Limited
 Perambakkam Builders Private Limited
 Perambakkam Properties Private Limited
 Lotus Manpower Services

Rusoh Home Developers Private Limited
 Rusoh Marina Properties Private Limited
 Rusoh Modern Builders Private Limited
 Rusoh Modern Developers Private Limited
 Rusoh Modern Properties Private Limited
 S.B.G Housing Private Limited
 Santhavellur Builders Private Limited
 Santhavellur Developers Private Limited
 Santhavellur Realtors Private Limited
 Sengadu Builders Private Limited
 Sengadu Developers Private Limited
 Sengadu Properties Private Limited
 Sengadu Realestates Private Limited
 Sengadu Realtors Private Limited
 Sobha Academy Private Limited
 Indeset Electromechanical Private Limited
 Sobha Aviation And Engineering Services Private Limited
 Sobha Contracting Private Limited
 Sobha Developers (Pune) Limited
 Sobha Electro Mechanical Private Limited
 Sobha Glazing And Metal Works Private Limited
 Sobha Highrise Ventures Private Limited
 Sobha Hitechcity Developers Private Limited
 Sobha Innercity Technopolis Private Limited
 Sobha Interiors Private Limited
 Sobha Jewellery Private Limited
 Sobha Mapletree Developers Private Limited
 Sobha Projects And Trade Private Limited
 Sobha Puravankara Aviation Private Limited
 Sobha Renaissance Information Technology Private Limited
 Sobha Space Private Limited
 Sobha Technocity Private Limited
 Sri Durga Devi Property Management Private Limited
 Sri Kanakadurga Property Developers Private Limited
 Sri Parvathy Land Developers Private Limited
 Sunbeam Projects Private Limited
 Technobuild Developers Private Limited
 Thakazhi Developers Private Limited
 Thakazhi Realtors Private Limited
 Thiruchour Builders Private Limited
 Thiruchour Developers Private Limited
 Tirur Cyber Real Estates Private Limited
 Valasai Vettikadu Builders Private Limited
 Valasai Vettikadu Properties Private Limited
 Valasai Vettikadu Real Estate Private Limited
 Valasai Vettikadu Realtors Private Limited
 Vayaloor Builders Private Limited
 Vayaloor Developers Private Limited
 Vayaloor Properties Private Limited
 Vayaloor Real Estate Private Limited
 Vayaloor Realtors Private Limited
 PNC Switchgears Private Limited
 Sobha City
 Sri Kurumba Trust
 Sobha Tambaram Developers Limited (formerly known as Megatech Software Private Limited)
 Sobha Nandambakkam Developers Limited (formerly known as Tirur Cybercity Developers Private Limited)



b) Transactions with Related Parties

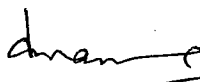
| Nature of transaction | Description of relationship | Name of the Related party | 31-Mar-16 | 31-Mar-15 |
|-----------------------|-----------------------------|---------------------------|-------------|-------------|
| | | | (In Rupees) | (In Rupees) |
| Balance Payable | Holding Company | Sobha Limited | 7,58,24,569 | 7,30,63,006 |

Signature to significant accounting policies and Notes to accounts

For and on behalf of the Board of Directors of
Sobha Assets Private Limited



Ravi PNC Menon
Director
DIN :02070036

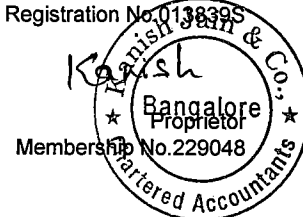


J C Sharma
Director
DIN : 01191608

Date : 18.05.2016.
Place : Bengaluru

Subject to our Report of even date

For Kanish Jain And Co
Chartered Accountants
Firms' Registration No.0138395



SOBHA ASSETS PRIVATE LIMITED

Sobha, Sarjapur-Marathahalli Outer Ring Road (ORR)
Devarabisanahalli, Bellandur Post, Bangalore - 560 103

Schedule forming part of the Accounts as at March 31st, 2016

1. Significant Accounting Policies:

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.

1.1 Use of estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of the operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

1.2 Deferred Tax :

~~Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax assets or liabilities, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.~~

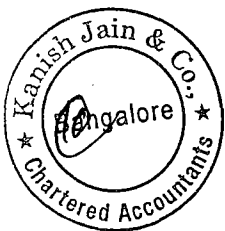
1.3 Impairment of tangible and intangible Fixed Assets:

The Company assesses at each Balance Sheet date, whether there is any indication that an asset may be impaired based on internal/external factors. If any such indication exists, the Company estimates the recoverable amount of the asset. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

1.4 Earnings per share:

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of shares outstanding during the year is adjusted for events of bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.



1.5 Inventories:

Inventories are valued at the lower of cost and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including all levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and finance cost and where applicable, excise duty.

1.6 Retirement Benefit :

Since the company has no employees the provision of Payment of Gratuity Act, 1972, are not applicable to the company and no provision for leave encashment as on the date of Balance Sheet has been made.

1.7 Contingent Liability:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the Notes. Contingent assets are neither recognized nor disclosed in the financial statements.

