INDEPENDENT AUDITOR'S REPORT

TO THE PARTNERS OF DREAMWORLD LANDMARKS LLP

Report on the Financial Statements

We have audited the accompanying financial statements of **DREAMWORLD LANDMARKS LLP** ("the LLP"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, 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

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the LLP in accordance with the accounting principles generally accepted in India, including the Accounting Standards issued by the Institute of Chartered Accountants of India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the LLP 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

Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 controls relevant to the LLP'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 LLP 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 management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Limited Liability Partnership Act, 2008 and Limited Liability Partnership Rules, 2009 (as amended) 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 LLP as at March 31, 2015, and its loss and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note 1(g) to the financial statements, in respect of projects under long term contracts undertaken and/or financed by the LLP, we have relied upon the management's estimates of the percentage of completion, costs to completion and on the projections of revenues expected from projects owing to the technical nature of such estimates, on the basis of which profits/losses have been accounted, interest income accrued and realizability of the construction work in progress and project advances determined.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

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 LLP 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 financial statements comply with the Accounting Standards issued by the Institute of Chartered Accountants of India.

For KALYANIWALLA & MISTRY
CHARTERED ACCOUNTANTS
Firm Registration Number 104607W

FARHAD M. BHESANIA
PARTNER
Membership Number 127355
Place: Mumbai
Dated: April 28, 2015

DREAM WORLD LANDMARKS LLP

BALANCE SHEET AS AT 31st MARCH, 2015

Particulars	Note No.	As at 31.03.2015 Rupees	As at 31.03.2014 Rupees
CAPITAL & LIABILITIES			
Capital Account			
Partners Capital Account	2	1,000,000	21,251
Reserves & Surplus	3	(886,577)	(11,175)
Total Capital Account		**113,423**	**10,076**
Non-Current Liabilities			
Deferred Tax Liabilities (on Fixed Assets)		-	8,000
Total Non Current Liabilities		**-**	**8,000**
Current Liabilities			
Short Term Borrowing	4	321,739,002	32,423,452
Trade Payables (Refer Note 13)		704,606	-
Other Current Liabilities	5	222,982,654	1,695,103
Total Current Liabilities		**545,426,262**	**34,118,555**
Total Capital And Liabilities		**545,539,685**	**34,136,631**
ASSETS			
Non-Current Assets			
Fixed Assets	6		
Tangible Assets		1,216,950	358,863
Intangible Assets		477,519	-
Total Fixed Assets		1,694,469	358,863
Deferred Tax Asset (on Fixed Assets)		196,000	-
Total Non Current Assets		**1,890,469**	**358,863**
Current Assets			
Inventories	7	507,693,482	31,861,858
Cash & Bank Balance	8	2,800,805	1,136,563
Short Term Loans & Advances	9	33,154,929	779,347
Total Current Assets		**543,649,216**	**33,777,768**
Total Assets		**545,539,685**	**34,136,631**
ACCOUNTING POLICIES	1		

The accompanying notes 1 to 18 form an integral part of financial statements

As per our report of even date.

Signatures to the Balance Sheet and Notes to Financial Statements

For KALYANIWALLA & MISTRY
CHARTERED ACCOUNTANTS
Firm Registration Number 104607W

FARHAD M. BHESANIA
PARTNER
Membership Number 127355
Mumbai, Dated : April 28, 2015

PIROJSHA GODREJ **RAMESH P BHATIA**
DESIGNATED PARTNERS

DREAM WORLD LANDMARKS LLP

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2015

Particulars	Note No.	For the Year Ended 31.03.2015 Rupees	For the Year Ended 31.03.2014 Rupees
INCOME			
Other Income	10	318,801	-
		318,801	**-**
EXPENDITURE			
Cost of sales	11	-	-
Finance Cost	12	318,801	-
Depreciation		1,079,402	1,924
TOTAL EXPENSES		**1,398,203**	**1,924**
(LOSS) BEFORE TAX		(1,079,402)	(1,924)
Tax Expense			
Deferred Tax		(204,000)	8,000
(LOSS) AFTER TAX		(875,402)	(9,924)
ACCOUNTING POLICIES	1		

The accompanying notes 1 to 18 form an integral part of financial statements

As per our report of even date.

Signatures to the Profit & Loss and Notes to Financial Statements

For KALYANIWALLA & MISTRY
CHARTERED ACCOUNTANTS
Firm Registration Number 104607W

FARHAD M. BHESANIA
PARTNER
Membership Number 127355
Mumbai, Dated : April 28, 2015

PIROJSHA GODREJ **RAMESH P BHATIA**
DESIGNATED PARTNERS

DREAM WORLD LANDMARKS LLP

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2015

Particulars	For the Year Ended 31.03.2015 Rupees	For the Year Ended 31.03.2014 Rupees
Cash Flow from Operating Activities		
(Loss) Before Taxation	(1,079,402)	(1,924)
Adjustment for:		
Depreciation	1,079,402	1,924
Interest Expenses	318,801	-
Interest Income	(318,801)	-
Operating Profit before working capital changes	-	-
Adjustment for:		
(Increase) / Decrease in Inventory	(475,831,624)	(32,613,013)
(Increase) / Decrease in Short Term Loans & Advances	(32,375,582)	-
Increase / (Decrease) in Current Liabilities	221,673,356	1,239,741
	(286,533,850)	(31,373,272)
Taxes Paid (Net)	-	-
Net Cash Flow from Operating Activities	**(286,533,850)**	**(31,373,272)**
Cash Flow from Investing Activities		
Purchase of Fixed Assets	(2,415,008)	(360,787)
Interest Income	318,801	-
Net Cash Flow from Investing Activities	**(2,096,207)**	**(360,787)**
Cash Flow from Financing Activities		
Introduction of Capital	978,749	-
Proceeds from Short Term Borrowings	289,315,550	32,850,724
Net Cash Flow from Financing Activities	**290,294,299**	**32,850,724**
Net Increase/ (Decrease) in Cash & Cash Equivalents	1,664,242	1,116,665
Cash & Cash Equivalents - Opening Balance	1,136,563	19,898
Cash & Cash Equivalents - Closing Balance	**2,800,805**	**1,136,563**
Notes :		
1. Cash & Cash Equivalents :		
Cash & Balances with Banks	2,800,805	1,136,563
Cash & Cash Equivalents	**2,800,805**	**1,136,563**

2. The cash flow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (AS) 3 on 'Cash Flow Statement', and presents cash flows by operating, investing and financing activities.
3. Figures for the previous year have been regrouped/restated wherever necessary to conform to this year's classification.

As per our report of even date.

For KALYANIWALLA & MISTRY
CHARTERED ACCOUNTANTS
Firm Registration Number 104607W

FARHAD M. BHESANIA
PARTNER
Membership Number 127355
Mumbai, Dated : April 28, 2015

PIROJSHA GODREJ   **RAMESH P BHATIA**
DESIGNATED PARTNERS

NOTE 1

Accounting Policies

a) Company Overview

Dream World Landmarks LLP (the LLP) was incorporated on March 02, 2012. The LLP is a real estate developer engaged primarily in the business of real estate construction, development and other related activities.

b) Basis of Preparation

The financial statements of the LLP have been prepared on accrual basis under the historical cost convention and on going concern basis with Generally Accepted Accounting Principles in India, the Accounting Standards issued by The Institute of Chartered Accountants of India and the provisions of the Limited Liability Partnership Act, 2008.

c) Operating Cycle

The normal operating cycle in respect of operation relating to under construction real estate project depends on signing of agreement, size of the project, phasing of the project, type of development, project complexities, approvals needed & realization of project into cash & cash equivalents and range from 3 to 7 years. Accordingly Assets & Liabilities have been classified into current & non-current based on operating cycle of respective projects

d) Fixed Assets

Fixed assets are stated at cost of acquisition or construction less accumulated depreciation. Cost includes all incidental expenses related to acquisition and installation, other pre-operation expenses and interest in case of construction.

Carrying amount of cash generating units / assets are reviewed at balance sheet date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount is estimated as the net selling price or value in use, whichever is higher. Impairment loss, if any, is recognized whenever carrying amount exceeds the recoverable amount.

e) Depreciation / Amortization

Depreciation has been provided on written down value basis, at the rate determined with reference to the useful lives specified in Schedule II of the Companies Act, 2013. The impact of the change in useful life of fixed assets has been considered in accordance with the provision of Schedule II.

Assets costing less than Rs.5,000/- are depreciated at 100% in the year of acquisition.

f) Inventories

Inventories are valued as under:

a) Completed Flats - At Lower of Cost or Net realizable value
b) Construction Work-in-Progress - At Cost

Construction Work in Progress includes cost of land, premium for development rights, construction costs, allocated interest and expenses incidental to the projects undertaken by the LLP.

g) Revenue Recognition

The LLP is following the "Percentage of Completion Method" of accounting. As per this method, revenue from sale of properties is recognized in Statement of Profit & Loss in proportion to the actual cost incurred as against the total estimated cost of projects under execution with the LLP on transfer of significant risk and rewards to the buyer.

In accordance with the "Guidance Note on Accounting for Real Estate Transactions (Revised 2012)" (Guidance Note), construction revenue from projects is recognized on percentage of completion method provided the following thresholds have been met:

(a) All critical approvals necessary for the commencement have been obtained;
(b) The expenditure incurred on construction and development costs is not less than 25 per cent of the total estimated construction and development costs;
(c) At least 25 percent of the saleable project area is secured by contracts or agreements with buyers; and
(d) At least 10 percent of the agreement value is realized at the reporting date in respect of such contracts and it is reasonable to expect that the parties to such contracts will comply with the payment terms as defined in the contracts.

Determination of revenues under the percentage of completion method necessarily involves making estimates, some of which are of a technical nature, concerning, where relevant, the percentages of completion, costs to completion, the expected revenues from the project or activity and the foreseeable losses to completion. Estimates of project income, as well as project costs, are reviewed periodically. The effect of changes, if any, to estimates is recognized in the financial statements for the period in which such changes are determined. Revenue from projects is recognized net of revenue attributable to the land owners. Losses, if any, are fully provided for immediately.

Interest income is accounted on an accrual basis at contracted rates.

h) Borrowing Cost

Interest and finance charges incurred in connection with borrowing of funds, which are incurred for the development of long term projects, are transferred to Construction Work-in-Progress as a part of the cost of the projects at weighted average of the borrowing cost/ rates as per Agreements respectively.

Other borrowing costs are recognized as an expense in the period in which they are incurred.

i) Provision For Taxation

Tax expense comprises both current and deferred tax.

Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates and tax laws.

Deferred tax is recognized 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 assets, subject to consideration of prudence, are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. The tax effect is calculated on the accumulated timing difference at the year-end based on the tax rates and laws enacted or substantially enacted on the balance sheet date.

j) Foreign Currency Transactions

Transactions in foreign currency are recorded at the exchange rates prevailing on the date of the transaction. Assets and liabilities related to foreign currency transactions, remaining unsettled at the year end, are transalated at the year end exchange rates. Forward exchange contracts, remaining unsetteled at the year end, backed by underlying assets or liabilities are also translated at year end exchange rates.The premium payable on foreign exchange contracts is amortised over the period of the contract. Exchange gains / losses are recognised in the Statement of Profit and Loss.

k) Provisions and Contingent Liabilities

Provisions are recognized in the accounts in respect of present probable obligations, the amount of which can be reliably estimated.

Contingent liabilities are disclosed in respect of possible obligations that arise from the past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the LLP.

DREAM WORLD LANDMARKS LLP

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31.03.2015 Rupees	As at 31.03.2014 Rupees
NOTE 2		
PARTNERS CAPITAL ACCOUNT		
Godrej Properties Ltd. Capital	400,000	-
Ramesh P. Bhatia - Capital	-	21,251
Less: Transferred to Sanskriti Land Developers LLP	-	(21,251)
	-	-
Sanskriti Land Developers LLP	21,251	21,251
Add: Current Year	128,749	-
	150,000	21,251
Parijat Land Developers LLP	150,000	-
Devi Hill Paradise LLP	96,000	-
Lotus Land Developers LLP	204,000	-
	1,000,000	**21,251**
NOTE 3		
RESERVES & SURPLUS		
Deficit from Statement of Profit & Loss		
As per last Balance Sheet	(11,175)	(1,251)
(Loss) for the Year	(875,402)	(9,924)
	(886,577)	**(11,175)**
NOTE 4		
SHORT TERM BORROWING		
Unsecured Loan		
From Partner - Godrej Properties Limited (Refer Note 4(a))	321,739,002	32,423,452
	321,739,002	**32,423,452**
(a) Repayable from surplus Cash Flow as per terms of Admission Deed The Loan is carrying interest at 10.5% p.a.		
NOTE 5		
OTHER CURRENT LIABILITIES		
Advances received against Sale of Flats	191,234,009	1,052,223
Statutory Dues	4,273,668	123,484
Other Liabilities	3,164,135	92,124
Interest Accrued but not due	24,310,842	427,272
	222,982,654	**1,695,103**

DREAM WORLD LANDMARK LLP

SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 6

ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 1st April, 2014 Rs.	Additions Rs.	Deductions Rs.	As at 31st March, 2015 Rs.	As at 1st April, 2014 Rs.	For the Year Rs.	Deductions Rs.	As at 31st March, 2015 Rs.	As at 31st March, 2015 Rs.	As at 31st March, 2014 Rs.
Office Equipment	360,787	609,635	-	970,422	1,924	419,343	-	421,267	549,155	358,863
Furniture & Fixtures	-	679,362	-	679,362	-	355,972	-	355,972	323,390	-
Site Equipment	-	538,050	-	538,050	-	223,153	-	223,153	314,897	-
Computer	-	47,700	-	47,700	-	18,192	-	18,192	29,508	-
Intangible Assets										
Software Licence	-	540,261	-	540,261	-	62,742	-	62,742	477,519	-
Total	**360,787**	**2,415,008**	**-**	**2,775,795**	**1,924**	**1,079,402**	**-**	**1,081,326**	**1,694,469**	**358,863**
Previous Year	-	*360,787*	-	*360,787*	-	*1,924*	-	*1,924*	*358,863*	-

(a) Consequent to Schedule II to the Companies Act, 2013 becoming applicable w.e.f. April 01, 2014, depreciation for the year ended March 31, 2015 has been provided on the basis of useful lives as prescribed in Schedule II. This has resulted in the depreciation expenses for the year ended March 31, 2015 being higher by Rs. 482,836/-

DREAM WORLD LANDMARKS LLP

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31.03.2015 Rupees	As at 31.03.2014 Rupees
NOTE 7		
INVENTORIES		
Construction Work in Progress	507,693,482	31,861,858
	507,693,482	**31,861,858**
NOTE 8		
CASH & BANK BALANCE		
Cash & Cash Equivalents		
Cash on hand	1,312	398
Balances with Bank - in Current Account	2,799,493	1,136,165
	2,800,805	**1,136,563**
NOTE 9		
SHORT TERM LOANS & ADVANCES		
Unsecured Considered Good		
To Partners		
Lotus Land Developers LLP	6,077,257	-
Devi Hills Paradise LLP	2,859,885	-
Sanskruti Land Developers LLP	4,470,210	-
Parijat Land Developers LLP	4,470,211	-
Others	15,277,366	779,347
	33,154,929	**779,347**

DREAM WORLD LANDMARKS LLP

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	For the Year Ended 31.03.2015 Rupees	For the Year Ended 31.03.2014 Rupees
NOTE 10		
OTHER INCOME		
Interest Income	318,801	-
	318,801	-
NOTE 11		
COST OF SALES		
Opening Stock	31,861,858	28,192
Add : Expenditure during the year		
Land/Development Rights	247,346,780	-
Construction	16,446,978	975,976
Architect Fees	9,448,915	3,023,880
Other Cost	175,468,975	27,359,063
Interest	27,119,976	474,747
	475,831,624	31,833,666
Less : Closing Stock	507,693,482	31,861,858
Cost of Sales	-	-
NOTE 12		
FINANCE COST		
Interest on loan from Partners	27,438,777	474,747
Total Interest Expense	**27,438,777**	**474,747**
Less: Transferred to Cost of Sales	27,119,976	474,747
Net Finance Cost	**318,801**	-

NOTE 13

Dues to Micro and Small Enterprise

Disclosure of trade payables and other liabilities is based on the information available with the LLP regarding the status of the suppliers as defined under the "Micro, Small & Medium Enterprises Development Act 2006". There is no amount overdue as on 31st March, 2015 to Micro & Small Enterprises on account of principal amount together with interest and also during the previous year.

NOTE 14

Amounts paid to Auditors

Particulars	Current Year (Rs.)	Previous Year (Rs.)
Audit Fees	100,000	90,000
Audit under other Statutes	60,000	-
Taxation Matters	180,000	25,000
Certification Matters	20,000	-
Total	**360,000**	**115,000**

NOTE 15

Expenditure in Foreign Currency

Particulars	Current Year (Rs.)	Previous Year (Rs.)
Travelling Expenditure	872,035	131,438
Advertisement Expenditure	1,869,031	-
Total	**2,741,066**	**131,438**

Net Loss from foreign exchange is Rs. 25,913/- (Previous Year: Rs. Nil) - incurred during the year has been transferred to Project in progress.

NOTE 16

Segment Information

As the LLP has only one business segment, disclosure under Accounting Standard 17 on "Segment Reporting" issued by the Institute of Chartered Accountants of India is not applicable.

NOTE 17

Related Party Disclosure

Related party disclosures as required by AS-18, "Related Party Disclosures", are given below:

1. Relationships:
   Partners:
   a) Godrej Properties Limited (GPL) holds 40% profit sharing of LLP (control through voting rights). GPL is the Subsidiary of Godrej Industries Limited (GIL). GIL is the subsidiary of Godrej & Boyce Manufacturing Company Limited (G&B), the Ultimate Holding Company.
   b) Lotus Land Developers LLP - 20.40% profit sharing
   c) Ramesh P. Bhatia having 60% profit sharing of LLP (till 18/03/2014)

   Nature Basket Limited (NBL) (Common Group Control Exists).

2. The following transactions were carried out with the related parties in the ordinary course of the business:

(Amount in Rs)

Sr. No.	Particulars	GPL	Lotus Land Developers LLP	Natures Basket Limited	G&B	Ramesh P Bhatia
1.	Purchases of Assets	- -	- -	- -	319,179 -	- -
2	Capital Contribution	400,000 -	204,000 -	-	-	- *(21,251)*
3.	Expenses charged by other Company / Entity	68,843,462 *10,337,416*	307,720 -	38,137 -	- -	- -
4	Expenses Charged to other Company / Entity	- -	108,372 -	- -	- -	- -
5.	Loan Taken	435,087,044 *22,513,308*	4,216,000 -	- -	- -	- -
6	Loan Given	- -	5,979,722 -	- -	- -	- -
7	Loan Repaid	199,996,344 -	4,492,948 -	- -	- -	- -
8.	Outstanding Payables / (Receivable)	339,783,463 *32,850,724*	(6,077,257) -	1,408 -	- -	- -

Previous Years figures are in Italics.

NOTE 18

Previous year figures have been regrouped wherever necessary to conform to current year's classification.