

Independent Auditors' Report**To the Members of SOUTH CITY PROJECTS (KOLKATA) LIMITED****Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of South City Projects (Kolkata) Limited ("the Holding Company") and its subsidiaries (collectively referred to as "the Company" or "the Group"), comprising of the consolidated balance sheet as at 31st March 2016, the consolidated statement of profit and loss, the consolidated cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of the consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated 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 Companies Act, 2013 (hereinafter referred to as "the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the Companies included in the group and of its subsidiaries are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial 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, which have been used for the purpose of preparation of the consolidated financial statements by the directors of the holding Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on the consolidated financial statements based on our audit. While conducting the 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.



S. K. AGRAWAL & CO.

Chartered Accountants

Firm Registration No. 306033E

SUITE NOS : 606-608

THE CHAMBERS, OPP. GITANJALI STADIUM

1865, RAJDANGA MAIN ROAD, KASBA

KOLKATA - 700 107

PHONE : 033-4008 9902/9903/9904

FAX : 033-40089905, Website : www.skagrawal.co.in

(ii) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

(iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group.

For S.K. Agrawal & Co.
Chartered Accountants
Firm's Registration No- 306033E



S.K. Agrawal
Partner

Membership No: 09067

Place: Kolkata

Date: 8th September, 2016



Annexure - A to the Auditors' Report**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March 2016, we have audited the internal financial controls over financial reporting of **South City Projects (Kolkata) limited** ("the Holding Company") and its subsidiary companies which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Respective Boards of Directors of the Holding Company, its subsidiary companies, which are companies incorporated in India, are 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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act 2013.

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 ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.



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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 Judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the Subsidiary companies in terms of their report referred to in the Other Matters paragraph below, 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 (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 authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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.



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Opinion

In our opinion, the Holding Company and its subsidiary companies, have, 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 ICAI.

For S. K. Agrawal & Co.
Chartered Accountants
Firm's Registration No- 306033E



Place: Kolkata
Date: 8th September, 2016



S.K. Agrawal
Partner
Membership No: 9067

SOUTH CITY PROJECTS (KOLKATA) LIMITED
CIN NO. - U21019WB1995PLC071252
CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2016

(Amount in Lacs)

Particulars	Note	As at 31.03.2016	As at 31.03.2015
EQUITY & LIABILITIES			
Shareholders' Funds			
Share Capital	2.1	450.07	450.07
Reserves and Surplus	2.2	21,045.40	21,330.33
Minority Interest		463.01	554.23
Non-Current Liabilities			
Long Term Borrowings	2.3	29,272.77	31,350.52
Other Long Term Liabilities	2.4	4,158.75	4,118.20
Long Term Provisions	2.5	112.53	110.06
Current Liabilities			
Short Term Borrowings	2.6	16,578.28	17,549.00
Trade Payables	2.7	3,466.35	3,323.19
Other Current Liabilities	2.8	48,883.96	25,607.12
Short Term Provisions	2.9	20.75	2,448.69
TOTAL		1,24,451.87	1,06,841.41
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	2.10	14,957.54	16,441.61
Intangible Assets		2.20	0.78
Capital Work in Progress		399.10	15.05
Intangible Assets under Development		13.46	5.75
Non-Current Investments	2.11	14,506.45	17,110.63
Deferred Tax Assets (Net)	2.12	68.12	88.40
Long Term Loans and Advances	2.13	5,601.05	5,755.85
Other Non-Current Assets	2.14	11,935.10	12,595.83
Current Assets			
Inventories	2.15	60,668.35	38,692.80
Trade Receivables	2.16	795.43	747.12
Cash and Bank Balances	2.17	6,648.66	2,543.40
Short Term Loans and Advances	2.18	8,155.56	12,639.13
Other Current Assets	2.19	700.85	205.06
TOTAL		1,24,451.87	1,06,841.41
Significant Accounting Policies & Notes on Accounts	1 & 2		

In terms of our attached report of even date

For, **S. K. AGRAWAL & COMPANY.**

Chartered Accountants

Firm Registration No : 306033E

Shagrawal



South City Projects (Kolkata) Ltd.

[Signature]

Director

South City Projects (Kolkata) Ltd.

[Signature]

Director

S. K. AGRAWAL

Partner

Membership No-9067

Place : Kolkata

For South City Projects (Kolkata) Ltd.

[Signature]
Company Secretary

Dated : 8th September, 2016

SOUTH CITY PROJECTS (KOLKATA) LIMITED

CIN NO. - U21019WB1995PLC071252

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

(Amount in Lacs)

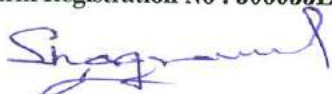
Particulars	Note	2015-16	2014-15
INCOME			
Revenue from Operations	2.20	13,461.16	13,632.42
Other Income	2.21	1,942.35	4,116.23
Increase in Inventories of Finished Goods & Work - In - Progress	2.22	22,835.31	10,296.48
Total Revenue		38,238.82	28,045.13
EXPENSES			
Purchase of Stock-in-Trade		71.25	94.29
Construction Cost	2.23	24,553.83	11,449.28
Employee Benefit Expenses	2.24	379.03	405.55
Administrative and Other Expenses	2.25	3,462.42	4,390.90
Finance Costs	2.26	4,186.28	4,407.60
Depreciation and Amortization Expenses	2.27	1,508.13	2,364.72
Total Expenses		34,160.94	23,112.34
Profit Before Tax		4,077.88	4,932.79
Tax Expenses			
Current Tax		1,843.55	1,518.29
Deferred Tax		20.28	(28.14)
Income Tax of Earlier Years		7.37	75.51
Profit after Tax before Minority Interest		2,206.68	3,367.13
Share of Minority Interest		(73.69)	52.99
Profit for the period		2,280.37	3,314.14
Basic & Diluted Earnings Per Share (Face value of Rs. 10 each)	2.28	50.67	73.64
Significant Accounting Policies & Notes on Accounts	1 & 2		

In terms of our attached report of even date

For, S. K. AGRAWAL & COMPANY.

Chartered Accountants

Firm Registration No : 306033E



S. K. AGRAWAL

Partner

Membership No-9067

Place : Kolkata

Dated : 8th September, 2016

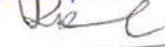


South City Projects (Kolkata) Ltd.



Director

South City Projects (Kolkata) Ltd.



Director

For South City Projects (Kolkata) Ltd.


 Company Secretary

SOUTH CITY PROJECTS (KOLKATA) LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

(Amount in Lacs)

Particulars	March 31, 2016	March 31, 2015
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit before tax before Minority Interest	4,077.90	4,932.79
Add: Adjustment for		
Depreciation & Amortization	1,545.07	2,369.26
Interest Expense	4,281.64	4,583.04
Share Dematerialisation Expenses	0.09	0.36
Provision for Gratuity, Leave, Proposed Dividend & Corporate Dividend Tax	(2,425.45)	(321.67)
Diminution in the value of Investment	-	10.92
Sundry Balance Written Off	141.75	22.82
	7,621.00	11,597.52
Less: Adjustment for		
Dividend Received	10.80	0.95
Profit on sale of Investments	925.15	1,439.52
Share of Minority Interest	17.53	(119.13)
Profit on sale of Fixed Assets	-	10.20
Reversal of Diminution in value of Investment	18.69	-
Sundry Balances Written Back	2.24	-
Interest on deposits	3,439.28	3,796.08
Operating profit before working capital changes	3,207.31	6,469.92
Add: Decrease / (Increase) in Working Capital		
Inventories	(21,975.53)	(11,501.59)
Trade & Other Payables	23,321.06	5,708.15
Trade Receivables	116.63	(230.33)
Loans & Advances	4,638.36	(4,675.11)
Cash used in operations	9,307.83	(4,228.96)
Less: Direct Taxes Paid	1,850.92	1,308.94
Net Cash used in operating activities	7,456.91	(5,537.90)
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Dividend Received	10.80	0.95
Interest Received	3,439.28	3,796.08
Investment in Fixed Deposit (Net)	14.81	14.58
Sale of Fixed assets	-	16.91
Sale of Investments	3,925.15	15,055.49
	7,390.04	18,884.01
Less: Purchase of Fixed Assets	454.24	398.44
Purchase of Investment	376.20	19,659.44
Share Dematerialisation Expenses	0.09	0.36
Net cash flow from investing activities	6,559.51	(1,174.23)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Procurement of loan(Net)	(3,048.44)	13,568.82
Dividend & Dividend Distribution Tax	(2,451.69)	(2,437.62)
Interest paid	(4,281.64)	(4,583.04)
Net cash flow from financing activities	(9,781.77)	6,548.16
D. FOREIGN CURRENCY TRANSLATION RESERVE:		
Net changes in cash and cash equivalents (A+B+C+D)	(113.62)	796.15
* # Cash and Cash Equivalents - Opening Balance	4,121.03	632.18
* # Cash and Cash Equivalents - Closing Balance	2,528.13	1,895.93
* Represents Cash and Bank Balances as indicated in Note 2.17	6,648.16	2,528.11
# Fixed Deposits maturing after 90 days for Rs. 15.28 Lacs (Previous Year Rs. 29.86 Lacs)		

In terms of our attached report of even date

For, S.K. AGRAWAL & COMPANY.

Chartered Accountants

Firm Registration No : 306033E

Shagrawal

S. K. AGRAWAL

Partner

Membership No-9067

Place : Kolkata

Dated : 8th September, 2016



South City Projects (Kolkata) Ltd.

[Signature]

Director

South City Projects (Kolkata) Ltd.

[Signature]

Director

For South City Projects (Kolkata) Ltd.

[Signature]

Company Secretary

South City Projects (Kolkata) Limited

Notes to Consolidated Financial Statements for the year ended 31st March 2016

1. Significant Accounting Policies on Consolidated Accounts

I. Principles of Consolidation

The Consolidated Financial Statements relate to South City Projects (Kolkata) Limited ("the Company"), its Subsidiary Companies and interest in Joint Ventures (referred to as "the Group"). The Subsidiary has been consolidated as per Accounting Standards on Accounting for Consolidated Financial Statements (AS 21) prescribed under Section 133 of the Companies Act, 2013 ("Act") read with Rule 7 of the Companies (Accounts) Rules and Financial Reporting of interest in Joint Venture in Consolidated Financial Statements (AS 27) respectively notified in Companies (Accounting Standards) Rules 2006. The Consolidated Financial Statements have been prepared on the following basis:-

- a. The Consolidated financial statements have been combined on line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating all significant intra-group transactions / balances and resulting unrealised profits or losses.
- b. Investments in Joint Ventures have been accounted as per Accounting Standard (AS) 27 "Financial Reporting of interest in Joint Venture" notified by the Companies (Accounting Standards) rules, 2006.
- c. The difference between the Cost of Investment in the subsidiaries over its proportionate shares in the net assets value at the time of acquisition of stake in subsidiaries is recognised in the financial statements as Goodwill or Capital Reserve as the case may be. For this purpose, the Company's share of Net Worth is determined on the basis of latest financial statements prior to the acquisition after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition. Capital Reserve/Goodwill on consolidation is disclosed in the balance sheet.
- d. Goodwill arising out of consolidation is not being amortized.
- e. Minority interest in the net assets of consolidated subsidiaries consists of:
 - (a) the amount of equity attributable to minorities at the date on which investment in a subsidiary is made; and
 - (b) the minority share of movements in equity since the date the parent subsidiary relationship came into existence.
- f. Foreign Exchange fluctuations on conversion of accounts of foreign subsidiaries have been taken to "Foreign Currency Translation Reserve" (arising on consolidation).
- g. As far as possible the Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's Financial Statements.
- h. The Financial Statements of the entities used for the purpose of consolidation are drawn up to the same reporting date as that of the Company.

II. Basis of preparation

These accounts have been prepared under historical cost convention in accordance with generally accepted accounting principles and provisions of the Companies Act, 2013 and the Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 (the 'Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent notified. All the assets & liabilities have been classified as current or non current as per the company's normal operating cycle and the other criteria set out in the Schedule III of the Companies Act, 2013.

III. Use of estimates

The preparation of financial statements, in conformity with the generally accepted accounting principles, requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known / materialized.

IV. Fixed Assets

- a. Fixed Assets are stated at cost less accumulated depreciation. Interest and other financial charges on loans borrowed specifically for acquisition of capital assets are capitalized till the start of its intended use.

V. Intangible Assets

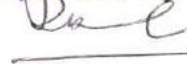
Intangible assets are recognized, only if it is probable that the future economic benefits that are attributable to the assets will flow to the enterprises and the cost of the assets can be measured reliably. The intangible assets are recorded at cost and are carried at cost less accumulated amortization and accumulated impairment losses, if any. Computer Software is amortized on Straight Line Method over a period of three years.



South City Projects (Kolkata) Ltd.


Director

South City Projects (Kolkata) Ltd.


Director

Notes to Consolidated Financial Statements for the year ended 31st March 2016

VI. Depreciation and Amortisation

Depreciation on fixed assets is provided to the extent of depreciable amount on written down value method (WDV) at the rates and in the manner prescribed under schedule II of the Companies Act, 2013.

VII. Investments

Long term investments are stated at cost. Current investments are stated at cost or fair value whichever is lower. Diminution in value of long term investments other than temporary in nature is charged to Statement of Profit & Loss.

VIII. Inventories

a. Finished Goods are valued at cost or net realisable value whichever is lower.

b. Construction Work in Progress are valued at cost and includes cost of land, construction costs, allocated interest and expenses incidental to the implementation and promotion of the project undertaken by the Company.

IX. Provisions and Contingent Liabilities

Provisions are recognized when the Company has a legal and constructive obligation as a result of a past event, for which it is probable that a cash outflow will be required and reliable estimate can be made of the amount of the obligation. Contingent liabilities are disclosed when the Company has a possible obligation or a present obligation and it is probable that a cash outflow will not be required to settle the obligation.

X. Revenue Recognition

a. Construction Work in Progress reflects the cost incurred for project pending completion. The same is charged to revenue in the year in which income from sale of such project is recognized, which is in accordance with AS 9.

b. Other revenues are recognised on accrual basis.

c. Dividend income is accounted for when right to receive the same is established.

XI. Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of assets. All other borrowing costs are charged to revenue.

XII. Retirement Benefits

a) Contribution to Provident Fund is made at a predetermined rate and charged to revenue on accrual basis.

b) Provision for Leave encashment and Gratuity is made on the basis of actuarial valuation as at the year end as per the requirements of Accounting Standard - 15 (Revised 2005) on "Employee Benefits"

c) Actuarial gains and losses comprise experience adjustments and the effect of changes in the actuarial assumptions and are recognized immediately in the Statement of Profit and Loss as income or expense.

XIII. Taxation

Income Tax Expense is accounted for in accordance with AS-22 "Accounting for Taxes on Income" which includes current and deferred taxes. Current tax is provided on the taxable income using the applicable tax rates and tax laws. Deferred tax assets and liabilities arising on account of timing difference between taxable income and accounting income for the year, which are capable of reversal in subsequent period are recognized using tax rates and tax laws, which have been enacted or substantially enacted by the balance sheet date. Deferred tax assets are recognized only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.

XIV. Foreign Currency Transactions

a) Transactions made during the year in foreign currency are recorded at the exchange rate prevailing at the time of transaction. Realized gains and losses on foreign exchange transactions are recognized in the Statement of Profit & Loss under respective heads of account. Transactions in foreign exchange which are covered by forward contracts are accounted for at the contracted rates, the difference between the contracted rate and the exchange rate at the date of transaction is recognised in the Statement of Profit & Loss. Difference relating to transactions involving more than one financial year are carried over the period of transaction. Monetary Assets and Liabilities in foreign currency that are outstanding at the year end and not covered by forward contracts are translated at the year end exchange rates.

b) Income & Expenses are translated at average rate calculated on the basis of rates prevailing at the end of each month.

c) Non Monetary Items are taken at the value based on rates prevailing at the time of acquisition.

d) All other assets and liabilities are taken at rates prevailing at the end of the year.

XV. Impairment of Assets

The Company identifies impairable assets at the year end in accordance with the guiding principles of Accounting Standard 28, notified in Companies (Accounting Standards) Rules 2006, for the purpose of arriving at impairment loss thereon being the difference between the book value and recoverable value of relevant assets. Impairment loss, when crystallizes, are charged against revenues for the year.



South City Projects (Kolkata) Ltd.

Director

South City Projects (Kolkata) Ltd.

Director

Notes to Consolidated Financial Statements for the year ended 31st March 2016

XVI. Segment Reporting

Based on the guiding principles given in the Accounting Standard - 17 on "Segment Reporting", issued by the Institute of Chartered Accountants of India, the Company's primary segments are Real Estate & Commercial Activities and Geographical Segments are operational in India and Other Countries.

XVII. Earning per share

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

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

XVIII. Cash and Cash Equivalents

Cash and cash equivalents for the purpose of cash flow statement comprise current account bank balance, cash in hand and bank deposit account balance (with maturity of three months or less as at the balance sheet date).

XIX. List of Subsidiaries and Associates

I) List of Subsidiaries (which alongwith South City Projects (Kolkata) Ltd., the parent, constitute the Group) considered in the Consolidated financial statements are as under:-

(a) Indian Subsidiary

Name of Subsidiaries	Country of Incorporation	Extent of Holding
1. Bengal South City Matrix Infrastructure Ltd.	India	88.65%
2. Bengal Anmol South City Infrastructure Ltd.	India	61.95%
3. South City Property Management Private Ltd.	India	100.00%
4. South City Developers Private Ltd.	India	98.00%
5. AA Infraproperties Private Ltd.	India	87.50%
6. South City Retreat Property Management Private Ltd.	India	100.00%

(b) Foreign Subsidiary

Name of Associates	Country of Incorporation	Extent of Holding
1. South City Projects FZE	U.A.E.	100.00%

(c) Step - Down Subsidiary

Name of Associates	Country of Incorporation	Extent of Holding
1. Indocean Developers (Private) Ltd.	Sri Lanka	87.50%

II) List of Subsidiaries and Interest in Joint Ventures (which alongwith South City Projects (Kolkata) Ltd., the parent, constitute the Group) not considered in the Consolidated financial statements are as under:-

(a) Indian Subsidiary

Name of Subsidiaries	Country of Incorporation	Extent of Holding
1. South City International School	India	51.00%

(b) Interest in Joint Venture

Name of Subsidiaries	Country of Incorporation	Extent of Holding
1. Kolkata Metropolitan South City Development Ltd.	India	49.97%



South City Projects (Kolkata) Ltd.

Director

South City Projects (Kolkata) Ltd.

Director

SOUTH CITY PROJECTS (KOLKATA) LIMITED

Notes on Consolidated Financial Statements for the year ended 31st March 2016

(Amount in Laes)

2.1 SHARE CAPITAL

Particulars	As at 31.03.2016		As at 31.03.2015	
	No. of Shares	Amount (Laes)		
Authorised				
50,00,000 Equity Shares of Rs. 10 each	50,00,000	500.00	50,00,000	2,895.69
Issued, Subscribed & Paid-up				
45,00,700 Equity Shares of Rs. 10 each fully paid up in cash	45,00,700	450.07	45,00,700	450.07
Total	45,00,700	450.07	45,00,700	450.07

a. Reconciliation of the shares outstanding at the beginning and the end of the reporting period.

Particulars	As at 31.03.2016		As at 31.03.2015	
	No. of Shares	Amount (Laes)		
Shares outstanding at the beginning of the period	45,00,700	450.07	45,00,700	450.07
Addition during the Year	-	-	-	-
Shares outstanding at the end of the period	45,00,700	450.07	45,00,700	450.07

b. Terms / rights attached to equity shares.

The company has only one class of equity share having a par value of Rs. 10/- per share. Each holder of equity share is entitled to one vote per share. The company declares and pay dividend in Indian Rupees. The Dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Shareholders holding more than 5% shares in the Company.

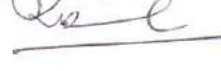
Name of Shareholder	As at 31.03.2016		As at 31.03.2015	
	No. of Shares Held	% of Holding	No. of Shares Held	% of Holding
Shrachi Developers Pvt Ltd	4,50,071	10.00%	4,50,071	10.00%
Park Chambers Ltd	4,25,105	9.45%	4,25,105	9.45%
Merlin Projects Ltd	3,90,955	8.69%	3,90,955	8.69%
Jugal Kishore Khetawat	3,86,334	8.58%	3,86,334	8.58%
Jugal Kishore Khetawat -Trustee of Khetawat Family Welfare Trust	3,26,335	7.25%	3,26,335	7.25%
Vinayak Dealers (P) Ltd	2,92,000	6.49%	2,92,000	6.49%
Pan Emami Cosmed Ltd	2,54,225	5.65%	2,54,225	5.65%

South City Projects (Kolkata) Ltd.



Director

South City Projects (Kolkata) Ltd.



Director



2.2 RESERVES AND SURPLUS

(Amount in Lacs)

Particulars	As at 31.03.2016		As at 31.03.2015	
	Amount (Lacs)		Amount (Lacs)	
a. Securities Premium Reserve				
Opening Balance	660.00		3,460.00	
Add: Transferred during the year	-		(2,800.00)	
Balance at the end of the period		660.00		660.00
b. Capital Reserve		64.04		64.04
c. General Reserve				
Opening Balance	20,000.00		15,500.00	
Add: Transferred during the year	-		4,500.00	
Balance at the end of the period		20,000.00		20,000.00
d. Foreign Exchange Translation Reserve				
Opening Balance	(59.58)		(740.95)	
Add: Transferred during the year	(113.62)		681.37	
Balance at the end of the period		(173.21)		(59.58)
e. Surplus				
Opening Balance	665.87		4,289.35	
Add: Net Profit for the Current Year	2,280.39		3,314.14	
Less: Appropriations:				
Transfer to General Reserve	-		4,500.00	
Proposed Dividend	10.00		2,025.32	
Interim Dividend	2,025.32		-	
Dividend Distribution Tax	416.38		412.31	
Net Surplus in the Statement of Profit & Loss Account		494.57		665.87
Total		21,045.40		21,330.33

2.3 LONG TERM BORROWINGS

Particulars	As at 31.03.2016		As at 31.03.2015	
	Amount (Lacs)		Amount (Lacs)	
Secured	<u>Current</u>	<u>Non Current</u>	<u>Current</u>	<u>Non Current</u>
Term Loans from Banks	4,975.86	25,945.92	4,819.87	27,958.08
Long Term Maturities of Finance Lease Obligations	8.15	9.35	8.27	6.17
Unsecured				
From Body Corporates *		-		1,028.27
From Directors **		1,525.00		1,458.00
From Related Parties **		1,792.50		900.00
Total	4,984.01	29,272.77	4,828.14	31,350.52

* Loans from Body Corporates carrying interest @ 13% and 15% repayable within three years.

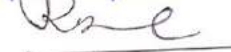
** Unsecured Loans carrying interest @ 13% p.a. and are repayable after 10 years from drawdown.

South City Projects (Kolkata) Ltd.



Director

South City Projects (Kolkata) Ltd.



Director



SOUTH CITY PROJECTS (KOLKATA) LIMITED

2. Notes on Consolidated Financial Statements for the year ended 31st March'2016

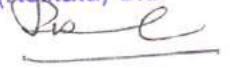
Bank from whom Loan is availed	Current Portion of Loan as on 31.03.2016 (Rs. In Lacs)	Non Current Portion of Loan as on 31.03.2016 (Rs. In Lacs)	Interest (p.a. basis)	Instalment Amount (Rs. In Lacs)	Security Provided to avail Loan
a) Term Loan from Banks					
Kotak Bank	1,649.83	3,449.06	Base Rate plus 1.25%	179.67	1) Assignment of lease rental from 4th to 13th floor measuring about 2,25,483 sq. ft. along with 172 Car parkings & 22 Two wheeler parkings at South City "Pinnacle" situated at XI-1, Block EP, Sector V, Salt Lake, Kolkata - 700 091. 2) Municipal Premises No. 2, Justice Chandra Madhav Road, Bhowanipore, Kolkata - 700020, P.S. Bhowanipore in the District 24 Parganas (S).
Axis Bank	3,326.03	11,799.79	Base Rate plus 1.25%	Unequal Instalments	(a) First Pari-pasu charge by way of equitable mortgage over the property to shared only with the SBLC facility of 275 crores provided by the bank; (b) First charge over the cash flows of the property; (c) First charge over the Designated Account & DSRA.
Axis Bank - Hongkong	-	10,697.07	3month LIBOR plus 3%	On Demand	Secured by guarantee provided by its ultimate parent company - South City Projects (Kolkata) Ltd. And its parent company AA Infraproperties Pvt. Ltd.
TOTAL	4,975.86	25,945.92			
b) Finance Lease Obligations					
HDFC Bank	1.99	9.35	9.45%	0.25	Hypothecation of Creta Vehicle.
HDFC Bank	0.66	-	10.25%	0.23	Hypothecation of Bolero SLE Vehicle.
Kotak Bank	5.50	-	10.48%	0.49	Hypothecation of Skoda Octavia Elegance Vehicle.
TOTAL	8.15	9.35			

South City Projects (Kolkata) Ltd.

South City Projects (Kolkata) Ltd.



Director



Director



2.4 OTHER LONG TERM LIABILITIES

Particulars	As at 31.03.2016 Amount (Lacs)	As at 31.03.2015 Amount (Lacs)
Others		
Security Deposits	4,104.88	4,116.24
Others	53.87	1.96
Total	4,158.75	4,118.20

2.5 LONG TERM PROVISIONS

Particulars	As at 31.03.2016 Amount (Lacs)	As at 31.03.2015 Amount (Lacs)
Provision for Employee Benefits		
Gratuity	74.92	73.38
Leave Encashment	37.61	36.68
Total	112.53	110.06

2.6 SHORT TERM BORROWINGS

Particulars	As at 31.03.2016 Amount (Lacs)	As at 31.03.2015 Amount (Lacs)
Secured		
Loans from Other Party *	9,630.92	7,450.00
Bank Overdraft **	2,306.54	6,391.89
Unsecured		
From Body Corporates ***	3,150.00	3,250.00
From Directors ***	503.00	199.00
From Related Parties ***	950.00	211.50
Temporary Bank Overdraft	37.82	46.61
Total	16,578.28	17,549.00

* Secured against pledge of Investments in Mutual funds, out of which Rs. 5450 Lacs is payable by Apr'2016 along with interest @ 9.90% p.a. and the balance Rs. 1000 lacs is payable by Sept'2016 along with interest @ 9.90%p.a.

** Secured against pledge of Investments in Mutual Funds valuing Rs. 2100 Lacs.

*** Repayable on demand and bearing interest @ 15%.

2.7 TRADE PAYABLES

Particulars	As at 31.03.2016 Amount (Lacs)	As at 31.03.2015 Amount (Lacs)
Others		
For Goods	2,894.80	2,870.97
For Services	571.55	452.22
Total	3,466.35	3,323.19

South City Projects (Kolkata) Ltd.



Director

South City Projects (Kolkata) Ltd.



Director



2.8 OTHER CURRENT LIABILITIES

Particulars	As at 31.03.2016 Amount (Lacs)	As at 31.03.2015 Amount (Lacs)
Current Maturities of Long Term Debts (Refer Note No. 2.3)	4,975.86	4,819.87
Current Maturities of Finance Lease Obligations (Refer Note No. 2.3)	8.15	8.27
Interest Accrued but not due on Borrowings	12.16	31.40
Interest Accrued and due on Borrowings	503.70	491.72
Advances from Customers	38,701.33	17,821.04
Security Deposits	972.96	392.57
Statutory Dues	611.09	550.53
Outstanding Liability for Expenses	3,098.71	1,491.72
Total	48,883.96	25,607.12

2.9 SHORT TERM PROVISIONS

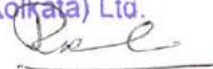
Particulars	As at 31.03.2016 Amount (Lacs)	As at 31.03.2015 Amount (Lacs)
Provision for Employee Benefits		
Gratuity	12.71	7.61
Leave Encashment	4.75	3.45
Others		
Provision for Dividend	1.25	2,025.32
Corporate Dividend Tax	2.04	412.31
Total	20.75	2,448.69

South City Projects (Kolkata) Ltd.



Director

South City Projects (Kolkata) Ltd.



Director



2.10 FIXED ASSETS

(Figures in Lacs)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 1-04-15	Additions	Deduction /Adjustments	Total as at 31-03-16	As at 1-04-15	For the year *	On Deduction /Adjustments during the year	Upto 31-03-16	As at 31-03-16	As at 31-03-15
TANGIBLE ASSETS										
Leasehold Land	1,087.31	-	-	1,087.31	91.82	14.90	-	106.72	981.09	996.00
Building	19,746.44	19.23	-	19,765.67	7,998.62	537.37	-	8,536.48	11,229.19	11,747.84
Operating Lease	643.36	-	(13.69)	629.67	72.52	103.01	(1.47)	174.06	455.60	570.84
Others										
Plant & Equipments	4,641.63	27.13	(0.10)	4,668.66	2,527.08	504.70	(0.03)	3,031.76	1,636.90	2,114.55
Fire Protection System	570.21	-	-	570.21	541.05	0.65	-	541.70	28.51	29.16
Electrical Installation & Equipments	1,905.74	-	-	1,905.74	1,288.32	279.15	-	1,567.47	338.27	617.42
Furniture & Fittings	564.57	3.63	(3.65)	564.55	277.21	79.59	(0.54)	356.27	208.28	287.35
Vehicles										
Finance Lease	18.76	13.08	-	31.84	14.87	2.29	-	17.15	14.69	3.90
Others	62.91	-	-	62.91	37.14	8.03	-	45.17	17.74	25.78
Office Equipments	350.09	15.18	(0.56)	364.71	301.32	16.27	(0.13)	317.45	47.26	48.77
Total (A)	29,591.52	78.25	(18.00)	29,651.77	13,149.95	1,546.46	(2.17)	14,694.24	14,957.54	16,441.61
Previous Year	28,809.98	776.47	5.10	29,591.55	10,781.28	2,371.13	(2.47)	13,149.94	16,441.61	-
INTANGIBLE ASSETS										
Software	36.25	2.22	-	38.47	35.48	0.79	-	36.27	2.20	0.78
Total (B)	36.25	2.22	-	38.47	35.48	0.79	-	36.26	2.20	0.78
Previous Year	36.26	-	-	36.26	34.89	0.59	-	35.48	0.78	-
Capital Work - in - Progress	15.03	384.07	-	399.10	-	-	-	-	399.10	15.05
Total (C)	15.03	384.07	-	399.10	-	-	-	-	399.10	15.05
Previous Year	410.64	4.31	(399.90)	15.05	-	-	-	-	15.05	-
INTANGIBLE ASSETS UNDER DEVELOPMENT										
	5.74	7.71	-	13.45	-	-	-	-	13.46	5.75
Total (D)	5.74	7.71	-	13.45	-	-	-	-	13.46	5.75
Previous Year	-	5.75	-	5.75	-	-	-	-	5.75	-
Total (A+B+C+D)	29,648.54	472.25	(18.00)	30,102.79	13,185.43	1,547.25	(2.17)	14,730.51	15,372.30	16,463.19
Total-Previous Year	29,256.85	786.52	(394.80)	29,648.57	10,816.17	2,371.72	(2.47)	13,185.43	16,463.19	-

* Includes Rs. 39.11 Lacs in relation to depreciation on the assets utilised for the running projects which has been capitalized.

** The Company's policy is to fully depreciate assets valuing under Rs. 6.05 Lacs.



South City Projects (Kolkata) Ltd. South City Projects (Kolkata) Ltd.

Director

Director

2.11 NON - CURRENT INVESTMENTS

Particulars	Face Value	As at 31.03.2016		As at 31.03.2015	
		No. of Shares/Units	Amount (Laes)	No. of Shares/Units	Amount (Laes)
1. Trade Investments					
In Equity Shares - Unquoted, fully paid up*					
Bengal Electric Works Ltd.	30	1,500	0.45	1,500	0.45
Bengal Lamp Ltd.	10	17,833	3.37	17,833	3.37
Berlex India Ltd.	10	1,999	0.20	1,999	0.20
			4.02		4.02
Less: Diminution			4.02		4.02
Total			-		-
In Equity Shares of Subsidiary Companies - Unquoted, fully paid up					
South City Retreat Property Management Pvt Ltd	10	10,200	-	10,200	-
South City Property Management Private Ltd.	10	10,200	-	10,200	-
AA Infra Properties Pvt. Ltd. **	10	3,58,750	-	3,58,750	-
Bengal South City Matrix Infrastructure Ltd.	10	1,77,300	-	1,77,300	-
Bengal Anmol South City Infrastructure Ltd.	10	1,23,900	-	1,23,900	-
South City International School	10	15,300	1.53	15,300	1.53
South City Developers Pvt Ltd	10	9,800	-	9,800	-
Indocean Developers Pvt Ltd			-		-
South City Projects FZE	150000/- Dirhams	1	-	1	-
Total		7,05,451	1.53	7,05,451	1.53
2. Other Investments					
In Equity Shares - Quoted, fully paid up					
Bombay Dyeing & Mfg. Company Ltd.	2		0.01		0.01
DLF Ltd.	2		0.01		0.01
Godrej Industries Ltd.	1		0.00		0.00
Hindustan Construction Company Ltd.	1		0.00		0.00
Housing Development & Infra Ltd.	10		0.00		0.00
Indiabulls Infrastructure & Power Ltd.	2		0.00		0.00
Indiabulls Real Estate Ltd.	2		0.00		0.00
Omaxe Ltd.	10		0.00		0.00
Parsvnath Developers Ltd.	5		0.00		0.00
Purvankara Projects Ltd.	5		0.00		0.00
Reliance Industries Ltd.	10		101.29		101.29
Sobha Developers Ltd.	10		0.00		0.00
Unitech Ltd.	2		0.00		0.00
Gokul Agro Resources Limited	2		164.29		-
Gokul Refoils & Solvents Limited	2		180.30		-
			445.90		101.31
Less: Diminution			0.02		18.71
Total			445.88		82.60
In Debentures - Unquoted, fully paid up					
Vijaybhan Investments & Consultancy Pvt. Ltd.	1,000		76.50		76.50
In Units of Mutual Fund - Quoted, fully paid up **					
UTI Fixed Term Income Fund - Series XI-V (G)	10		-		1,000.00
Birla Sun Life Fixed Term Plan-Series ER (G)	10		-		2,000.00
Birla Sun Life FTP - Corporate Bond Series (G)	10		2,100.00		2,100.00
Kotak FMP Series 122 (G)	10		1,200.00		1,200.00
Reliance Corporate Bond Fund (G)	10		2,000.00		2,000.00
Birla Sunlife Medium Term Plan (G)	10		1,000.00		1,000.00
Franklin India Corp Bond Opportunities Fund (G)	10		1,150.00		1,150.00
Hdfc Corporate Debt Opportunities Fund - R - (G)	10		2,000.00		2,000.00



South City Projects (Kolkata) Ltd. South City Projects (Kolkata) Ltd.

Director

Director

(Amount in Lacs)

Hdfc Corporate Debt Opportunities Fund - D - (G)	10	500.00	500.00
ICICI Prudential Mutual Fund (G)	10	2,000.00	2,000.00
Reliance Liquid Fund Treasury Plan (G)	10	32.54	-
Franklin India Corp Bond Opportunities Fund (G)	10	2,000.00	2,000.00
Total		13,982.54	16,950.00
Grand Total		14,506.45	17,110.63
Aggregate amount of Quoted Investments		14,395.91	17,051.32
Aggregate market value of Quoted Investments		16,170.13	16,479.46
Aggregate amount of Unquoted Investments		2,775.15	82.05
Aggregate provision for Diminution in value of Investments		4.04	22.73

* The shares are pending transfer in Company's name.

** 1,07,625 number of shares held in AA Infraproperties Ltd are pledged with AXIS Bank Ltd, for providing corporate guarantee on behalf of Indocean Developers (Private) Ltd.(Step Down Subsidiary).

** Represents securities pledged with Banks and Others as security against Loans and Guarantees taken by the company and joint development companies .

2.12 DEFERRED TAX ASSETS (Net)

Particulars	As at 31.03.2016 Amount (Lacs)	As at 31.03.2015 Amount (Lacs)
Deferred Tax Liabilities	-	-
Deferred Tax Assets		
Tax impact due to difference between tax depreciation and book	28.53	23.59
Provision for Gratuity	24.14	23.14
Provision for Leave Encashment	14.28	12.97
Municipal Tax	1.17	28.70
Total	68.12	88.40

2.13 LONG TERM LOANS AND ADVANCES

Particulars	As at 31.03.2016 Amount (Lacs)	As at 31.03.2015 Amount (Lacs)
(Unsecured Considered Good, unless otherwise stated)		
Security Deposits	253.47	223.87
Loans & Advances to Related Parties *		
Considered Good	2,017.67	2,520.96
Considered Doubtful	679.11	677.99
Less : Provision for Doubtful Advances	(679.11)	(677.99)
Other Loans & Advances		
Advances against Property Development	3,425.00	2,144.10
Advances for Taxes (Net off Provisions)	(301.36)	646.84
Others	206.27	220.08
Total	5,601.05	5,755.85

* Loans & Advances to Related Parties pertain to :

Subsidiary Companies (Considered Good) :

South City International School	813.61	1,285.17
Kolkata Metropolitan South City Development Ltd.	1,204.06	1,202.96

2.14 OTHER NON - CURRENT ASSETS

Particulars	As at 31.03.2016 Amount (Lacs)	As at 31.03.2015 Amount (Lacs)
(Unsecured and Considered Good)		
Trade Receivable	426.82	510.33
Others	11,508.28	12,085.50
Total	11,935.10	12,595.83



South City Projects (Kolkata) Ltd.

Director

South City Projects (Kolkata) Ltd.

Director

2.15 INVENTORIES

Particulars	As at 31.03.2016 Amount (Lacs)	As at 31.03.2015 Amount (Lacs)
(As valued & certified by the Management)		
Construction Work - in - progress		
Land	230.56	7,392.73
Others	58,164.73	28,013.44
Finished Goods	2,273.06	3,286.63
Total	60,668.35	38,692.80

2.16 TRADE RECEIVABLES

Particulars	As at 31.03.2016 Amount (Lacs)	As at 31.03.2015 Amount (Lacs)
(Unsecured and Considered Good)		
Trade Receivables outstanding for a period exceeding six months from the date they are due for payment	178.15	39.34
Others	617.28	707.78
Total	795.43	747.12

2.17 CASH AND BANK BALANCES

Particulars	As at 31.03.2016 Amount (Lacs)	As at 31.03.2015 Amount (Lacs)
A. Cash & Cash Equivalants		
Cash in hand	11.92	4.91
Cheques in Hand	11.66	-
Balances with banks*	5,852.75	1,969.61
Term Deposits (maturity of three months or less)		
For Margin	14.73	6.38
For Others	-	476.21
B. Other Bank Balances		
Term Deposits for Margin (maturity of twelve months or less)	757.60	86.29
Total	6,648.66	2,543.40

* Includes Rs. 4,40 Lacs maintained as Debt Service Reserve Account with Axis Bank for Term Loan availed.

2.18 SHORT TERM LOANS AND ADVANCES

Particulars	As at 31.03.2016 Amount (Lacs)	As at 31.03.2015 Amount (Lacs)
(Unsecured and Considered Good)		
Security Deposits	67.95	82.18
Loans & Advances to Related Parties (Refer Note 2.36)		
Subsidiary Companies	9.54	9.19
Others	-	150.00
Other Loans & Advances		
Loans	1,751.68	4,805.74
Advances to Employees	31.39	15.62
Prepaid Expenses	29.12	42.96
Balance with Government Authorities	610.66	514.02
Advances for Projects, Expenses etc.	5,655.22	7,019.42
Total	8,155.56	12,639.13

Loans & Advances to Subsidiary Companies pertain to:
South City International School

9.54

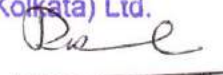
9.19

South City Projects (Kolkata) Ltd.



Director

South City Projects (Kolkata) Ltd.



Director



2.19 OTHER CURRENT ASSETS

Particulars	As at 31.03.2016 Amount (Lacs)	As at 31.03.2015 Amount (Lacs)
Interest Receivable	99.25	188.56
Income Tax Refundable	594.35	-
Others	7.25	16.50
Total	700.85	205.06

2.20 REVENUE FROM OPERATIONS

Particulars	2015-16 Amount (Lacs)	2014-15 Amount (Lacs)
Revenue from Land & Constructed Properties	2,186.93	2,601.26
Rent	9,067.43	8,927.63
Maintenance Services	2,062.90	1,953.22
Others	143.90	150.31
Total	13,461.16	13,632.42

2.21 OTHER INCOME

Particulars	2015-16 Amount (Lacs)	2014-15 Amount (Lacs)
Interest Income	823.43	1,356.42
Dividend		
From Non - Current Investments	10.80	0.95
Net Gain on Sale of Investments		
From Current Investments	11.23	-
From Non - Current Investments	925.15	1,448.44
Profit/(Loss) on sale of Fixed Assets	-	2.75
Reversal of Diminution in value of Investments	18.69	-
Loan from Holding Company Written Off	-	1,122.85
Miscellaneous Income	153.05	184.82
Total	1,942.35	4,116.23

2.22 INCREASE IN INVENTORIES OF FINISHED GOODS & WORK - IN - PROGRESS

Particulars	2015-16 Amount (Lacs)	2014-15 Amount (Lacs)
Inventories (at close)		
Finished Goods	2,273.22	3,286.91
Construction Work -in-progress		
Land	230.56	246.22
Others	58,084.56	35,293.90
Adjustment due to translation	80.01	-
Total (A)	60,668.35	38,827.03
Inventories (at commencement)		
Finished Goods	3,286.91	285.01
Construction Work -in-progress		
Land	246.22	921.70
Others	35,293.90	27,323.84
Less: Adjustment due to translation	(993.99)	-
Total (B)	37,833.04	28,530.55
Net Balance [(B)-(A)]	22,835.31	10,296.48

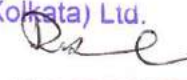
South City Projects (Kolkata) Ltd.



Director



South City Projects (Kolkata) Ltd.



Director

2.23 CONSTRUCTION COST

Particulars	2015-16 Amount (Lacs)	2014-15 Amount (Lacs)
Salaries, Wages & Bonus	673.40	542.59
Contribution to Provident & Other Funds	6.01	2.29
Staff Welfare Expenses	1.14	0.13
Power & Fuel	50.49	27.07
Repairs		
Others	3.97	2.57
Insurance	6.73	6.64
Rates & Taxes	171.79	46.34
Land	108.78	969.16
Materials Consumed	1,703.23	1,178.41
Construction Expenses	16,976.87	6,123.66
Other Operating Expenses	412.75	585.86
Consultancy & Retainership Charges	508.48	707.17
Finance Costs & Other Borrowing Costs	3,930.19	1,257.39
Total	24,553.83	11,449.28

2.24 EMPLOYEE BENEFITS EXPENSES

Particulars	2015-16 Amount (Lacs)	2014-15 Amount (Lacs)
Salaries, Wages & Bonus	337.48	390.07
Contribution to Provident & Other Funds	18.63	14.80
Staff Welfare Expenses	22.92	0.68
Total	379.03	405.55

2.25 ADMINISTRATIVE AND OTHER EXPENSES

Particulars	2015-16 Amount (Lacs)	2014-15 Amount (Lacs)
Power & Fuel	915.67	863.00
Repairs		
Building	14.04	115.94
Others	17.23	30.88
Maintenance	269.69	261.77
House Keeping Charges	238.68	222.97
Security Charges	205.28	197.91
Insurance	23.63	16.33
Rates & Taxes	753.64	858.73
Legal & Profession Charges	220.93	247.93
Director's Remuneration	23.10	15.40
Donation	0.10	-
CSR Expenses	10.59	69.32
Compensation paid	-	962.20
Miscellaneous Expenses	769.84	528.52
Total	3,462.42	4,390.90

2.26 FINANCE COSTS

Particulars	2015-16 Amount (Lacs)	2014-15 Amount (Lacs)
Interest Expenses	4,053.28	4,094.16
Other Borrowing Costs	133.00	313.44
Total	4,186.28	4,407.60



South City Projects (Kolkata) Ltd.

Director

South City Projects (Kolkata) Ltd.

Director

2.27 DEPRECIATION AND AMORTIZATION EXPENSES

Particulars	2015-16 Amount (Lacs)	2014-15 Amount (Lacs)
Depreciation on Tangible Assets	1,507.34	2,364.13
Depreciation on Intangible Assets	0.79	0.59
Total	1,508.13	2,364.72

2.28 EARNINGS PER SHARE (EPS)

Particulars	2015-16 Amount (Lacs)	2014-15 Amount (Lacs)
Net Profit After Tax (Rs.)	2,280.39	3,314.14
Weighted Average Number of Equity Shares (Nos.)	45,00,700	45,00,700
Basic & Diluted Earnings Per Share (Rs.)	50.67	73.64
Face Value Per Share (Rs.)	10.00	10.00

2.29 CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	2015-16 Amount (Lacs)	2014-15 Amount (Lacs)
Contingent Liabilities		
a) Claims against the Company not acknowledged as debt :		
Service Tax Demands (Net of Advances)	1,817.06	1,537.44
Employees State Insurance Demands (Net of Advances)	9.62	-
Income Tax	694.18	-
b) Guarantees given		
Others	630.34	-
Commitments		
Estimated amount of capital contracts (for construction) remaining to be executed	2,015.02	896.59

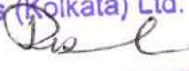
South City Projects (Kolkata) Ltd.



Director



South City Projects (Kolkata) Ltd.



Director

2.30 RELATED PARTY TRANSACTIONS:

A. Parties where control exists:

Subsidiary Companies

1. South City International School

B. Joint Venture:

1. Kolkata Metropolitan South City Development Ltd.
2. Kolkata Metropolitan South City Logistic Ltd.

C. Other Related Parties:

1. Key Management Personnel

<u>Name</u>	<u>Designation</u>
i) Shri Jugal Kishore Khetawat	Non - Executive Director
ii) Shri Parimal Ajmera	Company Secretary
iii) Shri Nikhil Chandra Das	Manager - Projects
iv) Shri Man Mohan Bagree	Manager - Mall

2. Directors

i) Shri Shrawan Kumar Todi	Non - Executive Director
ii) Shri Pradeep Kumar Sureka	Non - Executive Director
iii) Shri Rajendra Kumar Bachhawat	Non - Executive Director
iv) Shri Sushil Kumar Mohta	Non - Executive Director
v) Shri Hari Mohan Marda	Independent Director
vi) Shri Ram Krishna Agarwal	Independent Director

3. Entities where Key Management Personnel & their relatives have significant influence with whom transactions have taken place during

- i) South City Garden Property Management Private Ltd.
- ii) South City Belair Property Management Private Ltd.
- iii) Khetawat Towers Private Ltd.
- iv) Khetawat Family Welfare Trust
- v) Khetawat Properties Ltd.
- vi) Groove Traders Pvt. Ltd.
- vii) Delta Nirman Pvt.Ltd.
- viii) Monarch Shelter Pvt.Ltd.
- ix) Jyotim Constructions Pvt.Ltd.
- x) S.K.G.Land Developers Pvt.Ltd.
- xi) Rani Mercantile Pvt.Ltd.
- xii) Shangrila Commercial Company Pvt.Ltd.
- xiii) Rajmandir Estates Pvt. Ltd.
- xiv) Anumati Consultancy & Services (P) Ltd.
- xv) Jambo Dweep Finance Pvt.Ltd

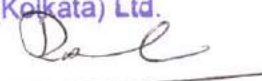
South City Projects (Kolkata) Ltd.



Director



South City Projects (Kolkata) Ltd.



Director

SOUTH CITY PROJECTS (KOLKATA) LIMITED

D. Transactions

(Figures in Lacs)

Particulars	Subsidiaries		Joint Venture		Directors and Key Management Personnel		Entities where Key Management Personnel and their relatives have significant influence		Total	
	31.03.16	31.03.15	31.03.16	31.03.15	31.03.16	31.03.15	31.03.16	31.03.15	31.03.16	31.03.15
Sitting Fees	-	-	-	-	4.10	1.90	-	-	4.10	1.90
Remuneration & Commission	-	-	-	-	90.22	33.16	-	-	90.22	33.16
Rendering of Services	-	-	-	-	-	-	3.15	3.81	3.15	3.81
Loan Given	199.05	2,151.65	-	-	-	-	-	-	199.05	2,151.65
Loan Received	-	-	-	-	2,350.00	2,065.00	91.00	715.00	2,441.00	2,780.00
Advances Given	9.40	-	-	-	15.52	1.00	1.25	-	26.17	1.00
Advances for Purchase of Land	-	-	1.30	4.38	-	-	-	-	1.30	4.38
Advances for Property Development	-	-	-	-	-	-	27.53	-	27.53	-
Advances Written Off	-	-	33.02	-	-	-	-	-	33.02	-
Advances received for sale of Flat	-	-	-	-	-	-	316.00	146.50	316.00	146.50
Recovery of Electric & Other Charges	-	-	-	-	-	-	0.23	0.15	0.23	0.15
Interest Received	127.11	205.75	-	-	-	-	22.50	26.67	149.61	232.42
Interest Paid	-	-	-	-	70.20	52.88	35.89	32.93	106.09	85.81
Receipt Towards Loan Given	785.00	2,579.21	-	-	-	-	-	100.00	785.00	2,679.21
Repayment of Loan Received	-	-	-	-	2,346.00	2,036.00	424.01	750.00	2,770.01	2,786.00
Receipt Towards Advances given	12.55	3.81	-	462.67	8.00	1.00	1.25	-	21.80	467.48
Expenses Incurred	9.40	62.07	-	-	-	13.19	-	-	9.40	75.26
Balance As on 31 st March 2016										
A - Investment	1.53	1.53	-	-	-	-	-	-	1.53	1.53
B - Loan Given	813.61	1,285.17	-	-	-	-	150.00	150.00	963.61	1,435.17
C - Loan Received	-	-	-	-	203.00	199.00	907.74	211.50	1,110.74	410.50
D - Advance for Land	-	-	1,204.06	1,235.79	-	-	-	-	1,204.06	1,235.79
E - Advances for Property Development	-	-	-	-	-	-	225.31	-	225.31	-
F - Debtors	-	-	-	-	-	-	-	-	-	-
G - Debtors for Recovery of Electricity & Others	-	9.19	-	-	-	-	-	-	-	9.19
H - Advances Paid	-	-	-	-	-	-	(0.16)	(0.16)	(0.16)	(0.16)
I - Advance received for the sale of Flat	-	-	-	-	-	-	462.50	146.50	462.50	146.50
J - Provision for advance in Subsidiary	-	-	-	-	-	-	-	-	-	-
K - Advances Outstanding to be received	-	-	-	-	-	-	-	-	-	-
L - Corporate Guarantees Given	-	-	6.23	-	7.72	2.60	-	-	13.95	2.60



South City Projects (Kolkata) Ltd.

South City Projects (Kolkata) Ltd.

Director

Director

Name of the entity	Net Assets, ie., total assets minus total liabilities		Share in Profit/loss	
	As % of consolidated net	Amount	As % of consolidated Profit/loss	Amount
1	2	3	4	5
South City Projects Kolkata Ltd	88.79%	31,900.38	101.67%	5,847.96
Subsidiaries				
Indian				
Bengal Anmol South City Infrastructure Ltd	1.00%	358.58	2.88%	165.75
Bengal South City Matrix Infra Ltd	0.04%	15.06	0.00%	(0.26)
AA Infraproperties Pvt Ltd	4.42%	1,588.09	4.73%	272.33
South City Developers Pvt Ltd	0.01%	3.75	0.07%	3.75
South City Property Management Pvt Ltd	0.15%	53.27	0.03%	1.93
South City Retreat Property Management Pvt Ltd	0.00%	(0.06)	0.00%	(0.16)
Foreign				
South City Projects FZE	0.01%	1.80	0.02%	1.20
Indocean Developers Pvt Ltd	5.59%	2,007.18	-9.40%	(540.48)
Total	100.00%	35,928.05	100.00%	5,752.02
a) Adjustments		(13,969.56)		(3,442.02)
b) Minority Interests :-				
Subsidiaries				
Indian				
Bengal Anmol South City Infrastructure Ltd		70.68		63.07
Bengal South City Matrix Infra Ltd		2.24		(0.03)
AA Infraproperties Pvt Ltd		64.17		34.04
South City Developers Pvt Ltd		0.10		0.08
South City Property Management Pvt Ltd		-		-
South City Retreat Property Management Pvt Ltd		-		-
Foreign				
South City Projects FZE		-		-
Indocean Developers Pvt Ltd		(67.56)		(67.56)
Total Asset Asset and Profit as per Balance Sheet		21,888.86		2,280.40
Subsidiary				
Not Considered In Consolidation				
South City International School		(327.65)		26.49
**Joint Ventures				
Not Considered In Consolidation				
Indian				
Kolkata Metropolitan South City Logistics Ltd				
Kolkata Metropolitan South City Development Ltd		96.65		(0.21)
*The accounts of subsidiary South City International School, a company registered under Section 25 of the Companies Act, 1956 and corresponding to Section 8 of the Companies Act, 2013 is not considered in the preparation of the above consolidated statement as per Para 11b of Accounting Standard-21, as there is a long term restriction to transfer funds to its holding company .				
**As per Para 28a of Accounting Standard-27 the Joint venture is not considered in the preparation of the above statement as the control of South City Projects (Kolkata) Limited is intended to be temporary in nature due to Project under constuction is under litigation. In view of this, the company has kept in abeyance, the payment of subscription amount of Rs. 49.97 Laacs .				



South City Projects (Kolkata) Ltd.

Director

South City Projects (Kolkata) Ltd.

Director

SOUTH CITY PROJECTS (KOLKATA) LIMITED

2 Notes on Consolidated Financial Statements for the year ended 31st March'2016

2.32 Defined Benefit : As per actuarial valuations as on March 31st 2016 and recognized in the Consolidated Financial Statements in respect of Employees benefit schemes.

(Figures in Lacs)

	2015-16		2014-15	
	Consolidated Gratuity Unfunded	Consolidated Leave Encashment Unfunded	Consolidated Gratuity Unfunded	Consolidated Leave Encashment Unfunded
A Components of Employer Expenses				
1 Current Service Cost	9.52	6.41	11.23	5.58
2 Interest Cost	5.74	3.13	4.86	2.50
3 Expected Return on Plan assets	-	-	-	-
4 Past Service Cost	-	-	-	-
5 Actuarial Losses/ (Gains)	(12.26)	6.23	5.89	9.26
6 Total Expenses recognized in the Statement of Profit & Loss	3.00	15.77	21.98	17.34
B Net asset/(liability) recognized in balance sheet as at 31st March 2016				
1 Present value of Defined Benefit Obligation	71.48	42.36	73.58	40.12
2 Fair value of plan assets	-	-	-	-
3 Funded Status [Surplus/(deficit)]	(71.48)	(42.36)	(73.58)	(40.12)
4 Net asset/(liability) recognized in balance sheet	(71.48)	(42.36)	(73.58)	(40.12)
C Change in Defined Benefit Obligation during the year ended 31st March				
1 Present value of DBO at beginning of the period	73.58	40.12	53.96	27.74
2 Current Service Cost	9.52	6.41	11.23	5.58
3 Interest Cost	5.74	3.13	4.86	2.50
3 Acquisitions	-	-	-	-
5 Actuarial Losses/ (Gains)	(12.26)	6.23	5.89	9.26
6 Past Service Cost	-	-	-	-
7 Benefits Paid	(5.11)	(13.53)	3.13	(4.95)
8 Present value of DBO at the end of period	71.48	42.36	79.06	40.12
D Change in Fair Value of Assets				
1 Plan Assets at beginning of period	-	-	-	-
2 Expected Return on Plan Assets	-	-	-	-
3 Actuarial gain/(loss) on plan assets	-	-	-	-
4 Actual company contributions	5.11	13.53	2.35	4.95
5 Benefits paid	(5.11)	(13.53)	(2.35)	(4.95)
6 Plan assets at the end of period	-	-	-	-
E Actuarial Assumptions				
1 Discount Rate (%)	7.82% p.a.	7.82% p.a.	7.80% p.a.	7.80% p.a.
2 Rate of increase in salaries	8.00% p.a.	8.00% p.a.	8.00% p.a.	8.00% p.a.
3 Expected Rate of return on Plan Assets	N.A.	N.A.	N.A.	N.A.
4 Mortality	IALM 06-08 Ultimate	IALM 06-08 Ultimate	IALM 06-08 Ultimate	IALM 06-08 Ultimate
5 Withdrawal Rate	2.00% p.a.	2.00% p.a.	2.00% p.a.	2.00% p.a.

Note : That the above does not include figures of Foreign subsidiary.



South City Projects (Kolkata) Ltd.

Director

South City Projects (Kolkata) Ltd.

Director

2.33 SEGMENT INFORMATION

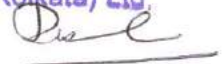
- a. The Company has disclosed Business Segment as primary segment. Segments have been identified taking into account the nature of the products, the differing risks and returns, the organisation structure and internal reporting system.
- b. The Company's operations predominantly relate to Real Estate Projects Development and Rental Activities.
- c. The Company's activities are mainly in India and Sri Lanka and hence geographical segments disclosure is considered.
- d. Segment Revenue, Segment Results, Segment Assets and Segment Liabilities include the respective amounts identifiable to each of the segments.
- e. The net expenses and income, which are not directly attributable to a particular Business Segment, are shown as unallocated corporate cost and income respectively.
- f. Assets and Liabilities that can not be allocated between the segments are shown as a part of unallocated corporate assets and liabilities respectively.

South City Projects (Kolkata) Ltd.



Director

South City Projects (Kolkata) Ltd.



Director



g. Details of Business Segment information is presented below :

Particulars	Real Estate Projects Development		Commercial Activities		Unallocated	Total
	2015-16	2014-15	2015-16	2014-15		
Revenue						
Total External Revenue	2,378.51	2,709.34	11,082.65	10,863.07	-	13,461.16
Inter Segment Revenue	-	-	-	-	-	-
Unallocated Corporate Revenue	-	-	-	-	-	-
Total Revenue (Net)	2,378.51	2,709.34	11,082.65	10,863.07	-	13,461.16
Results						
Segment Results	(376.23)	(395.90)	8,272.17	8,032.02	-	7,656.12
Unallocated Corporate Revenue	-	-	-	-	-	-
Unallocated Corporate Expenses	-	-	-	-	-	-
Operating Profit	(376.23)	(395.90)	8,272.17	8,032.02	66.01	47.25
Other Income	(89.58)	1,135.11	112.28	115.11	(66.01)	7,588.87
Unallocated Other Income	-	-	-	-	-	1,250.22
Interest Income	(2,695.52)	(2,503.66)	6.96	63.92	1,096.23	1,509.60
Unallocated Interest Income	-	-	-	-	-	(2,688.56)
Financial Expenses	371.77	121.88	1,300.60	1,946.88	3,511.99	3,797.16
Unallocated Financial Expenses	-	-	-	-	-	1,672.37
Profit Before Tax	(3,666.05)	(2,330.12)	5,720.79	4,431.26	2,513.91	2,338.84
Current Tax	243.55	218.29	-	-	2,023.14	4,932.79
Deferred Tax	-	-	-	-	1,600.00	1,518.29
Income Tax of Earlier Years	17.17	1.73	-	-	20.28	(28.14)
Net Profit after Tax	(3,926.74)	(2,550.14)	5,720.79	4,431.26	412.66	2,206.68
Other Information						
Segment Assets	80,698.10	59,459.47	35,027.27	31,487.93	-	1,15,725.38
Unallocated Corporate Assets	-	-	-	-	-	90,947.40
Total Assets	80,698.10	59,459.47	35,027.27	31,487.93	8,726.52	15,249.62
Segment Liabilities	63,966.97	38,306.29	15,270.04	17,485.92	-	1,24,451.90
Unallocated Corporate Liabilities	-	-	-	-	-	15,249.62
Total Liabilities	63,966.97	38,306.29	15,270.04	17,485.92	23,719.43	55,792.21
Capital Expenditure Incurred	34.32	743.89	414.10	33.98	-	23,719.43
Unallocated Capital Expenditure Incurred	-	-	-	-	-	1,02,956.43
Depreciation and Amortisation	132.95	443.79	1,370.02	1,831.91	23.82	448.42
Total Assets exclude	-	-	-	-	5.16	9.65
Advance Tax & TDS	-	(564.85)	-	1,410.85	456.01	23,822
						1,508.13
						2,364.72
						1,211.69
						846.00

h. Details of Geographical Segment information is presented below :

Particulars	India		Others		TOTAL	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Segment Revenue	22,377.70	16,607.30	15,861.11	1,141.35	38,238.82	17,748.65
Segment Assets	59,047.27	25,739.96	65,404.63	41,845.98	1,24,451.90	67,585.94
Segment Liability	39,560.78	45,251.31	63,395.65	39,255.43	1,02,956.43	84,506.74

2.34 There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days during the year and also as at 31st March, 2016. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

For, S.K. AGRAWAL & COMPANY.

Chartered Accountants

Firm Registration No : 306033E

S. K. AGRAWAL
Partner
Membership No-9067
Place : Kolkata



For South City Projects (Kolkata) Ltd.

South City Projects (Kolkata) Ltd.

South City Projects (Kolkata) Ltd.

Director

Company Secretary

Director

Dated : 8th September, 2016