

Company Secretary: Mr. K. S. Raghavan
Registered Office: Marathon Nextgen Realty Ltd., Marathon Futurex, Mafatlal Mills Compound, N. M. Joshi Marg, Lower Parel (W), Mumbai - 400 013. Tel.: 022 6158 8484.
Corporate Office: 702, Marathon Max, Mulund-Goregaon Link, Road, Mulund (W), Mumbai - 400 080.
Auditors: Haribhakti & Co. LLP, Chartered Accounts.
Bankers: AXIS Bank Ltd., HDFC Bank Ltd.
Share Transfer Agents: Adroit Corporate Services Pvt. Ltd. 19/20, Jafferbhoy Industrial Estate, 1st Floor, Makwana Road, Marol Naka, Andheri (E), Mumbai - 400 059. Tel.: 022 2859 6060 / 4060.
A.G.M: Tuesday, September 27, 2016, at 11:30 am.
Venue: Kilachand Conference Hall, 2nd Floor, Indian Merchants' Chamber Building, IMC Marg, Churchgate, Mumbai - 400020

39th Annual Report 2015-16

MARATHON NEXTGEN REALTY LIMITED



Marathon Nextgen Realty Ltd.
Regd. Office: Marathon Futurex, Mafatlal Mills Compound, N. M. Joshi Marg,
Lower Parel (W), Mumbai - 400 013.

Corporate Office: Marathon Realty Pvt. Ltd., 702, Marathon Max, Mulund
Goregaon Link Road, Mulund (W), Mumbai - 400 080.

marathon@marathonrealty.com | www.marathonnextgen.com

Redefining real estate

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Redefining real estate



Chetan R. Shah
Chairman & Managing Director



Mayur R. Shah
Vice-Chairman



S. Ramamurthi
Wholetime Director



V. Nagarajan
Director



V. Ranganathan
Director



Padmanabha Shetty
Director



Anup Shah
Director



Shailaja C Shah
Director

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From the desk of Chairman & Managing Director

Chetan R. Shah



From the desk of Vice-Chairman

Mayur R. Shah

Dear Shareholder,

Global Economy:

Financial Year 2015-16 witnessed a sharp decline in trade growth with significant weakening in leading emerging markets including China, Brazil and Russia. In view of slow or negligible growth, inflation remained low with low growth rate in the developed countries that include the United Kingdom and the United States of America where projected growth rate is below 3% for the next three years. China the other big powerhouse is slowing down with a shift in the economic development from manufacture to services sector and projected growth rates below 7%.

Indian Economy:

Revised GDP calculation that include Gross Value Addition shows the Indian economy is getting back to the high growth trajectory. GDP grew by 7.6% to make India one of the fastest growing economies in the world. Reserve Bank has ensured that inflation remained under control. Government has kept the current account deficit moderate and manageable while simultaneously pursuing a development agenda. The investment cycle is showing positive growth that is likely to be sustained with the Government's focus on facilitating infrastructure development and the ease of doing business.

Real Estate Industry – An Overview:

The year under review has not been very encouraging for the sector with piling inventory, low rentals and accumulation of debt among the leading players. The growth of the real estate industry is directly linked with the economic performance and it is expected that this sector would be a major recipient of the projected strong economic growth.

It is hoped that with the projected economic growth this sector will see better growth in the immediate future. Driving this would be:

- Population growth
- Increase in the number of working population
- Rise of nuclear families
- Housing shortage
- Rising per capita income.

As per a recent report of KPMG-, “**Housing for All by 2022**”, there is a requirement of 9 to 11 million houses to be constructed in the urban areas. Share of Real Estate in GDP, currently estimated at 6% can grow to be 12% to 15% in next 15 years generating additional employment upto 75 million.

The Government sensing the growth potential has announced various policy initiatives that include;

- Real Estate (Regulation and Development) Bill 2015
- Easing of Foreign Direct Investment in the Real Estate Sector
- REIT's exemption from Dividend Distribution Tax
- 100% Tax Holiday for Affordable Housing
- Commissioning the development of Smart Cities.

It is hoped that these measures would incentivise the sector and help in achieving faster growth.

Company:

The company has never believed in locking its funds in land banks and continues to exercise its expertise in identifying prime properties that could be attained at costs that are much lower than prevailing market rates. This has ensured that the company is debt free (almost zero debt).

Your company operates primarily in Mumbai city and suburban area and is poised to take advantage of the growth of urban areas. Keeping aside the arguments for and against whether a goal of 9 million houses by 2022 is possible or not, it can be presumed that the affordable segment of real estate is bound to grow at double digits over next 10 years.

With this aspect in mind, the company is foraying into the development of slum projects. The company has realised that in Mumbai where land is scarce and is available at only steep premium these slum properties offer a big hope. It not only is lucrative from the company's point of view to acquire land at low cost, but it also helps in furthering a social cause of reducing slums and providing low cost housing.

Currently the company is active in the entire spectrum of realty development ranging from affordable housing to high end apartments, this all along has been its forte. It is developing state of the art residential towers “**Monte South**” in South Mumbai as part of a joint venture. The Company's Investment through its subsidiary in “**Marathon Futurex**” - a highly acclaimed commercial property has started yielding results in the financial year under review.

I sincerely feel there is a great scope for the company to achieve much more than what it has already achieved with the support of the dedicated employees and the guidance of the board of directors and the unstinting support of the shareholders.

Warm Regards,

Chetan R. Shah

Chairman & Managing Director

Dear Shareholder,

I am pleased to address you once again.

While the Real Estate sector has been facing several hurdles, your company has been able to buck the trend. This has come about on account of the inherent strength of the company.

The company has forayed into the development segment, where it sees wide scope in the land starved city of Mumbai. The **new Development Plan (DP)** as declared by the regulatory body has opened a big opportunity for initiating **Low cost affordable housing** projects; by proposing an increased FSI from 1 to 2 across cities. There are plans to offer other incentives on FSI Premium, which is expected to create more affordable housing stock and urban projects.

The Company is pleased to inform you that this year it is planning to undertake fresh initiatives. With the **Brand revamp exercise** completed in association with International Brand Consultants - **Landor Associates**, we are happy to share that '**Challenging Convention**' would be at the heart of our core processes, helping us drive our business. We aim towards '**Redefining Real Estate**' by building benchmark projects across our complete portfolio.

Being credited with the reputation of a 'pioneer' in creating Iconic structures in South Mumbai, your company is slated to make use of its expertise in developing a super luxurious mixed use –**JV Project with “Adani Realty”**– known as “Monte South” at Byculla. Though the market is tepid and challenging, we are geared up to build superior quality structures by adoption of latest **Korean construction technology**.

Marathon Futurex is a much acclaimed commercial structure. Our investment in this edifice through our subsidiary is generating substantial profits. It may be pertinent to mention that it is a much sought after commercial destination which houses many Indian and multinational firms of repute.

Marathon Forte:

- **Low cost of land acquisition**
- **Risk Management** in sourcing land revenue / profit sharing strategy / policies.
- **Superior quality construction** and execution and dedicated Customer Care team
- As a backward integration, the Group has **in-house architectural and design departments**, along with expertise in construction technology.
- Diversified portfolio residential, commercial and township developments in strategic geographic locations.

Our constant endeavor to be close to our customers has been a very rewarding experience and we now look forward to developing ways to service our customers the best way possible in the industry. The Customer base is growing and new initiatives are being planned to bring in new projects, that are customer focused and address the needs of varying customer segments. A dedicated team has been working towards setting up “24/7 Marathon Customer Care Centre” to cater to their needs.

Despite the woes of the industry, the company has performed well and it has always been our constant endeavor to reward our shareholders. During the year under review the company has issued bonus shares for the fourth time, since the Group took over the management control of the company. This has created considerable value for all our investors.

Your company is embarking upon creating value for all its stakeholders by using available opportunities and leveraging the company's goodwill, the future growth of your company is strong. I dedicate this to you all, for without your continuous support and strength our success would have remained just a distant dream. We look forward to your valued support and encouragement.

Warm Regards,

Mayur R. Shah

Vice Chairman

Vision - 2017

There are five aspects to our vision. We aim:

- To Grow **6.5 times** in Revenue and **5 times** in Area Constructed
- To be **Top 5 in Customer Satisfaction** in Mumbai Metropolitan Region
- To be **Most Trusted Developer** in Mumbai Metropolitan Region
- To provide **Best in-class Design**
- To be **Top 5 in Employee Engagement** in Mumbai Metropolitan Region

We intend to achieve all of this by adhering to our Philosophy of Dharma

Dharma



IMPROVE CONTINUOUSLY & SCALE HEIGHTS

Begin each day with positivity and possibility and do our best to take ourselves and the organization forward. Aim for measurable goals & track its status to continuously improve upon work



ALWAYS FOCUS ON CUSTOMER DELIGHT

Customer satisfaction remains the prime focus of every employee and their valuable feedback should point to the way ahead



RESPECT RESOURCES AND CREATE EXPONENTIAL VALUE

Every resource should be utilized effectively to generate success and ensure long-term value.



CONSTANTLY ENDEAVOUR TO CREATE HAPPINESS FOR ONE AND ALL

Ensuring value for all stakeholders, like our customers, colleagues and our ownself are one of our prime objectives.



BE COMMITTED AND RESPECTFUL TO ALL AND BE FIRM AND FAIR AT THE SAME TIME

Resolute commitment towards our work and goals is the surest and only way to achieve our dreams.



From second left to right: Chetan Shah, Mayur Shah & Kaivalya Shah Construction Times Builders Awards 2015



MARATHON NEXTGEN CAMPUS
Awarded for 'Best Urban Design & Master Planning' by Construction Source India on 15th November, 2009.



MARATHON NEXTGEN INNOVA
has been awarded 'The Best Commercial Project of the year 2006-07' by Accommodation Times.



MARATHON NEXTGEN ERA
Awarded for 'Excellent Interior Design' (Premium Segment) by the Economic Times ACETECH 2010.



MARATHON FUTUREX
"Best Upcoming Green Project of the Year - 2015" by Construction Times Builders Awards - 2015.

MARATHON NEXZONE:
India's 1st project to implement Property e-registration



RECOGNISED AS "2nd MOST TRUSTED DEVELOPER IN MMR"
BY NDTV PROFIT & PROP EQUITY SURVEY, 2014



SALES FORCE SOFTWARE IMPLEMENTATION IN MUMBAI
Awarded for fastest implementation and adoption of SFDC platform



MARATHON NAGARI
Bagged National Award for "Best Residential Apartment - Low Cost Metro" from CREDAI ON 11th August, 2012.



M/S. SONASHA ENTERPRISES OF MARATHON GROUP
For successful completion of Slum Rehabilitation Project
This certificate was presented in the presence of Honorable Smt. Sonia Gandhi in 2005



MARATHON HEIGHTS
the first residential tower in India with a helipad, was awarded 'The Best Residential Project of the year 1999' by Accommodation Times.



A Joint Venture Project by Adani Realty & Marathon Group

Artist's Impression - Elevation



Artist's Impression - Vanishing Edge Pool



Artist's Impression - Beach Volleyball



Artist's Impression - Amazon Forest themed landscape



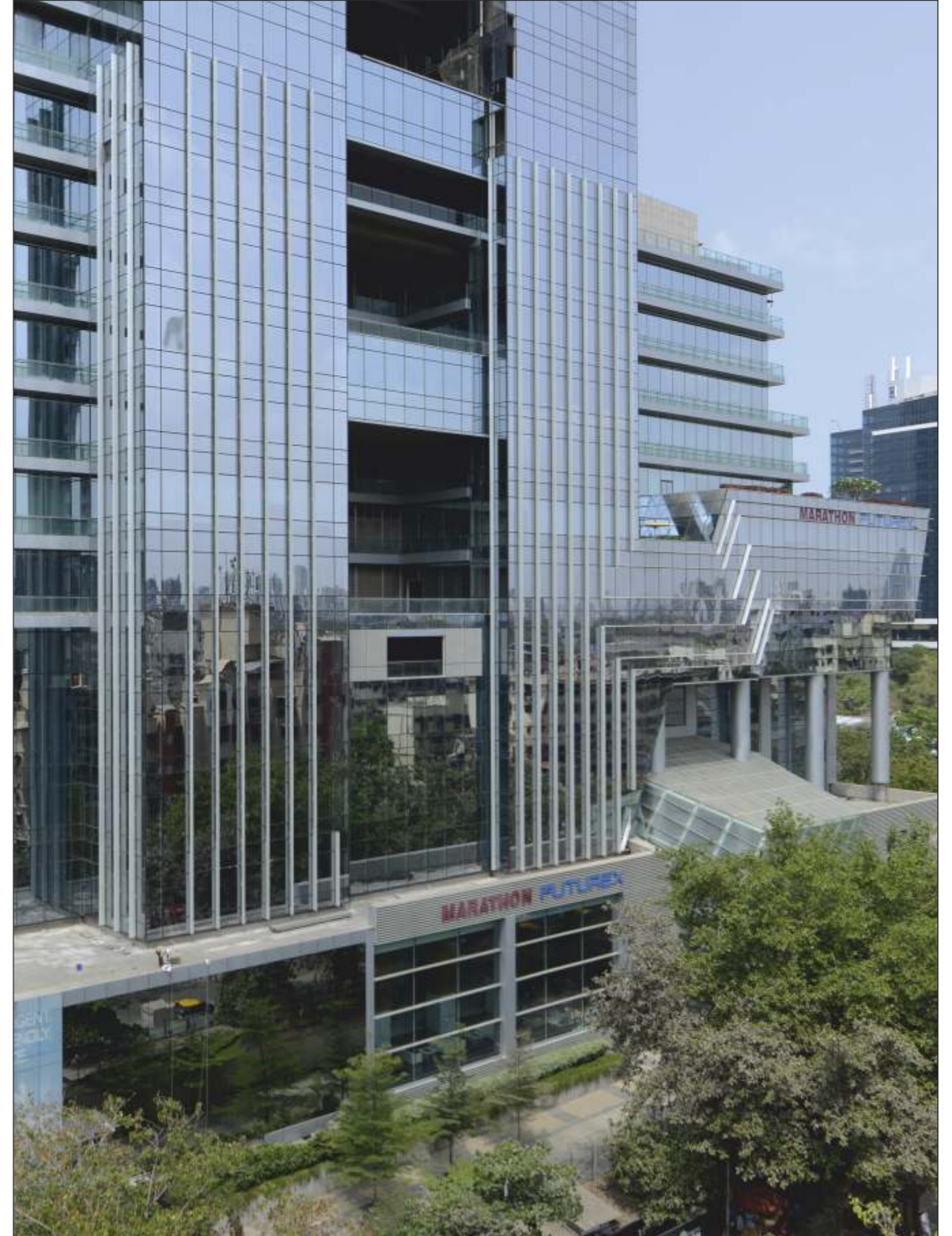
Actual Images - Construction Site



Artist's Impression - Elevation



Actual Images - Construction Site



Actual Image - Elevation

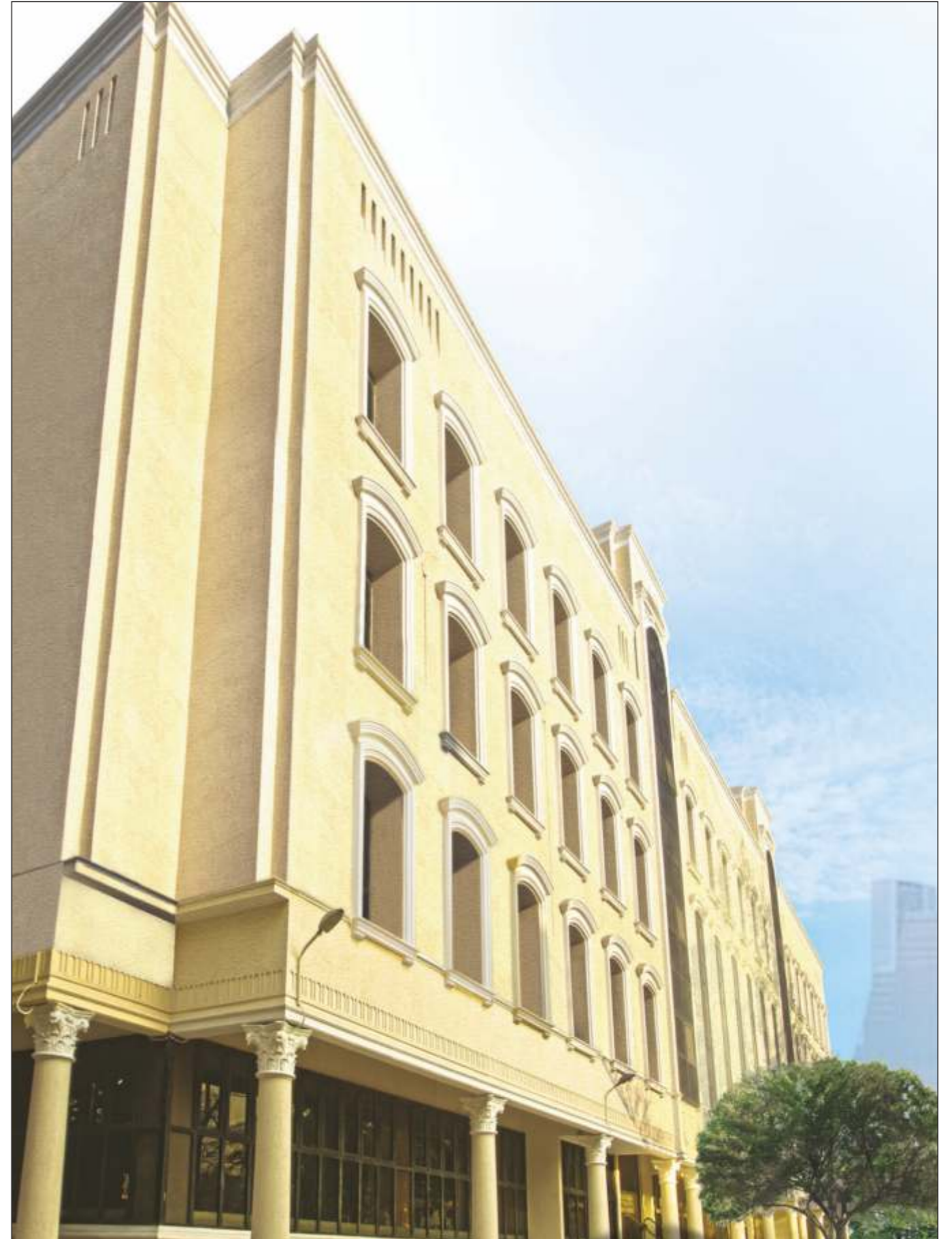
SBS
SMALL
BUSINESS
SPACES



Actual Image - Elevation



Actual Images - Construction Site



Actual Photograph - Elevation



Artist's Impression - Elevation



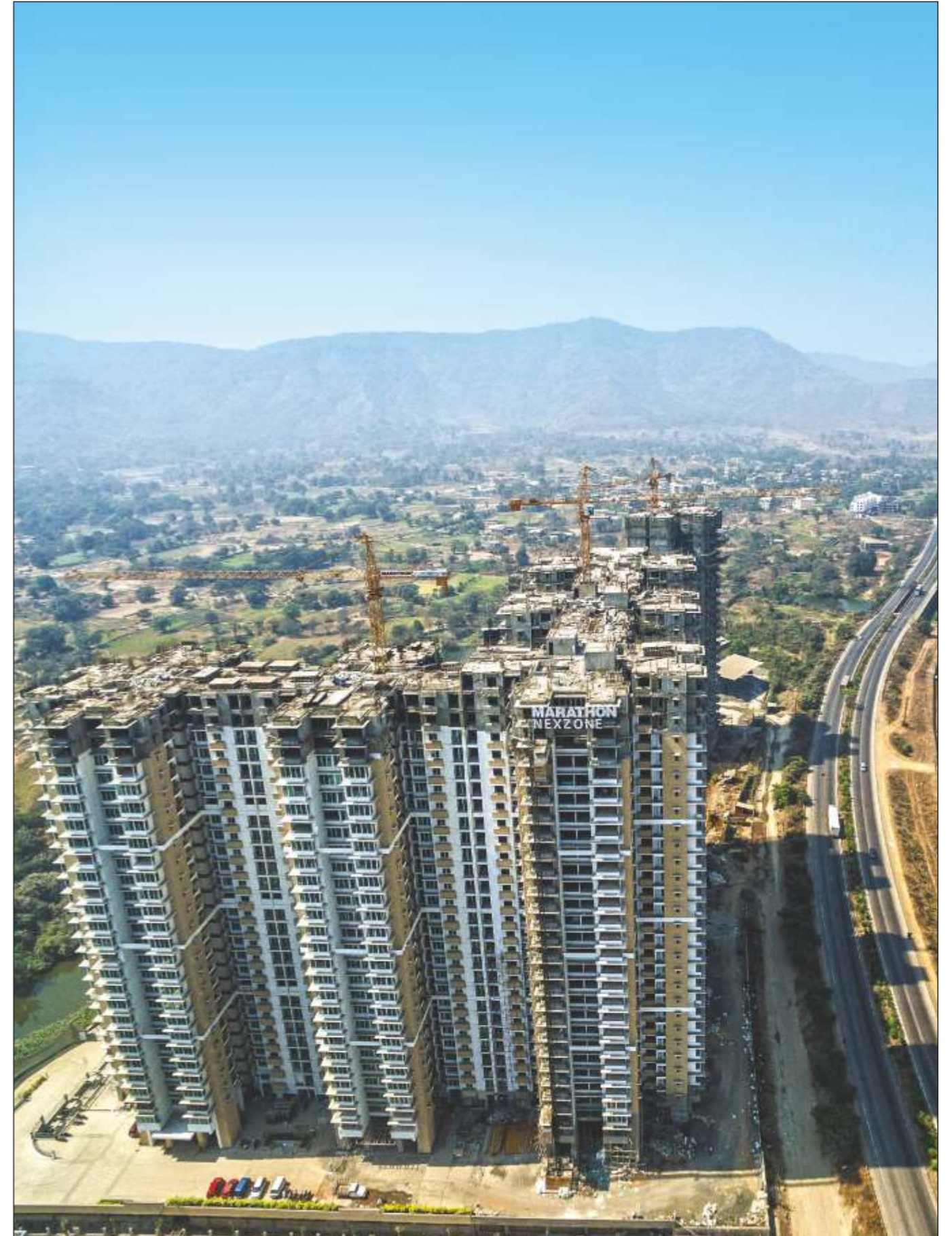
Actual Images - Construction Site



Artist's Impression - Elevation



Actual Image - Elevation



Actual Image - Construction status at Marathon Nexzone



Artist's Impression - Elevation



Actual Images - Construction Site



Actual Image - Elevation

Launching Soon



Artist's Impression - Elevation

New Initiatives

Redevelopment of properties in prime locations across
Mulund, Bhandup & Kanjurmarg

SRA Development

Company Information

WHOLE-TIME DIRECTOR & CHIEF FINANCIAL OFFICER

Mr. S. Ramamurthi

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. K. S. Raghavan

REGISTERED OFFICE:

Marathon Futorex, N. M. Joshi Marg
Lower Parel, Mumbai 400 013
Tel.: 022 6158 8484 Fax: 022 6158 8410

CORPORATE OFFICE:

702, Marathon Max
Jn. of Mulund-Goregaon Link Road
Mulund (W), Mumbai 400 080
Tel.: 022 6772 8484 Fax: 022 6772 8408

STATUTORY AUDITORS

M/s. Haribhakti & Co. LLP
Chartered Accountants
701, Leela Business Park
Andheri Kurla Road
Andheri (E), Mumbai 400 059

INTERNAL AUDITORS

M/s. Moore Stephens Singhi Advisors LLP
B2 - 402B, Marathon Innova, 4th Floor
Lower Parel, Mumbai 400 013

SECRETARIAL AUDITOR

Mr. Nitin R. Joshi
Practicing Company Secretary
415, Marathon Max
Near Udyog Kshetra
Mulund (W), Mumbai 400 080

BANKERS

Axis Bank Limited, HDFC Bank Ltd

INVESTORS' SERVICES DEPARTMENT

802, Marathon Max, 8th Floor
Jn. of Mulund-Goregaon Link Road
Mulund (W), Mumbai 400 080
Tel.: 022 6772 8484 Fax: 022 6772 8408
E-mail: shares@marathonnextgen.com
Website: www.marathonnextgen.com

REGISTRAR & SHARE TRANSFER AGENT

M/s. Adroit Corporate Services Private Limited
17-20, Jafferbhoy Ind. Estate
1st Floor, Makwana Road
Marol Naka, Andheri (E), Mumbai 400 059
Tel.: +91 (0)22 42270426 Fax: +91 (0)22 28503748
E-mail: ganeshs@adroitcorporate.com
Website: www.adroitcorporate.com

Reports

NOTICE is hereby given that the Thirty Ninth (39th) Annual General Meeting of the members of MARATHON NEXTGEN REALTY LIMITED will be held at Kilachand Conference Hall, 2nd floor, IMC, Indian Merchant's Chamber Building, Churchgate, Mumbai 400020 on Tuesday, September 27, 2016 at 11.30 a. m. to transact the following business:

A. ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statements for the year ended on 31st March, 2016 and the Reports of the Directors and Auditors thereon.
2. To declare a Dividend, if any, on the Equity Shares for the year 2015-16.
3. To appoint a Director in place Ms. Shailaja C Shah , who retires by rotation and being eligible offers herself for re-appointment.
4. To ratify the appointment of M/s. Haribhakti & Co. LLP, Chartered Accountants, retiring Auditors, as the Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to authorize the Board to determine their remuneration.

B. SPECIAL BUSINESS:

5. Appointment (Regularizing) of Mr. Anup P Shah as a Director.
To consider and, if thought fit, pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT Mr. Anup P Shah, Independent Director (DIN 0293207) who was appointed as an Additional Director at the Board Meeting held on August 28, 2015 and who holds office up to the date of this Annual General Meeting under Section 161(1) of the Companies Act 2013 and in respect of whom the Company has received a notice signifying his candidature along with a requisite deposit under Section 160(1) of the Companies Act, 2013 be and is hereby appointed as a Director of the Company"

Registered Office:
Marathon FutureX,
NM Joshi Marg
Lower Parel
Mumbai 400 013.
Date: May 30, 2016

By Order of the Board

K. S. Raghavan
Company Secretary

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES TO BE EFFECTIVE, SHOULD BE DEPOSITED AT THE REGISTERED OFFICE NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. Corporate Members intending to send their authorized representatives are requested to send a duly certified copy of Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
3. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the special business is annexed hereto.
4. Members are requested to send all communications relating to shares, unclaimed dividends and intimate any changes in their address to the Registrar and Share Transfer Agents, M/s Adroit Corporate Services Pvt. Ltd., 19/20, Jaferbhoy Ind. Estate, 1st Floor, Makwana Road, Marol Naka, Andheri (E), Mumbai-400 059. "Adroit" is also the Depository interface of the Company with both NSDL and CDSL.
5. Under the Companies Act, 1956, dividends that are unclaimed for a period of seven years are transferred to the "Investor Education and Protection Fund" constituted by the Central Government. Accordingly the Members who have not encashed the dividend warrants are requested to encash the same soon.
6. The Register of members and the share transfer books of the Company will remain closed from September 19, 2016 to September, 27, 2016 (both days inclusive) for payment of dividend.
7. Members may exercise their right to vote at by electronic voting system in accordance with the Companies (Management and Administration) Rules 2014. The Company has tied up with NSDL for this e-voting facility. The process for members opting for e-voting is as under:

In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rules framed, the members are provided with the facility to exercise their votes at the 39th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by National Securities Depository Limited (NSDL).

The instructions for e-voting are as under:

A. In case a member receives an e-mail from NSDL (for members whose e-mail addresses are registered with the Company / Depositories):

1. Open the e-mail and also open PDF file with your Client ID or Folio no. as password. The said file contains your user ID and password for e-voting. Please note that the password is an initial password.
2. Open the internet browser and type the following URL: <https://evoting.nsdl.com>.
3. Click on Shareholder - Login.
4. If you are already registered with NSDL for e-voting then you can use your existing user ID and password.
5. If you are logging for the first time, please enter the user ID and password provided in the PDF file attached with the e-mail as initial password.
6. The password change menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both. Please take utmost care to keep your password confidential.
7. Once the e-voting homepage opens, click on e-voting > Active e-voting cycles.
8. Select "EVEN" (E-Voting Event Number) of Marathon Nextgen Realty Limited. Now you are ready for e-voting as Cast Vote page opens.
9. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
10. Upon confirmation, the message "Vote cast successfully" will be displayed.
11. Once the vote on the resolution is cast, the Member shall not be allowed to change it subsequently.
12. Institutional Shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy of (PDF/JPG format) of the relevant Board Resolution / Authority letter, etc., together with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer through e-mail to n_r_joshi@yahoo.com, with a copy marked to evoting@nsdl.co.in.
13. In case of any queries, you may refer the frequently Asked Questions (FAQs) - Shareholders and e-voting user manual - Shareholders, available at the downloads section of www.evoting.nsdl.com.

- B. In case a Member receives physical copy of the Notice of AGM (for Members whose email addresses are not registered with the Company / Depositories):
1. Initial password is provided in the enclosed ballot form; EVEN (E-Voting Event Number), user ID and password.
 2. Please follow all steps from S. No. (2) to Sl. No. (13) above, to cast vote.
- C. Other instructions:
1. The e-voting period commences on Friday, September 23, 2016 (at 9.00 a.m. IST.) and ends on Monday, September 26, 2016 (at 05.00 IST), during this period Members of the Company, holding shares either in physical form or in dematerialised form, as on Tuesday, September 20, 2016, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.
 2. The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on September 20, 2016 and as per the Register of Members of the Company.
 3. Mr. Nitin R. Joshi, Practicing Company Secretary (membership no. FCS - 3137) has been appointed as the Scrutinizer to scrutinize the e-voting process (including the Postal Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.
 4. The Scrutinizer shall within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
 5. Members who do not have access to e-voting facility may send duly completed Ballot Form (enclosed with the Annual Report) so as to reach Scrutinizer in the enclosed postage pre-paid self-addressed envelope, not later than September 26, 2016 (at 05.00 p.m. IST). Ballot Forms deposited in person or sent by courier by post or courier at the expense of the Member will also be accepted.
- Members have the option to request for physical copy of the Ballot form by sending an e-mail to ganeshs@adroitcorporate.com by mentioning their Folio/DP ID and Client ID no. However, the duly completed Ballot Form should reach the Scrutinizer not later than Monday, September 26, 2016 (at 05.00 p.m. IST).
- Ballot Form received after this date will be treated as invalid.
- A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts vote by both mode, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.
6. The results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.marathonnextgen.com and on the website of NSDL www.e-voting.nsdl.com within two working days of the passing of the resolutions at the Thirty Ninth Annual General Meeting.

Registered Office:
Marathon FutureX,
NM Joshi Marg
Lower Parel
Mumbai 400 013.
Date: May 30, 2016

CIN:L65990MH1978PLCO20080
Website: www.marathonnextgen.com

By Order of the Board

K. S. Raghavan
Company Secretary

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(2) OF THE COMPANIES ACT, 2013.

Item No.5: Appointment of Mr. Anup P Shah :

The Board of Directors at their meeting held on August 28, 2015 had appointed Mr. Anup P Shah, an Independent Director (DIN 0293207) as an Additional Director of the Company. Pursuant to Section 161 of the Companies Act 2013, he holds office up to the date of the ensuing Annual General Meeting. A Notice along with the necessary deposit has been received from a member under Section 160 (1) of the Companies Act 2013 proposing the appointment of Mr. Anup P Shah as a Director of the Company.

Brief Profile:

Mr. Anup P. Shah is Chartered Accountant (Rank holder) Managing Partner of Pravin Shah & Co. He is a Fellow Member of Instituted Chartered Accountants of India, besides Law Graduate from Mumbai University. He had authored many books including "HANDBOOK OF CAPITAL MARKET REGULATIONS WILLS, SUCCESSIONS & FAMILY SETTLEMENTS", LAW & BUSINESS AND INCOME-TAX ADVISER.

He has won several prizes and accolades for his contribution:

- in the BCA Journal Research Paper at the 2013 International Conference on Commercial and Management for the Paper "FDI Issues & Problems."
- Research Paper at the 2014 International Conference on Commercial and Management for the Paper "Innovation in Mergers."
- Research Paper at the 2016 International Conference on Commercial and Management for the Paper "Slump Sale as a Tool for Business Restructuring."
- Research Contribution Award 2016 by the University of Mumbai or research in the field of "Business Restructuring Strategies in India."

He holds Directorships in well-known Indian Corporates.

He is also an active member of Professional and Social circles.

Details of Directorship and Committee membership held, other than the Company by Mr. Anup P Shah.

Companies /Bodies Corporates, firms etc	Nature of Interest	Committee Positions
Private Companies		
1. Knowhow hub.Com Pvt Ltd	Director	
2. Landmark Buisness Service Centre Pvt Ltd	Director	
3. Macro Investment And Finaincial Consultants Pvt Ltd	Director	
Public Companies		
1. The Ruby Mills Ltd	Director	Chairman of : Audit Committee CSR Committee Stakeholder Relationship Committee, Shareholder/Investor. Grev. Committee. Share Transfer Committee
2. Claris Lifesciences Ltd	Director	Chairman of : Audit Committee Member of : CSR Committee Shareholders Grev. Committee. Remuneration Compensation Committee.
3. Claris Injectables Ltd	Director	Chairman of : Audit Committee CSR Committee Member: Nomination & Remuneration Committee
4. Jaicorp Ltd	Director	Member of : Audit Committee, CSR Committee
5. JM Financial Services Ltd	Director	Chairman of : Audit Committee, Member of : CSR Committee Nomination & Remuneration Committee
6. JM Financial Credit Solutions Ltd	Director	Chairman of : Audit Committee Member of : Nomination & Remuneration Committee.

The Board recommends passing of the resolution.

Disclosure of Interest:

None of the Directors of the Company are directly, or indirectly, concerned or interested in the Resolutions set out at item No. 5.

Registered Office:

Marathon FutureX,
NM Joshi Marg
Lower Parel
Mumbai 400 013.
Date: May 30, 2016

By Order of the Board

K. S. Raghavan
Company Secretary

The Directors have pleasure in submitting their Thirty Ninth Annual Report together with the audited Financial Statements of your Company for the year ended March 31, 2016.

Working Results:

(₹ in lacs) Except EPS

Consolidated For the year ended March 31, 2016	Particulars	STAND ALONE	
		Year ended March 31, 2016 ₹	Year ended March 31, 2015 ₹
11,065	Profit / (Loss) before Depreciation, interest and Taxation	11,067	5,282
29	Less: Depreciation	29	31
-	Less: Interest	-	-
11,036	Profit before Taxation	11,038	5,252
3,499	Less/ (Add) Tax Expenses	3,500	1,410
7,537	Profit / (Loss) after tax after adjustment	7,538	3,842
17,215	Add: Balance brought from previous year	17216	15,745
24,752		24,753	19,587
284	Less: Dividend on equity shares	284	1,138
58	Tax on distributed profits	58	232
-	Less: Short provision of depreciation	-	1
-	Less: Transfer to General Reserve	-	1000
24,410	Balance carried to Balance Sheet	24,411	17216
26.50	Earnings per share basic and diluted-(in Rs.)	26.51	20.26

DIVIDEND:

During the Year under review, the Company had issued Bonus Shares of 94,79,115 shares of Rs.10/- each. The increased Paid up equity Share Capital of the Company consist of 2,84,37,345 shares of Rs.10/- each.

In line with the Dividend Policy of the Company, your directors are pleased to recommend a dividend of Re.1/- per equity share(10%) for the year 2015-16 on the enhanced share capital arising out of issue of the bonus shares.

FUTURE PROSPECTS:

Your Company has entered into the Re-development and Rehabilitation of Slums in and around Bhandup area of Mumbai.

The SPV (a LLP) wherein your Company holds 40% stake has launched its Project at Byculla, Mumbai that has been well received in the market.

SCHEME OF AMALGAMATION:

A Scheme of Amalgamation of Parmeka Pvt. Ltd., a wholly-owned subsidiary of the Company, is awaiting the Order of Hon'able Judicature of High Court of Bombay.

DIRECTORS:

In accordance with the applicable provisions of the Companies Act, 2013, Ms. Shailaja C. Shah , Director retires by rotation and being eligible offers herself for reappointment.

Mr. Anup P. Shah was appointed as Additional Director at the Board Meeting held on August 28, 2015. The Company has received a Notice signifying his candidature for appointment under Section 160 (1) of the Companies Act, 2013.

Brief resume of Ms. Shailaja C. Shah & Mr. Anup P. Shah, nature of their experience in specific functional area and names of the companies in which they hold directorship, is mentioned and forms part of this Annual Report.

FIXED DEPOSITS:

Your Company has not accepted any deposits from the public or its employees during the period under review.

PARTICULARS OF EMPLOYEES:

Except the Chairman & Managing Director none of the employees are covered under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014. The other details of disclosures pertaining to the Managerial personnel is dealt in the annexure which forms part of this Director's Report .

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The Company undertakes necessary Energy conservation and technology absorption methods while executing the projects by implementing advanced building system and usage of energy efficient materials during the construction of Projects.

There were no foreign exchange earnings and outgo during the current period.

LISTING:

The Equity Shares of the Company are listed with the BSE Limited. The Company has paid the Annual Listing Fees for the year 2016-17.

DEMATERIALIZATION OF SHARES:

The members are aware that the Company's equity shares are under compulsory trading in dematerialized form for all categories of investors.

REPORT U/S 134 (3) OF THE COMPANIES ACT 2013:

A report containing relevant information as required by the said section of the Companies Act 2013 is dealt separately and forms part of this Directors Report.

CORPORATE GOVERNANCE:

A separate section on disclosures specified in Companies Act 2013 along with other requirements as specified in Regulations 17 to 27 and 46(2)(b) to (i) of SEBI (LODR) Regulations 2015 forms part of this Annual Report.

AUDITORS

M/s. Haribhakti & Co., LLP Chartered Accountants, retire as the Statutory Auditors at the conclusion of the 39th Annual General Meeting and being eligible offer themselves for re-appointment. A certificate from them has been received to the effect that their reappointment as Statutory Auditors, if made, is within the limits prescribed under section 139 of the Companies Act, 2013.

The Report of Auditors on the Consolidated financial statements contains a "Qualified Opinion" on the non-inclusion of consolidated financial statements of two jointly controlled entities. The reason for the same is adequately explained in Note no .35 to the consolidated financial statements attached.

ACKNOWLEDGEMENTS:

The Board of Directors take this opportunity to express its sincere appreciation for the excellent support and cooperation extended by the shareholders, bankers, customers, suppliers / associates during the year under review.

The Board whole heartedly acknowledges the dedicated and sincere efforts and services put in by the employees at all levels in the Company during very trying times. Their dedicated efforts and enthusiasm has been integral to your Company's growth.

Place: Mumbai
Date: May 30, 2016

For and on behalf of the Board
Chetan R. Shah

Chairman & Managing Director.

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2016

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,
Marathon Nextgen Realty Limited.
Marathon Futurex, Mafatlal Mill Compound,
N.M. Joshi Marg, Lower Parel (W),
Mumbai 400 013.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Marathon Nextgen Realty Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, and in the manner reported hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March, 31, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made under that Act
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made under that Act;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed under that Act;
- (iv) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made under that Act to the extent applicable to Foreign Direct Investment (FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings (ECB);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2015;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable to the Company during the Audit Period)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the Audit Period)
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the Audit Period) and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the Audit Period)
- (vi) The laws as are applicable specifically to the Company are as under :
 - (a) The Real Estate (Regulation and Development) Act, 2016;
 - (b) The Maharashtra Ownership Flats (Regulation and Promotion of Construction, Sale, Management, Transfer) Act 1963 and its Rules;
 - (c) The Maharashtra Apartment Ownership Act 1970;
 - (d) Building & other construction Workers welfare cess Act 1996;
 - (e) Development Control Regulations as updated.

(f) Maharashtra Town Planning Act-1974;

(g) Environment Protection Act 1986;

(There is no project during the period under review hence compliance of above provisions of laws are not applicable.)

I have also examined compliance with the applicable clauses/regulations of the following:

- (a) Secretarial Standards with regards to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India and made effective 1st July 2015;
- (b) The Equity Listing Agreement entered in to by Company with BSE Limited; and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 made effective 1st December 2015;

During the period under review and as per the explanations and clarifications given to us and the representations made by the Management, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, etc. mentioned above subject to the following observations:

- I. The Company could not spend the eligible profit on Corporate Social Responsibility Measures. However the company has constituted the CSR committee and its constitution was as per the regulations.

I further report that

Based on the information provided and representation made by the Company and also on the review of the compliance reports of Company Secretary, in my opinion, adequate system and processes exist in the Company to monitor and ensure compliance with the provisions of applicable general laws like labour laws and environmental laws;

The Compliance by the Company of applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have been subject to review by Statutory financial audit and other designated professionals;

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act;

Adequate notice is required to be given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were to be sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period except that;

- (a) the Company has issued the Bonus Shares, in the proportion of 1(One) equity share for every 2(Two) existing equity shares held by shareholders.
- (b) the Board of Directors of the Company has approved Scheme of Amalgamation with Parmeka Private Limited. The Company has filed draft Scheme of Amalgamation along with all the required documents with BSE Limited.

No other specific events/actions occurred, in pursuance of above referred laws, rules, regulations, guidelines, etc., having major bearing on the Company's affairs.

Date: 30-05-2016
Place: Mumbai

(NITIN R. JOSHI)
Practicing Company Secretary
Membership No. 3137
Certificate of Practice No.1884

Note: This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

'Annexure A'

To,

The Members,
Marathon Nextgen Realty Limited.
Marathon Futurex, Mafatlal Mill Compound,
N.M. Joshi Marg, Lower Parel (W),
Mumbai 400 013.

I report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Date: 30-05-2016
Place: Mumbai

(NITIN R. JOSHI)
Practicing Company Secretary
Membership No. 3137
Certificate of Practice No.1884

REPORT U/S 134(3) OF THE COMPANIES ACT 2013 FORMING PART OF DIRECTORS REPORT

Extract of annual Return as provided under section 92(3) of the Companies Act 2013

I. REGISTRATION AND OTHER DETAILS:

i	CIN	L65990MH1978PLC020080
ii	Registration Date	January 1, 1978
iii	Name of the Company	Marathon Nextgen Realty Limited
iv	Category / Sub-category of the Company	Public Limited Company
v	Address of the Registered Office of the Company	Marathon Futurex, N. M. Joshi Marg, Lower Parel, Mumbai 400 013
vi	Whether Listed (Yes/No)	Yes
vii	Name, Address and contact details of Registrar and Transfer Agent, if any	Adroit Corporate Services Pvt. Ltd. 17/18/19/20, Jaferbhoy Industrial Estate, 1st Floor, Makwana Road, Marol Naka, Andheri (E), Mumbai 400 059

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of total turnover of the Company shall be stated

Sr. No.	Name & Description of main products / services	NIC Code of the Product / service	% of total turnover of the Company
1	Real Estate & Construction	70	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name & Address of the Company	CIN / GLN	% of shares held	Holding / Subsidiary/ Associate	Applicable Section
1	Ithaca Informatics Pvt. Ltd. 702, Marathon Max Jn. of Mulund - Goregaon Link Road, Mulund (W) Mumbai 400 080	U72900MH1994PTC081170	75%	Holding	2 (46) of the Companies Act 2013
2	Swayam Realtors & Traders LLP Marathon Futurex N.M Joshi Marg Lower Parel Mumbai 400 013.	AAB -0362	40%	JV (Associate)	2(6) of the Companies Act 2013
3	Parmeka Pvt Ltd, 702, Marathon Max Jn. of Mulund - Goregaon Link Road, Mulund (W) Mumbai 400 080. (Under Amalgamation with the Company)	U7499MH11995PTC086748	100%	Wholly Owned Subsidiary	2(87) of the Companies Act 2013

IV. SHAREHOLDING PATTERN (Equity Share Capital Break-up as percentage of Total Equity):

I. Category-wise Share Holding

Category of shareholders	No. of shares held at the beginning of the year (01.04.2015)				No. of shares held at the end of the year (31.03.2016)				% change during the year (Bonus 2015)
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. PROMOTERS:									
1 Indian									
a. Individuals/HUF	600	0	600	0.00	900	0	900	0.00	0.00
b. Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c. State Govt.(s)	0	0	0	0.00	0	0	0	0.00	0.00
d. Bodies Corp.	14218000	0	14218000	75.00	21327000	0	21327000	75.00	0.00
e. Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
f. Any other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (A) (1)	14218600	0	14218600	75.00	21327900	0	21327900	75.00	0.00
1 Foreign									
a. NRIs - Individual	0	0	0	0	0	0	0	0	0
b. Other - Individuals	0	0	0	0	0	0	0	0	0
c. Bodies Corp.	0	0	0	0	0	0	0	0	0
d. Banks/FI	0	0	0	0	0	0	0	0	0
e. Any other	0	0	0	0	0	0	0	0	0
Sub-Total (A) (2)	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoters (A) = (A) (1) + (A) (2)	14218600	0	14218600	75.00	21327900	0	21327900	75.00	0.00
B. PUBLIC SHAREHOLDING:									
1 Institutions									
a. Mutual Funds	15	488	503	0.00	22	731	753	0.00	0.00
b. Banks/FI	495	990	1485	0.01	1732	495	2227	0.01	0.00
c. Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d. State Govt.(s)	0	0	0	0.00	0	0	0	0.00	0.00
Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
FIs	0	0	0	0.00	0	0	0	0.00	0.00
Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (B) (1)	510	1478	1988	0.01	1754	1226	2980	0.01	0.00

Category of shareholders	No. of shares held at the beginning of the year (01.04.2015)				No. of shares held at the end of the year (31.03.2016)				% change during the year (Bonus 2015)
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
2 Non-Institutions:									
a. Bodies Corporate:									
i. Indian	143990	64542	208532	1.1	208217	96743	304960	1.07	0.0
ii. Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b. Individuals:									
i. Individual shareholders holding nominal share capital up to Rs.2 Lac	760098	118389	878487	4.63	1154125	156520	1310645	4.61	0.3
ii. Individual shareholders holding nominal share capital in excess Rs.2 Lac	3521085	0	3521085	18.57	5299738	0	5299738	18.64	0.01
c. Others (specify Clearing Members, NRIs & Trusts)	129538	0	129538	0.68	191122	0	191122	0.57	0.00
Sub-Total (B) (2)	4554711	182931	4737642	24.99	6853202	253263	7106465	24.99	0.00
Total (B) = (B1)+(B2)	4555221	184409	4739630	25.00	6854956	254489	7109445	25.00	0.00
c. SHARES HELD BY CUSTODIAN FOR GDRs & ADRs:									
0	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	18773821	184409	18958230	100.00	28182856	254489	28437345	100.0	0.00

ii. Shareholding of Promoters:

SR. No.	Shareholder's Name	Shareholding at the beginning of the year (01.04.2015)			Shareholding at the end of the year (31.03.2016)			% change in shareholding during the year
		No. of shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	
1	Ithaca Informatics Pvt. Ltd.	14218000	75%	0	21327000	75%	0	0
2	Chetan R. Shah	100	0%	0	150	0%	0	0
3	Mayur R. Shah	100	0%	0	150	0%	0	0
4	Shailaja C. Shah	100	0%	0	150	0%	0	0
5	Sonal M. Shah	100	0%	0	150	0%	0	0
6	Ansuya R. Shah	100	0%	0	150	0%	0	0
7	Ramniklal Z. Shah	100	0%	0	150	0%	0	0
	Total	14218600	75%	0	21327900	75%	0	0

iii. Change in Promoters Shareholding (please specify, if there is no Change):

SR. No.		Shareholding at the beginning of the year (01.04.2015)		Shareholding at the end of the year (31.03.2016) due to Bonus Issue -2015.	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	At the beginning of the year	14218600	75	21327900	75
2	Date-wise Increase / Decrease in Promoters Share holding during the year specifying in the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity, etc.	Bonus 1:2	No change	No change	No change
3	At the end of the year	21327900	75	21327900	75

iv. Shareholding Pattern of top ten shareholders (other than Directors, Promoters & holders of GDRs and ADRs):

SR. No.	For each of the top 10 Shareholders	Shareholding at the beginning of the year (01.04.2015)		Shareholding at the end of the year (31.03.2016)	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	At the beginning of the year				
	Khyati S. Valia	5,25,553	2.77	7,44,829	2.62
	Shraddha S. Valia	5,25,553	2.77	7,43,829	2.62
	Vijay M. Parekh	5,20,553	2.75	7,36,829	2.59
	Paresh M. Parekh	5,20,553	2.75	7,37,329	2.59
	Shoorji A. Pratapsinh	2,33,000	1.23	3,49,500	1.23
	Rajanya A. Ravasia	2,33,000	1.23	3,49,500	1.23
	Manoj Mehra	133,000	0.70	2,52,000	0.89
	Manisha K. Desai	86,000	0.45	2,00,500	0.70
	Padma H. Agarwal	109,875	0.58	1,64,812	0.58
	Shashin M. Shah	105,112	0.55	1,57,668	0.55

2 Date-wise Increase / Decrease in other than Promoters Share holding during the year specifying in the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity, etc.						
	Name of the Shareholder	Date	No. of Shares	% of their holding	Reason	Cumulative Shareholding
i	Khyati S. Valia	22.12.2015	262777	50.0	Sold	262776
		25.12.2015	262777	100.0	Bought	525553
		31.12.2015	262776	50.0	Bought	788329
		15.01.2016	22500	2.8	Sold	765829
		18.03.2016	7000	0.9	Sold	758829
		31.03.2016	14000	1.8	Sold	744829
ii	Shraddha S. Valia	22.12.2015	262777	50.0	Sold	262776
		25.12.2015	262777	100.0	Bought	525553
		31.12.2015	262776	50.0	Bought	788329
		15.01.2016	22500	2.8	Sold	765829
		18.03.2016	7000	0.9	Sold	758829
		31.03.2016	15000	1.9	Sold	743829
iii	Vijay M. Parekh	22.12.2015	260277	50.0	Sold	260276
		25.12.2015	260277	100.0	Bought	520553
		31.12.2015	260276	50.0	Bought	780829
		15.01.2016	22500	2.8	Sold	758329
		18.03.2016	6500	0.8	Sold	751829
		31.03.2016	15000	1.9	Sold	736829
iv	Paresh M. Parekh	22.12.2015	260277	50.0	Sold	260276
		25.12.2015	260277	100.0	Bought	520553
		31.12.2015	260276	50.0	Bought	780829
		18.03.2016	29500	3.7	Sold	751329
		31.03.2016	14000	1.8	Sold	737329
		v	Shoorji A. Pratapsinh	22.12.2015	116500	50.0
		25.12.2015	116500	100.0	Bought	233000
		31.12.2015	116500	50.0	Bought	349500
vi	Rajanya A. Ravasia	22.12.2015	116500	50.0	Sold	116500
		25.12.2015	116500	100.0	Bought	233000
		31.12.2015	116500	50.0	Bought	349500
vii	Manoj Mehra	22.12.2015	66500	50.0	Sold	66500
		25.12.2015	66500	100.0	Bought	133000
		31.12.2015	66500	50.0	Bought	199500
		15.01.2016	52500	26.3	Bought	252000
		viii	Manisha K. Desai	11.12.2015	10000	11.6
		18.12.2015	7000	7.2	Bought	103000
		22.12.2015	51500	50.0	Sold	51500
		25.12.2015	51500	100.0	Bought	103000
		31.12.2015	51500	50.0	Bought	154500
		08.01.2016	2000	1.2	Sold	152500
		22.01.2016	1000	0.6	Sold	151500
		31.03.2016	49000	32.3	Bought	200500
ix.	Padma H. Agarwal	22.12.2015	54938	50.0	Sold	54937
		25.12.2015	54938	47.1	Bought	109875
		31.12.2015	54938	23.5	Bought	164812
x	Shashin M. Shah	22.12.2015	52556	50.0	Sold	52556
		25.12.2015	52556	100.0	Bought	105112
		31.12.2015	52556	50.0	Bought	157668
3	At the end of the year	2992199		15.78	4436796	15.60

V. Shareholding of Directors and Key Managerial Personnel:

SR. No.	For each of the Directors & KMP	Shareholding at the beginning of the year (01.04.2015)		Shareholding at the end of the year (31.03.2016)	
		No. of shares	% of total shares of the Company	Shareholding at the end of the year (31.03.2016) No. of shares (Bonus Issue-2015-1:2)	% of total shares of the Company
1	At the beginning of the year				
	DIRECTORS				
	Mr.Chetan R Shah	100	0	150	0
	Mr.Mayur R Shah	100	0	150	0
	Ms.Shailaja C Shah	100	0	150	0
	At the end of the year	300	0	450	0
2	KMP-				0
	K.S.Raghavan -CS	200	0	300	0
	At the end of the year	300	0	300	0

VI. INDEBTNESS:

Indebtness of the Company including interest outstanding / accrued but not due for payment:				
Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtness
Indebtness at the beginning of the Financial Year	0	0	0	0
i Principal Amount	0	0	0	0
ii. Interest due but not paid	0	0	0	0
iii. Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	0	0	0
Change to Indebtness during the Financial Year	0	0	0	0
i. Addition	0	0	0	0
ii. Reduction	0	0	0	0
Indebtness at the end of the Financial Year	0	0	0	0
i Principal Amount	0	0	0	0
ii. Interest due but not paid	0	0	0	0
iii. Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	0	0	0

VII. REMUNERATION OF DIRECTOR AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director, Whole-Time Directors and / or Manager:				
(Amount in Rs.)				
SR. No.	Particulars of Remuneration	Name of the MD/WTD/Manager		Total Amount
		Chetan Shah (CMD)	S. Ramamurthi (WTD)	
1	Gross salary			
	a. Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961.	65,00,000	0	65,00,000
	b. Value of perquisites u/s.17(2) of the Income Tax Act, 1961.	-	0	0
	c. Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961.	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission	60,00,000		60,00,000
	-as % of profit			
	-other, specify			
5	Others, please specify			
	Total (A)	1,25,00,000		1,25,00,000
	Ceiling as per the Act			

Sitting fees paid to other Directors:

SR. No.	Particulars of Sitting fees	Name of the Directors						Total Amount (in Rs)
		Mayur R. Shah	Shailaja C Shah	V. Nagarajan	V. Ranganathan	Padmanabha Shetty	Anup P. Shah	
1	Independent Directors							
	- Fee for attending Board / Committee meetings	-		99,000	76,000	1,23,000	40,000	3,38,000
	- Commission	-		-	-	-	-	-
	-Other, please specify	-						
	Total (1)	-		99,000	76,000	1,23,000	40,000	3,38,000
2	Other Non-Executive Directors							
	- Fee for attending Board / Committee meetings	20,000	50,000	-	-	-		70,000
	- Commission	-		-	-	-		-
	-Other, please specify	-		-	-	-		-
	Total (2)	20,000	50,000					70,000
	Total (B) = (1+2)	20,000	50,000	99,000	76,000	1,23,000	40,000	4,08,000
	Total Managerial Remuneration							4,08,000
	Overall Ceiling as per the Act							

D. Remuneration to Key Managerial Personnel other MD/WTD/Manager:

(₹ in Lacs)

SR. No	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary ₹	CFO	Total Amount
1	Gross salary		31.57		
	a. Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961.	0	Entire	0	0
	b. Value of perquisites u/s.17(2) of the Income Tax Act, 1961.	0	NIL	0	0
	c. Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961.	0	NIL	0	0
2	Stock Option	0	NIL	0	0
3	Sweat Equity	0	NIL	0	0
4	Commission		NIL		
	-as % of profit	0	NIL	0	0
	-other, specify	0	NIL	0	0
5	Others, please specify		NIL		
	Total	0	31.57	0	0

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority (RD / NCLT / Court)	Appeal made, if any (give details)
A	Company:				
Penalty	0	0	0	0	0
Punishment	0	0	0	0	0
Compounding	0	0	0	0	0
B	Directors:				
Penalty	0	0	0	0	0
Punishment	0	0	0	0	0
Compounding	0	0	0	0	0
C	Other Officers in default:				
Penalty	0	0	0	0	0
Punishment	0	0	0	0	0
Compounding	0	0	0	0	0

Number of Meetings of the Board:

Five Board meetings were held on the following dates during the year under review.

May 27, 2015, August 14, 2015, August 28, 2015, November 03, 2015 and February 12, 2016.

DIRECTORS RESPONSIBILITY STATEMENT :

Pursuant to the requirement under Section 134 (3)(c) of the Companies Act, 2013 with respect to Directors responsibilities it is hereby confirmed that:

- in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period.
- the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Companies Act 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- the Directors had prepared the annual accounts on a going concern basis.
- the Directors has laid down internal financial controls for ensuring the orderly and efficient conduct of its business, including the adherence to Company's policies, the safe guarding 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;
- the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

Statement of declaration given by the Independent Directors under section 149(6) of the Companies Act 2013:

All the Independent Directors of the Company have complied with section 149(6) of the Companies Act 2013, by submitting the Annual declaration for the financial year 2016-17.

Matters relating to determination of payment of Commission to Mr.Chetan R Shah, Chairman & Managing Director –KMP of the Company for the year 2015-16:

The nomination & Remuneration Committee of the Board met on May 23, 2016 to decide the Commission payable to the CMD for the year 2015-16.

Explanations or comments by the Board on every qualification, reservation or adverse remarks or disclaimer, if any, made by the Auditor in his report.

The Report of Auditors on the Consolidated financial statements contains a "Qualified Opinion" on the non-inclusion of consolidated financial statements of two jointly controlled entities. The reason for the same is adequately explained in Note no .35 to the consolidated financial statements attached .

Particulars of loans, guarantees or investments under section 186:

There are no loans, guarantees or investments made during the year under review.

Particulars of contracts or arrangements (COA) with related parties referred to in subsection (1) of section 188:

There is no COA with related parties as referred above during the year under review.

The state of Company's affairs:

The Company's **Operating Loss** before Tax expenses: **Rs.780.66 lacs**

Segment wise **Operating Loss** before Tax expenses: **Rs.780.66 lacs**

The Company's Other Income before Tax expenses: **Rs.11,818.38 lacs**

The Profit before Tax, depreciation & amortization (EBITDA): **Rs.11066.80 lacs**

The Profit after Tax, depreciation & amortization (EBITDA): **Rs.7538.57 lacs**

The Net profit for the Year ended: **Rs.7538.57 lacs**

The Company's basic and diluted Earnings Per Share for year ended on March 31,2016: **Rs.26.51**

The amount, the company proposes to carry to reserves:

An amount of Rs...Nil... is proposed to be transferred to the Free Reserves , based on the Audited accounts for the year ended 2015-16.

Dividend details:

In line with the Dividend Policy of the Company, your directors are pleased to recommend a dividend of Re.1/-per equity share (10%) for the year 2015-16.

Scheme of Amalgamation:

A draft Scheme of Amalgamation of Parmeka Pvt Ltd, a wholly owned subsidiary of the Company with itself has been filed with the Hon'ble High Court of Judicature, Bombay and necessary Orders are yet to be issued .

Material changes and commitments affecting the financial position of the Company:

No material changes occurred and no commitments affecting the financial position of the company had happened between the end of the financial year 2015-16 and the date of this report, except the above referred "Scheme of Amalgamation"

Conservation of Energy etc.

The Company undertakes necessary Energy conservation and technology absorption methods while executing the projects by implementing advanced building system and usage of energy efficient materials during the construction of Projects.

Visualization of Potential Risk:

During the year under review, the Company has ventured into the SRA segment in the realty vertical by undertaking the development of Projects at Bhandup(W),Mumbai. The process of identification of Risks elements in developing the said projects are initiated and are in place .The risk containment measures will be addressed along with the project mile stones identified thereon. No potential threat is envisaged..

CSR Policy initiatives:

The Company has a CSR policy. The CSR Committee confirms the implementation at Group level (Marathon Group) .The Group is presently involved in Slum Rehabilitation and resettlement initiatives at Bhandup area, Mumbai.

The Company could not spend the required amount to be spent in FY:2015-16. The Company is committed to its CSR spending in the coming years by improving the lives of the society / improving social infrastructure in and around its Project sites.

Reason for not spending:

Since "Marathon Group" is engaged in general CSR activities like organizing Blood donation camp amongst the workforce, providing periodical medical check up to the labour force at Project sites, providing crèche to the kids who are all employed at sites etc, the Company, on its own is yet to identify specific projects/activity(ies) for CSR related activities.

Performance Evaluation of Directors:

The performance evaluation of all the Directors was undertaken as per the prescribed standards. The Independent Directors of the Company at their meeting held on March 28, 2016 have carried out such evaluation of all the directors for the year under review and submitted their report to the Chairman & Managing Director of the Company .

Appointment and Remuneration of Managerial Personnel) 2014) Rules:

a. Details as per Rule 5 (1)of the Companies (Appointment and Remuneration of Managerial Personnel) 2014) Rules:

- The ratio of the remuneration of CMD to the median remuneration of the employees of the Company for the FY:2015-16: 1: 9.54
- The % age increase of remuneration:8.53%
 - CMD – 5.93% age of increase, in the FY 2015-16.
 - CS - 10.57% age increase, in the FY 2015-16
- 8.53% age increase in the median remuneration of the employees.
- The no. of permanent employees of the company are : 21 numbers.
- The explanation of the relationship between average increase in remuneration and the company's performance:
The increase in the net profit of the company for the FY:15-16 –Rs.7538 lacs(Previous FY.Rs. Rs.3,841 lacs)The % age increase is -96%.
- Comparison of remuneration of the KMP against the performance of the Company.

KMP	%age of Increase in Remuneration	Remarks
1.CMD	5.93% increase compared to last year-Increase in the performance of the Company - Net profits -96%	Nominal increase as per prevailing standards in the sector.
2.CS	10.57% increase compared to last year- Increase in the performance of the Company - Net profits -96%	Nominal increase as per prevailing standards in the sector.

vii. Variation of market cap, P/E closing of FY etc.,

Market Cap, P/E, Closing of FY 2015-16(As on March 31 of respective FYs)

Details	FY 2015-16	FY2014-15	FY 2013-14	Variation
Market Cap(Rs.in crore)	398	281	234	117 (Increase)
Closing Price(Rs)	140	148	123.50	8 (decrease)
EPS(Rs)	26.51	20.26	19.25	6.25 (Increase)
P/E(Rs)	5.28	7.31	6.42	2.03 (Decrease)

viii. The average increase in the remuneration of employees other than the Managerial Personnel is 8.47% is as per industry(sectoral) standards applicable to the Companies in which it operates in the said segments of that of the company.

ix. Comparison of the each KMP against the performance of the Company:

KMP	%age of Increase in Remuneration	Remarks
1.CMD	5.93% increase compared to last year-Increase in the performance of the Company - Net profits -96%	Nominal increase as per prevailing standards in the sector.
2.CS	10.57 % increase compared to last year- Increase in the performance of the Company - Net profits -96%	Nominal increase as per prevailing standards in the sector.

x. The key parameters for any variable component of remuneration availed by the directors: Not Applicable

xi. The ratio of remuneration of the highest paid director to that of employees who are not directors but receive remuneration in excess of the highest paid director during the year: None of the employee in this category.

(xii) Affirmation that the remuneration is as per the remuneration policy of the company:

- The Managerial Remuneration paid during the FY 2015-16 is as per the Remuneration policy of the Company.
- Details as per Rule 5 (2)of the Companies (Appointment and Remuneration of Managerial Personnel) 2014) Rules:

Except the Chairman & Managing Director(CMD)none of the employees are covered under Rule 5(2) Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.

The Directors present the Company's Report on Corporate Governance for the year ended 2015-16.

(1) Philosophy on Corporate Governance:

The Marathon Group is committed to providing and adhering of the highest standards of **Customer Service** in the sector. The vision of the Company is to provide the customer a product, meeting the highest standard of excellence at the most reasonable price.

The **Marathon Group** in general and Marathon Nextgen Realty Limited in particular is committed to the adherence of all compliances in true spirit, at all times and the adoption of the best practices conducive to maintain good governance. Our inherent desire to improve and innovate brings out good governance practices which reflect and redefine the Marathon culture at every point of time – all this is deeply ingrained in our value system and forms part of the strategic thought process – our philosophy mainly rests on five basic concepts, viz., (i) Board accountability to the Company and shareholders as a whole, (ii) guidance and effective monitoring by the Board in strict terms, (iii) protection of minority interests and rights (iv) equitable treatment to all concerned and (v) transparency and timely disclosure.

Keeping in view of the above philosophy, the Company has been striving continuously for maintaining excellence through adoption of good governance and disclosure practices. The Company has complied and/or has been complying with the provisions **Corporate Governance** mandated by Regulations 17 to 27, 46(2) (b to i) of SEBI(LODR) Regulations 2015.

The following are the broad categories of Governance perceptives:

- ✓ Proper composition of the Board of Directors
- ✓ Timely dissemination of material information to the shareholders concerning their interests
- ✓ Transparency and accountability
- ✓ Adequate internal control measures
- ✓ Compliance with the applicable laws and regulations

(2) BOARD COMPOSITION AND PARTICULARS OF DIRECTORS:

(i) The present strength of Board of Directors of the Company is eight Directors the composition of which is as follows:

1.	Mr. Chetan R. Shah	Promoter	Chairman & Mg. Director
2.	Mr. Mayur R. Shah	Promoter	Vice Chairman & Director
3.	Mr. S. Ramamurthi	Non-promoter	Whole Time Director
4.	Mr. V. Ranganathan	Non-Executive	Independent Director
5.	Mr. V. Nagarajan	Non-Executive	Independent Director
6.	Mr. Padmanabha Shetty	Non-Executive	Independent Director
7.	Ms.Shailaja C Shah	Promoter	Director
8.	Mr. Anup P. Shah	Non-Executive	Independent Director

The Board of Directors of the Company is qualified and experienced.

(ii) Board/Committee Meetings and Proceedings:

The Company has a methodical and well designed process of placing vital and sufficient intimation before the Board pertaining to business to be considered at each Board Meeting. This enables the members of the Board to actively and freely participate in discussions in the meeting and the Board in turn is able to take corrective and appropriate decision based on the available inputs from the Members of the Board. The Members of the Board are also updated upon various events as are required under the Listing Agreement.

On the advice of the Managing Director of the Company and in compliance of the Secretarial Standards, the Company Secretary after collecting and collating details and information from the concerned departments, finalizes the agenda for the Board Meeting which is distributed to all members of the Board in advance.

(iii) Number of Board Meetings and other details held and the dates on which held:

Five Board Meetings were held during the Financial Year ended 31st March, 2016 on the following dates:

May 27, 2015; August 14, 2015; August 28, 2015. November 03,2015 and February 12,2016.

The Company has obtained the requisite disclosures from the Directors in respect of their directorship in other companies. Composition of Board of Directors and their attendance at the Board meetings during the period and at the last Annual General Meeting as also number of other directorship/ membership of committees of other companies are as under:

Name of Director	Director Identification Number (DIN)	Category of Directorship		No. of Board Meetings attended	Attendance at the last AGM	Directorship in other Companies including private companies in India	No. of Committees in which Chairman/ Member (other than Marathon Nextgen Realty Limited)	
		Executive or Non Executive	Independent				Member	Chairman
Mr. Chetan R. Shah Chairman & Managing Director	00135296	Promoter-Executive		5	Yes	19	Nil	Nil
Mr. Mayur R. Shah Vice-Chairman & Director	00135504	Promoter-Non Executive		2	Yes	17	Nil	Nil
Mr. S. Ramamurthi Whole time Director	00135602	Executive-WTD		5	Yes	1	Nil	Nil
Mr. V. Nagarajan	00135714	Non-Executive	Independent	4	Yes	-	Nil	Nil
Mr. V. Ranganathan	00269682	Non-Executive	Independent	4	Yes	-	Nil	Nil
Mr. Padmanabha Shetty	00433761	Non-Executive	Independent	5	Yes	3	1	-
Ms. Shailaja C Shah (Wef March 25, 2015)	00215042	Promoter-Non Executive		5	Yes	3	-	-
Mr. Anup P. Shah (w.e.f. August 28, 2015)	00293207	Non-Executive	Independent	2	Yes	9	8	7

The particulars of Directors who are proposed to be appointed / re-appointed at the ensuing AGM is given below:

Ms. Shailaja C Shah:

Name of Director	Ms. Shailaja C. Shah
Qualification	Arts & Psychology graduate and holds a degree of Master in Arts .
Expertise in specific functional areas	She is also Director in some of the Marathon Group Companies and is involved in "Succession Planning" and "Leadership Development activities" of the Group as a whole. Ms. Shailaja is a part of the Promoter Group with multi-faceted personality and is presently involved in establishing an educational institution as a routine part of CSR initiatives of the Marathon Group ,through a Trust in Mulund (w), a Mumbai suburb.
Other Companies in which Directorship held	Fibre Box (Bombay) Pvt. Ltd. Marathon Infotech Pvt. Ltd. Lark Stock Broking Pvt. Ltd.
Other Public Companies in which membership of Committees of Directors held	Nil
No. of shares held as on 31.3.2016	150

Mr. Anup P. Shah:

Brief Profile:

Mr. Anup P. Shah is Chartered Accountant (Rank holder) a Managing Partner of Pravin Shah & Co. He is a member of Fellow Member of Instituted Chartered Accountants of India, besides Law Graduate from Mumbai University.

He had authored many books including "HANDBOOK OF CAPITAL MARKET REGULATIONS WILLS, SUCCESSIONS & FAMILY SETTLEMENTS", LAW& BUSINESS AND INCOME-TAX ADVISER.

He has won several prizes and accolades for his contribution:

- in the BCA Journal
Research Paper at the 2013 International Conference on Commercial and Management for the Paper "FDI Issues & Problems."
- Research Paper at the 2014 International Conference on Commercial and Management for the Paper "Innovation in Mergers."
- Research Paper at the 2016 International Conference on Commercial and Management for the Paper "Slump Sale as a Tool for Business Restructuring."
- Research Contribution Award 2016 by the University of Mumbai or research in the field of "Business Restructuring Strategies in India."

He holds Directorships in well-known Indian Corporates.

He is also an active member of Professional and Social circles.

Details of Directorship and Committee membership held, other than the Company by Mr. Anup P Shah.

Companies /Bodies Corporates ,firms etc	Nature of Interest	Committee Positions
Private Companies		
1. Knowhow hub.Com Pvt Ltd	Director	
2. Landmark Buisness Service Centre Pvt Ltd	"	
2. Macro Investment And Finaincial Consultants Pvt Ltd	"	
Public Companies		
1. The Ruby Mills Ltd	"	Chairman of : Audit Committee, CSR Committee, Stakeholder Relationship Committee, Shareholder/Investor. Grev. Committee. Share Transfer Committee
2. Claris Lifesciences Ltd	"	Chairman of :Audit Committee Member: CSR Committee Member: Shareholders Gre. Committee. Member: Remuneration. Compensation Committee.
3. Claris Injectables Ltd	"	Chairman of : Audit Committee, CSR Committee, Member: Nomination & Remuneration Committee
4. Jaicorp Ltd	"	Member of : Audit Committee, CSR Committee
5. JM Financial Services Ltd	"	Chairman of : Audit Committee, Member of CSR Committee & Nomination & Remuneration Committee.
6. JMFinancial Credit Solutions Ltd	"	Chairman of : Audit Committee, Member of Nomination & Remuneration Committee.

(iv) Number of Shares held by the Non –Executive Directors as on March 31, 2016 :

Name of Non –Executive Directors	No. of Shares held
Mr. V. Ranganathan	Nil
Mr. V. Nagarajan	Nil
Mr. Padmanabha Shetty	Nil
Mr. Anup P Shah	Nil

(v): Directors' Familiarization Programme:

Upon induction, the Directors are provided with an induction kit which, inter alia, includes the Company's Memorandum and Articles of Association, Corporate Governance Policy, Terms of references of Board Committees, Code of Conduct, Code of Conduct for Prevention of Insider Trading and the last 2 years Annual Reports. An appointment letter is also issued to the Independent Directors of the Company which incorporates their roles, duties and responsibilities, remuneration, performance evaluation process, time commitment required, insurance cover etc.

The Company holds Board Meetings at its registered office and also in other locations within Mumbai. Visit to the Project sites are also organized for the Directors. The Directors periodically review the various businesses of the Company, in the context of the industry scenario, competitive environment and regulatory framework.

Presentations are also made to the Board / Board Committees, inter alia, on CSR initiatives, quarterly and annual results, annual business plan etc. The Directors are briefed periodically on the risk assessment & minimization procedures, changes in organizational structure, and Company's succession planning & management development processes. The Directors are also provided with adequate opportunity to interact with the senior managers of the Company.

Web link of the Company regarding the familiarization programmes imparted:
www.marathonnextgen.com

3. Audit Committee:

(a) Brief description of terms of reference:

The terms of reference of the Audit Committee of the Company shall inter-alia include the following review of :

- (1) management discussion and analysis of financial condition and results of operations;
- (2) statement of significant related party transactions (as defined by the audit committee), submitted by management;
- (3) management letters / letters of internal control weaknesses issued by the statutory auditors;
- (4) internal audit reports relating to internal control weaknesses; and
- (5) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- (6) statement of deviations:
 - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).

(b) Composition ,name of the members and Chairperson of Audit Committee:

The constitution of the Committee and the attendance of each Member of the committee is given below:

Name	Designation	Executive/Non-Executive/Independent	Committee Meeting attended
Mr. V. Nagarajan	Chairman	Independent	4
Mr. Padmanabha Shetty	Member	Independent	5
Mr.Chetan R. Shah	Member	Executive- CMD	5
Mr. Anup P Shah (appointed on Feb12,2016)	Member	Independent	1

(c). During the Year ended March 31, 2016 five Audit Committee Meetings were held on the following dates:

May 27, 2015; August 14, 2015; August 28, 2015; November 03, 2015 and February 12, 2016

The Audit Committee during the year ended 31st March 2016 reviewed:

- (i) the Company's financial reporting process.
- (ii) disclosure of financial information.
- (iii) the periodical and annual financial statements.
- (iv) related party transactions
- (v) risk assessment
- (vi) adequacy of internal control
- (vii) performance of Auditors
- (viii) vigil mechanism process

4. Nomination & Remuneration Committee:

(a) Brief description of terms of reference:

Role of committee shall, inter-alia, include the following:

- (1) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- (2) formulation of criteria for evaluation of performance of independent directors and the board of directors;
- (3) devising a policy on diversity of board of directors;
- (4) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- (5) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

(b) The following is the composition of Nomination & Remuneration Committee of Directors.

Mr. V. Ranganathan-Chairman	Independent Director
Mr. V. Nagarajan-Member	Independent Director
Mr. Padmanabha Shetty-Member	Independent Director

A meeting of the said Committee was held on Monday , May 23, 2016 to review and recommend the Commission payable to the CMD for the year under review.

5. CSR Committee:

The Company has CSR policy. In line with the requirements a CSR Committee is in place. Following is the composition of the CSR Committee

Mr. V. Ranganathan-Chairman	Independent Director
Mr. Chetan R Shah-Member	CMD
Mr. Mayur R Shah-Member	Vice Chairman & Director

Performance evaluation criteria for Independent Directors:

The evaluation of IDs has been done by the entire Board of Directors, excluding the director being evaluated. The Board will keep in view the report of performance evaluation while determining the suitability of extending or continuing the term of appointment of the IDs.

6. Remuneration of Directors:

Details of the remuneration paid to the Directors of the Company during the period ended March 31, 2016 are given below:

(Amount in ₹)

Name of Director	Salary	Perquisites	Commission	Sitting fees	Total
Mr. Chetan R Shah	65,00,000	-	60,00,000	-	1,25,00,000
Mr. S. Ramamurthi	Nil	Nil	Nil	Nil	Nil
Mr. Mayur R Shah	Nil	Nil	Nil	20,000	20,000
Mr. V Ranganathan	Nil	Nil	Nil	76,000	76,000
Ms. Shailaja C. Shah	Nil	Nil	Nil	50,000	50,000
Mr. V. Nagarajan	Nil	Nil	Nil	99,000	99,000
Mr. Padmanabha Shetty	Nil	Nil	Nil	1,23,000	1,23,000
Mr. Anup P. Shah	Nil	Nil	Nil	40,000	40,000

*The tenure of Mr.Chetan R Shah, Chairman & MD of the Company is for a period of 5 years from July 1, 2013 to June 30, 2018.

The tenure of Mr.S.Ramamurthi, WTD & CFO of the Company is for the period of 3 years from May 1, 2014 to April 30, 2017.

7. Share holder/Investors grievance Committee:

a. The following is the composition of Shareholders Grievance Committee of Directors:

Shareholders Grievance Committee	Mr. V. Nagarajan- Chairman	Independent Director
	Mr. V. Ranganathan-Member	Independent Director
	Mr. S. Ramamurthi-Member	Executive (Whole Time Director)

During the Financial Year ended 31st March 2016 : - NIL - complaint was received by the Registrars and was attended and resolved to the satisfaction of the shareholder and no complaint is pending as on date.

8. GENERAL BODY MEETINGS

Venue and time of last three Annual General Meetings:

Year / no.	Location	Date	Time	Special Resolutions	Postal Ballot
2012-13 36th AGM	Nehru Planetarium Nehru Centre, Basement Hall, Worli, Mumbai 400 018	20.09.2013	11.30 a.m.	1 (One)	NIL
2013-14 37th AGM	Kilachand Conference Hall, 2nd floor, I.M.C. Bldg., IMC Marg, Churchgate, Mumbai 400 020	24.09.2014	11.30 a.m.	4 (Four)	NIL
2014-15 38th AGM	Kilachand Conference Hall, 2nd floor, I.M.C. Bldg., IMC Marg, Churchgate Mumbai 400 020	28.08.2015	03.30 p.m.	1 (One)	NIL
2015-16-EGM	-do-	Dec 10, 2015	11.30am	2(Two)	NIL

Details of Postal Ballot:

Purpose: Approval of Scheme of Amalgamation of 100% subsidiary viz. Parmeka Pvt Ltd with the Company.

Person who conducted the Postal Ballot exercise: Mr.Nitin R Joshi, Practicing Company Secretary.

Procedure for Postal Ballot: Proper procedure followed

Voting Pattern:

VOTING RESULTS OF POSTAL BALLOT PROCESS:

Date of the AGM / EGM	Postal Ballot
Total number of Shareholders on record date	4,715
No. of shareholders present in the meeting either in person or through proxy: Promoters & Promoter Group Public	NA
No. of shareholders present in the meeting video conferencing: Promoters & Promoter Group Public	NA

Agenda-wise disclosure: **Scheme of Amalgamation of Parmeka Pvt. Ltd. (PPL), a wholly owned subsidiary with Marathon Nextgen Realty Ltd. (Clause 24 f of the Listing Agreement)**

Resolution required: (Ordinary / Special)			Ordinary Resolution					
Whether promoter / promoter group are interested in the agenda / resolution?			Yes					
Category	Mode of Voting	No. of shares held	No. of votes polled	% of Votes Polled on outstanding shares	No. of Votes in favour	No. of Votes against	% of Votes in favour on votes polled	% of Votes against on votes polled
		(1)	(2)	(3) = [(2)/(1)]*100	(4)	(5)	(6) = [(4)/(2)]*100	(7) = [(5)/(2)]*100
Promoters & Promoters Group			Not Voted. Postal Ballot is for Public Share Holders.					
Public	E-Voting	14754	14754	100	12996	1758	88.08	11.92
	Postal Ballots	2520209	2519380	100	2519362	18	100	0.00
	Total	2534963	2534134	-	2532358	1776	-	-

9. Means of Communication:

The quarterly and half-yearly results are regularly submitted to the Stock Exchanges in accordance with the Listing Agreement and are published in one English daily newspaper and one vernacular daily news paper having adequate circulation.

10. GENERAL SHAREHOLDERS INFORMATION

Annual General Meeting	: 39th Annual General Meeting
- Date and Time	: 11.30 a.m. on Tuesday, September 27, 2016
- Venue	: Kilachand Conference Hall, 2nd Floor, Indian Merchant's Chamber Building, IMC Marg, Churchgate, Mumbai 400 020
Financial Year	: April 1, 2015 to March 31, 2016
Date of Book Closure	: September 19, 2016 to September 27, 2016
Listing on Stock Exchanges	: The BSE Limited
Stock Code	: 503101
ISIN	: INE182D01012
CIN	: L65990MH1978PLC020080

Stock Price Data:

Table below gives the monthly highs and lows of the Company's shares on the Bombay Stock Exchange Limited (BSE) :

MONTHS (FY: 2015-2016)	HIGH (Rs.)	LOW (Rs.)	SENSEX		
			HIGH	LOW	CLOSE
April	215.3	145.9	27954.9	26897.5	27011.3
May	201.0	160.0	27204.6	26424.0	27828.4
June	209.9	160.2	27770.8	26307.1	27780.8
July	187.9	162.5	27823.7	27416.4	28114.6
August	214.9	155.2	28089.1	25298.4	26283.1
September	195.0	151.5	26127.0	24833.5	26154.8
October	233.4	167.0	26344.2	26168.7	26656.8
November	234.0	190.2	26641.7	25451.4	26145.7
December	299.0	170.8	26201.3	24867.7	26117.5
January	176.0	116.1	26101.5	23839.8	24870.7
February	149.0	115.5	24982.2	22494.6	23002.0
March	155.0	134.5	23153.3	23133.2	25341.9

Registrar & Transfer Agents:

Adroit Corporate Services Private Limited
19/20 Jaferbhoy Industrial Estate, 1st Floor, Makwana Road, Marol Naka,
Andheri (East), Mumbai 400 059. Email: adroits@vsnl.net

Share Transfer System:

Share transfers are registered and duly transferred share certificates are returned to the lodger within a period of fifteen days from the date of receipt, if the documents are otherwise in order.

Share transfers and other related requests are considered for approval every fortnight by the Share Transfer Committee.

Distribution of shareholding as on March 31, 2016:

Category (Shares)	No. of Shareholders	Percentage (%)	No. of Shares of Rs.10/each	Percentage (%)
1 – 500	4155	88.44	420494	1.48
501 – 1000	239	5.09	166460	0.59
1001 – 2000	147	3.13	200598	0.71
2001 – 3000	45	0.96	114212	0.40
3001 – 4000	19	0.40	66737	0.23
4001 – 5000	12	0.26	55968	0.20
5001 – 10000	34	0.72	234453	0.82
Above 10000	47	1.00	27178423	95.57
Total	4698	100.00	28437345	100.00

Dematerialization of Shares and Liquidity:

The status of Dematerialized/ Physical shares of the Company as on March 31, 2016 is as under:

Categories	Physical	Demat	Total (Category)	% age to the total	% in physical	% in Demat
Resident Individuals	156520	6453863	6610383	23.25	0.55	22.70
Non-Resident Individual	0	191122	191122	0.67	0.00	0.67
Corporate Bodies	96743	208217	304960	1.07	0.34	0.73
Mutual Fund/UTI	731	22	753	0.00	0.00	
FI/Banks	495	1732	2227	0.01	0.00	0.00
Promoter group, including Directors & their relatives	0	21327900	21327900	75.00	0.00	75.00
Total	254489	28182856	28437345	100	0.89	99.11

Categories of Shareholders as on March 31, 2016 :

Sr. No.	Categories	No. of Shareholders	No. of Shares	Voting Strength (%)	
1	Promoters	7	2,13,27,900	75.00	
2	Mutual Funds / UTI	6	753	}	
i	Financial Institution / Banks	2	2,227		0.01
ii	Corp. Bodies, Cl. Members, Brokers, Trusts	92	3,04,960		1.07
iii	NRIs/OCBs/FIIs	38	1,74,150	0.61	
iv	General Public	4553	66,27,355	23.30	
	Total	4698	2,84,37,345	100.00	

Outstanding GDRs/ ADRs/ Warrants or any convertible instruments conversion date and likely impact on equity: Not Applicable

Address for correspondence:

The Shareholders may send their queries to the e-mail address, shares@marathonnextgen.com, proactively managed by the Company, under the Shareholders' / Investors' Grievance Committee at :

Marathon Nextgen Realty Limited

8th Floor, Marathon Max,
Jn of Mulund Goregaon Link Road,
Mulund (W), Mumbai 400080.
Tel.:022 67728474

Registered Office :

Marathon Nextgen Realty Limited

Marathon Futurex,
N.M. Joshi Marg,
Lower Parel (West), Mumbai 400018.
Tel.: 022 24925869/ 24963547 Fax: 022 2496 3560
Website: marathonnextgenrealty.com.

Registrar and Share Transfer Agents:

Adroit Corporate Services Private Limited
19/20 Jaferbhoy Industrial Estate, 1st Floor,
Makwana Road, Marol Naka, Andheri (East), Mumbai 400 059
Tel.: 022 2859 4060/ 6060/ 4442 Fax: 022 2850 3748 e-mail: adroits@vsnl.net

11. Other Disclosures

Related Party Transactions:

Related Party Transaction is defined under Regulation 2 (zc) of SEBI(LODR) Regulations -2015 as ,” a transfer of resources ,services or obligations between a listed entity and a related party, regardless of whether a price is charged and a “transaction” with a related party shall be construed to include a single transaction or a group of transactions in a contract”.

Transaction with a related party shall be considered material if the transaction/transactions to be entered into individually or taken together with previous transactions during the financial year, exceeds 10% of the annual consolidated turnover of the Company as per the last audited financial statements.

There were no material transactions with related parties during the financial year ended on 31st March 2016 which are prejudicial to the interest of the Company and its shareholders.

Also Transactions with related parties as per Accounting standard-AS-18 are disclosed in Note No. 25 of the standalone accounts in the Annual Report-2015-16.

- Details of **non compliance**, penalty, strictures imposed by BSE,SEBI or any statutory authority, on any matter related to capital markets, during the last three years: **NONE**.

-Details of **vigil mechanism whistle blower** policy and affirmation that no personnel have been denied access to the Audit Committee: **Furnished**.

-weblink of availability of policy for determining the material subsidiaries and RPT policy: www.marathonnextgenrealty.com

-Details of compliance with mandatory requirements and adoption of non mandatory requirements: **Mandatory requirements as per the SEBI(LODR)Regulations-2015 are adhered with.**

-Web link of the Company regarding the Policy determining “material” subsidiaries:

[www. Marathonnextgen.com](http://www.Marathonnextgen.com)

-Web link of the Company regarding the Policy on RPTs:

[www. Marathonnextgen.com](http://www.Marathonnextgen.com)

12. Statutory Compliance, Penalties and Strictures:

The Company has complied with all requirements of the Corporate Governance as per the Schedule -V (paragraphs 2 to 10) of SEBI (LODR) Regulations 2015.

13. Adoption of discretionary requirements specified in Part E of Schedule II on Corporate Governance as per SEBI(LODR) Regulations 2015:

- A. The Board:
The Chairman of the Board is executive Chairman and do not maintain a separate office,
- B. Shareholders Rights:
A half yearly declaration of financial performance including summary of significant events to be sent to Shareholders: Not yet initiated.
- B. Modified Opinion in audit Report:
Efforts are made to move towards unmodified audit opinion regime.
- A. Separate Posts of Chairperson and CEO:
Presently the post of Chairman & Managing Director/CEO is held by an individual person.
- B. Reporting of the Internal Auditor:
The Internal Auditors are reporting directly to the Audit Committee of the Company.

14. Necessary disclosures have been made in this report regarding the compliance with Corporate Governance requirements specified in SEBI(LODR) Regulations 2015.

- The Management Discussion and Analysis Report forms part of this Annual Report.
- There were no presentations made to the institutional investors or analysts separately.

15. Reconciliation of Share Capital Audit:

As required by Circular dated Dec 31 2002 read with Regulation 55(A) of SEBI (Depositories and Participants) Regulations-1996 the Quarterly “Reconciliation of Share Capital” Report pertaining for the financial year : 2015-16 were furnished to the BSE Ltd: is as follows

Quarter ended on	Furnished on
June 30, 2015	July 17, 2015
September 30, 2015	October 10, 2015
December 31, 2015	January 19, 2016
March 31, 2016	April 12, 2016

CERTIFICATE

To
The Members of Marathon Nextgen Realty Ltd.

Sub: Declaration by the Managing Director under Schedule V (D) of SEBI (LODR) Regulations 2015.

I, Chetan R Shah, Managing Director of Marathon Nextgen Realty Ltd hereby declare that all members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended March 31, 2016.

Place : Mumbai **Chetan R. Shah**
Date: May 30, 2016 **Chairman & Managing Director**

Certificate on Compliance from the Practicing Company Secretary

Sub: Compliance Certificate under Schedule V (E) of SEBI (LODR) Regulations 2015.

Certificate of the Practicing Company Secretary has been obtained on the compliance of conditions of the Corporate Governance and the same forms part of this Directors Report.

For and on behalf of the Board of Directors
Mumbai **Chetan R. Shah**
Date: May 30, 2016 **Chairman & Managing Director**

**To the Members of
 MARATHON NEXTGEN REALTY LIMITED
 Mumbai**

I have examined the compliance of the conditions of Corporate Governance by Marathon Nextgen Realty Limited (“the Company”) for the year ended 31st March, 2016 as stipulated in Clause 49 of the Listing Agreement of the Company with the Bombay Stock Exchange for the period 1st April, 2015 to 30th November 2015 and as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; as referred to in Regulation 15(2) of the Listing Regulations for the period 1st December 2015 to 31st March, 2016.

The Compliance of the Conditions of Corporate Governance of the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement/Listing Regulations, as applicable.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

(NITIN R. JOSHI)
 FCS : 3137 CP : 1884

Place: Mumbai
Date: May 30, 2016

The Management of the Company is pleased to present this report covering the activities of the Company during the year ended on 31st March 2016.

a. Industry structure and development:

The “Real Estate” has always been a complicated and controversial economic category. It is notoriously opaque and unorganized. It is an investment asset as well as consumption good. So it can be assessed and analyzed in terms of both asset valuations as well as price inflation.

The Real Estate (Regulation & Development) Act 2016(ACT) to establish the Real Estate Regulatory Authority (RERA) since been cleared by the Parliament, the implementation of the same by each of the State Governments needs to be seen. One of the important things that the RERA will regularize and promote the real estate sector and to ensure sale of plot, apartment or building, as the case may be, or sale of real estate project, in an efficient and transparent manner. It also aims to protect the interest of the consumers in the real estate sector and to establish an adjudicating mechanism for speedy dispute redressal. Establishment of Appellate Tribunals to hear appeals from decisions, directions or orders of the RERA is also envisaged in the ACT

Project launches in the residential units rose 25% year-on year in three months to March 2016. The improvement comes off a low base since fresh supply had fallen by over 60% in the past two years. Interestingly, 88% of these are in affordable to mid-segment, signaling demand is led by first –time home buyers and not investors.

Changes in asset prices affect consumption spending through its effect on household wealth as well as consumer confidence. A decline in the value of asset reduces the value of available collateral which in turn adversely affects the borrower's creditworthiness. Volatility in house prices can generate wasteful speculative investment, which had adverse impact on economic stability.

Residential Assets price provide useful information on the state of the economy. Booms and busts in asset markets give rise to economic imbalances.

b. Opportunities and Threats:

The Company presently is involved in development of Slum Rehabilitation projects around Bhandup (W) area, Mumbai and through its JV is engaged in the development of high end Residential spaces at Byculla, Mumbai.

Shift in Focus:

The general consensus amongst the big construction companies in Mumbai is that building smaller apartments given the unsold inventory has piled up to an estimated of 7 lacs units .Especially in Mumbai, in Residential Space, a lot of housing construction activity in recent years has been focused on luxury housing. A shift in activities are expected to happen in line with the policy” Housing for all by 2020” announced by the Central Government in the beginning of the year 2016.

Developers constructing luxury commercial spaces in Mumbai are set to cash in on a series of steps outlined in the draft Development Plan 2014-34 being prepared by Brihanmumbai Municipal Corporation (BMC). Permitting higher FSI up to 5 times the plot size for certain categories of Commercial buildings and allowing more construction areas are boost to the developers. The premium payable also for the extra FSI -or fungible FSI-has been reduced from 100 percent to 80 percent.

In another sop, the BMC also relaxed restrictions regarding the height of a floor for office spaces and IT Parks, permitting the builders to construct taller floor areas without losing out any additional built up area or FSI.

c. On Slum Rehabilitation Projects:

The Maharashtra State Government has dished out a bouquet of new perks for developers redeveloping slum dwellings in Mumbai. The revised DCR for Mumbai have proposed an increase in the sale component by another 33%. Besides this, a higher incentives for redeveloping slums enclaves situated on lands spread over five acres and above.

In another contentious move, the new regulations permit the Slum Rehabilitation Authority (SRA) Chief to relax by 25% the minimum tenement density of 650 per hectare, which presently mandated .This would also lead to an increase in the developer's sale component since it would rule out the need to surrender some tenements to the government towards affordable housing in almost all cases. Under the existing norms, the built up space permitted for such projects is computed taking the minimum tenement density into account.

d. Segment-wise or product-wise performance

- (i) The focus of the Company at present is on the Slum Rehabilitation & high end residential segment.
- (ii) There is an increase in demand for the commercial space owing to rapid growth in Services sector such as ITES ,BFSI ,Telecom and owing to a raising demand from MNCs to establish offices in India.
- (iii) Mumbai, NCR and Bangalore accounts for 46% of total office space demand in India.

e. Outlook:

The All India Residential Property Price Index (RPPI) published by RBI states, the housing market witnessed an upward trend in prices during the past four and half years, as evident from the steady rise in RPPI from 107 in Q1:2010-11 to 172 in Q3:2014-15: an increase of almost 61%. The house price inflation, as measured by the annual growth in RPPI, increased gradually from about 4% in Q1: 2011-12 to almost 28% in Q3:12-13, however the trend reversed thereafter and it slid below 4% in Q3:2014-15.

House price inflation in most of the cities witnessed its peak during the quarters of 2012-13. The house price inflation for small, medium and large houses also followed similar path, though no specific pattern was observed in the relative movement of house price inflation in these size classes.

The growing pile of unsold inventory has been contrasted with the larger fact that India needs about 18mn new homes in its cities; according to the economic survey released by the finance ministry in February 2015, there is a yawning gap between these two realities.

Slum redevelopment projects are considered to be a gold mine for the developers. The proposed new rules have now densify the redeveloped components further by proposing to hike FSI to Four from the existing Three. Further in a bid to encourage development of large sized Slum enclaves, the government has proposed to provide even higher incentives to the developers like Tax waivers, for bigger sized slum clusters.

The move to hike the FSI for Slum redevelopment projects comes at the time when the land use survey had found that Slum clusters had the highest population densities in the city. In fact about 52 lakh people living in the Slums currently occupy just eight percent of the city's geographical area. Permitting more buildable space on these lands would expect to increase such densities further.

f. Risks and concerns

Availability of right type of land for development (including Slum Re-development) is a major issue. Apart from the increase in land prices, inputs costs have also been increasing. Higher interest cost would dent margins and may have a direct effect on the customers' cash flow as well. Increase in end product prices coupled with tight liquidity may impact demand. The various taxes and levies would add to the costs and this is likely to squeeze margins as end product prices may not go up correspondingly.

For example, permitting the slum dwellers found ineligible for rehabilitation in a SR projects to be accommodated through allotment of the affordable housing units, which are currently used for rehabilitation of people affected by vital public projects, is a daunting task for the developers.

Since its inception in 1996, the SRA has allotted over 1500 slum projects, but just about 16% of these have so far been completed.

The SRA has, however, made provisions to collect higher lease rents from developers and societies coming up on the sale component.

The Company has a Risk Management Policy, which is being periodically reviewed.

g. Internal control systems and their adequacy

The internal control is supplemented by an internal audit and are reviewed by the management. Documented policies and guidelines and procedures are in place. The internal auditor covers all activities of the Company. The internal control system is designed to ensure that every aspect of the Company's activity is properly monitored. Despite the satisfactory functioning of the control systems the Company is reviewing the same and may even go for external consultants to critically examine the existing systems and suggest changes if any to make them more contemporary in case the need arise.

h. Operational Performance:

(₹ in lacs)

Financial Year	FY:2015-16	FY:2014-15
Income	12445	7015
EBIDT	11067	5283
Interest	-	-
Depreciation	29	31
Profit / (Loss) before tax	11038	5252
Profit / (Loss) after tax	7538	3841

i. Material developments in Human Resources

The Company has harmonious relations with employees and there is close interaction between the management and employees to facilitate smooth functioning of your Company. The Company facilitates consistent improvement in performance, productivity and effectiveness by setting targets through an interactive process. Human resources are being recognized as one of the critical areas to the success of our organization. They are subject to constant training to augment their skills to effectively carry out their assignment.

Disclosure of Accounting Treatment:

In preparation of this Financial statements, the Company has followed the prescribed Accounting Standards and no different treatment had been followed.

Cautionary Statement:

Statements in this report on Management Discussion and Analysis describing the Company's objectives, projection, estimates, expectations or predictions may be forward looking statements within the meaning of applicable laws or regulations. These statements are based on certain assumptions and reasonable expectation of future events.

Actual results could however differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in government regulations, tax regimes, economic developments within India and other incidental factors. The Company assumes no responsibility in respect of the forward-looking statements herein, which may undergo changes in future on the basis of subsequent development.



Results



Standalone Results

To the Members of Marathon Nextgen Realty Limited

Report on the Standalone Financial Statements

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls and ensuring their operating effectiveness and the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone 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 standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone 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 standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of 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 standalone financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, its profit and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to the following matters in the notes to the financial statements:

1. Note No. 10.1 regarding the manner of recognition of other income amounting to Rs 678,379,680/-

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

- (1) As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- (2) As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e. On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give our separate Report in "Annexure 2".
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note No. 28 on Contingent Liabilities;
 - (ii) The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No.103523W

Amit Hundia
Partner
Membership No.120761

Place: Mumbai
Date: May 30, 2016

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Marathon Nextgen Realty Limited on the consolidated 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 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 March 31, 2016, We have audited the internal financial controls over financial reporting of the Group which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the of the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, 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.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Group, which are companies incorporated in India, 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 essential components of internal control stated in the Guidance Note issued by ICAI.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to one subsidiary company, which is company incorporated in India, is based on the corresponding report of the auditor of such company incorporated in India.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No.103523W

Amit Hundia
Partner
Membership No.120761

Place: Mumbai
Date: May 30, 2016

ANNEXURE 1 TO INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Marathon Nextgen Realty Limited on the Standalone financial statements for the year ended March 31, 2016]

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) During the year, fixed assets of the Company have been physically verified by the management and as informed, no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of immovable properties recorded as fixed assets in the books of account of the Company are in the name of the Company, except for the details given below:

Land/ Building	Total number of cases	Leasehold/ Freehold	Gross Block as on March 31, 2016 (Rs.)	Net Block as on March 31, 2016 (Rs.)	Remarks
Land	1	Freehold	149,198	149,198	Unused FSI of self developed project

- (i) Inventories comprising of car parking units, expenditure incurred on acquisition of land and tenancy rights, development rights, and other expenditure on construction and development thereof has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. As informed, no material discrepancies were noticed on physical verification carried out during the year.
- (ii) The Company has granted loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act.
- (a) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that, the terms and conditions of the aforesaid loans granted by the Company are not prejudicial to the interest of the Company.
- (b) The schedule of repayment of principal and payment of interest in respect of such loans has not been stipulated thus we are unable to comment whether the repayments or receipts are regular and report on amounts overdue for more than ninety days, if any, as required under paragraph 3(iii)(c) of the Order.
- (iii) Based on the information and explanation given to us in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of section 185 of the Act, except with respect to a transaction carried out by it with a Company in which Directors are interested as Directors and shareholders of the recipient Company, wherein the loan extended by the Company is in the nature of project advance. Maximum amount of loan outstanding during the year is of Rs. 2,94,34,24,337 and the outstanding amount as on March 31, 2016 is of Rs. 2,57,90,74,037. As explained in note no.12.2, the Management is of the opinion that, project advance of this nature would not attract the provisions of section 185 of the Act.
- Further, the provisions of Section 186 of the Act are not applicable to the Company as it is engaged in the business of Real estate & Construction.
- (i) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 of the Act and the rules framed there under.
- (ii) The Central Government of India has prescribed the maintenance of cost records for the products of the Company under sub-section (1) of Section 148 of the Act and the rules framed there under. However, at present the Company does not fall under the criteria for which such records are required to be maintained. Hence, the said rules are not applicable to the Company.
- (iii) (a) The Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employee's state insurance, income-tax, service tax, value added tax, excise duty, cess and any other material statutory dues applicable to it. However there have been slight delay in few cases/ delays in deposit & they have not been serious. Further, as explained to us, the provision regarding duty of customs, sales taxes are presently not applicable to the entity.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employee's state insurance, income tax, service tax, value added tax, excise duty, cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable.

- (b) According to the information and explanation given to us, the dues outstanding with respect to, income tax, excise duty on account of any dispute, are as follows:

Name of statute	Nature of Dues	Amount (Rs.)	Period to which Amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise Duty including penalty	92,58,246	1991-92, 1992-93, 1994-95, 1995-96	Central Excise & Service Tax Appellate Tribunal (CESTAT)
Central Excise Act, 1944	Penalty	15,000	1998-99, 1991-92, 1992-93	Commissioner of Central Excise (Appeal)
Central Excise Act, 1944	Excise Duty	12,68,210	1977-78, 1983-84, 1991-92, 1992-93	Deputy Commissioner of Central Excise (Appeal)
Income Tax Act, 1961	Income Tax	2,53,21,050	A.Y. 2013-2014	Deputy Commissioner of Income Tax, CC-6(3) Mumbai

- (viii) The Company does not have any loans or borrowings from any financial institutions, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the order is not applicable.
- (ix) The Company has neither raised money by way of public issue offer nor has obtained any term loans. Therefore, paragraph 3(ix) of the Order is not applicable to the Company.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.
- (xi) According to the information and explanations given to us, managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanation given to us, all transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of Act, where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, paragraph 3(xiv) of the Order is not applicable to the company.
- (xv) As per the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year.
- (xvi) According to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No.103523W

Amit Hundia
Partner
Membership No.120761
Place: Mumbai
Date: May 30, 2016

Balance Sheet as at 31st March 2016

(Amt. in ₹)

PARTICULARS	NOTE NO.	AS AT 31st MARCH 2016	AS AT 31st MARCH 2015
I. EQUITY AND LIABILITIES			
1. Shareholders' funds			
a. Share capital	2	2843,73,450	189,582,300
b. Reserves and surplus	3	58488,54,900	52240,15,104
		61332,28,350	54135,97,404
2. Non-current liabilities			
a. Other Long term liabilities	4	17,51,452	15,50,303
b. Long-term provisions	5	43,36,028	36,98,855
		60,87,480	52,49,158
3. Current liabilities			
a. Trade Payables	6		
- Dues of micro and small enterprises		2,49,166	-
- Others		131,59,743	59,00,799
b. Other current liabilities	7	610,23,624	690,92,343
c. Short-term provisions	8	599,75,894	1440,77,509
		1344,08,427	2190,70,651
TOTAL		62737,24,257	56379,17,213
ASSETS			
1. Non-current assets			
a. Fixed assets			
Tangible assets	9	38,76,343	87,05,248
b. Non-current investments	10	12753,46,382	12566,43,234
c. Deferred Tax Assets (Net)	11	53,58,985	40,61,125
d. Long-term loans and advances	12	41850,61,178	42099,55,037
		54696,42,888	54793,64,644
2. Current assets			
a. Inventories	13	745,29,696	1000,05,568
b. Trade receivables	14	68,11,228	68,11,228
c. Cash and Bank Balances	15	337,67,774	434,94,340
d. Short-term loans and advances	16	6889,44,251	82,13,014
e. Other Current Assets	17	28,420	28,420
		8040,81,369	1585,52,569
TOTAL		62737,24,257	56379,17,213
Significant Accounting Policies	1		
Notes forming integral part of the Financial Statements	2 to 34		

As per our report of even date
For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 103523W
Amit A Hundia
Partner
Membership No. 120761
Place: Mumbai
Date: 30th May, 2016

For and on behalf of the Board of Directors
CHETAN R. SHAH
Chairman & Mg. Director
DIN: 00135296
S. RAMAMURTHI
Wholetime Director & CFO
DIN: 00135602
V. NAGARAJAN
Director
DIN: 00135714
K. S. RAGHAVAN
Company Secretary

Statement of Profit and Loss for the year ended 31st March 2016

(Amt. in ₹)

PARTICULARS	NOTE NO.	Year Ended 31-3-2016	Year Ended 31-3-2015
I. Revenue from Operations	18	626,87,816	2332,70,562
II. Other Income	19	11818,38,361	4781,78,321
III. Total Revenue (I + II)		12445,26,177	7114,48,883
IV. Expenses:			
Property Development Expenses	20	513,69,738	-
Changes in inventories of finished goods, work-in-progress and stock-in-trade	21	268,92,537	461,67,779
Employee benefits expense	22	349,98,230	361,44,348
Finance costs	23	-	64,698
Depreciation	9	29,07,731	31,19,083
Other expenses	24	245,85,028	1008,75,687
Total Expenses		1407,53,264	1863,71,595
V. Profit before tax (III - IV)		11037,72,914	5250,77,288
VI. Exceptional Items		-	-
VII. Profit before tax (V - VI)		11037,72,914	5250,77,288
VIII. Tax Expense:			
1. Current tax (Net of MAT credit)	29	3475,00,000	1231,00,000
2. Deferred tax		(12,97,860)	5,65,587
3. Short Provision of earlier years		37,13,328	173,11,176
IX. Profit (Loss) for the year (VII - VIII)		7538,57,446	3841,00,525
X. Earnings per equity share of face value of ₹10 each			
(Previous year ₹ 10/- each)			
Basic & Diluted (in ₹)	27	26.51	13.51
Significant Accounting Policies	1		
Notes forming integral part of the Financial Statements	2 to 34		

As per our report of even date
For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 103523W
Amit A Hundia
Partner
Membership No. 120761
Place: Mumbai
Date: 30th May, 2016

For and on behalf of the Board of Directors
CHETAN R. SHAH
Chairman & Mg. Director
DIN: 00135296
S. RAMAMURTHI
Wholetime Director & CFO
DIN: 00135602
V. NAGARAJAN
Director
DIN: 00135714
K. S. RAGHAVAN
Company Secretary

Cash Flow Statement for the year ended 31st March, 2016

(Amt. in ₹)

PARTICULARS	Year Ended 31st March, 2016	Year Ended 31st March, 2015
[A] CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax as per statement of profit and loss	11037,72,914	5250,77,288
ADJUSTMENTS FOR:		
Depreciation	28,37,918	31,42,712
Finance Cost	-	64,698
Interest Income	(5056,14,525)	(4746,14,041)
Misc Balances Written back	(6,28,619)	25,467
Income from Dividend	(19,022)	(26,296)
Provision for wealth tax	-	38,710
Other non-operating income	(6783,79,680)	-
Share of Profit/(Loss) in LLP	42,40,000	-
Write back of advance received	-	(100,00,000)
Provision for doubtful debts	-	670,70,982
Loss on Disposal of Assets	3,60,032	1,08,337
	(11772,03,896)	(4141,89,431)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(734,30,983)	1108,87,857
ADJUSTMENTS FOR:		
Trade and Other Receivables	(1383,95,929)	(117,52,069)
Inventories	268,92,537	461,67,779
Trade Payables and other payables	(32,54,778)	(255,87,696)
	(1147,58,170)	88,28,014
Cash Generated from Operations	(1881,89,152)	1197,15,871
Direct Taxes Paid	(3290,00,282)	(1176,74,082)
	(3290,00,282)	(1176,74,082)
NET CASH FLOW FROM OPERATING ACTIVITIES	(5171,89,434)	20,41,789
[B] CASH FLOW FROM INVESTING ACTIVITIES		
Sales of Fixed Assets	18,42,419	1,64,444
Purchase of Fixed Assets	(2,81,277)	-
Acquisition of Subsidiary	(200,50,000)	-
Advances Given/Repaid(Net)	1569,39,806	(3343,04,616)
Interest Received	5056,14,525	4746,14,041
Income from Dividend	19,022	26,296
NET CASH FLOW FROM INVESTING ACTIVITIES	6440,84,495	1405,00,165

Cash Flow Statement for the year ended 31st March, 2016

(Amt. in ₹)

PARTICULARS	Year Ended 31st March, 2016	Year Ended 31st March, 2015
[C] CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Long Term borrowings	-	(14,01,374)
Interest on Term Loans	-	(64,698)
Dividend Paid	(1137,49,380)	(947,91,150)
Tax on Dividend Paid	(231,56,620)	(161,09,756)
NET CASH FLOW FROM FINANCING ACTIVITIES	(1369,06,000)	(1123,66,978)
Net increase in cash and cash equivalents (A+B+C)	(100,10,939)	301,74,975
Cash and cash equivalents as at 31.03.15	421,77,177	120,02,202
Cash and cash equivalents as at 31.03.16	321,66,238	421,77,177
Note: Cash and cash equivalents includes:		
Cash in hand	5,000	32,255
Balances with scheduled banks:		
- In Current Accounts	321,61,238	421,44,922
	321,66,238	421,77,177

Note:

1. The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard -3 issued by The Institute of Chartered Accountants of India.

2. Figure in bracket indicate cash outflow.

As per our report of even date

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 103523W

Amit A Hundia
Partner
Membership No. 120761

Place: Mumbai
Date: 30th May, 2016

For and on behalf of the Board of Directors

CHETAN R. SHAH
Chairman & Mg. Director
DIN: 00135296

S. RAMAMURTHI
Wholtime Director & CFO
DIN: 00135602

V. NAGARAJAN
Director
DIN: 00135714

K. S. RAGHAVAN
Company Secretary

Marathon Nextgen Realty Limited

Corporate Information

Marathon Nextgen Realty Limited ("the Company") is a public Company domiciled in India. Its shares are listed on Bombay Stock Exchange (BSE) on September 19, 1978 and initiated the process of listing its share with National Stock Exchange (NSE). The Company was incorporated on January 13, 1978 and is primarily engaged in the business of construction, development and sale of commercial and residential real estate projects. The core business activities are carried out under various business models like own development, through joint ventures and joint development and other arrangements with third parties.

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES

(i) Accounting convention / Basis of Preparation

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 to the extent notified and guideline issued by the SEBI. The financial statements have been prepared under the historical cost convention on accrual basis. The accounting policies adopted in preparation of financial statements are consistent with those of previous year. The Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

(ii) Use of estimates

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The estimates are made to the best of the management's ability considering all necessary information. Differences, if any, between actual results and estimates are recognized in the period in which the results are ascertained. These being technical in nature the auditors rely on the judgment of the management.

(iii) Revenue

(a) The Company is in the business of Real Estate Development. Revenue from sale of properties under construction is recognised on the basis of actual bookings done (provided the significant risks and rewards have been transferred to the buyer and there is reasonable certainty of realisation of the monies) using the Percentage of Completion Method. Revenue is recognised in accordance with the "Guidance Note on Accounting for Real Estate Transactions (Revised 2012)" issued by the Institute of Chartered Accountants of India, inter alia, with regard to thresholds for commencement of revenue recognition for projects and the basis for determining percentage of completion.

(b) Rent income, Car park income is accounted on cash basis.

(c) The Company's share in profits / loss from a firm / LLP / AOP where the Company is a partner or member, is recognised when the same is credited to the Company's current account on the basis of audited accounts of such firm / LLP / AOP, as per the terms of the partnership deed.

(d) Dividend income is recognized when the right to receive the same is established

(e) Interest income is recognised on time basis determined by the amount outstanding and the rate applicable.

(iv) Inventories

(a) Inventories comprise of: (i) Finished Realty Stock representing unsold premises in closed projects and (ii) Realty Work in Progress representing properties under construction / development. Inventory includes cost of land determined at historical value.

(b) Inventories are valued at lower of cost and net realisable value.

(c) Cost of Realty construction / development is charged to the Statement of Profit and Loss in proportion to the revenue recognised during the period and the balance cost is carried over under Inventory as part of either Realty Work- in- Progress or Finished Realty Stock. Cost of Realty construction / development includes all costs directly related to the Project and other expenditure as identified by the Management which are incurred for the purpose of executing and securing the completion of the project.

(v) Fixed assets

Fixed assets are stated at cost, less accumulated depreciation. Cost includes acquisition / construction price and includes incidental expenses.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Expenses incurred for acquisition of capital assets excluding advances paid towards the acquisition of fixed assets outstanding at each Balance Sheet date are disclosed under Capital Work in Progress.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

(vi) Depreciation

(a) Depreciation is provided from the date the assets are ready to be put to use, on straight line method as per the useful life of the tangible assets including property held as Investment as prescribed under Part C of Schedule II of the Companies Act, 2013.

(b) Depreciation is calculated on the pro-rata basis from the date of installation/acquisition till the assets are sold or disposed.

(vii) Investments

(a) Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments.

(b) Long-term investments including investment held as land and buildings are shown at cost. Provision for diminution in the value of investments is made to recognize a decline of a permanent nature.

(c) Current investments are carried at the lower of cost and fair value as at the balance sheet date.

(d) On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

(viii) Employee Benefit

(a) Defined Contribution Plan

The Company's liability towards Employee Provident Scheme is administered through the Employee Provident Fund Organisation administered by the Government of India. The company's contributions paid / payable towards this defined contribution plan is recognized as expense in the Statement of Profit & Loss Account during the period in which the employee renders the related service. The interest rate payable to the beneficiaries is determined by the government.

(b) The Company provides for retirement/post retirement benefits in the form of gratuity and leave encashment. Both these funds are non funded and are provided for in the Balance Sheet on the basis of actuarial valuations. The obligation is measured at the present value using a discount rate.

(ix) Borrowing Costs

Borrowing costs incurred on constructing or acquiring a qualifying asset are capitalized as cost of that asset until it is ready for its intended use or sale. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. Other borrowing costs are charged to Statement of Profit and Loss in the year in which they are incurred.

(x) Taxes on income

Tax expenses are the aggregate of current tax and deferred tax charged or credited in the statement of Profit and Loss for the year.

(a) Current Tax:

The current charge for Income Tax is calculated in accordance with the Income Tax Act, 1961 applicable to the Company.

(b) Deferred Tax:

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the year. The deferred tax charge or credit and the deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future, however where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets. Deferred tax assets are reviewed at each Balance Sheet date.

(xi) Impairment of Fixed Assets

(a) The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount.

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

(xii) Leases

Assets leased out under operating lease are capitalized. Rental income is recognized on accrual basis over the lease term.

(xiii) Cash Flow Statement

Cash Flow Statement is prepared under the "Indirect Method" as prescribed under the Accounting Standard 3-Cash Flow Statements.

Cash and Cash equivalents for the purpose of cash flow statement comprise of cash at bank and in hand and short term investments with original maturity of three months or less.

(xiv) Earnings Per Share (EPS)

Basic Earnings per share is calculated by dividing the net profit or 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 is adjusted for events including a bonus issue, bonus element in right issue to existing shareholders, share split, and reverse share split (Consolidation of shares). 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 of all dilutive potential equity shares.

(xv) Provisions, Contingent Liabilities and Contingent Assets

The Company creates a provision when there is a present obligation as a result of past events that probably required an outflow of resources and reliable estimates can be made of the amount of the obligation.

Contingent liability is a possible obligation that arises from past events and the existence will be confirmed by the occurrence or non occurrence of an uncertain future event not wholly within the control of the company or it may be an obligation that may arise out of a past event but is not recognized because it is not probable that there could be an outflow of resources or the amount of obligation cannot be reliably estimated. Accordingly contingent liabilities are disclosed after careful evaluation of facts and their legal consequences. Contingent assets are neither recognized nor disclosed.

Note 2 Share Capital

(Amt. in ₹)

PARTICULARS	AS AT 31 st MARCH 2016	AS AT 31 st MARCH 2015
Authorised:		
49,750,000 Equity Shares of ₹10 each	497,500,000	497,500,000
25,000 6% Non Convertible Redeemable		
Cumulative Preference Shares of ₹100 each	2,500,000	2,500,000
Total	500,000,000	500,000,000
Issued, Subscribed & fully Paid up Shares:		
28,437,345 (P. Y. 18, 958, 230) Equity Shares of ₹10 each	284,373,450	189,582,300
Total	284,373,450	189,582,300

i. Terms/Rights attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity share is entitled to one vote per share. All shares rank parri passu with regard to dividend. In 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, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

Board of Director's have recommended a dividend of ₹ 1/- per (P. Y. Rs. 6/-) equity share 10% (P. Y. 60%) of Face value of equity share ₹10 each.

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

(Amt. in ₹)

PARTICULARS	EQUITY SHARES			
	AS AT 31 st MARCH 2016		AS AT 31 st MARCH 2015	
	No. of Shares	₹	No. of Shares	₹
Shares outstanding at the beginning of the year	18,958,230	189,582,300	18,958,230	189,582,300
Shares issued during the year*	9,479,115	94,791,150	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	284,37,345	2843,73,450	18,958,230	189,582,300

*During the year, the Company has made allotment of 94,79,115 equity shares of ₹ 10/- each as bonus shares in proportion of one equity share for every two equity shares held.

b. Out of Equity and Preference shares issued by the Company, shares held by its holding company are as below:

PARTICULARS	Name of Relationship	AS ON 31 st MARCH 2016	AS ON 31 st MARCH 2015
Equity Shares		No of Shares	No of Shares
Ithaca Informatics Pvt. Ltd.	Holding Company	213,27,000	142,18,000

c. Details of shareholders holding more than 5% shares in the Company

NAME OF SHAREHOLDER	AS AT 31 st MARCH 2016		AS AT 31 st MARCH 2015	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Ithaca Informatics Pvt. Ltd. - (Holding Company)				
Equity Shares	213,27,000	75.00	142,18,000	75.00

d. Aggregate number and class of shares allotted as fully paid up by way of bonus shares for the last five Financial Years

PARTICULARS	AS AT 31 st MARCH 2016	AS AT 31 st MARCH 2015
Equity Shares of ₹ 10/- each:		
Allotted as fully paid up by way of bonus shares by capitalising General Reserve	94,79,115	-

Note: There were no bonus shares issued in between the financial year ended 2011-12 to 2014-15

Note 3 Reserves and Surplus

(Amt. in ₹)

PARTICULARS	AS AT 31 st MARCH 2016	AS AT 31 st MARCH 2015
Capital Redemption Reserve		
Balance as per last Balance Sheet	2,500,000	2,500,000
Less: Utilisation for issue of Bonus Shares	(2,500,000)	-
Closing Balance	-	2,500,000
General Reserve		
Balance as per last Balance Sheet	3,500,000,000	3,400,000,000
Less: Utilisation for issue of Bonus Shares	(92291150)	-
Add: Transferred from statement of profit and loss	-	100,000,000
Closing Balance	3,407,708,850	3,500,000,000
Surplus		
Balance as per last Balance Sheet	17215,15,104	15744,68,643
Add: Profit for the year	7538,57,446	3841,00,525
Less: Appropriations		
Proposed Dividends on Equity Shares Dividend per Share ₹1/- (Previous year ₹6/-)	284,37,345	1137,49,380
Short Provision of depreciation on useful life of assets	-	1,48,064
Tax on Dividend	57,89,155	231,56,620
Transfer to General Reserves	-	1000,00,000
Closing Balance	24411,46,050	17215,15,104
Total	58488,54,900	52240,15,104

Note 4 Other Long Term Liabilities

(Amt. in ₹)

PARTICULARS	AS AT 31 st MARCH 2016	AS AT 31 st MARCH 2015
Others:		
Rent*	6,43,240	6,04,715
Rates & Taxes*	11,08,212	9,45,588
Total	17,51,452	15,50,303

*The company is making provision for Rent of ₹ 38,525 (P Y ₹ 36,525) and Municipal taxes of ₹ 1,62,624/- (P Y ₹ 1,16,160/-) for which party has not demanded the said liabilities and the said liabilities are not expected to be paid in the next one year.

Note 5 Long Term Provisions

(Amt. in ₹)

PARTICULARS	AS AT 31st MARCH 2016	AS AT 31st MARCH 2015
Provision for employee benefits:		
Gratuity (unfunded)	38,82,248	32,81,496
Leave Encashment (unfunded)	4,53,780	4,17,359
Total	43,36,028	36,98,855

Disclosure as required by the Accounting Standard-15 "Employee Benefit" are given below:

a. Defined contributions Plan

(Amt. in ₹)

PARTICULARS	AS AT 31st MARCH 2016	AS AT 31st MARCH 2015
Employers contribution to Provident Fund	13,51,028	15,84,000

b. Defined Benefit Plan and other long term Employee Benefits

i. Actuarial Assumptions

PARTICULARS	AS AT 31st MARCH 2016		AS AT 31st MARCH 2015	
	Gratuity Unfunded	Leave Encashment Unfunded	Gratuity Unfunded	Leave Encashment Unfunded
Mortality table	IAL 2006-08 Ultimate	IAL 2006-08 Ultimate	IAL 2006-08 Ultimate	IAL 2006-08 Ultimate
Method	Projected Unit Credit Method	Projected Unit Credit Method	Projected Unit Credit Method	Projected Unit Credit Method
Retirement Age	58 yrs	58 yrs	58 yrs	58 yrs
Expected Return on Plan Assets	N/A	N/A	N/A	N/A
Withdrawal Rates	1% per annum for all ages	1% per annum for all ages	1% per annum for all ages	1% per annum for all ages
Discount Rate per annum	8%	8%	8%	8%
Rate of increase in compensation levels	7%	7%	7%	7%

ii. Changes in the Present Value of the Obligations and in the Fair Value of the Assets

(Amt. in ₹)

PARTICULARS	2015-2016		2014-2015	
	Gratuity Unfunded ₹	Leave Encashment Unfunded ₹	Gratuity Unfunded ₹	Leave Encashment Unfunded ₹
Defined benefit obligation at the beginning of the year	36,46,107	5,56,479	51,32,273	5,14,254
Current Service Cost	5,33,411	3,57,272	4,96,395	3,48,723
Interest Cost	2,91,689	44,518	4,10,582	41,140
Actuarial (Gain) / Loss	(1,57,598)	(3,46,936)	(23,93,143)	(3,40,082)
Benefit paid / accrued	-	(6,293)	-	(7,556)
Define benefit at year end	43,13,609	6,05,040	36,46,107	5,56,479
Fair Value of Plan Assets as on 1/04/2015	Nil	Nil	Nil	Nil
Expected Return on Plan Assets	Nil	Nil	Nil	Nil
Contributions	Nil	6,293	Nil	7,556
Benefits Paid	-	(6,293)	-	(7,556)
Actuarial Gain (Loss) Plan Assets	Nil	Nil	Nil	Nil
Fair Value of Plan Assets as on 31-03-2016	Nil	Nil	Nil	Nil
Total Actuarial (Gain)/loss to be recognized	(1,57,598)	(3,46,936)	(23,93,143)	(3,40,082)

iii. Statement of Profit & Loss

(Amt. in ₹)

PARTICULARS	2015-2016		2014-2015	
	Gratuity Unfunded	Leave Encashment Unfunded	Gratuity Unfunded	Leave Encashment Unfunded
Current Service Cost	5,33,411	3,57,272	4,96,395	3,48,723
Interest Cost	2,91,689	44,518	4,10,582	41,140
Actuarial (Gain) / Loss	(1,57,598)	(3,46,936)	(23,93,143)	(3,40,082)
Charged to Statement of Profit and loss	6,67,502	54,854	(14,86,166)	49,781

iv. Balance sheet Recognition

(Amt. in ₹)

Present Value of Obligation	43,13,609	6,05,040	36,46,107	5,56,479
Fair Value of Plan Assets	Nil	Nil	Nil	Nil
Liability (assets)	43,13,609	6,05,040	36,46,107	5,56,479
Unrecognized actuarial gain or loss	Nil	Nil	Nil	Nil
Liability (asset) recognized in Balance sheet	43,13,609	6,05,040	36,46,107	5,56,479

v. Movement in the net Liability recognized in the Balance Sheet

(Amt. in ₹)

Opening net Liability	36,46,107	5,56,479	51,32,273	5,14,254
Expenses	6,67,502	54,854	(14,86,166)	49,781
Contribution	Nil	(6,293)	Nil	(7,556)
Closing Net Liability	43,13,609	6,05,040	36,46,107	5,56,479

vi. Disclosure as required under Para 120 (n) of AS -15 for current year and previous four years

(Amt. in ₹)

Gratuity	2015-16	2014-15	2013-14	2012-13	2011-12
Present value of the Defined Benefit Obligation-Unfunded	43,13,609	36,46,107	51,32,273	40,50,555	3,331,550
Fair value of the Plan Assets at the end of the year	-	-	-	-	-
Surplus / (Deficit) in the Plan	(43,13,609)	(36,46,107)	(51,32,273)	(40,50,555)	(3,331,550)
Experience adjustments on Plan Assets (Gain) / Loss	-	-	-	-	-
Experience adjustments on Plan Liabilities (Gain) / Loss	-	-	-	-	-

* This detail has not been provided by the actuary.

The above information is based on the Certificate provided by the certified actuary.

Note 6 Trade Payables

(Amt. in ₹)

PARTICULARS	AS AT 31st MARCH 2016	AS AT 31st MARCH 2015
Micro, Small and Medium Enterprises*	2,49,166	-
Others	131,59,743	59,00,799
Total	134,08,909	59,00,799

*Company has sent letters to suppliers to confirm whether they are covered under Micro, Small and Medium Enterprises Development Act 2006 as well as they have filed required memorandum with the prescribed authorities. Out of the letters sent to the parties, few confirmations have been received till the date of finalisation of the Balance Sheet. Based on the confirmations received, the outstanding amount payable to supplier's covered under Micro, Small and Medium Enterprises Development Act, 2006 are given below.

(Amt. in ₹)

PARTICULARS	31st MARCH 2016	31st MARCH 2015
The principal amount remaining unpaid at the end of the year	2,49,166	-
The interest amount remaining unpaid at the end of the year	-	-
The interest amount paid in terms of Section 16 of MSMED Act, 2006	-	-
The balance of MSMED parties as at the end of the year	2,49,166	-

Note 7 Other Current Liabilities

(Amt. in ₹)

PARTICULARS	AS AT 31st MARCH 2016	AS AT 31st MARCH 2015
Unpaid dividends*	15,17,606	12,43,032
Unclaimed VRS	7,82,129	7,81,279
Other payables:		
Advance from Customers	172,92,609	100,00,000
Less: Provision for doubtful advances	(100,00,000)	(100,00,000)
Bonus Payable	4,67,932	4,61,990
Directors Commission Payable	39,23,520	34,98,530
Society Dues Payable#	367,95,394	572,15,661
Statutory Dues Payable	52,25,740	28,81,418
Other Payables	50,18,695	30,10,434
Total	610,23,624	690,92,343

* Society dues is netted off fixed deposit and interest accrued on fixed deposit of ₹ 5,37,64,468/- (P.Y. ₹ 2,03,13,640/-) and receivable related to society of ₹ (-)8,44,53,365/- (P.Y. ₹ (-) 2,17,60,130/-).

Note 8 Short Term Provision

(Amt. in ₹)

PARTICULARS	AS AT 31st MARCH 2016	AS AT 31st MARCH 2015
Provision for employee benefits [Refer Note 5]		
Gratuity (unfunded)	4,31,361	3,64,611
Leave Encashment (unfunded)	1,51,260	1,39,120
Other Provisions:		
Provision for Income Tax*	251,66,773	66,28,345
Provision for Wealth Tax #	-	39,433
Proposed Dividend	284,37,345	1137,49,380
Tax on Dividend	57,89,155	231,56,620
Total	599,75,894	1440,77,509

*Netted off advance tax & TDS of NIL ₹ 44,54,33,227/- (P.Y. ₹ 11,64,71,655/-)

Netted off Wealth Tax paid of ₹ Nil (P.Y. ₹ 1,09,366/-)

(Amt. in ₹)

DESCRIPTION OF ASSETS	GROSS BLOCK			DEPRECIATION			NET BLOCK				
	AS AT 01-04-2015	ADDITIONS DURING THE YEAR	SALES / TRANSFER DURING THE YEAR	AS ON 31-03-2016	AS ON 01-04-2015	DEDUCTIONS/ ADJUSTMENTS	TRANSFERRED TO GENERAL RESERVE	FOR THE YEAR	UPTO 31-03-2016	AS ON 31-03-2016	AS ON 31-03-2015
Tangible Assets											
Owned Assets:											
Freehold Land	257,648	-	-	257,648	-	-	-	-	-	257,648	257,648
Plant and Machinery	37,146,000	258,487	(37,146,000)	258,487	33,776,387	(35,153,837)	-	1,380,127	2,677	255,810	3,369,613
Furniture and Fixture	2,911,315	-	2,911,315	-	2,660,561	(2,755,840)	-	95,279	-	-	250,753
Air Conditioners and Office equipment	561,513	9,200	(561,513)	9,200	530,212	(533,946)	-	3,930	196	9,004	31,300
Motor Vehicles	9,614,359	-	-	9,614,359	4,850,838	-	-	1,427,600	6,278,438	3,335,921	4,763,521
Computers	656,660	13,590	(553,360)	116,890	624,247	(526,112)	-	795	98,930	17,960	32,413
Total	51,147,494	281,277	(41,172,187)	10,256,584	42,442,246	(38,969,736)		2,907,731	6,380,241	3,876,343	8,705,248
Previous Year	51,795,644	-	(648,150)	51,147,494	39,550,468	(375,369)	148,064	3,119,083	42,442,246	8,705,248	

Note: The Company during the year has sold significant fixed assets to its related party. However, it will not impact the going concern of the Company.

Note 10 Non-Current Investments

(Amt. in ₹)

PARTICULARS	AS AT MARCH 31, 2016 QUANTITY (Nos.)	AS AT MARCH 31, 2015 QUANTITY (Nos.)	FACE VALUE	AS AT MARCH 31, 2016	AS AT MARCH 31, 2015
Non Current Investments					
A) Investment Properties (at cost)					
Land					25,467
Less: written off				-	25,467
					-
Immovable Property				1,416,665	1,416,665
				1,416,665	1,416,665
Less: Transferred to stock in trade				1,416,665	-
Less: Accumulated depreciation on immovable property				-	69,813
				-	1,346,852
B) Trade Investment (at cost)					
a) In Equity Instruments Quoted Fully Paid Up					
Others					
Peninsula Land Limited	16,740	16,740	2	58,378	58,378
Unquoted Fully Paid Up					
Subsidiary					
Parmeka Pvt Ltd (Refer Note No.30)	10,000	-	10	20,050,000	-
Joint Venture					
Columbia Chrome (I) Private Limited	5,208	5,208	100	520,800	520,800
Total of Equity Instruments				20,629,178	579,178
b) In Preference Shares					
Unquoted Fully Paid Up					
Others					
0%(P.Y.11%) Redeemable Cumulative					
Preference Shares of Parmeka Pvt Ltd					
[Refer note (10.1) below]	92,612	92,612	100	1,250,262,000	1,250,262,000
c) In Limited Liability Partnership					
Joint Venture					
Swayam Realtors & Traders LLP				4,240,810	4,240,810
(Refer note (10.2) below)					
Adani Infrastructure & Developer Pvt Ltd (60%)					
Marathon Nextgen Realty Ltd (40%)					
[Total Capital Rs. 1,06,02,020]				1,254,502,810	1,254,502,810
Total of Trade Investments				1,275,131,988	1,255,081,988

C) Other Investments (at cost)					
a) In Equity Instruments					
Quoted Fully Paid Up					
Others					
Integra Garments and Textiles Ltd *	8,000	8,000	3	-	-
Morarjee Textiles Limited	8,000	8,000	7	186,394	186,394
* Shares allotted upon demerger				186,394	186,394
Unquoted Fully Paid Up					
Others					
Electric Control Gear (India) Limited	210,000	210,000	10	2,100	2,100
Less: Provision for diminution				2,100	2,100
				-	-
Total of Equity Instruments				186,394	186,394
(b) In Other Instruments					
6 Years National Saving Certificates lodged with Government Authority	6	6		28,000	28,000
Total of Non Trade Investments				214,394	214,394
Total of Non Current Investments				1,275,346,382	1,256,643,234
	AS AT MARCH 31, 2016 Book Value	Market Value		AS AT MARCH 31, 2015 Book Value	Market Value
Quoted Investments	244,772	822,254		244,772	784,713
Unquoted Investments	1,275,103,710	-		1,256,400,562	-
Less: Provision for diminution in value	2,100			2,100	
	1,275,346,382			1,256,643,234	

10.1 The Company has invested in 92,612 0% Redeemable Preference Shares of ₹ 100/- each at a premium of ₹ 13,400/- per share aggregating to ₹ 125,02,62,000/- in Parmeka Pvt Ltd (PPL). This investment in year 2011-12 was construed as its contribution in a profit / revenue sharing joint venture with PPL. In terms of the revised Memorandum of Understanding (agreed upon on 16-02-2015) between the Company and PPL the Company would be entitled to receive returns of 15.5% per annum of the total revenues. During the year the Company has recognised Internal Rate of Return (IRR) as other income of ₹ 67,83,79,680/- against investment made in preference shares of PPL.

10.2 The Company has made provision for share of accumulated loss w.r.t. its joint venture Swayam Realtors & Traders LLP to the extent of its investment ₹ 42,40,000/- based on management accounts for the year ended 31st March, 2015. The above losses have been booked to the extent of partner's contribution in the losses which would not exceed its capital contribution i.e. Investment made and appearing in the books of Marathon Nextgen Realty Limited which is as per the terms of the LLP agreement.

Note 11 Deferred Tax Asset

(Amt. in ₹)

PARTICULARS	AS AT 31st MARCH 2016	AS AT 31st MARCH 2015
Deferred Tax Assets		
Difference between book WDV and WDV as per IT Act, 1961	34,94,797	24,75,635
Disallowances under Section 43B of the IT Act, 1961		
Gratuity Payable	14,92,854	12,39,312
Leave Salary Payable	2,09,392	1,89,147
Bonus Payable	1,61,942	1,57,031
	18,64,188	15,85,490
Total	53,58,985	40,61,125

Note 12 Long Term Loans and Advances

(Amt. in ₹)

PARTICULARS	AS AT 31st MARCH 2016	AS AT 31st MARCH 2015
Unsecured, considered good (Unless Stated otherwise)		
a. Security Deposits	8,55,565	7,91,125
b. Project advances to related parties - (Refer Note Below 12.2)	40485,10,055	42054,49,861
c. Other loans and advances		
Advance for Land (Refer Note Below 12.3)	503,25,000	503,25,000
Advance for Project/Development	1356,95,558	-
Less: Provision for doubtful advances	(503,25,000)	(503,25,000)
Income Tax paid (net of provision)*	-	37,14,051
Total	41850,61,178	42099,55,037

* Netted off advance tax of ₹ Nil (P.Y. ₹ 19,85,14,051/-)

- 12.1 In the opinion of the management, project advances are approximately of the value stated, if realised in ordinary course of business. Project advances are given for specified project to related party.
- 12.2 Pursuant to an agreement, the Company has given advances which includes of ₹ 257,90,74,037/- to a Company to explore for the opportunities in a project, with which it is going to jointly execute the said project. At periodic intervals surplus amounts are returned as they are not immediately required for the project. The Company is of the opinion that, project advance of this nature would not attract the provisions of Section 185 of the Companies Act, 2013.
- 12.3 The Company has entered into an agreement on 20th February, 2007 for development of property in Bangalore with the owner of the land. Development work would commence once the regulatory compliances are met with. The company has paid an advance towards the joint venture on the basis of the agreement signed. The advance paid by the company is adequately secured by a collateral in the form of unencumbered land based on an agreement between the company and the Power of Attorney Holders in the form of a registered document. However, by way of abundant caution, the Company has made a provision in the financials for the previous year.

Note 13 Inventories

(Amt. in ₹)

PARTICULARS	AS AT 31st MARCH 2016	AS AT 31st MARCH 2015
(a) Work-in-Progress		
Project WIP Kings	380,98,838	-
Project WIP CTS 93	53,80,900	-
(b) Work-in-progress		
Closing Stock-Era	4,50,000	4,50,000
Closing Stock-Innova Phase-II	305,99,958	995,55,568
Total	745,29,696	1000,05,568

Note 14 Trade Receivables

(Amt. in ₹)

PARTICULARS	AS AT 31st MARCH 2016	AS AT 31st MARCH 2015
Unsecured, considered good (unless stated otherwise)		
Outstanding for a period exceeding 6 months from the date they are due for payment	23557210	16,745,982
Less: Provision for doubtful debts	(16,745,982)	(16,745,982)
Others	-	68,11,228
Total	68,11,228	68,11,228

Note 15 Cash and Bank Balances

(Amt. in ₹)

PARTICULARS	AS AT 31st MARCH 2016	AS AT 31st MARCH 2015
Cash and cash equivalents		
(a) Balances with banks - in current account	321,61,238	421,44,922
(b) Cash on hand	5,000	32,255
Total	321,66,238	421,77,177
Other Bank Balances		
(a) Earmarked Balances with Banks		
Unpaid Dividend	15,17,605	12,43,032
Fractional Entitlement of shares	83,931	74,131
Total	16,01,536	13,17,163
Total	337,67,774	434,94,340

Note 16 Short Term Loans and Advances

(Amt. in ₹)

PARTICULARS	AS AT 31st MARCH 2016	AS AT 31st MARCH 2015
Unsecured, considered good		
(a) Advance to Suppliers	12,95,043	18,60,812
(b) Others		
Prepaid Expenses	1,22,444	1,56,112
Loans to Employees	1,42,314	70,633
Service Tax input credit	5,19,045	25,05,679
Other Receivables from related parties	6868,65,406	36,19,777
Total	6889,44,251	82,13,014

In the opinion of the management, short term loans and advances are approximately of the value stated, if realised in ordinary course of business.

Note 17 Other Current Assets

(Amt. in ₹)

PARTICULARS	AS AT 31st MARCH 2016	AS AT 31st MARCH 2015
Interest Accrued on Investments*	28,420	28,420
Total	28,420	249,421

*6 years NSC Certificate pledged with Bombay Port Trust

Note 18 Revenue from Operations

(Amt. in ₹)

PARTICULARS	Year Ended 31st March, 2016	Year Ended 31st March, 2015
Sale of Products:		
Sale of Property	622,00,000	2190,00,000
Revenue from Services:		
Car Parking Rental	4,09,200	1,70,562
Other Operating Revenues:		
Sale of Scrap	78,616	-
Advance received forfeited	-	41,00,000
Write back advance received	-	100,00,000
Total	626,87,816	2332,70,562

Note 19 Other Income

(Amt. in ₹)

PARTICULARS	Year Ended 31st March, 2016	Year Ended 31st March, 2015
Interest on project advance	5056,14,525	4746,14,041
Interest on staff loan	19,095	23,005
Dividend from Long Term Investments	19,022	26,296
Other non-operating income*	6783,79,680	-
Share of Profit/(Loss) in LLP	(42,40,000)	-
Miscellaneous Balances Written Back	6,28,619	27,86,979
Miscellaneous Income	14,17,420	7,28,000
Total	11818,38,361	4781,78,321

*Refer Note 10.1

Note 20 Project Development Expenses

(Amt. in ₹)

PARTICULARS	Year Ended 31st March, 2016	Year Ended 31st March, 2015
Cost of Material Consumed	67,24,046	-
Direct Expenses	321,56,783	-
MCGM Expenses	45,98,909	-
Compensation	78,90,000	-
Total	513,69,738	-

Note 21 Changes in inventories of finished goods, work-in-progress and stock in trade

(Amt. in ₹)

PARTICULARS	Year Ended 31st March, 2016	Year Ended 31st March, 2015
Inventories at the end of the year		
Work in Progress:		
Project WIP Kings	380,98,838	-
Project WIP CTS 93	53,80,900	-
Finished Stock:		
Finished Stock-Era	4,50,000	4,50,000
Finished Stock-Innova	305,99,958	995,55,568
Total (A)	745,29,696	1000,05,568
Less : Inventories at the beginning of the year		
Finished Stock:		
Finished Stock-Era	4,50,000	4,50,000
Finished Stock-Innova	995,55,568	1354,28,577
Finished Stock-Innova Extension	-	102,94,770
Total (B)	1000,05,568	1461,73,347
Add : Adjustments Cost of Car Parking transferred to / (from) Investments (C)	(14,16,665)	-
Total (A-B+C)	(268,92,537)	(461,67,779)

Note 22 Employee Benefits Expense

(Amt. in ₹)

PARTICULARS	Year Ended 31st March, 2016	Year Ended 31st March, 2015
Salaries and Wages	269,25,495	306,57,695
Directors Commission	60,00,000	53,00,000
Contributions to Provident and other fund (Refer Note No.5)	20,18,530	97,834
Staff welfare expenses	54,205	88,819
Total	349,98,230	361,44,348

Note 23 Finance Cost

(Amt. in ₹)

PARTICULARS	Year Ended 31st March, 2016	Year Ended 31st March, 2015
Interest expense	-	64,698
Total	-	64,698

Note 24 Other Expenses

(Amt. in ₹)

PARTICULARS	Year Ended 31st March, 2016	Year Ended 31st March, 2015
Administrative Expenses:		
Power	5,46,834	11,48,030
Rent	1,07,572	88,789
Repairs to Others	1,04,444	1,95,352
Insurance	3,48,660	2,39,928
Rates & Taxes	1,63,083	1,55,320
Director's Sitting Fees	4,08,000	2,12,000
Payment to Auditor (Refer Note 24.1)	12,87,464	10,78,161
Property Upkeep Expenses	14,73,711	22,85,981
Professional Fees	58,45,585	82,78,811
Brokerage	17,64,452	22,15,056
Security Expenses	23,78,551	23,99,817
Stamp Duty	31,40,000	71,00,000
Compensation	-	40,35,950
Loss on Sale/Discard of Fixed Assets	3,60,032	1,08,337
Provision for doubtful debts	-	167,45,982
Provision for doubtful advances	-	503,25,000
Other Expenses	66,56,640	42,63,173
Total	245,85,028	1008,75,687

24.1 Payment to Auditor:

(Amt. in ₹)

PARTICULARS	Year Ended 31st March, 2016	Year Ended 31st March, 2015
Administrative Expenses:		
Payment to Auditor:		
Statutory Audit Fees*	8,00,000	5,00,000
Tax Audit Fees	1,75,000	1,75,000
Limited Review Fees	2,25,000	2,25,000
Certificate	25,000	50,000
Reimbursement of Expenses	23,626	9,560
Service Tax	38838	1,18,601
Total	1,28,7464	10,78,161

*Statutory Audit Fees includes ₹ 2,00,000/- for IFC Certification and ₹ 1,00,000/- for Consolidation.

Note 25 Related Party Disclosures.

Disclosure as required by Accounting Standard 18 - 'Related Party Disclosures' issued by The Institute of Chartered Accountants of India are as follows:

(a) Holding Company	Ithaca Informatics Pvt Ltd
(b) Subsidiary Company	Parmeka Pvt Ltd (w.e.f. 14-09-2015)
(c) Key Managerial Personnel	Chetan R. Shah – Managing Director S. Ramamurthi - Whole Time Director
(d) Relatives of Key Managerial Personnel	Mayur R. Shah (Brother of Managing Director) - Director Ansuya R. Shah (Mother of Managing Director) Ramniklal Z. Shah (Father of Managing Director) Shailaja C. Shah (Wife of Managing Director) - Director Sonal M. Shah (Wife of Mayur R Shah-Director)
(d) Joint Venture	Columbia Chrome (I) Pvt Ltd Swayam Realtors & Traders LLP
(e) Enterprises over which key managerial personnel / relatives exercise significant Influence	Citadel Realty & Developers Ltd Cornell Hsg & Infrastructure Pvt Ltd Fibre Box (Bombay) Pvt Ltd Hariyali Estate Pvt. Ltd. Kanchi Rehab Pvt Ltd Lark Consultancy Pvt Ltd Marathon Buildcon LLP Marathon Construction Co. Marathon Construction LLP Marathon Developers Marathon Ener-Gen LLP Marathon Energy Pvt Ltd Marathon Fiscal Pvt Ltd Marathon Group Marathon Housing Pvt Ltd Marathon Infotech Pvt Ltd Marathon IT Infrastructure Pvt Ltd Marathon Nextgen Townships Pvt Ltd Marathon Nexzone Infrastructures Pvt Ltd Marathon Nexzone Land Pvt Ltd Marathon Prachin Infrastructures Pvt Ltd Marathon Realty Pvt Ltd Marathon Securities & Properties Pvt Ltd Marathon Ventures Pvt Ltd Matrix Architects & Engineers Matrix Enclaves Projects Developments Pvt Ltd Matrix Fiscal Pvt Ltd Matrix Green Housing & Commercial Developers LLP Matrix H ₂ O Management LLP Matrix Salvage Management LLP Matrix Waste Management Pvt Ltd Matrix Water Management Pvt Ltd Nextgen Buildcon Pvt Ltd Nextgen City Container Depot Pvt Ltd Nextgen City Energy Pvt Ltd Nextgen City Utilities Pvt Ltd Nextgen City Water Management Pvt Ltd Matrix Land Hub Pvt Ltd

Nextgen Land Pvt Ltd
Nexzone Builcon LLP
Nexzone Energy Utilities LLP
Nexzone Fiscal Services Pvt Ltd
Nexzone IT Infrastructure Pvt Ltd
Nexzone Land Pvt Ltd
Nexzone Utilities Pvt Ltd
Nexzone Water Management Pvt Ltd
Olympic Enterprises
Parmeka Pvt Ltd (upto 13-09-2015)
Rare Townships Pvt Ltd
Sanvo Resorts Pvt Ltd
Shree Mulund News Publication
Sonasha Enterprises
Svarnim Enterprises Pvt Ltd
Trident Ozone LLP
United Builders
United Enterprises
Vector Modular System (I) Pvt Ltd
Vector Project (India) Pvt Ltd
Vector Properties Pvt Ltd
Vinotak Investment Pvt Ltd

(f) Details of Transactions during the year with related parties:

(Amt. in ₹)

Particulars	Holding Company	Subsidiary Company	Joint Venture	Enterprises Included in (f) above	Key Management Personnel	Relatives of Key Management Personnel	Total
Expenses reimbursed by MNRL	75,00,000	-	-	7,67,868	-	-	82,67,868
	-	-	(7,734)	(1,94,791)	-	-	(2,02,525)
Expense Reimbursed to MNRL	75,00,000	-	-	92,36,843	-	-	167,36,843
	-	-	-	(1,94,791)	-	-	(1,94,791)
Advance Received*	-	-	797,50,000	6879,11,979	-	-	7676,61,979
	-	-	(6545,00,000)	(3542,75,697)	-	-	(10087,75,697)
Advance Repaid / Given	-	-	792,00,000	1049,90,000	-	-	1841,90,000
	-	-	(926,05,112)	(8233,15,697)	-	-	(9159,20,809)
Interest Income	-	-	1385,30,271	3670,84,254	-	-	5056,14,525
	-	-	(1519,91,329)	(3226,22,712)	-	-	(4746,14,041)
Purchase of Equity Shares of Parmeka Pvt Ltd	-	-	-	200,00,000	-	-	200,00,000
	-	-	-	-	-	-	-
Sale of Fixed Assets	-	-	-	20,72,722	-	-	20,72,722
	-	-	-	-	-	-	-
Other non-operating Income	-	6783,79,680	-	-	-	-	6783,79,680
Provision for Share of Loss in LLP	-	-	-	-	-	-	-
	-	-	42,40,000	-	-	-	42,40,000
Dividend Paid	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Equity	853,08,000	-	-	-	600	3,000	853,11,600
	(710,90,000)	-	-	-	(500)	(2,500)	(710,93,000)

(Amt. in ₹)

Particulars	Holding Company	Subsidiary Company	Joint Venture	Enterprises Included in (f) above	Key Management Personnel	Relatives of Key Management Personnel	Total
Waiver of dividend on preference shares	-	-	-	-	-	-	-
	-	(30,98,062)	-	-	-	-	(30,98,062)
Remuneration	-	-	-	-	65,00,000	-	65,00,000
	-	-	-	-	(65,00,000)	-	(65,00,000)
Commission	-	-	-	-	60,00,000	-	60,00,000
	-	-	-	-	(53,00,000)	-	(53,00,000)
Director's Sitting Fees	-	-	-	-	-	70,000	70,000
	-	-	-	-	-	(30,000)	(30,000)
Payment towards deposit for Proposal of Directorship	-	-	-	-	-	1,00,000	1,00,000
	-	-	-	-	-	-	-
Refund of deposit for Proposal of Directorship	-	-	-	-	-	1,00,000	1,00,000
	-	-	-	-	-	-	-
Consideration Receivable	-	-	-	Note 2	-	-	-
	-	-	-	-	-	-	-
Outstanding Receivable	-	6783,79,680	14694,36,018	25811,98,684	-	-	47290,14,382
	-	-	(13453,08,774)	(28601,41,087)	-	-	(42054,49,861)

* Interest income has been converted in project advance at the year end, which is not included in the amount disclosed as advance given above

Notes:

- 1) Figures in bracket (-) indicate previous year's figures.
- 2) As per the definitive agreements to be executed w.r.t. 35 acres of land to be developed

Disclosure in respect of transactions that exceed 10% of the total value of transactions of the same type with related parties during the year:

(Amt. in ₹)

Particulars	2015-16	2014-15
Expenses reimbursed by MNRL		
Parmeka Pvt Ltd	7,500,000	-
Marathon Realty Pvt Ltd	54,556	194,791
Total	7,554,556	194,791
Expense Reimbursed to MNRL		
Parmeka Pvt Ltd	7,500,000	
Marathon Realty Pvt Ltd	8,520,900	194,791
Total	16,020,900	194,791
Advances Received		
Marathon Realty Pvt Ltd	687,911,979	354,275,697
Swayam Realtors & Traders LLP	79,750,000	654,500,000
Total	767,661,979	1,008,775,697
Advances Given \ Repaid		
Swayam Realtors & Traders LLP	65,000,000	85,805,112
Marathon Realty Pvt Ltd	104,990,000	823,315,697
Total	169,990,000	909,120,809
Interest Received		
Columbia Chrome (I) Pvt. Ltd.	73,551,703	65,876,201
Swayam Realtors & Traders LLP	64,978,568	86,115,128
Marathon Realty Pvt. Ltd.	367,084,254	322,622,712
Total	505,614,525	474,614,041
Purchase of Equity Shares of Parmeka Pvt Ltd		
Marathon Realty Pvt Ltd	20,000,000	
Sale of Fixed Assets		
Marathon Realty Pvt Ltd	2,072,722	
Other non-operating income		
Parmeka Pvt Ltd	678,379,680	
Provision for Share of Loss in LLP		
Swayam Realtors and Traders LLP	4,240,000	
Dividend Paid		
Ithaca Informatics Pvt. Ltd.		
Equity	85,308,000	71,090,000
Waiver of dividend on preference shares		
Parmeka Pvt Ltd		3,098,062
Remuneration		
Chetan R. Shah	6,500,000	6,500,000
Commission		
Chetan R. Shah	6,000,000	5,300,000
Outstanding Receivable		
Marathon Realty Pvt. Ltd.	2,581,146,759	2,860,141,087
Columbia Chrome (I) Pvt. Ltd.	782,938,664	702,542,131
Swayam Realtors & Traders LLP	686,497,354	642,766,643
Parmeka Pvt Ltd	678,379,680	
Total	4,728,962,457	4,205,449,861

Note 26 Disclosure required by Regulation 34(3) of the SEBI (LODR) Regulations, 2015:

Amount of project advances outstanding from joint ventures and companies in which directors are interested:

Name of the Companies	Closing Balance (in ₹)		Maximum Balance Outstanding during the year (in ₹)	
	2015-16	2014-15	2015-16	2014-15
Repayable beyond 7 years: Joint Ventures:				
Columbia Chrome (I) Pvt Ltd	782,938,664	702,542,131	782,938,664	702,542,131
Swayam Realtors & Traders LLP	686,497,354	642,766,643	686,497,354	1,198,258,782
Others:				
Marathon Realty Pvt Ltd	2,579,074,037	2,860,141,087	2,943,424,337	2,860,141,087

Note 27 Earnings per Share (EPS)

Sr. No.	Particulars	2015-16	2014-15
(i)	Net Profit after tax as per Profit and Loss (₹)	753,857,446	384,100,525
(ii)	Net profit for the year attributable to equity shareholders (₹)	753,857,446	384,100,525
(iii)	Weighted average number of equity shares	28,437,345	18,958,230
(iv)	Basic and diluted earnings per share (₹)*	26.51	13.51
(v)	Nominal value per equity share (₹)	10	10

*During the year, the Company has made allotment of 94,79,115 equity shares of ₹ 10/- each as bonus shares in proportion of one equity share for every two equity shares held. The earnings per share has been adjusted for both the period presented above.

Note 28 Contingent Liabilities (to the extent not provided for excluding interest, penal charges, if any)

Particulars	2015-16	2014-15
	₹	₹
Claims against the Company not acknowledged as debt:		
1. Disputed Liabilities in appeal*		
Central Excise Duty	10,541,456	10,546,456
PF and ESIC (Refer Note 28 (a) & (b) below)	4,750,560	-
Income Tax Demand (A.Y.2013-14) (Refer Note 28 (c) below)	25,321,050	47,50560
	40,613,066	15,297,016

* As certified by management and consultants

The Company does not expect any outflow of the resources in respect of the above.

- The Employees Provident Fund Authorities have issued a show cause notice against the company raising a claim of ₹38,83,486/- purportedly being arrears pertaining to damages and delayed payment interest. The company appealed against the order in the Provident Fund Appellate Tribunal and pending hearing the recovery of principal interest and damages has been stayed.
- The Employees' State Insurance Corporation has raised a claim of ₹8,67,074/- purportedly being arrears of contribution, damages and delayed payment interest. The company had made a representation to the Board for Industrial and Financial Reconstruction in this regard. Besides filing an appeal in the ESIC court.
- The income tax department has issued notice of demand u/s 156 of the Income Tax Act, 1961 of ₹2,53,21,050/- for A.Y.2013-14. However, there is no such demand payable by the Company due to TDS credit not considered by the department. The Company has filed rectification application with the department to give the TDS credit effect and annul the demand.

Note 29

The Tax Expense for the current year worked out in accordance with the provision for Income Tax Act 1961 is ₹38,00,37,885/-(P.Y. ₹16,72,90,522/-) The Company is eligible for set off of MAT Credit aggregating to ₹3,26,23,496/-(P.Y. ₹4,52,74,846/-) as per Section 115JAA of the Income Tax Act 1961. Accordingly a provision for tax rounded off to ₹34,75,00,000/- (P.Y. ₹12,31,00,000/-) is provided after netting off MAT Credit entitlement.

Note 30

The Board of Director's of the Company at their meeting held on 3rd November, 2015 have approved the Scheme of Amalgamation of its 100% subsidiary, Parmeka Pvt Ltd with the Company. The appointed date of proposed Scheme is 1st October, 2015. The Scheme is subject to the sanction of petition filed by the Company with the Hon'ble High Court of Bombay.

Note 31

The Company has a Corporate Social Responsibility (CSR) policy. An amount of ₹1,01,19,085/- (₹ 1,24,78,791/-) being attributable to CSR during the current year and previous year has remained unspent. At present, the Company is evaluating its options for the purpose of which CSR expenditure needs to be incurred.

Note 32

The Company is operating in a single segment i.e. Real Estate Development, pursuant to which the information required to be disclosed as per AS-17 "Segment Reporting" in case of different segment has not been disclosed here.

Note 33

The financial statements of two joint ventures i.e. Swayam Realtors and Traders LLP and Columbia Chrome(I) Pvt Ltd were not available as on the reporting period, hence the disclosure requirements in accordance with AS-27 Financial Reporting of Interest in Joint Ventures has not been made.

Note 34

The Previous years figures have been regrouped / rearranged / reclassified, wherever necessary in accordance with Schedule III of the Companies Act, 2013 to make them comparable with the current year.

As per our report attached of even date

For HARIBHAKTI & CO. LLP

Chartered Accountants

ICAI Firm Registration No. 103523W

Amit A Hundia

Partner

Membership No. 120761

Place: Mumbai

Date: 30th May, 2016

For and on behalf of the Board of Directors

CHETAN R. SHAH

Chairman &

Managing Director

DIN: 00135296

V. NAGARAJAN

Director

DIN: 00135714

S. RAMAMURTHI

Whole-Time Director

& CFO

DIN: 00135602

K S RAGHAVAN

Company Secretary

Consolidated Financial Statements

To the Members of Marathon Nextgen Realty Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Marathon Nextgen Realty Limited** (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") comprising of the Consolidated Balance Sheet as at March 31, 2016, the Consolidated Statement of Profit and Loss and 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 these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group 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. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these 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.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditor in terms of their report referred to in sub-paragraph of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

Basis for Qualified Opinion

As explained in Note No. 35 to the consolidated financial statement, the financial statements of two Joint Controlled Entities (& its components, if any) are not included in the consolidated financial statements of the Company. This is not in conformity with the Accounting Standard - 27 "Financial Reporting of Interests in Joint Ventures". The resulting impact of such non consolidation is not quantifiable.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in Basis for Qualified Opinion paragraph above, the aforesaid consolidated 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 consolidated state of affairs of the Group as at March 31, 2016, their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matter

We did not audit the financial statements of one subsidiary whose financial statements reflects total assets of Rs. 19,372.03 lacs as at March 31, 2016, total revenues of Rs. Nil and net cash outflows amounting to Rs. 0.08 lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the report of the other auditor.

Our opinion on the consolidated financial statements and our report on the Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor.

Report on Other Legal and Regulatory Requirements

- (1) As required by Section 143(3) of the Act, except for the possible effect of the matter stated in sub-paragraph of the Basis for Qualified Opinion above, we report as under, to the extent applicable, that:
- 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 of the aforesaid consolidated financial statements;
 - In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Company so far as it appears from our examination of those books and the reports of the other auditor;
 - The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
 - In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - On the basis of written representations received from the directors of the Holding Company as on March 31, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditor of its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
 - The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above;
 - With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, we give our separate Report in the "Annexure".
 - With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 28 to the consolidated financial statements;
 - The Group did not have any material foreseeable losses on long term contracts including derivative contracts;
 - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in India.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.103523W

Amit Hundia
Partner
Membership No.120761

Place: Mumbai
Date: May 30, 2016

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Marathon Nextgen Realty Limited on the standalone financial statements for the year ended March 31, 2016]

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Marathon Nextgen Realty Limited** ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("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 Companies Act, 2013.

Auditor's 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") and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, 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 ICAI.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 103523W

Amit Hundia
Partner
Membership No. 120761

Place: Mumbai
Date: May 30, 2016

(Amt. in ₹)

PARTICULARS	NOTE NO.	AS AT 31st MARCH 2016 ₹
I. EQUITY AND LIABILITIES		
1. Shareholders' funds		
a. Share capital	2	284,373,450
b. Reserves and surplus	3	5,848,718,353
		6,133,091,803
2. Non-current liabilities		
a. Other Long term liabilities	4	1,751,452
b. Long-term provisions	5	4,336,028
		6,087,480
3. Current liabilities		
a. Trade Payables	6	
- Dues of micro and small enterprises		249,166
- Others		1,321,4780
b. Other current liabilities	7	68,508,372
c. Short-term provisions	8	59,975,894
		141,948,212
TOTAL		6,281,127,495
ASSETS		
1. Non-current assets		
a. Fixed assets		
Tangible assets	9	1,249,052,485
b. Goodwill (on consolidation)		18,891,774
c. Non-current investments	10	5,034,382
d. Deferred Tax Assets (Net)	11	5,358,985
e. Long-term loans and advances	12	4,193,284,835
		5,471,622,461
2. Current assets		
a. Inventories	13	74,529,696
b. Trade receivables	14	6,811,228
c. Cash and Bank Balances	15	337,96,630
d. Short-term loans and advances	16	694,339,060
e. Other Current Assets	17	28,420
		809,505,034
TOTAL		6,281,127,495
Significant Accounting Policies	1	
Notes on Financial Statements	2 to 36	

As per our report of even date

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 103523W

Amit A Hundia
Partner - Membership No. 120761

Place: Mumbai
Date: 30th May, 2016

For and on behalf of the Board of Directors

CHETAN R. SHAH
Chairman & Mg. Director
DIN: 00135296

S. RAMAMURTHI
Wholetime Director & CFO
DIN: 00135602

V. NAGARAJAN
Director
DIN: 00135714

K. S. RAGHAVAN
Company Secretary

Consolidated Statement of Profit and Loss for the year ended 31st March 2016

(Amt. in ₹)		
PARTICULARS	NOTE NO.	Year Ended 31-3-2016 ₹
I. Revenue from Operations	18	62,687,816
II. Other Income	19	1,181,838,361
III. Total Revenue (I + II)		1,244,526,177
IV. Expenses:		
Project Development Expenses	20	51,369,738
Changes in inventories of finished goods, work-in-progress and Stock-in-trade	21	2,689,2537
Employee benefits expense	22	34,998,230
Finance costs	23	-
Depreciation	9	2,907,731
Other expenses	24	2,472,1574
Total Expenses		140,889,810
V. Profit before tax (III - IV)		1,103,636,367
VI. Exceptional Items		-
VII. Profit before tax (V - VI)		1,103,636,367
VIII. Tax Expense:		
1. Current tax (Net of MAT Credit)	31	347,500,000
2. Deferred tax		(1,297,860)
3. Short Provision of earlier year written back		3,713,328
IX. Profit for the year (VII - VIII) (before Minority Interest)		753,720,899
X. Minority Interest		-
XII. Profit for the year (IX - X) (after Minority Interest)		753,720,899
X. Earnings per equity share of face value of ₹10 each		
(Previous year ₹ 10/- each)		
Basic & Diluted (in ₹)	27	26.50
Significant Accounting Policies	1	
Notes forming integral part of the Consolidated Financial Statements	2 to 36	

As per our report of even date

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 103523W

Amit A Hundia
Partner - Membership No. 120761

Place: Mumbai
Date: 30th May, 2016

For and on behalf of the Board of Directors

CHETAN R. SHAH
Chairman & Mg. Director
DIN: 00135296

V. NAGARAJAN
Director
DIN: 00135714

S. RAMAMURTHI
Wholetime Director & CFO
DIN: 00135602

K. S. RAGHAVAN
Company Secretary

Consolidated Cash Flow Statement for the year ended 31st March, 2016

(Amt. in ₹)	
PARTICULARS	Year Ended 31st March, 2016
[A] CASH FLOW FROM OPERATING ACTIVITIES	
Net profit before tax as per statement of profit and loss	11,03,636,367
ADJUSTMENTS FOR:	
Depreciation	29,07,731
Depreciation on Investment Property	(69,813)
Interest Income	(5056,14,525)
Misc Balances Written back	(6,28,619)
Income from Dividend	(19,022)
Share of Profit/(Loss) in LLP	42,40,000
Loss on Disposal of Assets	3,60,032
	(4988,24,216)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	6048,12,151
ADJUSTMENTS FOR:	
Trade and Other Receivables	(8218,86,045)
Inventories	268,92,537
Trade Payables and other payables	(1,222,286,395)
	(2,017,279,903)
Cash Generated from Operations	(1,412,467,751)
Direct Taxes Paid	(336,500,282)
	(336,500,282)
NET CASH FLOW FROM OPERATING ACTIVITIES	(1,748,968,033)
[B] CASH FLOW FROM INVESTING ACTIVITIES	
Sales of Fixed Assets	1,233,622,739
Purchase of Fixed Assets	(281,277)
Acquisition of Subsidiary	(20,050,000)
Advances Given/Repaid(Net)	1569,39,806
Interest Received	5056,14,525
Income from Dividend	19,022
NET CASH FLOW FROM INVESTING ACTIVITIES	1,875,864,815

Consolidated Cash Flow Statement for the year ended 31st March, 2016

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

(Amt. in ₹)	
PARTICULARS	Year Ended 31st March, 2016
[C] CASH FLOW FROM FINANCING ACTIVITIES	
Dividend Paid	(1137,49,380)
Fractional Entitlement of shares on Bonus Issue	(9,800)
Tax on Dividend Paid	(231,56,620)
NET CASH FLOW FROM FINANCING ACTIVITIES	(136,915,800)
Net increase in cash and cash equivalents (A+B+C)	(100,19,018)
Cash and cash equivalents as at 31.03.15	422,14,111
Cash and cash equivalents as at 31.03.16	32,195,093
Note: Cash and cash equivalents includes:	
Cash in hand	10,340
Balances with scheduled banks:	
- In Current Accounts	32,184,753
	32,195,093

Note:

- The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard -3 issued by The Institute of Chartered Accountants of India.
- Figure in bracket indicate cash outflow.

As per our report of even date
 For **Haribhakti & Co. LLP**
 Chartered Accountants
 ICAI Firm Registration No. 103523W
 Amit A Hundia
 Partner
 Membership No. 120761
 Place: Mumbai
 Date: 30th May, 2016

For and on behalf of the Board of Directors
CHETAN R. SHAH
 Chairman & Mg. Director
 DIN: 00135296
S. RAMAMURTHI
 Wholetime Director & CFO
 DIN: 00135602
V. NAGARAJAN
 Director
 DIN: 00135714
K. S. RAGHAVAN
 Company Secretary

Marathon Nextgen Realty Limited

Corporate Information
 Marathon Nextgen Realty Limited ("the Company") including its subsidiaries collectively referred to as ("the Group") is a public Company domiciled in India. Its shares are listed on Bombay Stock Exchange (BSE) on September 19, 1978 and initiated the process of listing its share with National Stock Exchange (NSE). The Company was incorporated on January 13, 1978 and is primarily engaged in the business of construction, development and sale of commercial and residential real estate projects. The core business activities are carried out under various business models like own development, through joint ventures and joint development and other arrangements with third parties.

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES

(i) Accounting convention / Basis of Preparation

These consolidated financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 to the extent notified and guideline issued by the SEBI. The consolidated financial statements have been prepared under the historical cost convention on accrual basis. The accounting policies adopted in preparation of consolidated financial statements are consistent with those of previous year. The Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

(ii) Principles of Consolidation

The Consolidated Financial Statements have been prepared on the following basis:
 The financial statements of the subsidiary companies used in the consolidation are drawn upto the same reporting date as of the Company ie year ended March 31, 2016.

The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding book value together like items of assets, liabilities, income and expenses. The intra-group balances and intra-group transactions and unrealized profits have been fully eliminated.

The excess of cost to the Company of its investments in the subsidiary companies over its share of equity of the subsidiary companies, at the dates on which the investments in the subsidiary are made, is recognized as "Goodwill" being an asset in the consolidated financial statements. Goodwill arising out of consolidation is not amortized. However, the same is tested for impairment at each Balance Sheet date. Alternatively, where the share of equity in the subsidiary companies as on the date of the investment is in excess of cost of investment of the Company, it is recognized as "Capital Reserve" and shown under the head "Reserves and Surplus", in the consolidated financial statements. Minority Interest in the net assets of subsidiaries consists of:

The amount of equity attributable to the minorities at the date on which investment in subsidiary is made and the minorities share of movements in equity since the date the parent - subsidiary relationship came into existence.

In case of associates, being entities in which the Group has significant influence and which are neither subsidiaries nor joint ventures, they are accounted using equity method in accordance with Accounting standard 23 (AS 23)-"Accounting for investment in Associates in Consolidated Financial Statements".

The financial statements of the joint venture companies have been combined using proportionate consolidation method in accordance with Accounting Standard 27 – Financial Reporting of Interests in Joint Ventures and accordingly, venture's share of each of the assets, liabilities, income and expenses of jointly controlled entity is reported as separate line items in the Consolidated Financial Statements.

(iii) Use of estimates

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The estimates are made to the best of the management's ability considering all necessary information. Differences, if any, between actual results and estimates are recognized in the period in which the results are ascertained. These being technical in nature the auditors rely on the judgment of the management.

(iv) Revenue

(a) The Company is in the business of Real Estate Development. Revenue from sale of properties under construction is recognised on the basis of actual bookings done (provided the significant risks and rewards have been transferred to the buyer and there is reasonable certainty of realisation of the monies) using the Percentage of Completion Method. Revenue is recognised in accordance with the "Guidance Note on Accounting for Real Estate Transactions (Revised 2012)" issued by the Institute of Chartered Accountants of India, inter alia, with regard to thresholds for commencement of revenue recognition for projects and the basis for determining percentage of completion.

(b) Rent income, Car park income is accounted on cash basis.

(c) The Company's share in profits / loss from a firm / LLP / AOP where the Company is a partner or member, is recognised when the same is credited to the Company's current account on the basis of audited accounts of such firm / LLP / AOP, as per the terms of the partnership deed.

(d) Dividend income is recognized when the right to receive the same is established

(e) Interest income is recognised on time basis determined by the amount outstanding and the rate applicable.

(v) Inventories

(a) Inventories comprise of: (i) Finished Realty Stock representing unsold premises in closed projects and (ii) Realty Work in Progress representing properties under construction / development. Inventory includes cost of land determined at historical value.

(b) Inventories are valued at lower of cost and net realisable value.

(c) Cost of Realty construction / development is charged to the Statement of Profit and Loss in proportion to the revenue recognised during the period and the balance cost is carried over under Inventory as part of either Realty Work- in- Progress or Finished Realty Stock. Cost of Realty construction / development includes all costs directly related to the Project and other expenditure as identified by the Management which are incurred for the purpose of executing and securing the completion of the project.

(vi) Fixed assets

Fixed assets are stated at cost, less accumulated depreciation. Cost includes acquisition / construction price and includes incidental expenses.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Expenses incurred for acquisition of capital assets excluding advances paid towards the acquisition of fixed assets outstanding at each Balance Sheet date are disclosed under Capital Work in Progress.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

(vii) Depreciation

(a) Depreciation is provided from the date the assets are ready to be put to use, on straight line method as per the useful life of the tangible assets including property held as Investment as prescribed under Part C of Schedule II of the Companies Act, 2013.

(b) Depreciation is calculated on the pro-rata basis from the date of installation/acquisition till the assets are sold or disposed.

(viii) Investments

(a) Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments.

(b) Long-term investments including investment held as land and buildings are shown at cost. Provision for diminution in the value of investments is made to recognize a decline of a permanent nature.

(c) Current investments are carried at the lower of cost and fair value as at the balance sheet date.

(d) On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

(ix) Employee Benefit

(a) Defined Contribution Plan

The Company's liability towards Employee Provident Scheme is administered through the Employee Provident Fund Organisation administrated by the Government of India. The company's contributions paid / payable towards this defined contribution plan is recognized as expense in the Statement of Profit & Loss Account during the period in which the employee renders the related service. The interest rate payable to the beneficiaries is determined by the government.

(b) The Company provides for retirement/post retirement benefits in the form of gratuity and leave encashment. Both these funds are non funded and are provided for in the Balance Sheet on the basis of actuarial valuations. The obligation is measured at the present value using a discount rate.

(x) Borrowing Costs

Borrowing costs incurred on constructing or acquiring a qualifying asset are capitalized as cost of that asset until it is ready for its intended use or sale. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. Other borrowing costs are charged to Statement of Profit and Loss in the year in which they are incurred.

(xi) Taxes on income

Tax expenses are the aggregate of current tax and deferred tax charged or credited in the statement of Profit and Loss for the year.

(a) Current Tax:

The current charge for Income Tax is calculated in accordance with the Income Tax Act, 1961 applicable to the Company.

(b) Deferred Tax:

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the year. The deferred tax charge or credit and the deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future, however where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets. Deferred tax assets are reviewed at each Balance Sheet date.

(xii) Impairment of Fixed Assets

(a) The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount.

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

(xiii) Leases

Assets leased out under operating lease are capitalized. Rental income is recognized on accrual basis over the lease term.

(xiv) Cash Flow Statement

Cash Flow Statement is prepared under the "Indirect Method" as prescribed under the Accounting Standard 3-Cash Flow Statements.

Cash and Cash equivalents for the purpose of cash flow statement comprise of cash at bank and in hand and short term investments with original maturity of three months or less.

(xv) Earnings Per Share (EPS)

Basic Earnings per share is calculated by dividing the net profit or 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 is adjusted for events including a bonus issue, bonus element in right issue to existing shareholders, share split, and reverse share split (Consolidation of shares). 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 of all dilutive potential equity shares.

(xvi) Provisions, Contingent Liabilities and Contingent Assets

The Company creates a provision when there is a present obligation as a result of past events that probably required an outflow of resources and reliable estimates can be made of the amount of the obligation.

Contingent liability is a possible obligation that arises from past events and the existence will be confirmed by the occurrence or non occurrence of an uncertain future event not wholly within the control of the company or it may be an obligation that may arise out of a past event but is not recognized because it is not probable that there could be an outflow of resources or the amount of obligation cannot be reliably estimated. Accordingly contingent liabilities are disclosed after careful evaluation of facts and their legal consequences. Contingent assets are neither recognized nor disclosed.

Note 2 Share Capital

(Amt. in ₹)

PARTICULARS	AS AT 31st MARCH 2016
Authorised:	
49,750,000 Equity Shares of ₹10 each	497,500,000
25,000 6% Non Convertible Redeemable	
Cumulative Preference Shares of ₹100 each	2,500,000
Total	500,000,000
Issued, Subscribed & fully Paid up Shares:	
28,437,345 Equity Shares of ₹10 each	284,373,450
Total	284,373,450

i. Terms/Rights attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. All shares rank parri passu with regard to dividend. 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, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

Board of Director's have recommended a dividend of ₹ 1/- per equity share 10% of Face value of equity share ₹ 10 each. The dividend proposed by the Board of Director is subject to the approval of shareholders in the ensuing Annual General Meeting.

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

(Amt. in ₹)

PARTICULARS	EQUITY SHARES	
	AS AT 31st MARCH 2016	
	No. of Shares	₹
Shares outstanding at the beginning of the year	18,958,230	189,582,300
Shares issued during the year*	9,479,115	94,791,150
Shares bought back during the year	-	-
Shares outstanding at the end of the year	284,37,345	2843,73,450

*During the year, the Company has made allotment of 94,79,115 equity shares of ₹ 10/- each as bonus shares in proportion of one equity share for every two equity shares held.

b. Out of Equity shares issued by the Company, shares held by its holding company are as below:

PARTICULARS	Name of Relationship	AS AT 31st MARCH 2016
Equity Shares		No of Shares
Ithaca Informatics Pvt. Ltd.	Holding Company	213,27,000

c. Details of shareholders holding more than 5% shares in the Company

NAME OF SHAREHOLDER	AS AT 31st MARCH 2016	
	No. of Shares	% of Holding
Ithaca Informatics Pvt. Ltd. - (Holding Company)		
Equity Shares	213,27,000	75.00

d. Aggregate number and class of shares allotted as fully paid up by way of bonus shares for the last five Financial Years

PARTICULARS	AS AT 31st MARCH 2016
Equity Shares of ₹ 10/- each:	
Allotted as fully paid up by way of bonus shares by capitalising General Reserve	94,79,115

Note : There were no bonus shares issued in between the financial year ended 2011-12 to 2014-15.

Note 3 Reserves and Surplus

(Amt. in ₹)

PARTICULARS	AS AT 31st MARCH 2016
Capital Redemption Reserve	
Balance as per last Balance Sheet	2,500,000
Less: Utilisation for issue of Bonus Shares	(2,500,000)
Closing Balance	-
General Reserve	
Balance as per last Balance Sheet	3,500,000,000
Less: Utilisation for issue of Bonus Shares	(92291150)
Closing Balance	3,407,708,850
Surplus	
Balance as per last Balance Sheet	17215,15,104
Add: Profit for the year	753,720,899
Less: Appropriations	
Proposed Dividends on Equity Shares [Dividend per Share ₹1/- (Previous year ₹6)]	284,37,345
Short Provision of depreciation on useful life of assets	-
Tax on Dividend	57,89,155
Closing Balance	2,441,009,503
Total	5,848,718,353

Note 4 Other Long Term Liabilities

(in ₹)

PARTICULARS	AS AT 31st MARCH 2016
Others:	
Rent*	6,43,240
Rates & Taxes*	11,08,212
Total	17,51,452

*The company is making provision for Rent of ₹ 38,525 and Municipal taxes of ₹ 1,62,624/- for which party has not demanded the said liabilities and the said liabilities are not expected to be paid in the next one year.

Note 5 Long Term Provisions

(Amt. in ₹)

PARTICULARS	AS AT 31st MARCH 2016
Provision for employee benefits:	
Gratuity (unfunded)	38,82,248
Leave Encashment (unfunded)	4,53,780
Total	43,36,028

Disclosure as required by the Accounting Standard-15 "Employee Benefit" are given below:

a. Defined contributions Plan

PARTICULARS	AS AT 31st MARCH 2016
Employers contribution to Provident Fund	13,51,028

b. Defined Benefit Plan and other long term Employee Benefits

i. Actuarial Assumptions

PARTICULARS	AS AT 31st MARCH 2016	
	Gratuity Unfunded	Leave Encashment Unfunded
Mortality table	IAL 2006-08 Ultimate	IAL 2006-08 Ultimate
Method	Projected Unit Credit Method	Projected Unit Credit Method
Retirement Age	58 yrs	58 yrs
Expected Return on Plan Assets	N/A	N/A
Withdrawal Rates	1% per annum for all ages	1% per annum for all ages
Discount Rate per annum	8%	8%
Rate of increase in compensation levels	7%	7%

ii. Changes in the Present Value of the Obligations and in the Fair Value of the Assets

(Amt. in ₹)

PARTICULARS	2015-2016	
	Gratuity Unfunded	Leave Encashment Unfunded
Defined benefit obligation at the beginning of the year	36,46,107	5,56,479
Current Service Cost	5,33,411	3,57,272
Interest Cost	2,91,689	44,518
Actuarial (Gain) / Loss	(1,57,598)	(3,46,936)
Benefit paid / accrued	-	(6,293)
Define benefit at year end	43,13,609	6,05,040
Fair Value of Plan Assets as on 1/04/2015	Nil	Nil
Expected Return on Plan Assets	Nil	Nil
Contributions	Nil	6,293
Benefits Paid	-	(6,293)
Actuarial Gain (Loss) Plan Assets	Nil	Nil
Fair Value of Plan Assets as on 31-03-2016	Nil	Nil
Total Actuarial (Gain)/loss to be recognized	(1,57,598)	(3,46,936)

iii. Statement of Profit and Loss

(Amt. in ₹)

PARTICULARS	2015-2016	
	Gratuity Unfunded	Leave Encashment Unfunded
Current Service Cost	533,411	357,272
Interest Cost	291,689	44,518
Actuarial (Gain) / Loss	(1,57,598)	(346,936)
Charged to Statement of Profit and loss	667,502	54,854

iv. Balance sheet Recognition

(Amt. in ₹)

Present Value of Obligation	4,313,609	605,040
Fair Value of Plan Assets	Nil	Nil
Liability (assets)	43,13,609	6,05,040
Unrecognized actuarial gain or loss	Nil	Nil
Liability (asset) recognized in Balance sheet	43,13,609	6,05,040

v. Movement in the net Liability recognized in the Balance Sheet

(Amt. in ₹)

Opening net Liability	36,46,107	5,56,479
Expenses	6,67,502	54,854
Contribution	Nil	(6,293)
Closing Net Liability	43,13,609	6,05,040

vi. Disclosure as required under Para 120 (n) of AS -15

(Amt. in ₹)

Gratuity	2015-16
Present value of the Defined Benefit Obligation-Unfunded	43,13,609
Fair value of the Plan Assets at the end of the year	-
Surplus / (Deficit) in the Plan	(43,13,609)
Experience adjustments on Plan Assets (Gain) / Loss	-
Experience adjustments on Plan Liabilities (Gain) / Loss*	-

* This detail has not been provided by the actuary.

The above information is based on the Certificate provided by the certified actuary.

Note 6 Trade Payables

(Amt. in ₹)

PARTICULARS	AS AT 31st MARCH 2016
Micro, Small and Medium Enterprises*	2,49,166
Others	13,214,780
Total	13,463,946

Company has sent letters to suppliers to confirm whether they are covered under Micro, Small and Medium Enterprises Development Act 2006 as well as they have filed required memorandum with the prescribed authorities. Out of the letters sent to the parties, few confirmations have been received till the date of finalisation of the Balance Sheet. Based on the confirmations received, the outstanding amount payable to supplier's covered under Micro, Small and Medium Enterprises Development Act, 2006 are given below

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

(Amt. in ₹)

Sr. No.	PARTICULARS	31st MARCH 2016
i.	The principal amount remaining unpaid at the end of the year	2,49,166
ii.	The interest amount remaining unpaid at the end of the year	-
iii.	The interest amount paid in terms of Section 16 of MSMED Act, 2006	-
	The balance of MSMED parties as at the end of the year	2,49,166

Note 7 Other Current Liabilities

(Amt. in ₹)

PARTICULARS	AS AT 31st MARCH 2016
Unpaid dividends	15,17,606
Unclaimed VRS	7,82,129
Other payables:	
Advance from Customers	172,92,609
Less: Provision for doubt advances	(100,00,000)
Bonus Payable	4,67,932
Directors Commission Payable	39,23,520
Society Dues Payable#	367,95,394
Statutory Dues Payable	52,25,740
Other Payables	50,18,695
Book overdraft	7,479,748
Total	68,508,372

Society dues is netted off fixed deposit and interest accrued on fixed deposit of ₹ 5,37,64,468/-and receivable related to society of ₹(-)8,44,53,365/-.

Note 8 Short Term Provision

(Amt. in ₹)

PARTICULARS	AS AT 31st MARCH 2016
Provision for employee benefits [Refer Note 5]	
Gratuity (unfunded)	4,31,361
Leave Encashment (unfunded)	1,51,260
Other Provisions:	
Provision for Income Tax*	251,66,773
Provision for Wealth Tax#	-
Proposed Dividend	284,37,345
Tax on Dividend	57,89,155
Total	59,975,894

*Netted off advance tax & TDS of NIL ₹ 44,54,33,227/-

Netted off Wealth Tax paid of ₹ Nil

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

(Amt. in ₹)

DESCRIPTION OF ASSETS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	AS AT 01-04-2015	ADDITIONS DURING THE YEAR	SALES / TRANSFER DURING THE YEAR	AS ON 31-03-2016	AS ON 01-04-2015	DEDUCTIONS/ ADJUSTMENTS	FOR THE YEAR	UPTO 31-03-2016	AS ON 31-03-2016
Tangible Assets									
Own Assets:									
Leasehold Land	2,476,956,462	-	(1,231,780,320)	1,245,176,142	-	-	-	-	1,245,176,142
Freehold Land	257,648	-	-	257,648	-	-	-	-	257,648
Plant and Machinery	37,146,000	258,487	(37,146,000)	258,487	33,776,387	(35,153,837)	1,380,127	2,677	255,810
Furniture and Fixture	2,911,315	-	2,911,315	-	2,660,561	(2,755,840)	95,279	-	-
Air Conditioners and Office equipment	561,513	9,200	(561,513)	9,200	530,212	(533,946)	3,930	196	9,004
Motor Vehicles	9,614,359	-	-	9,614,359	4,850,838	-	1,427,600	6,278,438	3,335,921
Computers	656,660	13,590	(553,360)	116,890	624,247	(526,112)	795	98,930	17,960
Total	2,528,103,956	281,277	(1,272,952,507)	1,255,432,726	42,442,246	(38,969,736)	2,907,731	6,380,241	1,249,052,485

Note 9 Fixed Assets

Note: The Company during the year has sold significant fixed assets to its related party. However, it will not impact the going concern of the Company.

Note 10 Non-Current Investments

(Amt. in ₹)

PARTICULARS	AS AT MARCH 31, 2016 QUANTITY (Nos.)	FACE VALUE ₹	AS AT MARCH 31, 2016 ₹
Non Current Investments			
A) Investment Properties (at cost)			
Immovable Property - Opening			1,346,852
Add : Reversal of Depreciation			69,813
Less: Transfer to Stock in trade			1,416,665
			-
B) Trade Investment (at cost)			
a) In Equity Instruments Quoted Fully Paid Up			
Others			
Peninsula Land Limited	16,740	2	58,378
Unquoted Fully Paid Up			
Joint Venture			
Columbia Chrome (I) Pvt Limited	5,208	100	520,800
Total of Equity Instruments			579,178
c) In Limited Liability Partnership			
Joint Venture			
Swayam Realtors & Traders LLP			4,240,810
(Refer note (10.1) below)			
Adani Infrastructure & Developer Pvt Ltd (Capital & Profit Sharing 60%)			
Marathon Nextgen Realty Ltd (Capital & Profit Sharing 40%)			
[Total Capital ₹ 1,06,02,020]			4,240,810
Total of Trade Investments			4,819,988
C) Non-Trade Investments (at cost)			
a) In Equity Instruments			
Quoted Fully Paid Up			
Others			
Integra Garments and Textiles Ltd *	8000	3	-
Morarjee Textiles Limited	8000	7	186,394
* Shares allotted upon demerger			186,394
Unquoted Fully Paid Up			
Others			
Electric Control Gear (India) Limited	210,000	10	2,100
Less: Provision for diminution			2,100
Total of Equity Instruments			186,394

Note 10 Non-Current Investments

(Amt. in ₹)

PARTICULARS	AS AT MARCH 31, 2016 QUANTITY (Nos.)	FACE VALUE ₹	AS AT MARCH 31, 2016 ₹
(b) In Other Instruments			
6 Years National Saving Certificates lodged with Government Authority	6		28,000
Total of Non Trade Investments			214,394
Total of Non Current Investments			5,034,382
	AS AT MARCH 31,2016 Book Value		Market Value
Quoted Investments	244,772		822,254
Unquoted Investments	4,791,710		-
Less:Provision for diminution in value	2,100		-

10.1 The Company has made provision for share of accumulated loss w.r.t. its joint venture Swayam Realtors & Trades LLP to the extent of its investment ₹ 42,40,000/- based on management accounts for the year ended 31st March, 2015. The above losses have been booked to the extent of partner's contribution in the losses which would not exceed its capital contribution i.e. Investment made and appearing in the books of Marathon Nextgen Realty Limited which is as per the terms of the LLP agreement.

Note 11 Deferred Tax Asset (Net)

(Amt. in ₹)

PARTICULARS	AS AT 31st MARCH 2016 ₹
Deferred Tax Assets	
Difference between book WDV and WDV as per IT Act, 1961	34,94,797
Disallowances under Section 43B of the IT Act, 1961	-
Gratuity Payable	14,92,854
Leave Salary Payable	2,09,392
Bonus Payable	1,61,942
	18,64,188
Total	53,58,985

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

Note 12 Long Term Loans and Advances

(Amt. in ₹)

PARTICULARS	AS AT 31st MARCH 2016
Unsecured, considered good and subject to confirmation	
a. Security Deposits	8,55,565
b. Project advances to related parties - (Refer Note Below 12.2)	40,48,510,055
c. Other loans and advances	
Advance for Land (Refer Note Below 12.3)	503,25,000
Advance for Project/Development Rights	1356,95,558
Less: Provision for doubtful advances	(503,25,000)
Income Tax paid (net of provision)*	8,223,658
Total	4,193,284,835

* Netted off advance tax of ₹ Nil

12.1 In the opinion of the management, project advances are approximately of the value stated, if realised in ordinary course of business. Project advances are given for specified project to related party.

12.2 Pursuant to an agreement, the Company has given advances which includes of ₹ 257,90,74,037/- to a Company to explore for the opportunities in a project, with which it is going to jointly execute the said project. At periodic intervals surplus amounts are returned as they are not immediately required for the project. The Company is of the opinion that, project advance of this nature would not attract the provisions of Section 185 of the Companies Act, 2013.

12.3 The Company has entered into an agreement on 20th February, 2007 for development of property in Bangalore with the owner of the land. Development work would commence once the regulatory compliances are met with. The company has paid an advance towards the joint venture on the basis of the agreement signed. The advance paid by the company is adequately secured by a collateral in the form of unencumbered land based on an agreement between the company and the Power of Attorney Holders in the form of a registered document. However, by way of abundant caution, the Company has made a provision in the financials for the previous year.

Note 13 Inventories

(Amt. in ₹)

PARTICULARS	AS AT 31st MARCH 2016
(a) Work-in-Progress	
Project WIP Kings	380,98,838
Project WIP CTS 93	53,80,900
(b) Work-in-progress	
Closing Stock-Era	4,50,000
Closing Stock-Innova Phase-II	305,99,958
Total	745,29,696

Note : During the year, the Company has not recognised any revenue on the basis of percentage of completion method, as its running projects has not reached the threshold criteria as described in the Guidance Note on Accounting for Real Estate Transactions (Revised 2012).

Note 14 Trade Receivables

(Amt. in ₹)

PARTICULARS	AS AT 31st MARCH 2016
Unsecured, considered good (unless stated otherwise)	
Outstanding for a period exceeding 6 months from the date they are due for payment	23557210
Less: Provision for doubtful debts	(16,745,982)
Others	-
Total	68,11,228

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

Note 15 Cash and Bank Balances

(Amt. in ₹)

PARTICULARS	AS AT 31st MARCH 2016
Cash and cash equivalents	
(a) Balances with banks - in current account	32,184,753
(b) Cash on hand	10,340
	32,195,093
Other Bank Balances	
(a) Earmarked Balances with Banks	
(b) Earmark Balance with Banks: Unpaid Dividend Fractional Entitlement of shares	15,17,605 83,931
	16,01,536
Total	33,796,630

Note 16 Short Term Loans and Advances

(Amt. in ₹)

PARTICULARS	AS AT 31st MARCH 2016
Unsecured, considered good	
(a) Advance to Suppliers	12,95,043
(b) Others	
Prepaid Expenses	1,22,444
Loans to Employees	1,42,314
Service Tax input credit	5,19,045
Other Receivables from related parties	692,260,215
Total	694,339,060

In the opinion of the management, short term loans and advances are approximately of the value stated, if realised in ordinary course of business.

Note 17 Other Current Assets

(Amt. in ₹)

PARTICULARS	AS AT 31st MARCH 2016
Interest Accrued on Investments*	28,420
Total	28,420

*6 years NSC Certificate pledged with Bombay Port Trust

Note 18 Revenue from Operations

(Amt. in ₹)

PARTICULARS	Year Ended 31st March, 2016
Sale of Products:	
Sale of Property	622,00,000
Revenue from Services:	
Car Parking Rental	4,09,200
Other Operating Revenues:	
Sale of Scrap	78,616
Total	626,87,816

Note 19 Other Income

(Amt. in ₹)

PARTICULARS	Year Ended 31st March, 2016
Interest on project advance	505,614,525
Interest on staff loan	19,095
Dividend from Long Term Investments	19,022
Other non-operating income	678,379,680
Share of Profit/(Loss) in LLP	(42,40,000)
Miscellaneous Balances Written Back	6,28,619
Miscellaneous Income	14,17,420
Total	11818,38,361

Note 20 Project Development Expenses

(Amt. in ₹)

PARTICULARS	Year Ended 31st March, 2016
Cost of Material Consumed	67,24,046
Direct Expenses	321,56,783
MCGM Expenses	45,98,909
Compensation	78,90,000
Total	513,69,738

Note 21 Changes in inventories of finished goods, work-in-progress and stock in trade

(Amt. in ₹)

PARTICULARS	Year Ended 31st March, 2016
Inventories at the end of the year	
Work in Progress:	
Project WIP Kings	380,98,838
Project WIP CTS 93	53,80,900
Finished Stock:	
Finished Stock-Era	4,50,000
Finished Stock-Innova	305,99,958
Total (A)	745,29,696
Less : Inventories at the beginning of the year	
Finished Stock:	
Finished Stock-Era	4,50,000
Finished Stock-Innova	995,55,568
Total (B)	1000,05,568
Add : Adjustments Cost of Car Parking transferred to / (from) Investments (C)	(14,16,665)
Total (A-B+C)	(268,92,537)

Note 22 Employee Benefits Expense

(Amt. in ₹)

PARTICULARS	Year Ended 31st March, 2016
Salaries and Wages	269,25,495
Directors Commission	60,00,000
Contributions to Provident and other fund (Refer Note No.5)	20,18,530
Staff welfare expenses	54,205
Total	349,98,230

Note 23 Finance Cost

(Amt. in ₹)

PARTICULARS	Year Ended 31st March, 2016
Interest expense	-
Total	-

Note 24 Other Expenses

(Amt. in ₹)

PARTICULARS	Year Ended 31st March, 2016
Administrative Expenses:	
Power	5,46,834
Rent	1,07,572
Repairs to Others	1,04,444
Insurance	3,48,660
Rates & Taxes	1,63,083
Director's Sitting Fees	4,08,000
Payment to Auditor (Refer Note 24.1)	1,305,726
Property Upkeep Expenses	14,73,711
Professional Fees	58,45,585
Brokerage	17,64,452
Security Expenses	23,78,551
Stamp Duty	31,40,000
Loss on Sale/Discard of Fixed Assets	3,60,032
Other Expenses	6,774,924
Total	24,721,574

24.1 Payment to Auditors:

(Amt. in ₹)

PARTICULARS	Year Ended 31st March, 2016
Administrative Expenses:	
Payment to Auditor:	
Statutory Audit Fees*	857,100
Tax Audit Fees	175,000
Limited Review Fees	225,000
Certificate	25,000
Reimbursement of Expenses	23,626
Total	1,305,726

*Statutory Audit Fees includes ₹1,00,000/- for Consolidation.

Note 25 Related Party Disclosures.

Disclosure as required by Accounting Standard 18 - 'Related Party Disclosures' issued by The Institute of Chartered Accountants of India are as follows:

(a) Holding Company	Ithaca Informatics Pvt Ltd
(b) Key Managerial Personnel	Chetan R. Shah – Managing Director S. Ramamurthi - Whole Time Director & CFO
(c) Relatives of Key Managerial Personnel	Mayur R. Shah (Brother of Managing Director) - Director Ansuya R. Shah (Mother of Managing Director) Ramniklal Z. Shah (Father of Managing Director) Shailaja C. Shah (Wife of Managing Director) - Director Sonal M. Shah (Wife of Mayur R Shah-Director)
(d) Joint Venture	Columbia Chrome (I) Pvt Ltd Swayam Realtors & Traders LLP
(e) Enterprises over which key managerial personnel / relatives exercise significant Influence	Citadel Realty & Developers Ltd Cornell Hsg & Infrastructure Pvt Ltd Fibre Box (Bombay) Pvt Ltd Hariyali Estate Pvt. Ltd. Kanchi Rehab Pvt Ltd Lark Consultancy Pvt Ltd Marathon Buildcon LLP Marathon Construction Co. Marathon Construction LLP Marathon Developers Marathon Ener-Gen LLP Marathon Energy Pvt Ltd Marathon Fiscal Pvt Ltd Marathon Group Marathon Housing Pvt Ltd Marathon Infotech Pvt Ltd Marathon IT Infrastructure Pvt Ltd Marathon Nextgen Townships Pvt Ltd Marathon Nexzone Infrastructures Pvt Ltd Marathon Nexzone Land Pvt Ltd Marathon Prachin Infrastructures Pvt Ltd Marathon Realty Pvt Ltd Marathon Securities & Properties Pvt Ltd Marathon Ventures Pvt Ltd Matrix Architects & Engineers Matrix Enclaves Projects Developments Pvt Ltd Matrix Fiscal Pvt Ltd Matrix Land Hub Pvt Ltd Matrix Green Housing & Commercial Developers LLP Matrix H ₂ O Management LLP Matrix Salvage Management LLP Matrix Waste Management Pvt Ltd Matrix Water Management Pvt Ltd Nextgen Buildcon Pvt Ltd Nextgen City Container Depot Pvt Ltd Nextgen City Energy Pvt Ltd Nextgen City Utilities Pvt Ltd Nextgen City Water Management Pvt Ltd

Nextgen Land Pvt Ltd
Nexzone Buildcon LLP
Nexzone Energy Utilities LLP
Nexzone Fiscal Services Pvt Ltd
Nexzone IT Infrastructure Pvt Ltd
Nexzone Land Pvt Ltd
Nexzone Utilities Pvt Ltd
Nexzone Water Management Pvt Ltd
Olympic Enterprises
Parmeka Pvt Ltd - (upto 13-09-2015)
Rare Townships Pvt Ltd
Sanvo Resorts Pvt Ltd
Shree Mulund News Publication
Sonasha Enterprises
Svarnim Enterprises Pvt Ltd
Trident Ozone LLP
United Builders
United Enterprises
Vector Modular System (I) Pvt Ltd
Vector Project (India) Pvt Ltd
Vector Properties Pvt Ltd
Vinotak Investment Pvt Ltd

(f) Details of Transactions during the year with related parties:

(Amt. in ₹)

Particulars	Holding Company	Joint Venture	Enterprises Included in (e) above	Key Management Personnel	Relatives of Key Management Personnel	Total
Expenses reimbursed by MNRL	-	-	767,868	-	-	767,868
Expense Reimbursed to MNRL	-	-	9,236,843	-	-	9,236,843
Advance Received*	-	79,750,000	687,911,979	-	-	767,661,979
Advance Repaid / Given	-	79,200,000	104,990,000	-	-	184,190,000
Interest Income	-	138,530,271	367,084,254	-	-	505,614,525
Purchase of Equity Shares of Parmeka Pvt Ltd	-	-	20,000,000	-	-	20,000,000
Sale of Fixed Assets	-	-	2,072,722	-	-	2,072,722
Provision for Share of Loss in LLP	-	4,240,000	-	-	-	4,240,000
Rent	-	-	-	-	-	-
Dividend Paid	-	-	-	-	-	-
Equity	85,308,000	-	-	600	3000	85,311,600
Remuneration	-	-	-	6,500,000	-	6,500,000
Commission	-	-	-	6,000,000	-	6,000,000
Director's Sitting Fees	-	-	-	-	70,000	70,000
Consideration Receivable	-	-	Note 1	-	-	-
Outstanding Receivable	-	1,469,436,018	3,264,973,174	-	-	4,734,409,192

* Interest income has been converted in project advance at the year end, which is not included in the amount disclosed as advance given above

Notes:

1) As per the definitive agreements to be executed w.r.t. 35 acres of land to be developed

Disclosure in respect of transactions that exceed 10% of the total value of transactions of the same type with related parties during the year:

Particulars	2015-16
Expenses reimbursed by MNRL	
Marathon Realty Pvt Ltd	54,556
Total	54,556
Expense Reimbursed to MNRL	
Marathon Realty Pvt Ltd	8,520,900
Total	8,520,900
Advances Received	
Marathon Realty Pvt Ltd	687,911,979
Swayam Realtors & Traders LLP	79,750,000
Total	767,661,979
Advances Given \ Repaid	
Swayam Realtors & Traders LLP	65,000,000
Marathon Realty Pvt Ltd	104,990,000
Total	169,990,000
Interest Received	
Columbia Chrome (I) Pvt. Ltd.	73,551,703
Swayam Realtors & Traders LLP	64,978,568
Marathon Realty Pvt. Ltd.	367,084,254
Total	505,614,525
Purchase of Equity Shares of Parmeka Pvt Ltd	
Marathon Realty Pvt Ltd	20,000,000
Sale of Fixed Assets	
Marathon Realty Pvt Ltd	2,072,722
Provision for Share of Loss in LLP	
Swayam Realtors and Traders LLP	4,240,000
Dividend Paid	
Ithaca Informatics Pvt. Ltd.	
Equity	85,308,000
Remuneration	
Chetan R. Shah	6,500,000
Commission	
Chetan R. Shah	6,000,000

Outstanding Receivable	
Marathon Realty Pvt. Ltd.	3,264,321,249
Columbia Chrome (I) Pvt. Ltd.	782,938,664
Swayam Realtors & Traders LLP	686,497,354
Total	4,734,357,267

Note 26 Disclosure required by Regulation 34(3) of the SEBI (LODR) Regulations, 2015:

Amount of project advances outstanding from joint ventures and companies in which directors are interested:

Name of the Companies	Closing Balance (in ₹)	Maximum Balance Outstanding during the year (in ₹)
	2015-16	2015-16
Repayable beyond 7 years:		
Joint Ventures:		
Columbia Chrome (I) Pvt Ltd	782,938,664	782,938,664
Swayam Realtors & Traders LLP	686,497,354	686,497,354
Others:		
Marathon Realty Pvt Ltd	2,579,074,037	2,943,424,337

Note 27 Earnings per Share (EPS)

Sr. No.	Particulars	2015-16
(i)	Net Profit after tax as per Profit and Loss (₹)	753,720,899
(ii)	Net profit for the year attributable to equity shareholders (₹)	753,720,899
(iii)	Weighted average number of equity shares	28,437,345
(iv)	Basic and diluted earnings per share (₹)	26.50
(v)	Nominal value per equity share (₹)	10

*During the year, the Company has made allotment of 94,79,115 equity shares of ₹ 10/- each as bonus shares in proportion of one equity share for every two equity shares held. The earnings per share has been adjusted for both the period presented above.

Note 28 Contingent Liabilities (to the extent not provided for excluding interest, penal charges, if any)

Contingent Liabilities (to the extent not provided for excluding interest, penal charges, if any)	
Particulars	2015-16
	₹
Claims against the Company not acknowledged as debt:	
1. Disputed Liabilities in appeal*	
Central Excise Duty	10,541,456
PF and ESIC (Refer Note 28 (a) & (b) below)	4,750,560
Income Tax Demand (A.Y.2013-14) (Refer Note 28 (c) below)	25,321,050
	40,613,066

* As certified by management and consultants

The Company does not expect any outflow of the resources in respect of the above.

- The Employees Provident Fund Authorities have issued a show cause notice against the company raising a claim of ₹38,83,486/- purportedly being arrears pertaining to damages and delayed payment interest. The company appealed against the order in the Provident Fund Appellate Tribunal and pending hearing the recovery of principal interest and damages has been stayed.
- The Employees' State Insurance Corporation has raised a claim of ₹8,67,074/- purportedly being arrears of contribution, damages and delayed payment interest. The company had made a representation to the Board for Industrial and Financial Reconstruction in this regard. Besides filing an appeal in the ESIC court.
- The income tax department has issued notice of demand u/s 156 of the Income Tax Act, 1961 of ₹2,53,21,050/- for A.Y.2013-14. However, there is no such demand payable by the Company due to TDS credit not considered by the department. The Company has filed rectification application with the department to give the TDS credit effect and annul the demand.

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

Note 29

Details of Subsidiary considered for Consolidated Financial Statements.

Name of the Company	Country of Incorporation	% of Voting Power as on 31st March 2016
Subsidiary Parmeka Private Limited (W.e.f. 14-09-2015)	India	100%

Note 30

Additional Information, as required under Schedule III of Companies Act, 2013 of enterprises consolidated as Subsidiaries.

Name of the Entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount in (₹)	As % of consolidated Profit	Amount in (₹)
Parent				
Marathon Nextgen Realty Ltd	100.00	6,133,228,349	100.02	753,857,446
Subsidiaries				
Indian				
Parmeka Pvt Ltd	20.40	1,251,283,680	89.99	678,243,134
Total	120.40	7,384,512,029	190.00	1,432,100,579
Less: Adjustment arising out of consolidation	20.40	1,251,420,226	90.00	678,379,680
Minority Interests in all subsidiaries				
Indian				
Parmeka Pvt Ltd				
Consolidated Net Assets/Profit after tax	100	6,133,091,803	100	753,720,899

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures as per Companies Act, 2013.

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

SR. No.	Particulars	Details
1	Name of the subsidiary	Parmeka Private Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	-
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR
4	Share capital	Rs.93,61,200
5	Reserves & surplus	Rs.1,24,19,22,480
6	Total assets	Rs.1,93,72,03,145
7	Total Liabilities	Rs.685,919,465
8	Investments	-
9	Turnover	Rs.1,91,01,60,000
10	Profit / (Loss) before taxation	(Rs. 1,36,546)
11	Provision for taxation	Nil
12	Profit after taxation	(Rs. 1,36,546)
13	Proposed Dividend	Nil
14	% of shareholding	100%

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

- Names of subsidiaries which are yet to commence operations- None
- Names of subsidiaries which have been liquidated or sold during the year-None

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures*:

Name of associates/Joint Ventures	Columbia Chrome (I) Pvt. Ltd.	Swayam Realtors and Traders LLP
1. Latest audited Balance Sheet Date	-	-
2. Shares of Associate/Joint Ventures held by the company on the year end	40%	40%
No.		
Amount of Investment in Associates/Joint Venture	40%	40%
Extend of Holding%		
3. Description of how there is significant influence	Due to percentage (%) of Share Capital	
4. Reason why the associate/joint venture is not consolidated	Non - availability of Financial Statements *	
5. Net worth attributable to shareholding as per latest audited Balance Sheet		
6. Profit/Loss for the year		
i. Considered in Consolidation		
ii. Not Considered in Consolidation		

*The Financial Statements of the above two joint venture controlled entities were not available during the reporting period and hence not been included in the Consolidated Financial Statements of the Company.

- Names of associates or joint ventures which are yet to commence operations-None
- Names of associates or joint ventures which have been liquidated or sold during the year-None

Note 31

The Tax Expense for the current year worked out in accordance with the provision for Income Tax Act 1961 is ₹38,00,37,885/-. The Company is eligible for set off of MAT Credit aggregating to ₹3,26,23,496/- as per Section 115JAA of the Income Tax Act 1961. Accordingly a provision for tax rounded off to ₹34,75,00,000/- is provided after netting off MAT Credit entitlement.

Note 32

The Board of Director's of the Company at their meeting held on 3rd November, 2015 have approved the Scheme of Amalgamation of its 100% subsidiary, Parmeka Pvt Ltd with the Company. The appointed date of proposed Scheme is 1st October, 2015. The Scheme is subject to the sanction of petition filed by the Company with the Hon'ble High Court of Bombay.

Note 33

The Company has a Corporate Social Responsibility (CSR) policy. An amount of ₹1,01,19,085/- being attributable to CSR during the current year has remained unspent. At present, the Company is evaluating its options for the purpose of which CSR expenditure needs to be incurred.

Note 34

The Company is operating in a single segment i.e. Real Estate Development, pursuant to which the information required to be disclosed as per AS-17 "Segment Reporting" in case of different segment has not been disclosed here.

Note 35

The financial statements of two joint ventures i.e. Swayam Realtors and Traders LLP and Columbia Chrome (I) Pvt Ltd were not available as on the reporting period, hence the disclosure requirements in accordance with AS-27 Financial Reporting of Interest in Joint Ventures has not been made.

Note 35

The Company has for the first year prepared consolidated financial statements. Therefore, previous year figure not furnished.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 103523W

Amit A Hundia
Partner
Membership No. 120761

For and on behalf of the Board of Directors

CHETAN R. SHAH
Chairman &
Managing Director
DIN: 00135296

S. RAMAMURTHI
Whole-Time Director
& CFO
DIN: 00135602

Place: Mumbai
Date: 30th May, 2016

V. NAGARAJAN
Director
DIN: 00135714

K S RAGHAVAN
Company Secretary

PROXY FORM
(Pursuant to Section 105(6) of the Companies Act, 2013 and
Rules 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the member(s):

Registered Address:

.....

E-mail ID:

Folio No. / Client ID DPID:

I/We, being the member(s) holding shares of the above named Company, hereby appoint:

1. Name: Address

.....

E-mail ID Signature

or failing him

2. Name: Address

.....

E-mail ID Signature

proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 39th Annual General Meeting of the Company to be held at Kilachand Conference Hall, 2nd floor, IMC, Indian Merchant's Chamber Building, Churchgate, Mumbai 400020 on Tuesday, September 27, 2016 at 11.30 a. m. and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No. 1:, Resolution No. 2:, Resolution No. 3:
Resolution No. 4:, Resolution No.5:

Signed this day of, 2016.

.....
Signature of Shareholder

.....
Signature of Proxy Holder(s)

Affix Re.1
Revenue
Stamp

Note: This form duly filled up, stamped and signed by the appointer or his attorney duly authorised in writing or if the appointer is a Body Corporate, under the seal of signed by an attorney duly authorised by it shall be deposited at the Registered Office of the Company, not less than 48 hours before the time for holding meeting.

MARATHON NEXTGEN REALTY LTD.

Regd. Off.: Marathon Futurex, N. M. Joshi Marg, Lower Parel (West), Mumbai 400 013
CIN: L65990MH1978PLC020080

ATTENDANCE SLIP

39TH ANNUAL GENERAL MEETING

Member's Name:

Reg. Folio / DP & Client ID no.....

No. of Shares held:

I certify that I am a registered shareholder / Proxy for the registered shareholder of the Company. I hereby accord my presence at the 39th Annual General Meeting of the Company at Kilachand Conference Room, 2nd Floor, Indian Merchants' Chamber, Churchgate, Mumbai 400 020 at 11.30 a.m. on Tuesday, September 27, 2016.

Member's / Proxy's signature

Proxy's Name:

Note:

1. Please fill this attendance slip and hand it over at the entrance of the Hall.
2. Members / Proxy Holders / authorised Representatives are requested to show their Photo ID Proof for attending the Meeting.
3. Authorised Representatives of Corporate Members shall produce authorization issued in their favour.

AGM Venue Location Map

Veer Nariman Road, Churchgate, Mumbai, Maharashtra 400020.

