L. J KOTHARI
B.COM,
F.C.A.
9920424040

L. J. KOTHARI & CO.

CHARTERED ACCOUNTANTS

GANDHI MANSION, 3RD FLOOR, NEW SILK BAZAR, OPP KALBADEVI HEAD P. O.,
MUMBAI – 400 002 * Tel.: 2205 5916 * E-mail: ca_lalitkothari@yahoo.co.in

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ABP REALTY ADVISORS PRIVATE LIMITED

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **ABP REALTY ADVISORS PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "Ind AS financial statement").

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 Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued there under.

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, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS 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 Ind AS 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 there under.

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 Ind AS financial statements are free from material misstatement.

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An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS 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 Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 including the Ind AS, of the financial position of the Company as at 31st March 2018, and its loss for the year (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

The audited Ind AS financial statements for the year ended 31st March 2017, was carried out and reported by Dalal Doshi & Associates, vide their unmodified audit report dated 26th May 2017, whose report has been furnished to us by the management and which has been relied upon by us for the purpose of our audit of the financial statements. Our audit report is not qualified in respect of this matter.

Emphasis of Matters

We draw attention to Note No. 14 in the Ind AS financial statements which indicates that the Company has accumulated losses and its net worth has been completely eroded, the Company has incurred a net cash loss during the current year and, the Company's current liabilities exceeded its current assets as at the balance sheet date. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, the Ind AS financial statements of the Company have been prepared on a going concern basis for the reasons stated in the said Note.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

I. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms section 143(11) of the Act, we give in the **"Annexure A"** statement on the matters specified in paragraphs 3 and 4 of the Order;

II. 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;

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(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 (including other comprehensive income), the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rule issued thereunder;

(e) The going concern matter described under the Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.

(f) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

(g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**"; and

(h) 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 Ind AS financial statements, if any;

    ii. The Company did not have any long term contract including derivative contracts for which there were any material foreseeable losses; and

    iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

FOR L.J. KOTHARI & CO
Firm Registration No. 105313W
Chartered Accountants

LALIT KOTHARI
Partner
Membership No.: 30917

L. J. KOTHARI & CO.
MEMBERSHIP
No. 30917
CHARTERED ACCOUNTANTS

Place : Mumbai
Date : 20th June, 2018

ANNEXURE "A" REFERRED TO IN OUR REPORT TO THE MEMBERS OF ABP REALTY ADVISORS PRIVATE LIMITED ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018;

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that: -

(i) According to the information and explanations given to us and based on our examination of the records of the Company, the Company does not have any fixed assets during the year. Accordingly, paragraph 3(i) of the Order is not applicable.

(ii) According to the information and explanations given to us and based on our examination of the records of the Company, the Company does not have any inventory during the year. Accordingly, paragraph 3(ii) of the Order is not applicable.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships, or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable.

(iv) The Company has not granted any loans or made any investments, or provided any guarantees or any security to the parties covered under section 185 and 186. Accordingly, paragraph 3(iv) of the Order is not applicable.

(v) The Company has not accepted any deposits from the public during the year within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified. Accordingly, paragraph 3(v) of the Order is not applicable.

(vi) The Central Government of India has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.

(vii) a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues, including provident fund, income-tax, goods & service tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues, wherever applicable, with the appropriate authorities. There were no arrears as at 31st March, 2018 for a period of more than six months from the date they become payable.

b) On the basis of our examination of documents and records of the Company, and explanation provided to us, there were no disputed dues in respect of Income Tax, Value Added Tax and Cess as at the Balance Sheet date.

(viii) The Company does not have any loans or borrowings from any financial institution, banks or Government nor has it issued any debentures as at the balance sheet date. Accordingly, paragraph 3(viii) of the Order is not applicable.

(ix) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.

(x) Based on the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

L. J. KOTHARI & CO. MEMBERSHIP No. 30917 CHARTERED ACCOUNTANTS

(xi) The Company has not paid / provided for managerial remuneration during the year and hence, the provisions of Section 197 read with Schedule V to the Act are not applicable. Accordingly, paragraph 3(xi) of the Order is not applicable.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) The Company has entered into transactions with related parties are in compliance with the Section 177 and 188 of the Act. The details of such related party transactions have been disclosed in the Financial Statements as required under AS24, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015.

(xiv) The company has not made any preferential allotment / private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3 (xiv) of the Order is not applicable to the Company.

(xv) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3 (xv) of the Order is not applicable.

(xvi) The company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3 (xvi) of the Order is not applicable.

FOR L. J. Kothari & Co.
Firm Registration No.: 105313W
Chartered Accountants

LALIT KOTHARI
Partner
Membership No. 30917

Place : Mumbai
Date : 20th June, 2018

"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF ABP REALTY ADVISORS PRIVATE LIMITED

Report on the Internal Financial Controls 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 ABP REALTY ADVISORS PRIVATE LIMITED ("the Company") as of 31st March, 2018 in conjunction with our audit of the Ind AS 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that 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 risks. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS 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.

L. J. KOTHARI & CO.
MEMBERSHIP No. 30917
CHARTERED ACCOUNTANTS

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 unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

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 31st March 2018, based on the internal control over financial reporting criteria established by the Company, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR L.J. KOTHARI & CO
Firm Registration No. 105313W
Chartered Accountants

LALIT KOTHARI
Partner
Membership No.: 30917

L. J. KOTHARI & CO. CHARTERED ACCOUNTANTS MEMBERSHIP No. 30917

Place : Mumbai
Date : 20th June, 2018

ABP REALTY ADVISORS PRIVATE LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2018

Particulars	Note No.	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
ASSETS			
Current assets			
(a) Financial assets			
(i) Cash and cash equivalents	3	57,273	57,333
(ii) Loans	4	108,367	108,367
TOTAL ASSETS		**165,640**	**165,700**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	5	500,000	500,000
(b) Other equity	6	(18,221,008)	(18,206,427)
Total Equity		**(17,721,008)**	**(17,706,427)**
Liabilities			
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	7	224,597	224,597
(ii) Other financial liabilities	8	17,662,051	17,647,530
Total Liabilities		**17,886,648**	**17,872,127**
TOTAL EQUITY AND LIABILITIES		**165,640**	**165,700**

The accompanying notes are an integral part of the financial statements

As per our report of even date

FOR L. J. KOTHARI & CO.
Firm Registration No. 105313W
CHARTERED ACCOUNTANTS

L. J. KOTHARI & CO. MEMBERSHIP No. 30917 CHARTERED ACCOUNTANTS

LALIT KOTHARI
Proprietor
Membership No. 30917

Mumbai
Date: 20th June 2018

For and on behalf of the Board of Directors

JASMIN RATHOD
DIRECTOR
DIN: 03147669

ABP REALTY ADVISORS PVT. LTD.

PRAPHUL SHINDE
DIRECTOR
DIN: 03140671

Mumbai
Date: 20th June 2018

ABP REALTY ADVISORS PRIVATE LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

Particulars	Note No.	Year ended 31st March, 2018 ₹	Year ended 31st March, 2017 ₹
INCOME			
Revenue From Operations	9	-	32,933
TOTAL INCOME (I)		-	**32,933**
EXPENSES			
Other Expenses	10	14,581	39,594
TOTAL EXPENSE (II)		**14,581**	**39,594**
Profit before exceptional items and Tax (I - II)		**(14,581)**	**(6,661)**
Exceptional Items		-	-
Profit/(Loss) before Tax		**(14,581)**	**(6,661)**
Tax Expense			
Excess/(Short) provision for taxation in respect of earlier years		-	-
Profit/(Loss) for the Period from Continuing Operations		**(14,581)**	**(6,661)**
Profit/(Loss) for the Year		**(14,581)**	**(6,661)**
Other Comprehensive Income			-
Total Comprehensive Income/(Loss)		**(14,581)**	**(6,661)**
Earning per equity share of nominal value of ₹ 10/- each			
Basic and Diluted	11	(0.29)	(0.13)

The accompanying notes are an integral part of the financial statements

As per our report of even date

FOR L. J. KOTHARI & CO.
Firm Registration No. 105313W
CHARTERED ACCOUNTANTS

LALIT KOTHARI
Proprietor
Membership No. 30917

Mumbai
Date: 20th June 2018

For and on behalf of the Board of Directors

JASMIN RATHOD
DIRECTOR
DIN: 03147669

PRAPHUL SHINDE
DIRECTOR
DIN: 03140671

Mumbai
Date: 20th June 2018

ABP REALTY ADVISORS PRIVATE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

	Particulars	31st March, 2018 ₹	31st March, 2017 ₹
I	**CASH FLOWS ARISING FROM OPERATING ACTIVITIES**		
	Net profit/(loss) before taxation as per Statement of Profit and Loss	(14,581)	(6,661)
	Add/(Less) :		
	Provision no longer required	-	(32,933)
	Operating profit before working capital changes	(14,581)	(39,594)
	Add/(Less) :		
	(Increase) / Decrease in loans and advances	-	4,550
	Increase / (Decrease) in trade and other payables	14,521	20,690
	Direct taxes paid /(received)	-	-
		14,521	25,240
	Net cash flow from operating activities	(60)	(14,354)
II	**CASH FLOWS ARISING FROM INVESTING ACTIVITIES**		-
	Net cash flow from investing activities	-	-
III	**CASH FLOWS ARISING FROM FINANCING ACTIVITIES**	-	-
	Net cash flow from financing activities	-	-
	Net increase in cash and cash equivalents (I + II + III)	(60)	(14,354)
	Add: Balance at the beginning of the year	57,333	71,687
	Cash and cash equivalents at the end of the year	57,273	57,333
	Components of cash and cash equivalents (Refer note 3)		
	Cash on hand	8,270	8,270
	Balances with banks		
	- On Current accounts	49,003	49,063
		57,273	57,333

Footnote :
The Cash Flow Statement has been prepared under indirect method as set out in Indian Accounting Standard (Ind AS- 7) statement of cash flows.

The accompanying notes are an integral part of the financial statements

As per our report of even date

For and on behalf of the Board of Directors

FOR L. J. KOTHARI & CO.
Firm Registration No. 105313W
CHARTERED ACCOUNTANTS

L. J. KOTHARI & CO. CHARTERED ACCOUNTANTS MEMBERSHIP No. 30917

LALIT KOTHARI
Proprietor
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Mumbai
Date: 20th June 2018

JASMIN RATHOD
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ABP REALTY ADVISORS PVT. LTD.

PRAPHUL SHINDE
DIRECTOR
DIN: 03140671

Mumbai
Date: 20th June 2018

ABP REALTY ADVISORS PRIVATE LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2018 in (₹)

	Amount
A. EQUITY SHARE CAPITAL	
As at 1st April, 2016	5,00,000.00
Changes in equity share capital	-
As at 31st March, 2017	**5,00,000.00**
Changes in equity share capital	-
As at 31st March, 2018	**5,00,000.00**

B. OTHER EQUITY AND CONVERTIBLE INSTRUMENTS

	Retained Earnings	Total
Balance at 1st April, 2016	**(1,81,99,766)**	**(1,81,99,766)**
Other Comprehensive Income for the year	-	-
Total Comprehensive Income for the year	(6,661)	**(6,661)**
Balance at 31st March, 2017	**(1,82,06,427)**	**(1,82,06,427)**
Balance at 1st April, 2017	**(1,82,06,427)**	**(1,82,06,427)**
Other Comprehensive Income for the year	-	-
Total Comprehensive Income for the year	(14,581)	**(14,581)**
Balance at 31st March, 2018	**(1,82,21,008)**	**(1,82,21,008)**

The accompanying notes are an integral part of the financial statements

As per attached report of even date

FOR L. J. KOTHARI & CO.
Firm Registration No. 105313W
CHARTERED ACCOUNTANTS

L. J. KOTHARI & CO. CHARTERED ACCOUNTANTS MEMBERSHIP No. 30917

LALIT KOTHARI
Proprietor
Membership No. 30917

Mumbai
Date: 20th June 2018

For and on behalf of the Board of Directors

JASMIN RATHOD
DIRECTOR
DIN: 03147669

ABP REALTY ADVISORS PVT. LTD.

PRAPHUL SHINDE
DIRECTOR
DIN: 03140671

Mumbai
Date: 20th June 2018

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

Note 1. Statement of Significant Accounting Policies.

1.1 **Company Overview**
ABP Realty Advisors Private Limited is a subsidiary of Public Limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is engaged in the business of investment advisors, consultants for real estate and infrastructure funds including but not limited to advise on investment by the aforesaid funds in all kind of real estate and infrastructure projects.

1.2 The financial statements are approved for issue by the Company's Board of Directors on 20th June 2018.

Note 2. Significant Accounting Policies followed by the Company

I. Basis of preparation of financial Statements

(i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The accounting policies are applied consistently to all the periods presented in the financial statements.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

1) certain financial assets and liabilities that are measured at fair value;
2) assets held for sale - measured at lower of carrying amount or fair value less cost to sell;
3) defined benefit plans - plan assets measured at fair value;

(iii) Current non-current classification

All the assets and liabilities have been classified as current or non-current, wherever applicable, as per the operating cycle of the Company as per the guidance set out in Schedule III to the Act. Operating cycle for the business activities of the Company covers the duration of the project/ contract including the defect liability period, wherever applicable, and extends upto the realisation of receivables (including retention monies, if any) within the credit period normally applicable to the respective project.

II. Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions that affect the reported balances of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) Judgements

Classification of property

The company determines whether a property is classified as investment property or inventory property. Investment property comprises land and buildings that are not occupied substantially for use by, or in the operations of, the company, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation. These buildings are substantially rented to tenants and not intended to be sold in the ordinary course of business. Inventory comprises property that is held for sale in the ordinary course of business. Principally, these are properties that the company develops and intends to sell before or on completion of construction.

b) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

III. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will accrue to the Company and the revenue can be reliably measured and also when it is reasonably certain that the ultimate collection will be made and that there is buyers' commitment to make the complete payment.

A. **Revenue from Consultancy & Advisory Services**
Revenue from consultancy & advisory services are accrued and accounted for as and when the services are provided and the revenue for the same is certain. Where the income / revenue is contingent or uncertain, recognition for the same is postponed to the extent of significant uncertainty.

B. **Interest and dividend:**
Interest income including income arising on other instruments recognised on time proportion basis using the effective interest rate method.
Dividend income is recognized when the right to receive dividend is established.

C. **Others:**
Other revenues / incomes and costs / expenditure are accounted on accrual, as they are earned or incurred.

L. J. KOTHARI & CO. CHARTERED ACCOUNTANTS MEMBERSHIP No. 30917

ABP REALTY ADVISORS PVT. LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

IV. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A. **Financial Assets**

i. **Initial recognition**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognised in the Statement of Profit and Loss.

ii. **Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in following categories:

a) **Financial Assets at Amortised Cost**

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) **Financial Assets Measured at Fair Value**

Financial assets are measured at fair value through OCI if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

Financial asset not measured at amortised cost or at fair value through OCI is carried at FVTPL.

iii. **De-recognition of Financial Assets:**

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

B. **Equity Instruments and Financial Liabilities**

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

i. **Equity Instruments**

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

ii. **Financial Liabilities**

1. Initial Recognition

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings and payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

2. Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below:

- Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation. Amortisation is recognised as finance income in the Statement of Profit and Loss.

- Financial liabilities at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the Statement of Profit and Loss. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

L. J. KOTHARI & CO. CHARTERED ACCOUNTANTS MEMBERSHIP No. 30917

ABP REALTY ADVISORS PVT. LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

3. De-recognition of Financial Liabilities

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

C. **Offsetting Financial Instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis to realise the assets and settle the liabilities simultaneously.

V. Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expires or it transfers the finacial asset and the transfer qualifies for derecognition under IndAS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

VI. Impairment

a. Financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to life time ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case thoseare measured at lifetime ECL.The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in the statement of profit or loss.

b. Non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses, including impairment on inventories, are recognised in the statement of profit and loss.

i. Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability wheneer events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

ii. Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

VII. Taxation

i. Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the financial statement of profit and loss becauseof items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using rates that have been enacted or substantively enacted by the end of the reporting period.

In case the Company is liable to pay income tax u/s 115JB of Income Tax Act, 1961 (i.e. MAT), the amount of tax paid in excess of normal income tax is recognized as an asset (MAT Credit entitlement) only if there is convincing evidence for realization of such asset during the specified period. MAT credit entitlement is reviewed at each Balance Sheet date.

L. J. KOTHARI & CO. CHARTERED ACCOUNTANTS MEMBERSHIP No. 30917

ABP REALTY ADVISORS PVT. LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

ii. Deferred Tax

Deferred tax is recognized on temporary diferences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax asset is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

VIII. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

IX. Provisions, contingent liabilities and contingent assets

A provision is recognized when an enterprise has a present obligation (legal or constructive) as result of past event and it is probable that an outflow of embodying economic benefits of resources will be required to settle a reliably assessable obligation. Provisions are determined based on best estimate required to settle each obligation at each balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A contingent liability also arises, in rare cases, where a liability cannot be recognised because it cannot be measured reliably.

Contingent assets are neither recognised nor disclosed in the financial statements.

X. Recent accounting pronouncements

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On March 28, 2018, Ministry of Corporate Affairs (""MCA"") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreigncurrency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

The amendment will come into force from 1 April 2018. The Company exposure towards foreign currency transation is minimal, hence the impact on the financial statements and effect on adoption of Ind AS 21 is expected to be insignificant.

Ind AS 115

In March 2018, the Ministry of Corporate Affairs has notified the Companies (Indian Accounting Standards) Amended Rules, 2018 ("amended rules"). As per the amended rules, Ind AS 115 "Revenue from contracts with customers" supersedes Ind AS 11, "Construction contracts" and Ind AS 18, "Revenue" and is applicable for all accounting periods commencing on or after 1 April 2018.

Ind AS 115 introduces a new framework of five step model for the analysis of revenue transactions. The model specifies that revenue should be recognised when (or as) an entity transfer control of goods or services to a customer at the amount to which the entity expects to be entitled. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The new revenue standard is applicable to the Company from 1 April 2018.

The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach)

The Company is evaluating the requirement of the amendment and the impact on the financial statements. The effect on adoption of IND AS 115 is expected to be insignificent.

L. J. KOTHARI & CO. MEMBERSHIP No. 30917 CHARTERED ACCOUNTANTS

ABP REALTY ADVISORS PVT. LTD.

ABP REALTY ADVISORS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
3. Cash and cash equivalents		
Balances with banks:		
- in current accounts	49,003	49,063
Cash on hand	8,270	8,270
Total	**57,273**	**57,333**
4. Loan		
a) Loans to related parties		
- Unsecured, considered good	108,367	108,367
Total	**108,367**	**108,367**

L. J. KOTHARI & CO. MEMBERSHIP No. 30_01_7 CHARTERED ACCOUNTANTS

ABP REALTY ADVISORS PVT. LTD.

ABP REALTY ADVISORS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
5. Equity share capital		
Authorised Share Capital:		
2,50,000 (P.Y. 31st March, 2017: 2,50,000) Ordinary Equity Shares of ₹ 10/-each	2,500,000	2,500,000
Total	**2,500,000**	**2,500,000**
Issued and subscribed capital comprises :		
50,000 (P.Y. 31st March, 2017: 50, 000) Equity Shares of ₹ 10/- each fully paid up	500,000	500,000
Total	**500,000**	**500,000**

a) Reconciliation of Number of shares outstanding at the beginning and at the end of the year

Fully paid equity shares

	Number of shares	Share Capital ₹
Balance at 1st April, 2016	50,000	500,000
Add : Issued during the year	-	-
Less : Bought back during the year	-	-
Balance at 31st March, 2017	50,000	500,000
Balance at 1st April, 2017	50,000	500,000
Add : Issued during the year	-	-
Less : Bought back during the year	-	-
Balance at 31st March, 2018	50,000	500,000

b) Equity Shares held by its holding company or its ultimate holding company subsidiaries or associates of the holding company or the ultimate holding company

	As at 31st March, 2018		As at 31st March, 2017	
	No of shares held	% holding	No of shares held	% holding
Hubtown Limited with Beneficiary Owners	50,000	100%	50,000	100%
Total	**50,000**	**100%**	**50,000**	**100%**

c) Details of shares held by each shareholders holding more than 5% shares

	As at 31st March, 2018		As at 31st March, 2017	
	No of shares held	% holding	No of shares held	% holding
Fully paid equity shares				
Hubtown Limited with Beneficiary Owners	50,000	100%	50,000	100%
Total	**50,000**	**100%**	**50,000**	**100%**

d) Terms/rights attached to Equity Shares :

The company has a single class of equity shares having a par value of ₹ 10/- per share. Each holder of equity share is entitled to one vote per share. The company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing annual general meeting.

L. J. KOTHARI & CO. CHARTERED ACCOUNTANTS MEMBERSHIP No. 30917

ABP REALTY ADVISORS PVT. LTD.

ABP REALTY ADVISORS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
6. Other Equity		
Retained Earnings		
Balance at the beginning of the year	(18,206,427)	(18,199,766)
Profit attributable to the owners of the company	(14,581)	(6,661)
Total	**(18,221,008)**	**(18,206,427)**
7. Borrowings		
Current		
Unsecured		
(i) Loans repayable on demand:		
- From Related Party	224,597	224,597
Total	**224,597**	**224,597**

Footnote :
The Company has received interest free loans from it's Parent Company, considering the nature of business in which the Company operates, the amounts so received are considered to be repayable on call / demand as the repayment period of such amounts so received is not measureable precisely.

8. Other financial liabilities		
Current		
Business Advance	17,600,000	17,600,000
Other payables	62,051	47,530
Total	**17,662,051**	**17,647,530**
9. Revenue from operations		
Other operating revenue :		
Provision no Longer required	-	32,933
Total	**-**	**32,933**
10. Other Expenses		
Legal and professional fees	180	14,132
Other expenses	14,401	25,462
Total	**14,581**	**39,594**
Footnote :		
Auditor's Remuneration (included in other expenses) :		
Statutory Audit Fees	10,000	6,000
GST/Service Tax on above	-	900
Total	**10,000**	**6,900**

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ABP REALTY ADVISORS PVT. LTD.

ABP REALTY ADVISORS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

	Year Ended 31st March, 2018 ₹	Year Ended 31st March, 2017 ₹
11. Earnings Per Share (EPS)		
Basic and Diluted Earnings Per Share	(0.29)	(0.13)

11.1 Basic and Diluted EPS

The earnings and weighted average number of equity shares used in the calculation of basic and diluted earnings per share are as follows

Earnings used in the calculation of basic and diluted earnings per share	(14,581)	(6,661)
Weighted average number of equity shares for the purposes of basic and diluted earnings per share	50,000	50,000

12. Contingent Liabilities (Not Provided For) :

The company does not have any contingent liabilities as on the balance sheet date as certified by the management and relied upon by the auditors.

13. In the opinion of the Board of Directors of the Company, all the items of current assets, current libilities & loans and advances continue to have a realisable value of at least the amount at which they are stated in the balance sheet.

14. The accumulated losses of the Company have resulted in complete erosion of the net worth of the Company. The Company's management is, however, of the view that the said erosion is temporary in nature as the Company is in the process of procuring new business, the proceeds of which when fructified, would result in turnaround of the Company. The Company to that extent does not consider the erosion of the net worth as an impediment to its status as a going concern.

L. J. KOTHARI & CO. CHARTERED ACCOUNTANTS MEMBERSHIP No. 30917

ABP REALTY ADVISORS PVT. LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

15. Related Party Disclosures

A. Names of related parties and description of relationship

Holding Company
Hubtown Limited

KMP of Holding Company
Chetan S. Mody

Fellow Subsidiaries, with whom transactions have taken place during the year
India Development And Construction Venture Capital Private Limited

Related Party relationships are identified by the company and relied upon by the auditors

B. Transactions with Related Parties

Sr. No.	Nature of transaction	Holding Company ₹	Fellow Subsidiary companies ₹	KMP of Holding Company ₹
i.	**Loans and Advances given/ repaid/adjusted**			
	India Development and Construction Venture Capital Private Limited	- (-)	- (-)	- (-)
ii.	**On behalf payments made (including reimbursement of expenses)**			
	Chetan S. Mody	- (-)	- (-)	- (10,952)
iii.	**On behalf payments received/ adjusted**			
	Chetan S. Mody	- (-)	- (-)	- (614)

Previous Year figures are given in brackets

C. Balance outstanding payables/receivables:

	As at 31 March, 2018 ₹	As at 31 March, 2017 ₹
Hubtown Limited(Payable)	224,597	224,597
India Development and Construction Venture Capital Private Limited (Receivable)	108,367	108,367
Chetan S. Mody (Payable)	10,338	10,338

L. J. KOTHARI & CO. CHARTERED ACCOUNTANTS MEMBERSHIP No. 30917

ABP REALTY ADVISORS PVT. LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

16. Capital Management

The primary objective of company's capital management is to ensure that it maintains strong capital ratios in order to support its business and maximise shareholders value. The company's board of directors reviews the capital structure on an annual basis.

17. Financial Risk Management Objectives

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

1) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument which fluctuate because of changes in market prices.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company's exposure to the risk of changes in market interest rates relates primarily to company's debt obligations with floating interest rates.

The Company has received interest free advances from its holding company and hence it is not exposed to interest rate risk.

2) Credit Risk

Credit risk is the risk that the counterparty will not meet its obligation under a financial instrument or customer contract leading to a financial loss. The company is not exposed to credit risk from its operating activities or trade receivables since the agreement of sale of land is executed only on receipt of full consideration.

Credit risk from balances with banks and inter corporate loans is managed by the company's treasury department in accordance with the company's policy.

3) Liquidity risk

The operating cash flow requirements are met by interest free funding from shareholders.

18. Fair Value measurement of Financial Instruments

	31st March, 2018			31st March, 2017		
	FVPL	**FVOCI**	**Amortised Cost**	**FVPL**	**FVOCI**	**Amortised Cost**
Financial Assets						
Cash and cash equivalent	-	-	57,273	-	-	57,333
Loans	-	-	108,367	-	-	108,367
Total of Financial Assets	**-**	**-**	**165,640**	**-**	**-**	**165,700**
Financial Liabilities						
Borrowings	-	-	224,597		-	224,597
Other Financial liabilities	-	-	17,662,051	-	-	17,647,530
Total of Financial Liabilities	**-**	**-**	**17,886,648**	**-**	**-**	**17,872,127**

The accompanying notes are an integral part of the financial statements

As per our report of even date

FOR L. J. KOTHARI & CO.
Firm Registration No. 105313W
CHARTERED ACCOUNTANTS

L. J. KOTHARI & CO. CHARTERED ACCOUNTANTS MEMBERSHIP No. 30917

LALIT KOTHARI
Proprietor
Membership No. 30917

Mumbai
Date: 20th June 2018

For and on behalf of the Board of Directors

JASMIN RATHOD
DIRECTOR
DIN: 03147669

ABP REALTY ADVISORS PVT. LTD.

PRAPHUL SHINDE
DIRECTOR
DIN: 03140671

Mumbai
Date: 20th June 2018

INDEPENDENT AUDITOR'S REPORT

TO,

THE MEMBERS OF,
DEVKRUPA BUILD TECH LIMITED

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying Ind AS financial Statements of **DEVKRUPA BUILD TECH LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, and the Statement of Profit and Loss (Including Other Comprehensive Income), the Cash Flow Statement and the statement of changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information. (hereinafter referred to as "Ind AS financial statements").

Management's Responsibility for the Ind AS 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 Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind As 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 Ind AS 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 there under.

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 Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's

GOHEL & ASSOCIATES MUMBAI M. No. 038823 Chartered Accountants judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS 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 Ind AS financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 including the Ind AS, of the state of affairs of the Company as at 31st March, 2018, and its loss (financial performance including other comprehensive Income), its cash flows and the changes in equity for the year ended on that date.

Other matters

The company has paid Rs. 4,74,709 against Sales Tax demand pertaining to financial year 2009-10 which were not provided for previously and has been considered as expense in the current year.

Report on Other Legal and Regulatory Requirements

I. As required by 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the **Annexure A** statement on the matters specified in paragraphs 3 and 4 of the Order.

II. As required by Section143 (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, the Cash Flow Statement and statement of changes in Equity dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid Ind AS financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**.

M. K. GOHEL & ASSOCIATES
MUMBAI
M. No.
038823
Chartered Accountants

(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 does not have any material pending litigations other than as disclosed in note no 20 to the Ind AS financial Statements, which would impact its financial position.

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

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

FOR M. K. GOHEL & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGISTRATION No.: 103256W

M. K. GOHEL & ASSOCIATES
MUMBAI
M. No.
038823
Chartered Accountants

MUKESH K. GOHEL
PROPRIETOR
Membership No. 038823
Place : Mumbai
Date : 25/06/2018

"ANNEXURE-A" REFERRED TO IN PARAGRAPH I OF OUR REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS OUR AUDITORS' REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018 OF DEVKRUPA BUILD TECH LIMITED

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that: -

(i) a) The company has maintained proper records showing full particulars of its quantitative details and situation of fixed assets;

b) The company has physically verified its fixed assets at reasonable interval and no material discrepancies were noticed on such verification;

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company does not have any immovable property.

(ii) The company does not have any Inventories during the year and as at the balance sheet date.

(iii) In our opinion, and according to the information and explanations given to us, the Company has not granted any secured or unsecured loans to Companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013;

(iv) As per the information received there are no loan, investment, guarantees and security to director by the company.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted deposits as per the directives issued by the Reserve Bank of India under the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

(vi) In our opinion, and according to the information and explanation given to us, the Company has not crossed the threshold limit as prescribed by the Central government under sub-section (1) of section 148 of the Act for maintenance of cost records and hence such the provision for maintenance of records are not applicable to the company;

(vii) a. According to the records of the Company. There were Service Tax ₹10,47,513/-, Interest on TDS Interest ₹8,66,454/- and WCT ₹4,84,287/- outstanding at the last day of the financial year for a period exceeding six months from the date they became payable. There were no dues during the year towards Employees State Insurance and Excise Duty;

b. On the basis of our examination of documents and records of the Company, and explanation provided to us, there are no disputed dues in respect of Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty or Cess other than mentioned below:

Statute and nature of dues	Section	Financial Year	Disputed Dues	Forum where dispute is pending
Income Tax	143(3)	2011-12	199,06,143	Commissioner of Income tax (appeals)

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institutions or banks. The Company did not have any loans or borrowing from any Government or dues to debenture holder.

M. K. GOHEL & ASSOCIATES
MUMBAI
M. No.
038823
Chartered Accountants

(ix) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and has not obtained any term loans during the year. Accordingly, 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 the material fraud on or by the Company, has been noticed or reported by the Company during the year, nor have we been informed any such case by the Company;

(xi) In our opinion and according to the information and explanations given to us, no managerial remuneration has been paid or provided by the Company.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, the Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act where applicable and the details of such related party transactions have been disclosed in the Ind AS financial statements as required by Accounting Standard (AS) 18, Related Party Disclosures prescribed under Section 133 of the Act, read with the relevant rules.

(xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him/ her. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

FOR M. K. GOHEL & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGISTRATION No.: 103256W

M. K. GOHEL & ASSOCIATES
MUMBAI
M. No.
038823
Chartered Accountants

MUKESH K. GOHEL
PROPRIETOR
Membership No. 038823

Place : Mumbai
Date : 25/06/2018

"ANNEXURE-B" REFERRED TO IN PARAGRAPH II OF OUR REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (i) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT") OUR AUDITORS' REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018 OF DEVKRUPA BUILD TECH LIMITED

We have audited the internal financial controls over financial reporting of DEVKRUPA BUILD TECH LIMITED ("the Company") as of March 31, 2018 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 ('the Guidance Note') 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") 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 applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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 Ind AS 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 Ind AS 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 Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely

M. K. GOHEL & ASSOCIATES
MUMBAI
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Chartered Accountants

detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS 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, 2018, 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 M. K. GOHEL & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGISTRATION No.: 103256W

MKGohel

M. K. GOHEL & ASSOCIATES
MUMBAI
M. No.
038823
Chartered Accountants

MUKESH K. GOHEL
PROPRIETOR
Membership No. 038823

Place : Mumbai
Date : 25/06/2018

DEVKRUPA BUILD TECH LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2018

Particulars	Note No.	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
ASSETS			
Non-Current Assets			
(a) Property, plant and equipment		45,936	53,358
(b) Current tax assets (Net)		15,01,718	15,01,718
Total Non-Current assets		**15,47,654**	**15,55,076**
Current assets			
(a) Financial assets			
(i) Trade receivables	6	12,96,845	41,93,359
(ii) Cash and cash equivalents	7	3,25,750	3,25,750
(iii) Other financial assets	8	20,68,769	1,90,300
(b) Other current assets	9	5,593	5,293
Total Current Assets		**36,96,957**	**47,14,702**
Total assets		**52,44,611**	**62,69,778**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	10	5,00,000	5,00,000
(b) Other equity	11	(8,77,15,176)	(8,71,33,808)
Total Equity		**(8,72,15,176)**	**(8,66,33,808)**
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	12	6,13,19,140	6,02,63,429
(ii) Trade payables	13	2,80,30,246	2,80,30,246
(iii) Other financial liabilities	14	15,78,600	22,14,659
(b) Other current liabilities	15	15,31,802	23,90,252
Total Current Liabilities		**9,24,59,788**	**9,29,03,586**
Total Liabilities		**9,24,59,788**	**9,29,03,586**
Total Equity and Liabilities		**52,44,611**	**62,69,778**

The accompanying notes are an integral part of Financial Statements.

As per our report of even date

For M. K. GOHEL & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REG. NO.-103256W

MKGohel

MUKESH K GOHEL
PROPRIETOR
Membership No. 038823

M. K. GOHEL & ASSOCIATES MUMBAI M. No. 038823 Chartered Accountants

Mumbai
Date 25th [illegible] 2018

For and on behalf of the Board of Directors

R. P. Joshi

RAJESH DOSHI
DIRECTOR
DIN : 03626861

DEVKRUPA BUILD TECH LTD.

KUSHAL SHAH
DIRECTOR
DIN : 06843[illegible]

DEVKRUPA BUILD TECH LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

	Particulars	Note No.	Year ended 31st March, 2018 ₹	Year ended 31st March, 2017 ₹
I	**INCOME**			
	Other Income	16	-	4,92,590
	Total Income		-	**4,92,590**
II	**EXPENSES**			
	Finance Costs	17	52,972	4,62,146
	Depreciation	18	7,422	8,621
	Other Expenses	19	5,20,974	42,259
	Total Expenses		**5,81,368**	**5,13,026**
	Profit before exceptional items and Tax (I - II)		**(5,81,368)**	**(20,436)**
	Exceptional Items		-	-
	Profit / (Loss) before Tax		**(5,81,368)**	**(20,436)**
	Profit for the Period from Continuing Operations		**(5,81,368)**	**(20,436)**
	Profit from Discontinued Operations before Tax		-	
	Tax Expense of Discontinued Operations		-	-
	Profit from Discontinued Operations (after tax)			
	Profit / (Loss) for the Period		**(5,81,368)**	**(20,436)**
	Earning per equity share of nominal value of ₹ 10/- each (in Rupees)	20		
	Basic and Diluted		(11.63)	(0.41)

The accompanying notes are an integral part of Financial Statements.

As per our report of even date

For and on behalf of the Board of Directors

R. F. Joshi

For M. K. GOHEL & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REG. NO.:103256W

MKGohel

MUKESH K GOHEL
PROPRIETOR
Membership No. 038823

M. K. GOHEL & ASSOCIATES
MUMBAI
M. No.
038823
Chartered Accountants

DEVKRUPA BUILD TECH LTD.

RAJESH DOSHI
DIRECTOR
DIN : 03626861

KUSHAL SHAH
DIRECTOR
DIN : 06843982

Mumbai
Date: 25th June 2018

DEVKRUPA BUILD TECH LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

Particulars	31st March, 2018 ₹	31st March, 2017 ₹
Cash flows arising from operating activities		
Net profit before taxation as per statement of profit and loss	(5,81,368)	(20,436)
Add / (Less) :		
Depreciation	7,422	8,621
Finance Cost	52,972	4,62,146
Liability written back to the extent no longer required		(4,92,590)
Total	60,394	(21,823)
Operating profit before working capital changes	**(5,20,974)**	**(42,259)**
Add / (Less) :		
(Increase) / Decrease in trade receivables	28,96,514	-
(Increase) / Decrease in trade and other receivables	(18,78,769)	(5,77,321)
Increase / (Decrease) in other Current liabilities	(14,94,509)	10,43,895
Increase / (Decrease) in trade and other payables	-	-
Direct taxes paid		-
Total	(4,76,765)	4,66,574
Net cash flow from operating activities	**(9,97,739)**	**4,24,316**
Cash flows arising from investing activities		
Inflow / (Outflow) on account of :		
Interest income received		
Net cash flow from investing activities	-	-
Cash flows arising from financing activities		
Inflow / (Outflow) on account of :		
Proceeds from short-term borrowings	10,50,711	18,035
Finance costs paid	(52,972)	(4,62,146)
Net cash flow from financing activities	9,97,739	(4,44,111)
Net increase in cash and cash equivalents	-	(19,795)
Add: Balance at the beginning of the year	3,25,750	3,45,546
Cash and cash equivalents at the end of the year	3,25,750	3,25,750
Components of cash and cash equivalents (Refer note 7)		
Cash and cash equivalents:		
Cash on hand	-	
Balances with banks		
- On Current accounts	3,25,750	3,25,750
	3,25,750	3,25,750

The Cash Flow Statement has been prepared under indirect method as set out in Indian Accounting Standard (Ind AS- 7) statement of cash flows

As per our report of even date

For M. K. GOHEL & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REG. NO.:103256W

MKGohel

MUKESH K GOHEL
PROPRIETOR
Membership No. 038823

M. K. GOHEL & ASSOCIATES MUMBAI M. No. 038823 Chartered Accountants

Mumbai
Date: 25th June, 2018

For and on behalf of the Board of Directors

R. P. Joshi

RAJESH DOSHI
DIRECTOR
DIN : 03626461

DEVKRUPA BUILD TECH LTD.

KUSHAL SHAH
DIRECTOR
DIN : 06843982

DEVKRUPA BUILD TECH LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2018 (₹)

		Reserves and Surplus		
	Equity	General reserve	Retained Earnings	Total
Balance at April 1, 2016	5,00,000	5,25,00,000	(13,96,13,372)	(8,66,13,372)
Total Comprehensive Income for the year	-	-	(20,436)	(20,436)
Balance as at 31st March 2017	5,00,000	5,25,00,000	(13,96,33,808)	(8,66,33,808)
Total Comprehensive Income for the year			(5,81,368)	(5,81,368)
Balance as at 31st March 2018	5,00,000	5,25,00,000	(14,02,15,176)	(8,72,15,176)

For **M. K. GOHEL & ASSOCIATES**
CHARTERED ACCOUNTANTS
FIRM REG. NO.:103256W

M. K. GOHEL & ASSOCIATES
MUMBAI
M. No. 038823
Chartered Accountants

MUKESH K GOHEL
PROPRIETOR
Membership No 038823

Mumbai
Date: 25th June, 2018

DEVKRUPA BUILD TECH LTD.

R. P. Doshi

RAJESH DOSHI
DIRECTOR
DIN: 03626861

KUSHAL SHAH
DIRECTOR
DIN: 06843982

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES

1 **COMPANY OVERVIEW**

Devkrupa Build Tech Public Limited is a Limited Company domiciled in India, incorporated under the Companies Act, 1956. The company is engaged in real estate business of construction and development of Residential and Commercial Premises and Other Real Estate Projects including consultancy and sole selling of real estate.

The financial statements are approved for issue by the Company's Board of Directors on 25th June , 2018.

SIGNIFICANT ACCOUNTING POLICY

2 **BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

These financial statements are prepared in accordance with Indian Accounting Standards (IndAS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act , 2013 ('Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The Company has adopted all the IndAS standards and the adoption was carried out in accordance with IndAS 101 First time adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP. Reconciliations and descriptions of the effect of the transition has been summarized in note 28.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non current classification. An asset is classified as current when it is:

- Expected to be realised or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the

All other assets are classified as non-current.

A liability is classified as current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

3.1 **REVENUE RECOGNITION**

A. Revenue from Construction Activity

a. The company has adopted the principles of revenue recognition on the basis of " Guidance note on Accounting for Real Estate Transactions " issued by the Institute of Chartered Accountants of India. for the entities to whom IndAS is applicable.

b. Revenue from sale of 'finished properties / buildings / rights' is recognised on transfer of all significant risks and rewards of ownership of such properties / building / rights, as per the terms of the contracts entered into with buyer/(s), which generally coincides with the firming of the sales contracts/ agreements, except for contracts where the Company still has obligations to perform substantial acts even after the transfer of all significant risks and rewards.

c. Losses expected to be incurred on projects under construction, are charged in the statement of profit and loss in the period in which the losses are known.

B. Interest and Dividend Income

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

M. K. GOHEL & ASSOCIATES
MUMBAI
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DEVKRUPA BUILD TECH LTD

R. P. Joshi

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

C. Others

Revenues / Income and Costs/ Expenditure are generally accounted on accrual, as they are earned or incurred.

3.2 PROPERTY PLANT AND EQUIPMENT AND DEPRECIATION / AMORTISATION

A. Tangible Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation and accumulated impairment losses, if any.

B. Depreciation is provided on the straight line method on the basis of estimated useful life of the asset in the manner specified in Schedule II to the Companies Act, 2013. Depreciation on additions to assets or on sale/disposal of assets is calculated pro-rata from the month of such addition, or upto the month of such sale/disposal, as the case may be.

Asset Category	Estimated useful life (In Years)
Plant and Machinery	15
Office Equipments	5

3.3 FINANCIAL INSTRUMENTS

3.3.1 Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition except for trade receivables which are initially measured at transaction price.Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss,are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

3.3.2 Subsequent measurement

a. Non-derivative financial instruments

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held with in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss

(iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(v) Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

3.3.3 Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the finacial asset and the transfer qualifies for derecognition under IndAS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

DEVKRUPA BUILD TECH LTD. *

R. F. Joshi

M. K. GOHEL & ASSOCIATES * MUMBAI M. No. 038823 * Chartered Accountants *

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

3.3.4 Impairment

a. Financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to life time ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case thoseare measured at lifetime ECL.The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in the statement of profit or loss.

b. Non-financial assets

Property, plant and equipment

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

3.4 TAXATION

i. Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the financial statement of profit and loss becauseof items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using rates that have been enacted or substantively enacted by the end of the reporting period.

In case the Company is liable to pay income tax u/s 115JB of Income Tax Act, 1961 (i.e. MAT), the amount of tax paid in excess of normal income tax is recognized as an asset (MAT Credit entitlement) only if there is convincing evidence for realization of such asset during the specified period. MAT credit entitlement is reviewed at each Balance Sheet date.

ii. Deferred Tax

Deferred tax is recognized on temporary diferences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax asset is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

iii. Current and deferred tax for the year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

3.5 BORROWING COSTS

Interests and other borrowing costs calculated as per effective interest rate attributable to qualifying assets are allocated as part of the cost of construction / development of such assets. Such allocation is suspended during extended periods in which active development is interrupted and, no costs are allocated once all such activities are substantially complete. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are charged to the Profit and Loss Account.

3.6 CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with Investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

DEVKRUPA BUILD TECH LTD.

R.P. Joshi

M. K. GOHEL & ASSOCIATES
MKG
MUMBAI
M. No.
038823
Chartered Accountants

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

3.7 SEGMENT REPORTING

The Company is engaged in the business of Real Estate Development, which as per Ind AS - 108 'Operating Segments' is considered to be the only reportable business segment. The Company is also operating within the same geographical segment. Hence, disclosures under Ind AS - 108 are not applicable.

3.8 PROVISIONS, CONTINGENT ASSETS AND CONTINGENT LIABILITIES

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or

  Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

3.9 USE OF ESTIMATES

The preparation of the financial statements in conformity with IndAS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in note 3.9.1. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

3.9.1 Critical accounting judgements and estimates

a. Revenue recognition

The Company uses the percentage-of-completion method in accounting for its revenue. Costs of the project are based on the management's estimate of the cost to be incurred upto the completion of the projects and include cost of land, Floor Space Index (FSI), materials, services and other expenses attributable to the projects. Estimates of project income, as well as project costs, are reviewed periodically. Costs expended have been used to measure progress towards completion of work. Provisions for estimated losses, if any on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

b. Property, plant and equipment

Property, plant and equipment and depreciation. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

c. Fair value measurements and valuation processes

Some of the company's assets are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. The Company works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model

M. K. GOHEL & ASSOCIATES MKG MUMBAI M. No. 038823 Chartered Accountants

DEVKRUPA BUILD TECH LTD.

R. P. Joshi

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

4. Property, plant and equipment

	Pump	Office Equipment	Total
Cost or deemed cost			
Balance at 1st April, 2016	1,86,810	39,509	**2,26,319**
Additions			-
Disposals		-	-
Transfers	-	-	-
Balance at 31st March, 2017	1,86,810	39,509	**2,26,319**
Accumulated depreciation and impairment			
Balance at 1st April, 2016	**1,24,831**	39,509	**1,64,340**
Eliminated on disposal of assets	-		-
Depreciation expense	8,621		8,621
Balance at 31st March, 2017	1,33,452	**39,509**	1,72,961
Carrying amount as on 31st March 2017	**53,358**	-	**53,358**

	Pump	Office Equipment	Total
Cost or deemed cost			
Balance at 31st March, 2017	1,86,810	39,509	**2,26,319**
Additions		-	-
Disposals			-
Balance at 31st March, 2018	1,86,810	39,509	**2,26,319**
Accumulated depreciation and impairment			
Balance at 31st March, 2017	1,33,452	39,509	**1,72,961**
Eliminated on disposal of assets			-
Depreciation expense	7,422		7,422
Balance at 31st March, 2018	**1,40,874**	39,509	1,80,383
Carrying amount as at 31st March 2018	**45,936**	-	**45,936**

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
5. Current Tax assets and liabilities		
Advance Tax paid	15,01,718	20,77,476
Less: Provision for Tax		(5,75,758)
Total	**15,01,718**	**15,01,718**

Footnotes:

Income Tax expense	**31st March, 2018**	**31st March, 2017**
(a) Income Tax expense		
Current Tax		
Current Tax on taxable income for the year	-	-
Tax in respect of earlier years		-
Current tax expense	-	-
Deferred tax		
Decrease / (increase) in deferred tax assets	-	-
(Decrease) / increase in deferred tax liabilities	-	-
Deferred tax charge / (credit)	-	-
Income tax expense	-	-

(b) **Reconciliation of tax expense and the accounting profit multiplied by India's tax rate**
Since the taxable income is negative, there is no current tax payable; hence reconciliation has not been provided.

	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
6. Trade Receivables		
Current		
Outstanding for a period exceeding six months from the date they are due for payment	12,96,845	41,93,359
Total	**12,96,845**	**41,93,359**
7. Cash and cash equivalents		
Balances with banks:		
- in current accounts	3,25,750	3,25,750
Total	**3,25,750**	**3,25,750**
8. Other financial assets		
Current		
Security deposits	1,90,301	1,90,300
Other Advances and Receivables		
Advances recoverable from others		
- Others	18,78,468	-
Total	**20,68,769**	**1,90,300**
9. Other assets		
Current		
Balance with Statutory Authorities (Cenvat credit)	5,593	5,293
Total	**5,593**	**5,293**

DEVKRUPA BUILD TECH LTD.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
10. Equity share capital		
Authorised Share Capital:		
50,000 (PY: 50,000) Equity Shares of ₹ 10/- each	5,00,000	5,00,000
Issued and subscribed capital comprises:		
50,000 (PY: 50,000) Equity Shares of ₹ 10/- each fully paid up	5,00,000	5,00,000
	5,00,000	**5,00,000**

Footnotes:

(i) Reconciliation of the number of Equity shares outstanding at the beginning and at the end of the year.	Number of shares	Share Capital ₹
Balance at 1st April, 2016	50,000	5,00,000
Add : Issued during the year	-	
Less : Bought back during the year	-	
Balance at 31st March, 2017	50,000	5,00,000
Add : Issued during the year	-	-
Less : Bought back during the year		-
Balance at 31st March, 2018	**50,000**	**5,00,000**

(ii) Details of shares held by each shareholders holding more than 5% shares

	31st March, 2018		31st March, 2017	
	No of shares	% holding	No of shares	% holding
Fully paid equity shares				
Hubtown Limited with its benefeciary owners	50,000	100%	50,000	100%
Total	50,000	100%	50,000	100%

(iii) Terms / rights attached to Equity Shares :

The company has a single class of equity shares having a face value of ₹ 10/- per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

	As at 31 March, 2018 ₹	As at 31 March, 2017 ₹
11. Other Equity		
General reserve		
Balance at the beginning of the year	5,25,00,000	5,25,00,000
Add / (Less) :		
Amount transferred from Retained Earnings		
Balance at the end of the year	**5,25,00,000**	**5,25,00,000**
Retained Earnings		
Balance at the beginning of the year	(13,96,33,808)	(13,96,13,372)
Profit attributable to the owners of the company	(5,81,368)	(20,436)
Balance at the end of the year	**(14,02,15,176)**	**(13,96,33,808)**
Total Other Equity	**(8,77,15,176)**	**(8,71,33,808)**

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
12. Borrowings		
Current		
Loans repayable on demand (Unsecured):		
- From Related Party(Refer footnote i)	5,97,30,326	5,96,77,354
- From Companies(Refer footnote ii)	15,88,814	5,91,075
TOTAL	**6,13,19,140**	**6,02,68,429**

Footnote:

(i) The Company has received interest free Loan from it's Parent Company, considering the nature of business in which the Company operate, the amounts so received are considered to be repayable on call / demand as the repayment period of such amnunts so received is not measureable precisely.

(ii) Loan from other Company is received at an interest rate of C.Y. Nil and (P.Y. Nil.)

13. Trade payables		
Trade Payables(Refer Footnote)	2,80,30,247	2,80,30,246
TOTAL	**2,80,30,247**	**2,80,30,246**

Footnote :

As per information available with the Company regarding dues to Micro, Small and Medium Enterprises as defined under the Micro Small Medium Enterprises Development, Act 2006 (MSMED Act), none of the suppliers of the Company are registered under MSMED Act, and the same has been relied upon by the

14. Other financial liabilities		
Current		
Security deposits (Refundable)	-	1,13,230
Other payables	15,78,600	21,01,429
TOTAL	**15,78,600**	**22,14,659**

15. Other current liabilities		
Current		
Advance from customers	-	3,35,422
Other payables :		
- Statutory dues	15,31,800	[illegible]
TOTAL	**15,31,800**	**23,90,252**

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

	Year Ended 31st March, 2018 ₹	Year Ended 31st March, 2017 ₹
16. Other Income		
Liability written back to the extent no longer required		4,92,590
Total	-	**4,92,590**
17. Finance Costs		
Delayed/penal interest on loans and statutory dues	52,972	4,62,146
Total	**52,972**	**4,62,146**
18. Depreciation		
Depreciation of property, plant and equipment	7,422	8,621
Total	**7,422**	**8,621**
19. Other Expenses		
Auditors Remuneration	17,700	17,250
Legal and professional fees	18,290	10,750
Other expenses	4,84,984	14,259
Total	**5,20,974**	**42,259**

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DEVKRUPA BUILD TECH LTD.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

	Year Ended 31st March, 2018 ₹	Year Ended 31st March, 2017 ₹
20. EARNINGS PER SHARE (EPS)		
Basic and Diuted Earning Per Share	(11.63)	(0.41)

(i) Basic and Diluted EPS

The earnings and weighted average number of equity shares used in the calculation of basic and diluted earnings per share are as follows:

	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Profit for the year attributable to the owners of the Company	(5,81,368)	(20,436)
Earnings used in the calculation of basic and diluted earnings per share	**(5,81,368)**	**(20,436)**

	As at 31 March, 2018	As at 31 March, 2017
(ii)Weighted average number of equity shares for the purposes of basic earnings per share	50,000	50,000

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DEVKRUPA BUILD TECH LTD.

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21. RELATED PARTY TRANSACTIONS

A. List Of Related Parties:

a. **Holding Company**
Hubtown Limited

b. **Fellow Subsidiaries with whom transaction has taken place**
Urvi Build Tech Limited

c. **Joint ventures of holding company**
Akruti Jay Developers

d. **Other significant infuences with whom transaction taken place**
City Gold Management Services Pvt Ltd

Footnote:
Related party relationship are identified by the Company and relied upon by the Auditors

B. Transaction with Related Parties -

(₹)

Sr. No.	Particulars	HOLDING COMPANY	FELLOW SUBSIDIARY	OTHER SIGNIFICANT INFLUENCES
1	**Loans received / recovered / Adjusted** Hubtown Limited	52,972 (18,035)		
2	**Loans repaid / given / Adjusted** Hubtown Limited	-		-
3	**Reimburesement of Expenses** City Gold Management Services Pvt Ltd	- -	-	9,048 (1,000)

Footnote:
Previous Year figures are given in brackets

Balance outstanding payables / receivables			
	Nature of Transactions	Amount (₹)	
		31st March, 2018	31st March, 2017
1	Hubtown Limited	5,67,35,698	5,06,82,926
2	Urvi Build Tech Limited	29,94,428	29,94,428
3	Akruti Jay Developers	2,61,91,710	2,61,91,710
4	City Gold Management Services Pvt Ltd	10,448	1,400

22. FINANCIAL RISK MANAGEMENT OBJECTIVES

The company is exposed to market risk, credit risk and liquidity risk. The company's management oversees the management of these risks. The company's board of directors review and agrees policies for managing each of these risks summarized below:

1) Market Risk

Interest rate risk

Company has received intrest free loan and it receives interest free funds for its operating cash flow from its holding company as and when required (Refer note 12), hence the Company is not exposed to interest risk.

2) Credit Risk

The company is not exposed to credit risk from its operating activities. Credit risk from balances with banks and inter corporate loans is managed by the company's treasury department in accordance with the company's policy

3) Liquidity risk

The companies cashflow requirement are met by funds received from its holding company.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

23.CAPITAL MANAGEMENT

The Primary Objective of Company's capital management is to ensure that it maintains strong capital ratios in order to support its business and maximise shareholders value. The company's board of directors reviews the capital structure on an annual basis.

The capital structure of the company consists of net debt (Borrowings and offset by cash and bank balances) and total equity of the company. There are no borrowings from banks/financial institutions or corporates other than the equity shareholders and their group companies,the company has received interest free loan frim its holding company

24.CONTINGENT LIABILITY

(₹)

Particular	As At 31st March,2018	As At 31st March,2017
Claims against the company ,not acknowledged as debts on account of :-		
Income tax matters under appeals for :		
Income tax matters under appeals with CIT for the financial year 2011-2012	-	1,99,06,143

Note:
Interest/Penalty that may accure on original demands are not ascertainable, at present. The company has taken necessary steps to protect its position with respect to the above referred claims, which in its opinion, based on professional/legal advice, are not sustainable.

25. In the opinion of the board of directors of the company, all items of Current Assets, Current Liabilities and Loans and Advances continues to have a realizable value of at least the amounts at which thay are stated in the Balance Sheet.

26. Previous year figures have been regrouped/ reclassified wherever necessary to make them comparable with current year figures.

DEVKRUPA BUILD TECH LTD.

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DEVKRUPA BUILD TECH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

Note 27 : Fair Value measurement of Financial Instruments

	31st March 2018 (₹)			31st March 2017 (₹)		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
Financial Assets						
Trade receivables	-	-	12,96,845	-	-	41,93,359
Cash and cash equivalent	-	-	3,25,750	-	-	3,25,750
Other financial assets	-	-	20,68,769	-	-	1,90,300
Total of Financial Assets	-		**36,91,364**	-	-	**47,09,409**
Financial Liabilities						
Borrowings		-	6,13,19,140	-		6,02,68,429
Trade payables	-	-	2,80,30,246	-	-	2,80,30,246
Other Financial liabilities	-	-	15,78,600	-	-	22,14,659
Total of Financial Liabilities	-	-	**9,09,27,986**	-	-	**9,05,13,334**

As per our report of even date

For and on behalf of the Board of Directors

For M. K. GOHEL & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REG. NO.:103256W

MKGohel

MUKESH K GOHEL
PROPRIETOR
Membership No. 038823

M. K. GOHEL & ASSOCIATES Chartered Accountants MUMBAI M. No. 038823

R. R. Doshi

RAJESH DOSHI
DIRECTOR
DIN : 03626861

DEVKRUPA BUILD TECH LTD.

KUSHAL SHAH
DIRECTOR
DIN : 06843982

Mumbai
Date. 25th June, 2018

L. J. KOTHARI
B.COM,
F.C.A.
9920424040

L. J. KOTHARI & CO.

CHARTERED ACCOUNTANTS
GANDHI MANSION, 3RD FLOOR, NEW SILK BAZAR, OPP KALBADEVI HEAD P. O.,
MUMBAI – 400 002 * Tel.: 2205 5916 * E-mail: ca_lalitkothari@yahoo.co.in

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF DIVINITI PROJECTS PRIVATE LIMITED

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **DIVINITI PROJECTS PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "Ind AS financial statement").

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 Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder.

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, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS 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 Ind AS 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 there under.

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 Ind AS financial statements are free from material misstatement.

L. J. KOTHARI & CO. MEMBERSHIP No. 30917 CHARTERED ACCOUNTANTS

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS 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 Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 including the Ind AS, of the financial position of the Company as at 31st March, 2018, and its profit for the year (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

The audited standalone financial statements for the year ended 31st March 2017, was carried out and reported by Dalal Doshi & Associates, vide their unmodified audit report dated 26th May 2017, whose report has been furnished to us by the management and which has been relied upon by us for the purpose of our audit of the financial statements. Our audit report is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

I. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms section 143(11) of the Act, we give in the **"Annexure A"** statement on the matters specified in paragraphs 3 and 4 of the Order;

II. 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 (including other comprehensive income), the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rule issued thereunder;

L. J. KOTHARI & CO.
CHARTERED ACCOUNTANTS

e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**"; and

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in 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 Ind AS financial statements, if any;

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

FOR L.J. KOTHARI & CO
Firm Registration No. 105313W
Chartered Accountants

LALIT KOTHARI
Partner
Membership No.: 30917

L. J. KOTHARI & CO. MEMBERSHIP No. 30917 CHARTERED ACCOUNTANTS

Place: Mumbai
Date : 21st June, 2018

ANNEXURE 'A' REFERRED TO IN OUR REPORT TO THE MEMBERS OF DIVINITY PROJECTS PRIVATE LIMITED ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018;

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that: -

(i) According to the information and explanations given to us and based on our examination of the records of the Company, the Company does not have any fixed assets during the year. Accordingly, paragraph 3(i) of the Order is not applicable.

(ii) According to the information and explanations given to us and based on our examination of the records of the Company, the Company does not have any inventory during the year. Accordingly, paragraph 3(ii) of the Order is not applicable.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships, or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable.

(iv) The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.

(v) The Company has not accepted any deposits from the public during the year within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed thereunder to the extent notified. Accordingly, paragraph 3(v) of the Order is not applicable.

(vi) The Central Government of India has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.

(vii) a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing, undisputed statutory dues, including provident fund, income-tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues, wherever applicable, with the appropriate authorities. There was an amount of tax deducted at source of ₹ 74,219 and interest on late payment of taxes of ₹ 1,23,412 outstanding as at the last day of the financial year for a period exceeding six months from the date they become payable.

b) According to the information and explanations given to us and the records of the Company examined by us, there were no disputed dues in respect of Income Tax, Value Added Tax and Cess as at the Balance Sheet date.

(viii) On the basis of records examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institution, bank or debenture holders.

(ix) In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.

L.J. KOTHARI & CO.
MEMBERSHIP No. 30917
CHARTERED ACCOUNTANTS

(x) Based on the audit procedures performed and the information and explanations given by the management, we report that no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) The Company has not paid / provided managerial remuneration during the year and hence, the provisions of Section 197 read with Schedule V to the Act are not applicable. Accordingly, paragraph 3(xi) of the Order is not applicable.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) The Company has entered into transactions with related parties are in compliance with the Section 177 and 188 of the Act. The details of such related party transactions have been disclosed in the Financial Statements as required under AS24, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015.

(xiv) The Company has not made any preferential allotment / private placement of shares or fully or partly convertible debenture during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.

(xv) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) The company is not required to be registered under section 45 IA of the Reserve 8ank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable.

FOR L.J. KOTHARI & CO
Firm Registration No. 105313W
Chartered Accountants

LALIT KOTHARI
Partner
Membership No.: 30917

Place: Mumbai
Date : 21st June, 2018

"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF DIVINITI PROJECTS PRIVATE LIMITED

Report on the Internal Financial Controls 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 DIVINITI PROJECTS PRIVATE LIMITED ("the Company") as of 31st March, 2018 in conjunction with our audit of the Ind AS 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that 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 risks. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS 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 unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

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 31st March 2018, based on the internal control over financial reporting criteria established by the Company, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR L.J. KOTHARI & CO
Firm Registration No. 105313W
Chartered Accountants

LALIT KOTHARI
Partner
Membership No.: 30917
Place: Mumbai
Date : 21st June, 2018

DIVINITI PROJECTS PRIVATE LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2018

Particulars	Note No.	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
ASSETS			
Non-Current Assets			
(a) Financial assets			
(i) Investments	3	16,00,982	14,08,229
(b) Other non-current assets	4		51,46,89,797
(c) Current tax assets (Net)	5	8,72,896	44,315
Total Non-Current assets		**24,73,878**	**51,61,42,341**
Current assets			
Financial assets			
(i) Cash and cash equivalents	6	2,34,672	71,389
(ii) Other financial assets	7	5,85,18,602	5,68,11,616
Total Current Assets		**5,87,53,274**	**5,68,83,005**
TOTAL ASSETS		**6,12,27,152**	**57,30,25,346**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	8	5,00,000	5,00,000
(b) Other equity	9	4,94,04,736	4,91,21,886
Total Equity		**4,99,04,736**	**4,96,21,886**
Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
Borrowings	10		51,15,00,000
(b) Deferred Tax Liabilities (Net)	11	2,11,895	1,08,938
Total Non-Current Liabilities		**2,11,895**	**51,16,08,938**
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	10	97,60,998	97,60,998
(iii) Other financial liabilities	12	2,43,920	1,74,210
(b) Other current liabilities	13	11,05,603	18,59,314
Total Current Liabilities		**1,11,10,521**	**1,17,94,522**
Total Liabilities		**1,13,22,416**	**52,34,03,460**
TOTAL EQUITY AND LIABILITIES		**6,12,27,152**	**57,30,25,346**

The accompanying notes are an integral part of the financial statements.

As per our report of even date

FOR L. J. KOTHARI & ASSOCIATES
Firm Registration No.105313W
CHARTERED ACCOUNTANTS

LALIT KOTHARI
PARTNER
Membership No. 30917

Mumbai
Date: 21st June, 2018

DIVINITI PROJECTS PVT. LTD.

For and on behalf of the board

JAINAM NARESH SHAH
Director
DIN:07129100

RAJEEVAN PARAMBAN
Director
DIN:03141200

Mumbai
Date: 21st June, 2018

DIVINITI PROJECTS PRIVATE LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

Particulars	Note No.	Year ended 31st March, 2018 ₹	Year ended 31st March, 2017 ₹
INCOME			
Other Income	14	96,79,488	-
Share of Profit / (Loss) of Joint Ventures		(1,947)	-
TOTAL INCOME		**96,77,541**	**-**
EXPENSES			
Finance Costs	15	90,32,674	2,88,009
Other Expenses	16	1,64,060	86,935
TOTAL EXPENSES		**91,96,734**	**3,74,944**
Profit/(Loss) before Tax		**4,80,807**	**(3,74,944)**
Tax Expense			
Current Tax		(95,000)	-
Deferred tax (charge) / credit		(1,02,957)	27,430
		(1,97,957)	**27,430**
Profit/(Loss) for the Year		**2,82,850**	**(3,47,514)**
Other Comprehensive Income		-	-
Total Comprehensive Income		**2,82,850**	**(3,47,514)**
Earning per equity share of nominal value of ₹ 10/- each			
Basic and Diluted	17	5.66	(6.95)

The accompanying notes are an integral part of the financial statements.

As per our report of even date

FOR L. J. KOTHARI & ASSOCIATES
Firm Registration No.105313W
CHARTERED ACCOUNTANTS

LALIT KOTHARI
PARTNER
Membership No. 30917

Mumbai
Date: 21st June, 2018

For and on behalf of the board

JAINAM NARESH SHAH
Director
DIN:07129100

RAJEEVAN PARAMBAN
Director
DIN:03141200

Mumbai
Date: 21st June, 2018

DIVINITI PROJECTS PRIVATE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

Particulars	31st March, 2018	31st March, 2017
	₹	₹
I CASH FLOWS ARISING FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before taxation as per Statement of Profit and Loss	**4,80,807**	(3,74,944)
Add/ (Less) :		
Finance costs	90,32,674	2,88,009
Share of (Profit)/Loss from investment in partnership firms and JVs	1,947	
Interest Income	(92,35,809)	
	(2,01,188)	2,88,009
Operating profit before working capital changes	**2,79,619**	**(86,935)**
Add / (Less) :		
(Increase) / Decrease in trade and other receivables	51,29,82,811	(75,89,308)
Increase / (Decrease) in trade and other payables	(5,82,991)	1,92,148
Direct Taxes paid	(10,26,538)	-
	51,13,73,282	(73,97,160)
Net cash flow from operating activities	**51,16,52,901**	**(74,84,095)**
II. Cash flows arising from investing activities		
Inflow / (Outflow) on account of :		
Interest income received	92,35,809	-
Purchase of Long term / Current investments	(1,92,753)	
Net cash flow from investing activities	**90,43,056**	-
III. Cash flows arising from financing activities		
Inflow / (Outflow) on account of :		
Repayment of Long Term Borrowing	(51,15,00,000)	-
Proceeds from Short Term Borrowing	-	75,93,466
Finance costs paid	(90,32,674)	(2,88,009)
Net cash flow from financing activities	**(52,05,32,674)**	**73,05,457**
Net increase in cash and cash equivalents (I + II + III)	**1,63,283**	**(1,78,637)**
Add: Balance at the beginning of the year	**71,389**	**2,50,026**
Cash and cash equivalents at the end of the year	**2,34,672**	**71,389**
Components of cash and cash equivalents (refer note 6)		
Cash and cash equivalents:		
Cash on hand	1,065	2,530
Balances with banks		
- On Current accounts	2,33,607	68,859
	2,34,672	71,389

Footnote:
The Cash Flow Statement has been pepared under indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For and on behalf of the board

FOR L. J. KOTHARI & ASSOCIATES
Firm Registration No.105313W

JAINAM NARESH SHAH
Director
DIN:07129100

LALIT KOTHARI
PARTNER
Membership No 30917

RAJEEVAN PARAMBAN
Director
DIN:03141200

Mumbai
Date: 21st June, 2018

Mumbai
Date: 21st June, 2018

DIVINITI PROJECTS PRIVATE LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2018

	Amount ₹
A. EQUITY SHARE CAPITAL	
As at 01st April, 2016	**5,00,000**
Changes in equity share capital	-
As at 31st March, 2017	**5,00,000**
Changes in equity share capital	-
As at 31st March, 2018	**5,00,000**

B. OTHER EQUITY

	Reserves and Surplus (Amount ₹)		
	General reserve	**Retained Earnings**	**Total**
Balance at 1st April, 2016	**1,21,000**	**4,93,48,400**	**4,94,69,400**
Profit / (Loss) for the year	-	(3,47,514)	**(3,47,514)**
Other Comprehensive Income for the year	-	-	-
Total Comprehensive Income for the year	-	(3,47,514)	**(3,47,514)**
Balance at 31st March, 2017	**1,21,000**	**4,90,00,886**	**4,91,21,886**
Balance at 1st April, 2017	**1,21,000**	**4,90,00,886**	**4,91,21,886**
Profit / (Loss) for the year	-	2,82,850	**2,82,850**
Other Comprehensive Income for the year	-	-	-
Total Comprehensive Income for the year	-	2,82,850	**2,82,850**
Balance at 31st March, 2018	**1,21,000**	**4,92,83,736**	**4,94,04,736**

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For and on behalf of the board

FOR L. J. KOTHARI & ASSOCIATES
Firm Registration No.105313W
CHARTERED ACCOUNTANTS

LALIT KOTHARI
PARTNER
Membership No. 30917

Mumbai
Date: 21st June, 2018

JAINAM NARESH SHAH
Director
DIN:07129100

RAJEEVAN PARAMBAN
Director
DIN:03141200

Mumbai
Date: 21st June, 2018

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

Note 1. STATEMENT OF IGNIFICANT ACCOUNTING POLICIES

1.1 **Company Overview**

Diviniti Projects Private Limited is a Private Limited Company domiciled in India, incorporated under the Companies Act, 1956. The Company is engaged to acquire by purchase, lease, exchange, hire, or otherwise land and property of any tenure or any interest in the same and to erect and construct houses, building or work of every description on any land of the company or upon any other lands of property and to pull down, rebuild, enlarge, alter and improve existing, houses, building or work thereon to convert and appropriate any such land into and for roads, streets, squares, garden, and any other conveniences and generally to deal with and improve the property of the company or any other property, and to act as earthmovers, contractors, developers of land, government contractor, construction of road, bridges, earth work, sewers, tanks drains, culvert, channels, sewage, or other works.

1.2 The financial statements are approved for issue by the Company's Board of Directors on 21st June, 2018

Note 2. Significant Accounting Policies followed by the Company

I. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

(i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The accounting policies are applied consistently to all the periods presented in the financial statements.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

1) certain financial assets and liabilities that are measured at fair value;
2) assets held for sale - measured at lower of carrying amount or fair value less cost to sell;
3) defined benefit plans - plan assets measured at fair value;

(iii) Current non-current classification

All the assets and liabilities have been classified as current or non-current, wherever applicable, as per the operating cycle of the Company as per the guidance set out in Schedule III to the Act. Operating cycle for the business activities of the Company covers the duration of the project/ contract including the defect liability period, wherever applicable, and extends upto the realisation of receivables (including retention monies, if any) within the credit period normally applicable to the respective project.

II Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions that affect the reported balances of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) Judgements

Classification of property

The company determines whether a property is classified as investment property or inventory property. Investment property comprises land and buildings that are not occupied substantially for use by, or in the operations of, the company, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation. These buildings are substantially rented to tenants and not intended to be sold in the ordinary course of business. Inventory comprises property that is held for sale in the ordinary course of business. Principally, these are properties that the company develops and intends to sell before or on completion of construction.

b) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

DIVINITI PROJECTS PVT. LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

III REVENUE RECOGNITION

A. Revenue is recognised to the extent that it is probable that the economic benefits will accrue to the Company and the revenue can be reliably measured and also when it is reasonably certain that the ultimate collection will be made and that there is buyers' commitment to make the complete payment.

B. Share of profit / loss from partnership firms / association of persons (AOP) is accounted in respect of the financial year of the Firm / AOP, during the reporting period, on the basis of their audited/ management reviewed accounts, which is considered as a part of other operating activity.

C. Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding at the effective interest rate applicable, which is the rate that exactly disconnts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Revenues / Income and Costs/ Expenditure are generally accounted on accrual, as they are earned or incurred.

IV FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Investments and Financial Assets

i. Initial recognition

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognised in the Statement of Profit and Loss.

ii. Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

a) **Financial Assets at Amortised Cost**

A financial asset is subseqnently measured at amortised cost if it is held within a business model whose objective is to hold the asset in nrder to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) **Financial Assets Measured at Fair Value**

Financial assets are measured at fair value through OCI if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

Financial asset not measured at amortised cost or at fair value throngh OCI is carried at FVTPL.

iii. **De-recognition of Financial Assets:**

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

B. **Equity Instruments and Financial Liabilities**

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

i. **Equity Instruments**

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

ii. **Financial Liabilities**

1. Initial Recognition

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings and payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

DIVINITI PROJECTS PVT

2. Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below:

- Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation. Amortisation is recognised as finance income in the Statement of Profit and Loss.

- Financial liabilities at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the Statement of Profit and Loss. Amortised cost is calculated by taking into account any discnunt or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

3. Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the finacial asset and the transfer qualifies for derecognition under IndAS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

C. Offsetting Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis to realise the assets and settle the liabilities simultaneously.

V Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expires or it transfers the finacial asset and the transfer qualifies for derecognition under IndAS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

VI IMPAIRMENT

a. Financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to life time ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case thoseare measured at lifetime ECL.The amouut of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in the statement of profit or loss.

b. Non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuatiou model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses, including impairment on inventories, are recognised in the statemeut of profit and loss.

i. Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability wheneer events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

ii. Provisions

A provision is recognized if, as a result of a past event, the Cnmpany has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

DIVINITI PROJECTS P

VII TAXATION

i. Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the financial statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated nsing rates that have been enacted or substantively enacted by the end of the reporting period.

In case the Company is liable to pay income tax u/s 115JB of Income Tax Act, 1961 (i.e. MAT), the amount of tax paid in excess of normal income tax is recognized as an asset (MAT Credit entitlement) only if there is convincing evidence for realization of such asset during the specified period. MAT credit entitlement is reviewed at each Balance Sheet date.

ii. Deferred Tax

Deferred tax is recognized on temporary diferences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax asset is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

iii. Current and deferred tax for the year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

VIII TRADE AND OTHER PAYABLES

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after reporting period. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

IX BORROWINGS AND BORROWING COSTS

Borrowing are initally recognised at Net off transation cost incurred and measured at amortised cost. Any difference between the proceeds (net of transation costs) and the redemption amount is recognised in statetment of profit and loss over ther period of the borrowings using the effective interest method.

Preference shares, which are mandatorily redeemable on a specific date are classified as liabilities. The dividend on these preference shares is recoguised in the statement of profit and loss as finance cost.

Interests and other borrowing costs calculated as per effective interest rate attributable to qualifying assets are allocated as part of the cost of coustruction / development of such assets. Such allocation is suspended during extended periods in which active development is interrupted and, no costs are allocated once all such activities are substantially complete. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are charged to the Profit and Loss Account.

X EARNING PER SHARE

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

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

DIVINITI PROJECTS PVT. LTD.

XI CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

XII CASH AND CASH EQUIVALENT

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in valne.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

XIII PROVISIONS, CONTINGENT ASSETS AND CONTINGENT LIABILITIES

A provision is recognized when an enterprise has a present obligation (legal or constructive) as resnlt of past event and it is probable that an outflow of embodying economic benefits of resonrces will be required to settle a reliably assessable obligation. Provisions are determined based on best estimate required to settle each obligation at each balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision dne to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence wonld be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A contingent liability also arises, in rare cases, where a liability cannot be recognised because it cannot be measured reliably.

Contingent assets are neither recognised nor disclosed in the financial statements.

XIV RECENT ACCOUNTING PRONOUCEMENTS

Appendix B to Ind AS 21, Foreign cnrrency transactions and advance consideration: On March 28, 2018, Ministry of Corporate Affairs (""MCA"") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreigncurrency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or incnme, when an entity has received or paid advance consideration in a foreign cnrrency.

The amendment will come into force from 1 April 2018. The Company exposure towards foreign cnrrency transation is minimal, hence the impact on the financial statements and effect on adoption of Ind AS 21 is expected to be insignificant.

Ind AS 115

In March 2018, the Ministry of Corporate Affairs has notified the Companies (Indian Accounting Standards) Amended Rules, 2018 ("amended rules"). As per the amended rules, Ind AS 115 "Revenue from contracts with customers" supersedes Ind AS 11, "Construction contracts" and Ind AS 18, "Revenue" and is applicable for all accounting periods commencing on or after 1 April 2018.

Ind AS 115 introduces a new framework of five step model for the analysis of revenue transactions. The model specifies that revenue should be recognised when (or as) an entity transfer control of goods or services to a customer at the amount to which the entity expects to be entitled. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The new revenue standard is applicable to the Company from 1 April 2018.

The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach)

The Company is evaluating the requirement of the amendment and the impact on the financial statements. The effect on adoption of IND AS 115 is expected to be insignificant.

DIVINITI PROJECTS PVT. LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
3 Investments		
Non-Current		
A) Investment in other equity instruments (Unquoted) (Refer footnote)		
(At fair value through profit and loss)		
a) 125 Equity shares of ₹ 25/- each (PY : 125)		
The Shamrao Vithal Co-operative Bank Limited	54,382	46,714
b) 2,000 Equity shares of ₹ 10/- each (PY: 2,000)		
Suraksha Realty Limited	1,536,600	1,351,515
Total	1,590,982	1,398,229

Footnote:

Investments in Shamrao Vithal Co-operative Bank Limited & Suraksha Realty Limited are measured at fair value as at 31st March, 2018

B) Capital Investment in Partnership Firms and Joint Ventures (Refer footnote)		
M/s Rising Glory Developers	10,000	10,000
	10,000	10,000
Total	1,600,982	1,408,229

Footnote :

Details of Investments made in capital of Partnership Firm

Sr. No.	Name of Partners	31st March, 2018 Profit Sharing Ratio	31st March, 2017 Profit Sharing Ratio
1	Hubtown Limited	20.00%	20.00%
2	Ackruti Safeguard System Private Limited	5.33%	5.33%
3	Citygold Education Research Limited	5.33%	5.33%
4	Citygold Farming Private Limited	5.33%	5.33%
5	Diviniti Projects Private Limited	5.33%	5.33%
6	Halitious Developers Limited	5.33%	5.33%
7	Headland Farming Private Limited	5.33%	5.33%
8	Heddle Knowledge Private Limited	5.33%	5.33%
9	Heet Builders Private Limited	5.33%	5.33%
10	Subhsiddhi Builders Private Limited	5.33%	5.33%
11	Sunstream City Private Limited	10.66%	10.66%
12	Upvan lake Resort Private Limited	5.33%	5.33%
13	Vega Developers Private Limited	5.33%	5.33%
14	Whitebud Developers Limited	5.33%	5.33%
15	Yantti Buildcon Private Limited	5.33%	5.33%
	Total Capital of the firm in ₹	150,000	150,000

DIVINITI PROJECTS PVT. LTD.

DIVINITI PROJECTS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
4. Other assets		
Non-current		
Capital Advances to		
- Related parties (Refer footnote)	-	514,689,797
Total	**-**	**514,689,797**

Footnote :

The estimated amount of contract remaining to be executed on capital account and not provided for (net of capital advances) is ₹ Nil. (P.Y.: ₹ 99,14,60,800/-) however, during the year the said contract has been cancelled and the advance has been received back.

	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
5. Current tax assets (Net)		
Advance Tax paid for the Current Year	872,896	44,315
Total	**872,896**	**44,315**
6. Cash and cash equivalents		
Balances with banks:		
- in current accounts	233,607	68,859
Cash on hand	1,065	2,530
Total	**234,672**	**71,389**
7. Other financial assets		
Current		
Other Advances and Receivables		
Advances recoverable		
- Related parties (Refer note 20)	630,136	684,637
- Others	850,000	850,000
Current Account Balances in Partnership Firms and Joint Ventures (Refer note 20)	55,274,361	53,589,308
Other receivables from a related party(Refer note 20)	1,764,105	1,687,671
Total	**58,518,602**	**56,811,616**

DIVINITI PROJECTS PVT. LTD.

DIVINITI PROJECTS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
8. Equity share capital		
Authorised Share Capital :		
50,000 (PY : 50,000) Equity Shares of ₹ 10/- each	500,000	500,000
Issued and subscribed capital comprises :		
50,000 (PY : 50,000) Equity Shares of ₹ 10/- each fully paid up	500,000	500,000
Total	**500,000**	**500,000**

a) Reconciliation of Number of shares outstanding at the beginning and at the end of the year

Fully paid equity shares

	Number of shares	Share Capital ₹
Balance at 1st April, 2016	50,000	500,000
Add : Issued during the year	-	
Less : Bought back during the year		
Balance at 31st March, 2017	50,000	500,000
Add : Issued during the year		
Less : Bought back during the year		
Balance at 31st March, 2018	50,000	500,000

The company has a single class of equity shares having a par value of ₹ 10/- per share. Each holder of equity share is entitled to one vote per share. The company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing annual general meeting.

b) Equity Shares held by its holding company or its ultimate holding company, subsidiaries or associates of the holding company or the ultimate holding company

	As at 31st March, 2018		As at 31st March, 2017	
	No of shares held	% holding	No of shares held	% holding
Hubtown Limited with Beneficiary owners	50,000	100%	50,000	100%
	50,000	**100%**	**50,000**	**100%**

c) Details of shares held by each shareholders holding more than 5% shares

	As at 31 March, 2018		As at 31 March, 2017	
	No of shares held	% holding	No of shares held	% holding
Fully paid equity shares				
Hubtown Limited with Beneficiary owners	50,000	100%	50,000	100%
	50,000	**100%**	**50,000**	**100%**

d) Terms / Right attached to Ordinary Equity Shares :

The company has a single class of equity shares having a par value of ₹ 10/- per share. Each holder of equity share is entitled to one vote per share. The company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing annual general meeting.

DIVINITI PROJECTS PVT. LTD.

DIVINITI PROJECTS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
9. Other equity		
General reserve		
Balance at the beginning of the year	121,000	121,000
Add/(Less) :		
Transfer from profit and loss account		
Balance at the end of the year	**121,000**	**121,000**
Retained Earnings		
Balance at the beginning of the year	49,000,886	49,348,400
Profit attributable to the owners of the company	282,850	(347,514)
Balance at the end of the year	**49,283,736**	**49,000,886**
Total	**49,404,736**	**49,121,886**

10. Borrowings

Non-Current		
Secured		
Term Loans		
- From financial institutions (Refer Footnote)	-	511,500,000
Total	-	**511,500,000**

Footnote :

The Company has entered in to triparty agreement in previous year with Twenty Five South Realty Limited and Indiabulls Housing Finance Limited, in accordance with the terms of the agreement interest on long term borrowings shall be paid by Twenty Five South Realty Limited till the date of Possession, during the year the same has been repaid.

The security charge for the aforesaid term loan from financial institution is yet to be released as on reporting date.

Unsecured		
(i) Loans repayable on demand :		
- From Related Party (Refer note 20)	1,431,532	1,431,532
- From Companies	8,329,466	8,329,466
Total	**9,760,998**	**9,760,998**

DIVINITI PROJECTS PVT. LTD.

DIVINITI PROJECTS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
11. Deferred Tax balances		
The following is the analysis of deferred tax (liabilities)/asset presented in the balance sheet		
Deferred Tax Liability	(211,895)	(108,938)
Total	**(211,895)**	**(108,938)**

2017-2018	**Opening Balance**	**Recognise in Profit & Loss Account**	**Closing Balance**
Deferred tax (liabilities) / assets in relation to :			
On account of fair valuation of investments	(108,938)	(102,957)	(211,895)
	(108,938)	(102,957)	(211,895)

2016-2017	**Opening Balance**	**Recognise in Profit & Loss Account**	**Closing Balance**
Deferred tax (liabilities) / assets in relation to:			
On account of fair valuation of investments	(136,368)	27,430	(108,938)
	(136,368)	27,430	(108,938)

12. Other financial liabilities

	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
Current		
Other payables	243,920	174,210
Total	**243,920**	**174,210**

Footnote :
As per information available with the Company regarding dues to Micro, Small and Medium Enterprises as defined under the Micro Small Medium Enterprises Development, Act 2006 (MSMED Act), none of the suppliers of the Company are registered under MSMED Act, and the same has been relied upon by the auditors.

13. Other current liabilities

	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
Current		
Other payables :		
- Statutory dues	1,105,603	1,859,314
Total	**1,105,603**	**1,859,314**

DIVINITI PROJECTS PVT. LTD.

DIVINITI PROJECTS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

	Year Ended 31 March, 2018 ₹	Year Ended 31 March, 2017 ₹
14. Other income		
Interest Received on loan (Refer footnote)	9,235,809	-
Excess Provision written Back	250,172	-
Creditors Balance written Back	754	-
Gain on fair valuation of Investment	192,753	-
Total	**9,679,488**	-

Footnote

Interest received on loan includes ₹ 92,35,809/- from related parties (P.Y. : Nil). Further attention invited to Note 20.

15. Finance costs		
Interst Paid (Others)	9,019,067	-
Delayed/penal interest on loans and statutory dues	13,607	288,009
Total	**9,032,674**	**288,009**
16. Other expenses		
Rates and taxes	2,500	2,500
Legal and professional fees	77,740	22,663
Other expenses	83,820	61,772
Total	**164,060**	**86,935**

Footnote :

Auditor's Remuneration (included in other expenses) :

Audit Fees	17,500	17,500
GST / Service Tax on above	3,150	2,625
Total	**20,650**	**20,125**

	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
17. Earnings Per Share (EPS)		
Basic and Diluted Earnings Per Share	5.66	(6.95)

Basic and Diluted EPS

The earnings and weighted average number of equity shares used in the calculation of basic and diluted earnings per share are as follows,

Earnings used in the calculation of basic earnings per share	**282,850**	**(347,514)**
Weighted average number of equity shares for the purposes of basic and diluted earnings per share	50,000	50,000

18. Contingent Liabilities (Not Provided For:)

The Company does not have any contingent liability as on balance sheet date, as certified by the management and relied upon by the auditors.

19. In the opinion of the Board of Directors of the Company, all items of current assets, non current assets, non current liabilities and current Liabilities continues to have a realizable value of at least the amounts at which they are stated in the Balance Sheet.

DIVINITI PROJECTS PVT. LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

20. Related Party Disclosure

A. Name of related parties and description of relations

(i) HOLDING COMPANY	Hubtown Ltd
(ii) ENTITIES UNDER THE JOINT CONTROL OF HOLDING COMPANY	Twenty Five South Realty Limited
(iii) JOINT VENTRUE OF THE COMPANY	Rising Glory Developers
(iv) ENTITIES IN WHICH KMP OR THEIR RELATIVES EXERCISE CONTROL OR HAVING SIGNIFICANT INFLUENCE	Citygold Management Private Limited

Footnote:
Related party relationship are identified by the Company and relied upon by the Auditors.

B. Transactions with related parties

Sr. No.	Nature of Transaction	Holding Company	Entities Under The Joint Control Of Holding Company	Joint Venture of the company	Entities in shich KMP or their relatives exercise Control or having significant influence
i	**Loans received / recovered**				
	Twenty Five South Realty Limited	-	410,000,000		
		(-)	(-)	(-)	(-)
	Citygold Management Services Private Limited				
ii	**Loans given /repaid**				
	Twenty Five South Realty Limited		410,000,000		-
	Citygold Management Services Private Limited				54,501
		(-)	(-)	(-)	(-)
iii	**Share of loss from Partnership Firm:**				
	Rising Glory Developers	-	-	1,947	-
		(-)	(-)	(-)	(-)
iv	**Investment in Current Account of Partnership Firm**				
	Rising Glory Developers	-		1,687,000	
		(-)	(-)	(5,35,89,308)	(-)
v	**Advance towards property:**				
	Twenty Five South Realty Limited	-	-	-	
		(-)	(514,689,798)	(-)	(-)
vi	**Interest Income**				
	Twenty Five South Realty Limited	-	9,235,809		
		(-)	(-)	(-)	(-)
vi	**Debit Balances received**				
	Twenty Five South Realty Limited (Refund received)	-	514,613,364	-	
		(-)	(-)	(-)	(-)
	Twenty Five South Realty Limited (Interest received)		8,312,228		
		(-)	(-)	(-)	(-)

Footnote:
Previous Year figures are given in brackets.

Balance outstanding payables/receivable:

	Nature of Transaction	As at 31st March, 2018	As at 31st March, 2017
a.	**Receivable**		
	Joint Venture of Holding Company		
	Rising Glory developers	55,274,361	53,589,308
	Entities Under The Joint Control Of Holding Company		
	Twenty Five South Realty Limited	1,764,105	516,377,469
	Citygold Management Private Limited	6,30,136	6,84,637
b.	**Payable**		
	Holding Company		
	Hubtown Limited	1,431,532	1,431,532

DIVINITI PROJECTS PVT. LTD.

PARTNERSHIP No. 30917

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

21. Capital Management

The primary objective of company's capital management is to ensure that it maintains strong capital ratios in order to support its business and maximise shareholder's value. The company's Board of Directors reviews the capital on an annual basis.

The capital structure of the entity consists of net debt (borrowings and offset by cash and bank balances) and total equity of the company. There are no borrowings from banks/financial institutions or corporates other than the equity shareholders and their group companies.

Gearing Ratio

The gearing ratio at the reporting period was as follows:

	As at 31st March, 2018	As at 31st March, 2017
Secured Loan		511,500,000
Unsecured Loan	9,760,998	9,760,998
Less: Cash and Bank Balances	(234,672)	(71,389)
Net Debt (A)	**9,526,326**	**521,189,609**
Equity Share Capital	500,000	500,000
Retained Earnings	49,404,736	49,121,886
Total Equity (B)	**49,904,736**	**49,621,886**
Debt Equity Ratio A/B	19%	1050%

22. Financial Risk Management Objectives

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

1) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument which fluctuate because of changes in market prices.

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company's exposure to the risk of changes in market interest rates relates primarily to company's long term debt obligations with floating interest rates.

The Company has received interest free advances from its holding company and hence it is not exposed to interest rate risk.

2) Credit Risk

Credit risk is the risk that the counterparty will not meet its obligation under a financial instrument or customer contract leading to a financial loss. The company is not exposed to credit risk from its operating activities or trade receivables since the agreement of sale of land is executed only on receipt of full consideration.

Credit risk from balances with banks and inter corporate loans is managed by the company's treasury department in accordance with the company's policy.

3) Liquidity risk

The operating cash flow requirements are met by interest free funding from shareholders.

DIVINITI PROJECTS PVT. LTD.

DIVINITI PROJECTS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

23. Fair Value measurement of Financial Instruments

	31st March 2018			31st March 2017		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
Financial Assets						
Investments	15,90,982	-	10,000	13,98,229	-	10,000
Cash and cash equivalents	-	-	2,34,672	-	-	71,389
Other financial assets	-	-	5,85,18,602	-	-	5,68,11,616
Total of Financial Assets	**15,90,982**	**-**	**5,87,63,274**	**13,98,229**	**-**	**5,68,93,005**
Financial Liabilities						
Borrowings	-	-	97,60,998	-	-	52,12,60,998
Trade payables	-	-	-	-	-	-
Other Financial liabilities	-	-	2,43,920	-	-	1,74,210
Total of Financial Liabilities	**-**	**-**	**1,00,04,918**	**-**	**-**	**52,14,35,208**

i) Fair Value hierarchy

This section explains the judgements and estimates in determining the fair value of the financial instruments that are recognised and measured at fair value.

Financial assets and liabilities measured at fair value - recurring fair value measurements	Level 1	Level 2	Level 3	Total
At 31st March, 2018 **Financial Assets** Investments as at 31st March, 2018	-	-	15,90,982	15,90,982
Total Financial Assets	**-**	**-**	**15,90,982**	**15,90,982**
At 31st March, 2017 **Financial Assets** Investments as at 31st March, 2017	-	-	13,98,229	13,98,229
Total Financial Assets	**-**	**-**	**13,98,229**	**13,98,229**

L. J. KOTHARI & CO. MEMBERSHIP No. 30517 CHARTERED ACCOUNTANTS

DIVINITI PROJECTS PVT. LTD.

Level 3

If one or more of the significant inputs is not based on observable market data, the instruments is included in level 3. During the year ended 31st March 2018, the company has fair valued its investments. Since valuation of investments are not based on inputs from observable market data, same has been classified in Level 3.

ii) Valuation technique and process used to detemine fair value

The fair value of the financial instrument is determined using book value method.

Changes in Level 3 items for the year ended 31st March, 2017 and 31st March, 2018

	Investments	Total
As at 1st April, 2016	1,398,229	1,398,229
Gain/(loss) recognised in profit or loss		
As at 31st March, 2017	1,398,229	1,398,229
Gain/(loss) recognised in profit or loss	192,753	192,753
As at 31st March, 2018	**1,590,982**	**1,590,982**

Footnote :

Investments in Shamrao Vithal Co-operative Bank Limited and Suraksha Realty Limited have been measured at fair value using the book value method in the financial year 2016 and 2017. However, the balance sheet of these entities were not available for fair valuation for the financial year 2018. Hence, fair value for the financial year 2017 has been carried forward to the financial year 2017 as the management is of the opinion that there is no significant change.

As per our report of even date

FOR L. J. KOTHARI & ASSOCIATES
Firm Registration No.105313W
CHARTERED ACCOUNTANTS

LALIT KOTHARI
PARTNER
Membership No. 30917

Mumbai
Date: 21st June, 2018

For and on behalf of the board

JAINAM NARESH SHAH
Director
DIN:07129100

RAJEEVAN PARAMBAN
Director
DIN:03141200

Mumbai
Date: 21st June, 2018

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GUJARAT AKRUTI - TCG BIOTECH LIMITED

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **GUJARAT AKRUTI - TCG BIOTECH LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "Ind AS financial statement").

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 Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder.

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, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS 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 Ind AS 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 there under.

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 Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS 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 Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 including the Ind AS, of the financial position of the Company as at 31st March 2018, and its profit for the year (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Emphasis of Matters

Attention is invited to Note 28 in the financial statements with regards to status of Biotech Project of the company, management believes that the recoverable amount of property, plant and equipment is higher than its carrying value due to which impairment is not required.
Our report is not qualified in respect of this matter.

Other Matter

The audited standalone financial statements for the year ended 31st March 2017, was carried out and reported by Dalal Doshi & Associates, vide their unmodified audit report dated 25th May 2017, whose report has been furnished to us by the management and which has been relied upon by us for the purpose of our audit of the standalone financial statements. Our audit report is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

I. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms section 143(11) of the Act, we give in the **"Annexure A"** statement on the matters specified in paragraphs 3 and 4 of the Order;

II. 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 (including other comprehensive income), the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rule issued thereunder;

(e) Based on the information received and explanations given to us, except two Directors, none of the Directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**"; and

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in 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 Ind AS financial statements, if any;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

FOR NIRAJ D. ADATIA & ASSOCIATES
Firm Registration No.: 129486W
Chartered Accountants

Adatia

NIRAJ D. ADATIA
Partner
Membership No.: 120844
Place : Mumbai
Date : 19th June, 2018

ANNEXURE "A" REFERRED TO IN OUR REPORT TO THE MEMBERS OF GUJARAT AKRUTI – TCG BIOTECH LIMITED ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018;

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that: -

(i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;

b) The Fixed Assets have been physically verified by the Management during the year and no material discrepancies were noticed on such verification;

c) As per the information and explanation given to us, lease deed and transfer formalities with respect to lease hold land included in immovable properties are yet to be executed.

(ii) According to the information and explanations given to us and based on our examination of the records of the Company, the Company does not have any inventory during the year. Accordingly, paragraph 3(ii) of the Order is not applicable.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships, or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable.

(iv) The Company has not granted any loans or made any investments, or provided any guarantees or any security to the parties covered under section 185 and 186 of the Act. Accordingly, paragraph 3(iv) of the Order is not applicable.

(v) The Company has not accepted any deposits from the public during the year within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed thereunder to the extent notified. Accordingly, paragraph 3(v) of the Order is not applicable.

(vi) The Central Government of India has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.

(vii) a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues, including provident fund, income-tax, sales tax, value added tax, duty of customs, cess and other material statutory dues, wherever applicable, with the appropriate authorities. There was an amount of service tax of ₹ 1,11,625 and interest on late payment of taxes of ₹ 19,721 and TDS of ₹ 52,781 and interest on late payment of taxes of ₹ 9,448 outstanding as at the last day of the financial year for a period exceeding six months from the date they became payable.

b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of Income Tax, as at the Balance Sheet date which have not been deposited on account of a dispute, are as follows :

Name of the Statute	**Nature of dues**	**Period to which the amount relates (F.Y.)**	**Amount (₹)**	**Forum where the dispute is pending**
Income Tax Act, 1961	143 (3)	2011-12	3,570	Income Tax Appellate Tribunal
Income Tax Act, 1961	143 (3)	2012-13	4,750	Income Tax Appellate Tribunal
Income Tax Act, 1961	143 (3)	2013-14	520	Income Tax Appellate Tribunal

(viii) On the basis of records examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to debenture holders as at the balance sheet date.

(ix) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.

(x) Based on the audit procedures performed and the information and explanations given by the management, we report that no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) The Company has not paid / provided for managerial remuneration during the year and hence, the provisions of Section 197 read with Schedule V to the Act are not applicable. Accordingly, paragraph 3(xi) of the Order is not applicable.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) In our opinion, all transactions with the related parties are in compliances with section 177 and 188 of the Companies Act, 2013 and the details have been disclosed in the financial statements as required by the applicable Indian Accounting Standards;

(xiv) The company has not made any preferential allotment / private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3 (xiv) of the Order is not applicable to the Company.

(xv) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3 (xv) of the Order is not applicable.

(xvi) The company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3 (xvi) of the Order is not applicable.

FOR NIRAJ D. ADATIA & ASSOCIATES
Firm Registration No.: 129486W
Chartered Accountants

NIRAJ D. ADATIA
Partner
Membership No.: 120844

Place : Mumbai
Date : 19th June, 2018

"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF GUJARAT AKRUTI - TCG BIOTECH LIMITED

Report on the Internal Financial Controls 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 GUJARAT AKRUTI - TCG BIOTECH LIMITED ("the Company") as of 31st March, 2018 in conjunction with our audit of the Ind AS 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that 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 risks. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS 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 unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

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 31st March 2018, based on the internal control over financial reporting criteria established by the Company, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR NIRAJ D. ADATIA & ASSOCIATES
Firm Registration No.: 129486W
Chartered Accountants

NIRAJ D. ADATIA
Partner
Membership No.: 120844

Place : Mumbai
Date : 19th June, 2018

GUJARAT AKRUTI - TCG BIOTECH LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2018

Particulars	Note No.	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
ASSETS			
Non-Current Assets			
(a) Property, plant and equipment	3	178,269,774	178,597,824
(b) Capital work-in-progress	3	101,956,693	84,388,642
(c) Financial assets			
(i) Other financial assets	4	229,788	226,870
Total Non-Current assets		**280,456,255**	**263,213,336**
Current assets			
(a) Financial assets			
(i) Cash and cash equivalents	5	254,531	524,675
(ii) Other financial assets	4	4,254	5,278
Total Current Assets		**258,785**	**529,953**
TOTAL ASSETS		**280,715,040**	**263,743,289**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	6	500,000	500,000
(b) Convertible Instruments classified as Equity	7	161,526,900	161,526,900
(c) Other equity	8	(74,396,128)	(85,725,639)
Total Equity		**87,630,772**	**76,301,261**
Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	9	122,392,958	104,824,907
(ii) Other financial liabilities	10	732,391	732,391
(b) Deferred Tax Liabilities (Net)	11	33,355,266	45,024,104
Total Non-Current Liabilities		**156,480,615**	**150,581,402**
Current Liabilities			
(a) Financial Liabilities			
(i) Trade payables	12	4,603,159	5,157,927
(ii) Other financial liabilities	10	25,076,521	24,856,182
(b) Other current liabilities	13	6,923,973	6,846,517
Total Current Liabilities		**36,603,653**	**36,860,626**
Total Liabilities		**193,084,268**	**187,442,028**
TOTAL EQUITY AND LIABILITIES		**280,715,040**	**263,743,289**

The accompanying notes are an integral part of the financial statements

As per our report of even date

FOR NIRAJ D. ADATIA & ASSOCIATES
Firm Registration No. 129486W
Chartered Accountants

NIRAJ ADATIA
Partner
Membership No.: 120844

Mumbai
Date: 19th June, 2018

For and on behalf of the Board of Directors

KHILEN SHAH
Director
DIN: 03134932

Gujarat Akruti TCG Biotech Limited

RUSHANK SHAH
Director
DIN: 02960155

Mumbai
Date: 19th June, 2018

GUJARAT AKRUTI - TCG BIOTECH LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

Particulars	Note No.	Year ended 31st March, 2018 ₹	Year ended 31st March, 2017 ₹
INCOME			
Revenue from Operations	14	888,627	17,175
Other Income	15	2,749	1,758
TOTAL INCOME		**891,376**	**18,933**
EXPENSES			
Costs Of Construction / Development	16	149,995	151,000
Finance Costs	17	1,967	8,796
Depreciation and Amortisation Expenses	18	328,050	328,050
Other Expenses	19	750,691	1,451,850
TOTAL EXPENSES		**1,230,703**	**1,939,696**
Profit/(Loss) before Tax		**(339,327)**	**(1,920,763)**
Tax Expense			
Deferred tax (charge) / Credit		11,668,838	(161,300)
Profit/(Loss) for the Year		**11,329,511**	**(2,082,063)**
Other Comprehensive Income		-	-
Total Comprehensive Income		**11,329,511**	**(2,082,063)**
Earning per equity share of nominal value of ₹ 10/- each	20		
Basic		226.59	(41.64)
Diluted		226.59	(41.64)

The accompanying notes are an integral part of the financial statements

As per our report of even date

FOR NIRAJ D. ADATIA & ASSOCIATES
Firm Registration No. 129486W
Chartered Accountants

NIRAJ ADATIA
Partner
Membership No.: 120844

Mumbai
Date: 19th June, 2018

For and on behalf of the Board of Directors

KHILEN SHAH
Director
DIN: 03134932

Gujarat Akruti TCG Biotech Limited

RUSHANK SHAH
Director
DIN: 02960155

Mumbai
Date: 19th June, 2018

GUJARAT AKRUTI - TCG BIOTECH LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

	Particulars	31st March, 2018 ₹	31st March, 2017 ₹
I	**CASH FLOWS ARISING FROM OPERATING ACTIVITIES**		
	Net profit/(loss) before taxation as per Statement of Profit and Loss	**(339,327)**	**(1,920,763)**
	Add/(Less) :		
	Depreciation	328,050	328,050
	Finance Costs	1,967	8,796
	Interest Income	(1,893)	(1,758)
		328,124	**335,088**
	Operating profit before working capital changes	**(11,203)**	**(1,585,675)**
	Add / (Less) :		
	Increase/(Decrease) in trade and other payables	(256,974)	1,990,748
		(256,974)	1,990,748
	Net cash flow from operating activities	**(268,177)**	**405,073**
II	**CASH FLOWS ARISING FROM INVESTING ACTIVITIES**		
	Inflow/(Outflow) on account of :	-	-
	Net cash flow from investing activities	-	-
III	**CASH FLOWS ARISING FROM FINANCING ACTIVITIES**		
	Inflow/(Outflow) on account of:		
	Finance Costs Paid	(1,967)	(8,796)
	Net cash flow from financing activities	**(1,967)**	**(8,796)**
	Net increase in cash and cash equivalents (I + II + III)	**(270,144)**	**396,277**
	Add: Balance at the beginning of the year	**524,675**	**128,398**
	Cash and cash equivalents at the end of the year	**254,531**	**524,675**
	Components of cash and cash equivalents (Refer note 5)		
	Cash on hand	95,197	94,341
	Balances with banks		
	- On Current accounts	159,334	430,334
		254,531	**524,675**

Footnote :

The Cash Flow Statement has been prepared under indirect method as set out in Indian Accounting Standard (Ind AS- 7) statement of cash flows.

The accompanying notes are an integral part of the financial statements

As per our report of even date

FOR NIRAJ D. ADATIA & ASSOCIATES
Firm Registration No. 129486W
Chartered Accountants

NIRAJ ADATIA
Partner
Membership No.: 120844

Mumbai
Date: 19th June, 2018

For and on behalf of the Board of Directors

KHILEN SHAH
Director
DIN: 03134932

RUSHANK SHAH
Director
DIN: 02960155

Mumbai
Date: 19th June, 2018

GUJARAT AKRUTI - TCG BIOTECH LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2018 (in ₹)

A. EQUITY SHARE CAPITAL

As at 1st April, 2016	**500,000**
Changes in equity share capital	-
As at 31st March, 2017	**500,000**
Changes in equity share capital	-
As at 31st March, 2018	**500,000**

B. OTHER EQUITY AND CONVERTIBLE INSTRUMENTS

(in ₹)

Balance at 1st April, 2016	Convertible Instruments classified as Equity	Retained Earnings	Total
As at 1st April, 2016	**161,526,900**	**(83,643,576)**	**77,883,324**
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	(2,082,063)	**(2,082,063)**
Balance at 31st March, 2017	**161,526,900**	**(85,725,639)**	75,801,261
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	11,329,511	11,329,511
Balance at 31st March, 2018	**161,526,900**	**(74,396,128)**	**87,130,772**

The accompanying notes are an integral part of the financial statements

As per our report of even date

FOR NIRAJ D. ADATIA & ASSOCIATES
Firm Registration No. 129486W
Chartered Accountants

Adatia

NIRAJ ADATIA
Partner
Membership No.: 120844

Mumbai
Date: 19th June, 2018

For and on behalf of the Board of Directors

KHILEN SHAH
Director
DIN: 03134932

RUSHANK SHAH
Director
DIN: 02960155

Gujarat Akruti TCG Biotech Limited

Mumbai
Date: 19th June, 2018

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

Note 1. Statement of Significant Accounting Policies.

1.1 **Company Overview**

Gujarat Akruti - TCG Biotech Limited is an unlisted limited Company domiciled in India, incorporated under the Companies Act, 1956. The Company is engaged in the business of development, construction, marketing and maintenance of a bio-technology park in the state of Gujarat. The Company was incorporated on 28th May, 2007 as a joint venture between Gujarat State Biotechnology Mission, Hubtown Limited and TCG Urban Infrastructure Holding Private Limited to carry on the business of development, construction, marketing and maintenance of a bio-technology park in the state of Gujarat, as per the Memorandum of Understanding dated 5th March, 2007. The Company is yet to commence commercial activities.

1.2 The financial statements are approved for issue by the Company's Board of Directors on 19th June, 2018.

Note 2. Significant Accounting Policies followed by the Company

I. Basis of preparation of financial Statements

(i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The accounting policies are applied consistently to all the periods presented in the financial statements.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

1) certain financial assets and liabilities that are measured at fair value;
2) assets held for sale - measured at lower of carrying amount or fair value less cost to sell;
3) defined benefit plans - plan assets measured at fair value;

(iii) Current non-current classification

All the assets and liabilities have been classified as current or non-current, wherever applicable, as per the operating cycle of the Company as per the guidance set out in Schedule III to the Act. Operating cycle for the business activities of the Company covers the duration of the project/ contract including the defect liability period wherever applicable, and extends upto the realisation of receivables (including retention monies, if any) within the credit period normally applicable to the respective project.

II. Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions that affect the reported balances of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) Judgements

Classification of property

The company determines whether a property is classified as investment property or inventory property. Investment property comprises land and buildings that are not occupied substantially for use by, or in the operations of, the company, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation. These buildings are substantially rented to tenants and not intended to be sold in the ordinary course of business. Inventory comprises property that is held for sale in the ordinary course of business. Principally, these are properties that the company develops and intends to sell before or on completion of construction.

b) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

III. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will accrue to the Company and the revenue can be reliably measured and also when it is reasonably certain that the ultimate collection will be made and that there is buyers' commitment to make the complete payment.

A. Revenue from Construction/Development Activity

Revenue is recognised to the extent that it is probable that the economic benefits will accrue to the company and the revenue can be reliabaly measured and also when it is reasonably certain that the ultimate collection will be made and that there is buyer's commitment to make the complete payment.

The Company has purchased land on leasehold basis from Gujarat Industrial Development Corporation for the purpose of building and executing work thereon for development of industrial park. The same will be sub leased to customers for lease rental after the lease deed and other formalities are executed.

B. Interest Income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

C. Others:

Other revenues / incomes and costs / expenditure are accounted on accrual, as they are earned or incurred.

Gujarat Akruti TCG Biotech Limited *

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

IV. **Property plant and equipment, Investment property and depreciation / ammortisation**

A. Tangible Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation and accumulated impairment losses, if any.

B. Depreciation is provided on the straight line method on the basis of estimated useful life of the asset in the manner specified in Schedule II to the Companies Act, 2013. Depreciation on additions to assets or on sale/disposal of assets is calculated pro-rata from the month of such addition, or upto the month of such sale/disposal, as the case may be.

Asset Category	Estimated useful life (in Years)
Compound Wall	30
Computers & Laptops	3

C. Leasehold land will be amortized over the balance period of lease after the lease deed and other transfer formalities are executed.

D. Capital work-in-progress, representing expenditure incurred in respect of assets under development and not ready to use for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure.

V. **Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A. **Investments and Financial Assets**

i. **Initial recognition**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognised in the Statement of Profit and Loss.

ii. **Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in following categories:

a) **Financial Assets at Amortised Cost**

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) **Financial Assets Measured at Fair Value**

Financial assets are measured at fair value through OCI if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

Financial asset not measured at amortised cost or at fair value through OCI is carried at FVTPL.

iii. **De-recognition of Financial Assets:**

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

B. **Equity Instruments and Financial Liabilities**

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

i. **Equity Instruments**

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

ii. **Financial Liabilities**

1. Initial Recognition

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings and payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

2. Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below:

- Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation. Amortisation is recognised as finance income in the Statement of Profit and Loss.

- Financial liabilities at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the Statement of Profit and Loss. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Gujarat Akruti TCG Biotech Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

3. De-recognition of Financial Liabilities

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

C. Offsetting Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis to realise the assets and settle the liabilities simultaneously.

VI Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expires or it transfers the finacial asset and the transfer qualifies for derecognition under IndAS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

VII. Impairment

a. Financial assets

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

b. Non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses, including impairment on inventories, are recognised in the statement of profit and loss.

i. Property, plant and equipment

Property, plant and equipment are evaluated for recoverability wheneer events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

ii. Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

VIII. Taxation

i. Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the financial statement of profit and loss becauseof items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using rates that have been enacted or substantively enacted by the end of the reporting period.

In case the Company is liable to pay income tax u/s 115JB of Income Tax Act, 1961 (i.e. MAT), the amount of tax paid in excess of normal income tax is recognized as an asset (MAT Credit entitlement) only if there is convincing evidence for realization of such asset during the specified period. MAT credit entitlement is reviewed at each Balance Sheet date.

ii. Deferred Tax

Deferred tax is recognized on temporary diferences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized fur all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax asset is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

iii. Current and deferred tax for the year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

Gujarat Akruti TCG Biotech Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

IX. Borrowings and Borrowing costs

Borrowing are initally recognised at Net off transation cost incurred and measured at amortised cost. Any difference between the proceeds (net of transation costs) and the redemption amount is recognised in statetment of profit and loss over ther period of the borrowings using the effective interest method.

Interests and other borrowing costs included under finance costs calculated as per effective interest rate attributable to qualifying assets, which takes substantial period of time to get ready for its intended use are allocated as part of the cost of construction / development of such assets. Such allocation is suspended during extended periods in which active development is interrupted and, no costs are allocated once all such activities are substantially complete. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are charged to the Profit and Loss Account.

X. Earnings per Share

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

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

XI. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

XII. Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

XIII. Foreign currency transactions

A. All transactions in foreign currency are recorded in the reporting currency, based on closing rates of exchange prevalent on the dates of the relevant transactions.

B. Monetary assets and liabilities in foreign currency, outstanding as on the Balance Sheet date , are converted in reporting currency at the closing rates of exchange prevailing on the said date. Resultant gain or loss is recognized during the year in the Statement of Profit and Loss.

C. Non monetary assets and liabilities denominated in foreign currencies are carried at the exchange rate prevalent on the date of the transaction.

XIV. Provisions, contingent liabilities and contingent assets

A provision is recognized when an enterprise has a present obligation (legal or constructive) as result of past event and it is probable that an outflow of embodying economic benefits of resources will be required to settle a reliably assessable obligation. Provisions are determined based on best estimate required to settle each obligation at each balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A contingent liability also arises, in rare cases, where a liability cannot be recognised because it cannot be measured reliably.

Contingent assets are neither recognised nor disclosed in the financial statements.

XV. Recent accounting pronouncements

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On March 28, 2018, Ministry of Corporate Affairs (""MCA"") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreigncurrency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

The amendment will come into force from 1 April 2018. The Company exposure towards foreign currency transation is minimal, hence the impact on the financial statements and effect on adoption of Ind AS 21 is expected to be insignificant.

Ind AS 115

In March 2018, the Ministry of Corporate Affairs has notified the Companies (Indian Accounting Standards) Amended Rules, 2018 ("amended rules"). As per the amended rules, Ind AS 115 "Revenue from contracts with customers" supersedes Ind AS 11, "Construction contracts" and Ind AS 18, "Revenue" and is applicable for all accounting periods commencing on or after 1 April 2018.

Ind AS 115 introduces a new framework of five step model for the analysis of revenue transactions. The model specifies that revenue should be recognised when (or as) an entity transfer control of goods or services to a customer at the amount to which the entity expects to be entitled. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The new revenue standard is applicable to the Company from 1 April 2018.

The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies Changes in Accounting Estimates and Errors
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach)

The Company is evaluating the requirement of the amendment and the impact on the financial statements. The effect on adoption of IND AS 115 is expected to be insignificant

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

3. Property, plant and equipment and capital work-in-progress

(in ₹)

	Leasehold Land*	Compound Wall	Computers and Laptops	Total	Capital work-in-progress (Refer note 28)
Cost or deemed cost					
Balance at 31st March, 2016	171,496,664	10,635,281	17,160	182,149,105	69,342,275
Additions	-	-	-	-	15,046,367
Balance at 31st March, 2017	171,496,664	10,635,281	17,160	182,149,105	84,388,642
Accumulated depreciation and impairment					
Balance at 31st March, 2016	-	3,206,071	17,160	3,223,231	-
Depreciation expense	-	328,050	-	328,050	-
Balance at 31st March, 2017	-	3,534,121	17,160	3,551,281	-
Carrying amount as on 31st March 2017	**171,496,664**	**7,101,160**	**-**	**178,597,824**	**84,388,642**

	Leasehold land	Compound Wall	Computers and Laptops	Total	Capital work-in-progress
Cost or deemed cost					
Balance at 1st April, 2017	171,496,664	10,635,281	17,160	182,149,105	84,388,642
Additions	-	-	-	-	17,568,051
Balance at 31st March, 2018	171,496,664	10,635,281	17,160	182,149,105	101,956,693
Accumulated depreciation and impairment					
Balance at 1st April, 2017	-	3,534,121	17,160	3,551,281	-
Depreciation expense	-	328,050	-	328,050	
Balance at 31st March, 2018	-	3,862,171	17,160	3,879,331	-
Carrying amount as at 31st March 2018	**171,496,664**	**6,773,110**	**-**	**178,269,774**	**101,956,693**

*Refer note 2(IV)C.

	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
4. Other financial assets		
Non-current		
Bank deposits	22,188	19,270
Security deposits	207,600	207,600
Total	**229,788**	**226,870**
Current		
Other Advances and Receivables		
Interest accrued on fixed deposits	4,254	5,278
Total	**4,254**	**5,278**
5. Cash and cash equivalents		
Balances with banks:		
- in current accounts	159,334	430,334
Cash on hand	95,197	94,341
Total	**254,531**	**524,675**

Gujarat Akruti TCG Biotech Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
6. Share capital		
Authorised Share Capital:		
3,000,000 (P.Y. - 3,000,000) Equity Shares of ₹ 10/- each	30,000,000	30,000,000
800,000 (P.Y. - 8,00,000) Preference Shares of ₹ 100/- each	80,000,000	80,000,000
Total	**110,000,000**	**110,000,000**
Issued and subscribed capital comprises :		
50,000 (P.Y. - 50,000) Equity Shares of ₹ 10/- each fully paid up	500,000	500,000
Total	**500,000**	**500,000**

a) Reconciliation of Number of shares outstanding at the beginning and at the end of the year

Fully paid equity shares

	Number of shares	Share Capital ₹
Balance at 1st April, 2016	50,000	500,000
Add : Issued during the year	-	-
Less : Bought back during the year	-	-
Balance at 31st March, 2017	50,000	500,000
Add : Issued during the year	-	-
Less : Bought back during the year	-	-
Balance at 31st March, 2018	50,000	500,000

b) Rights, Preferences and Restrictions attached to Shares

The company has a single class of equity shares having a face value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Equity Shares heldby its holding company or its ultimate holding company, subsidaries or assocoiates of the holding company or the ultimate holding company

	As at 31st March, 2018		As at 31st March, 2017	
	No of shares held	% holding	No of shares held	% holding
Hubtown Limited with Benificiary Owners	37,000	74%	37,000	74%
Total	**37,000**	**74%**	**37,000**	**74%**

d) Details of shares held by each shareholders holding more than 5% shares

	As at 31st March, 2018		As at 31st March, 2017	
	No of shares held	% holding	No of shares held	% holding
Fully paid equity shares				
Hubtown Limited with Benificiary Owners	37,000	74%	37,000	74%
TCG Urban Infrastructure Holdings Private Limited	13,000	26%	13,000	26%
Total	**50,000**	**100%**	**50,000**	**100%**

Gujarat Akruti TCG Biotech Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
7. Convertible Instruments classified as Equity		
Convertible Debentures classified as Equity		
1,615,269 (P.Y. : 1,615,269) Zero Coupon Compulsorily Convertible Debentures of the face value of ₹ 100 each	161,526,900	161,526,900
Total	**161,526,900**	**161,526,900**

Footnote :
1,615,269, zero coupon compulsorily convertible debenture of ₹ 100 each to be convertible on or before 28th March, 2020, i.e. not later than five years from the date of allotment. These debentures will be converted into 16,152,690 number of equity shares of face value of ₹10/-.

As per Ind AS 32 & 109, zero coupon compulsorily convertible debentures of ₹ 100 each have been classified as equity since the issuer holds an unconditional right to avoid a cash outflow. Hence, it has heen regrouped under equity.

8. Other Equity

Retained Earnings		
Balance at the beginning of the year	(85,725,639)	(83,643,576)
Profit attributable to the owners of the company	11,329,511	(2,082,063)
Items of OCI recognised directly in retained earnings	-	-
Total	**(74,396,128)**	**(85,725,639)**

9. Borrowings

Current		
Secured		
Debentures		
768,919 (P.Y.: 768,919) 0% Secured Reedeemable Non-Convertible Debentures of the face value of ₹ 100 each (Refer Footnote and Note 24)	122,392,958	104,824,907
	122,392,958	**104,824,907**

Footnote :
768,919, 0% Debenture having reedeemable balance of ₹ 7,68,91,900 are to be reedeemed at the end of five years from the date of allotment at the latest at 28th March,2020. These debentures are secured by creation of first charge by way of the receivables from the project of the company and the project being presently executed and developed at Savil ,near Vadodara , Gujarat . These debentures will be redeemed at a premium of ₹ 117 each. The debentures are valued at amortised cost, using EIR method using 16.76% as the effective interest rate which has been derived by compounding the face value of the debentures to the redeemable value over a period of 5 years. The interest calculated is capitalised to Capital-WIP.

10. Other financial liabilities

Non-current		
Retention money payable	732,391	732,391
Total	**732,391**	**732,391**
Current		
Business Advance received from related party(Refer Note 24)	773,071	773,071
Other payables	24,303,450	24,083,111
Total	**25,076,521**	**24,856,182**

Gujarat Akruti TCG Biotech Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹

11. Deferred Tax Liabilities (Net)

The following is the analysis of deferred tax liabilities / (asset) presented in the balance sheet

Deferred Tax Liability	53,831,452	78,400,356
Deferred Tax (Asset)	(20,476,186)	(33,376,252)
Total	**33,355,266**	**45,024,104**

2017-18	Opening Balance	Recognised in profit or loss	Closing Balance
Deferred tax liabilities / (assets) in relation to :			
On account of Depreciation (WDV)	1,031,606	(242,416)	789,190
On account of Capital work-in-progress	(2,786,776)	603,934	(2,182,842)
On account of Unamortised Premium on Debentures	(18,680,745)	9,414,502	(9,266,243)
On account of convertible Borrowings	46,234,174	(16,357,520)	29,876,654
On account of Premium Payable on Debentures	31,134,576	(7,968,969)	23,165,607
On acccount of Other Items	(11,908,731)	2,881,631	(9,027,100)
Total	**45,024,104**	**(11,668,838)**	**33,355,266**

2016-17	Opening Balance	Recognised in profit or loss	Closing Balance
Deferred tax liabilities / (assets) in relation to :			
On account of Depreciation (WDV)	986,696	44,910	1,031,606
On account of Capital work-in-progress	(1,767,107)	(1,019,669)	(2,786,776)
On account of Unamortised Premium on Debentures	(24,907,661)	6,226,916	(18,680,745)
On account of Borrowings	51,441,421	(5,207,247)	46,234,174
On account of Premium Payable on Debentures	31,134,576	-	31,134,576
On acccount of Other Items	(12,025,121)	116,390	(11,908,731)
Total	**44,862,804**	**161,300**	**45,024,104**

Since the taxable income is negative, there is no current tax payable; hence reconciliation has not been provided.

12. Trade payables

Due to Micro & Small enterprises (refer footnote a)	-	-
Due to others (refer footnote b)	4,603,159	5,157,927
Total	**4,603,159**	**5,157,927**

Footnote:

(a) As per information available with the Company regarding dues to Micro, Small and Medium Enterprises as defined under the Micro Small Medium Enterprises Development, Act 2006 (MSMED Act), none of the suppliers of the Company are registered under MSMED Act, and the same has been relied upon by the auditors.

(b) Trade payables includes ₹ 4,41,942 (As at 31st March, 2017: ₹ 4,39,487) due to related parties. Further, attention is invited to Note 24.

13. Other Liabilities

Current		
Advance from customers	5,300,000	5,300,000
Deposits (Unsecured)	1,350,000	1,350,000
Other payables :		
- Statutory dues	273,973	196,517
Total	**6,923,973**	**6,846,517**

Gujarat Akruti TCG Biotech Limited

GUJARAT AKRUTI - TCG BIOTECH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

	Year Ended 31st March, 2018 ₹	Year Ended 31st March, 2017 ₹
14. Revenue from operations		
Other operating revenue :		
Sundry credit balances appropriated	12,182	17,175
Excess Provision Written Back	876,445	-
Total	**888,627**	**17,175**
15. Other income		
a) Interest Income :		
Bank fixed deposits	1,893	1,758
	1,893	**1,758**
b) Other gains and losses		
Gain on foreign currency fluctuation (Net)	856	-
	856	**-**
Total	**2,749**	**1,758**
16. Costs of Construction/Development		
Construction costs incurred during the year :		
Approval and consultation expenses	149,995	151,000
Total	**149,995**	**151,000**
17. Finance Costs		
Interest costs :		
Interest on Debentures	17,568,051	15,046,367
Less - Transfer to Capital WIP	(17,568,051)	(15,046,367)
Delayed/penal interest on loans and statutory dues	1,967	8,796
Total	**1,967**	**8,796**
18. Depreciation and Amortisation Expenses		
Depreciation of property, plant and equipment	328,050	328,050
Total	**328,050**	**328,050**
19. Other Expenses		
Legal and professional fees	335,473	31,618
Security Charges	314,273	436,016
Water Charges	74,292	938,011
Loss on foreign currency fluctuation (Net)	-	2,384
Other expenses (refer footnote)	26,653	43,821
Total	**750,691**	**1,451,850**
Footnote:		
Auditors Remuneration (included in other expenses) :		
Audit Fees	20,000	20,000
GST / Service Tax on above	3,600	3,000
Total	**23,600**	**23,000**

Gujarat Akruti TCG Biotech Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

	Year Ended 31st March, 2018 ₹	Year Ended 31st March, 2017 ₹
20. Earnings Per Share (EPS)		
Basic Earnings Per Share	226.59	(41.64)
Diluted Earnings Per Share **	226.59	(41.64)

20.1 Basic EPS

The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows

Earnings used in the calculation of basic earnings per share	11,329,511	(2,082,063)
Weighted average number of equity shares for the purposes of basic earnings per share	50,000	50,000

20.2 Diluted EPS

The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows

Earnings used in the calculation of diluted earnings per share	11,329,511	(2,082,063)
Weighted average number of equity shares for the purposes of diluted earnings per share	50,000	50,000

Footnote :

For the purpose of calculating diluted EPS convertible instruments (zero coupon compulsorily convertible debentures) are deemed to be converted into ordinary shares at the beginning of the period.

** Zero coupon compulsorily convertible debentures could potentially not dilute basic earnings per share for the year ended 31st March, 2018, hence are included in the calculation of diluted earnings per share for 2018, because they are antidilutive for the period presented. Diluted EPS is restricted to the amount of Basic EPS to the extent the conversion of convertible instruments prove to be anti dilutive.

21. Contingent Liabilities (Not Provided For) :

Particulars	As at 31st March, 2018	As at 31st March, 2017
Claims against the Company, not acknowledged as debts on account of :		
Income Tax Matter with Income Tax Appellate Tribunal u/s 143(3) for the F.Y. 2011-12 (A.Y. 2012-13)	3,570	3,570
Income Tax Matter with Income Tax Appellate Tribunal u/s 143(3) for the F.Y. 2012-13 (A.Y. 2013-14)	4,750	4,750
Income Tax Matter with Income Tax Appellate Tribunal u/s 143(3) for the F.Y. 2013-14 (A.Y. 2014-15)	520	520
Non Agricultural Tax payable to Gujarat Industrial Development Corporation	-	14,349,775

Footnote:

The Company does not have any contingent liability as at balance sheet date, other then stated above, as certified by management & relied upon by the auditors.

Gujarat Akruti TCG Biotech Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

22. Disclosure of Derivatives

a. No derivative instrument were outstanding at the end of the year.
b. Uncovered risk in foreign currency are as under :

Cash in Hand	31st March, 2018	31st March, 2017
USD	1,400	1,400
INR	91,062	90,774
EURO	50	50
INR	4,031	3,462

23. In the opinion of the Board of Directors of the Company, all items of current assets, current liabilities & loans and advances continues to have a realizable value of at least the amounts at which they are stated in the balance sheet.

24. Related Parties Disclosures

A. Names of related parties and description of relationship

Holding Company
Hubtown Limited

Other Major Shareholder
TCG Urban Infrastructure Holdings Private Limited

Joint Ventures of Holding Company, with whom Transitions have taken place during the year
Hubtown Bus Terminal (Ahmedabad) Private Limited

Related Party relationships are identified by the company and relied upon by the auditors

B. Transitions with Related Parties

Sr. No.	Nature of Transition	Holding Company ₹	Other Major Shareholder ₹	Joint Venture of Holding Company ₹
i.	**Business Advances received/recovered/adjusted**			
	Hubtown Limited	-	-	-
		(200,000)	(-)	(-)
ii.	**Interest Expense Accrued**			
	Hubtown Limited	17,568,051	-	-
		(15,046,367)	(-)	(-)
iii.	**On behalf payments received/ adjusted**			
	Hubtown Bus Terminal (Ahmadabad) Private Limited	-	-	-
		(-)	(-)	(12,851)

Previous years figures are given in brackets

C. Balance outstanding payables/receivables

	As at 31st March, 2018 ₹	As at 31 March, 2017 ₹
a) Unsecured Non- Convertible Debenture		
Hubtown Limited	122,392,958	104,824,907
b) Business Advances payable		
Hubtown Limited	560,002	560,002
c) Trade Payables		
Hubtown Limited	561,217	561,217
d) Other Receivables		
Hubtown Bus Terminal (Ahmedabad) Private Limited	12,851	12,851

Gujarat Akruti TCG Biotech Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

25. Capital Management

The primary objective of company's capital management is to ensure that it maintains strong capital ratios in order to support its business and maximise shareholder's value. The company's Board of Directors reviews the capital on an annual basis.

The capital structure of the company consists of net debt (borrowings and offset by cash and bank balances) and total equity of the company. There are no borrowings from banks/ financial institutions or corporates other than the equity shareholders and their group companies.

Debt - Equity Ratio

The debt - equity ratio at the reporting period was as follows (in ₹)

	As at 31st March, 2018	As at 31st March, 2017
Secured Debentures	122,392,958	104,824,907
Less: Cash and Bank Balances	(254,531)	(524,675)
Net Debt (A)	**122,138,427**	**104,300,232**
Equity Share Capital	500,000	500,000
Convertible Instruments classified as Equity	161,526,900	161,526,900
Other Equity	(74,396,128)	(85,725,639)
Total Equity (B)	**87,630,772**	**76,301,261**
Debt Equity Ratio A/B	139%	137%

26. Financial Risk Management Objectives

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Managing Board.

The Company manages market risk through a treasury department which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommend risk management objectives and policies which are approved by the senior management. The activities of this department include management of cash resourses, borrowing strategies and ensuring compliance with the market risk limits and policies.

1) Market Risk

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company's exposure to the risk of changes in market interest rates relates primarily to company's long term debt obligations with floating interest rates.

b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate on account of changes in foreign exchange rates. The company does not have any exposure to the risk of changes in foreign exchange rates from its operating activities or investments in foreign companies.

There is no purchase of materials of imported materials hence foreign currency risk does not arise.

2) Credit Risk

The Company is not exposed to credit risk form its operating activities. Credit risk from balances with banks and inter corporate loans is managed by the company's treasury department in accordance with the company's policy.

3) Liquidity risk

The Company's cashflow requiremnet are met by funds received from its holding company.

Gujarat Akruti TCG Biotech Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

27. Fair Value measurement of Financial Instruments

(in ₹)

	31st March 2018			31st March 2017		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
Financial Assets						
Other financial assets	-	-	234,042		-	232,148
Cash and cash equivalent	-	-	254,531	-	-	524,675
Total of Financial Assets	-	-	**488,573**	-	-	**756,823**
Financial Liabilities						
Borrowings		-	122,392,958		-	104,824,907
Trade payables	-	-	4,603,159	-	-	5,157,927
Other Financial liabilities	-	-	25,808,912	-	-	25,588,573
Total of Financial Liabilities	-	-	**152,805,029**	-	-	**135,571,407**

28. The Company is in discussion with Department of Science and Technology - Government of Gujarat for permission of development of the project - Biotech Park. The company is in the possession of the project land and the said project is in progress.

As per our report of even date

FOR NIRAJ D. ADATIA & ASSOCIATES
Firm Registration No. 129486W
Chartered Accountants

NIRAJ ADATIA
Partner
Membership No.: 120844

Mumbai
Date: 19th June, 2018

For and on behalf of the Board of Directors

KHILEN SHAH
Director
DIN: 03134932

RUSHANK SHAH
Director
DIN: 02960155

Mumbai
Date: 19th June, 2018

Independent Auditor's Report
To the Members of Halitious Developer Limited

1) **Report on the Standalone Financial Statements:**
We have audited the accompanying standalone financial statements of Halitious Developer Limited ('the Company'), which comprise the balance sheet as at 31 March 2018, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended and a summary of the significant accounting policies and other explanatory information.

2) **Management's Responsibility for the Standalone 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 including other comprehensive income, cash flows and the statement of changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rule, 2015 as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3) **Auditor's Responsibility**:
Our responsibility is to express an opinion on these standalone financial statements based on our audit.

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matter which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order issued under section 143(11) of the Act.

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.

SANKET R. SHAH & ASSOCIATES
M. No. 152369
Chartered Accountants

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's 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 the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the 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.

4) 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 31 March, 2018 and its financial performance including other comprehensive income and the statement of changes in equity for the year ended on that date.

5) Emphasis of Matter:

1. Attention is invited to Note No. 17 of the financial statements with regard to reliance placed by the auditors on certification received from the management with regard to the disclosure of contingent liabilities given by the Company.
2. Attention is invited to Note No. 18 and 19 of the financial statements with regards to balances that are subject to confirmations, reconciliation and adjustments if any.

6) Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the **Annexure A**, a statement on the matters specified in the paragraph 3 and 4 of the order.
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, the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
   d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rule issued thereunder;

SANKET R. SHAH & ASSOCIATES
M. No. 152369
Chartered Accountants

e) on the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act;

f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure B**; and

g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

    i. the Company has no pending litigations on its financial position in its standalone financial statements;

    ii. the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

    iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company; and

For Sanket R Shah & Associates
Chartered Accountants
FRN: 135703W

SANKET R. SHAH & ASSOCIATES
M. No. 152369
Chartered Accountants

Sanket Shah
Proprietor
M. No.: 152369

Place: Mumbai
Date: 20th June, 2018

Annexure - A to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Halitious Developer Limited of even date)

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2018, we report that:

(i) The company does not have any Fixed Assets during the financial year and as at the balance sheet date;

(ii) The Company does not have any Inventories during the year and as at the balance sheet date.

(iii) In our opinion, and according to the information and explanations given to us, the Company has granted any secured or unsecured loans to Companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013;

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) The Company has not accepted deposits during the year and does not have any unclaimed deposits as at 31st March, 2018 and therefore, the provisions of the Clause 3(v) of the Order are not applicable to the Company.

(vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.

(vii) According to the information and explanations given to us, in respect of statutory dues:

a. On the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. However, there were outstanding interest dues of statutory liability and the details of outstanding as follows:

Sr. No.	Particulars	Amount in INR
1.	Tax Deducted at Source (TDS) Liability	60,000/-
2.	Goods and Service Tax (GST) Liability	30,60,000/-
3.	Interest on above Statutory Liability	55,79,959/-
	Total Statutory Liability	**86,99,959/-**

b. On the basis of our examination of documents and records of the Company, and explanation provided to us, there were no disputed dues in respect of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty or Cess;

(viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.

(ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

SANKET R. SHAH & ASSOCIATES
M. No. 152369
Chartered Accountants

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration 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. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence reporting under Clause 3(xiv) of the Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into non-cash transactions with directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Sanket R Shah & Associates
Chartered Accountants
FRN: 135703W

SANKET R. SHAH & ASSOCIATES * Chartered Accountants * M. No. 152369

Sanket Shah
Proprietor
M. No.: 152369

Place: Mumbai
Date: 20th June, 2018

Annexure - B to the Independent Auditors' Report

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Halitious Developer Limited of even date)

Report on the Internal Financial Controls 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 Halitious Developer Limited ("the Company") as of 31 March 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

1) **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.

2) **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, 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 applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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.

SANKET R. SHAH & ASSOCIATES
M. No. 152369
Chartered Accountants

3) 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.

4) 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.

5) 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 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Sanket R Shah & Associates
Chartered Accountants
FRN: 135703W

SANKET R. SHAH & ASSOCIATES
M. No. 152369
Chartered Accountants

Sanket Shah
Proprietor
M. No.: 152369

Place: Mumbai
Date: 20th June, 2018

HALITIOUS DEVELOPER LIMITED
CIN: U70101MH2007PLC172784

BALANCE SHEET AS AT 31ST MARCH 2018

Particulars	Note No.	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
ASSETS			
Non-Current Assets			
(a) Financial assets			
Investments	3	10,000	10,000
(b) Current tax assets (Net)	4	18,73,433	1,13,433
Total Non-Current assets		**18,83,433**	**1,23,433**
Current assets			
Financial assets			
(i) Trade receivables	5	6,57,27,631	4,67,19,631
(ii) Cash and cash equivalents	6	31,434	38,104
Total Current Assets		**6,57,59,065**	**4,67,57,735**
Total assets		**6,76,42,498**	**4,68,81,168**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	7	10,00,000	10,00,000
(b) Other equity	8	4,17,66,795	2,95,86,445
Total Equity		**4,27,66,795**	**3,05,86,445**
Liabilities			
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	9	1,08,00,000	1,08,00,000
(ii) Trade payables	10	7,18,837	56,238
(iii) Other financial liabilities	11	46,56,908	17,942
(b) Other current liabilities	12	86,99,958	54,20,543
Total Liabilities		**2,48,75,703**	**1,62,94,723**
Total Equity and Liabilities		**6,76,42,498**	**4,68,81,168**

The accompanying notes are an integral part of Financial Statements.

As per our report of even date

FOR SANKET R. SHAH & ASSOCIATES
Chartered Accountants
Firm Registration No. 135703W

For and on behalf of the Board of Directors

SANKET R SHAH & ASSOCIATES M. No. 152369 Chartered Accountants

SANKET SHAH
PROPRIETOR
Membership No. 152369

KUSHAL SHAH
DIRECTOR
DIN: 06843982

Halitious Developer Limited

KHILEN SHAH
DIRECTOR
DIN: 03134932

Mumbai
Date: 20th June 2018

HALITIOUS DEVELOPER LIMITED
CIN: U70101MH2007PLC172784

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2018

Particulars	Note No.	Year ended 31st March, 2018 ₹	Year ended 31st March, 2017 ₹
INCOME			
Share of Profit / (Loss) of Joint Ventures		(1,948)	-
Other Income		1,76,00,000	
Total Income		**1,75,98,052**	**-**
EXPENSES			
Finance Costs	13	1,59,484	2,339
Other Expenses	14	6,23,218	62,050
Total Expenses		**7,82,702**	**64,389**
Profit before exceptional items and Tax (I - II)		**1,68,15,350**	**(64,389)**
Exceptional Items		-	-
Profit / (Loss) before Tax		**1,68,15,350**	**(64,389)**
Tax Expense			
Current Tax		46,35,000	-
		46,35,000	-
Profit / (Loss) for the year		**1,21,80,350**	**(64,389)**
Earning per equity share of nominal value of ₹ 10/- each	15		
Basic and Diluted		121.80	(0.64)

The accompanying notes are an integral part of Financial Statements.

As per our report of even date

FOR SANKET R. SHAH & ASSOCIATES
Chartered Accountants
Firm Registration No. 135703W

SANKET R. SHAH & ASSOCIATES
M. No. 152369
Chartered Accountants

SANKET SHAH
PROPRIETOR
Membership No. 152369

For and on behalf of the Board of Directors

KUSHAL SHAH
DIRECTOR
DIN: 06843982

Halitious Developer Limited

KHILEN SHAH
DIRECTOR
DIN: 03134932

Mumbai
Date: 20th June 2018

HALITIOUS DEVELOPER LIMITED
CIN: U70101MH2007PLC172784

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018

Particulars	31st March, 2018 Amount ₹	31st March, 2017 Amount ₹
I. Cash flows arising from operating activities		
Net Profit / (Loss) before tax as per Statement of Profit or Loss	1,21,80,350	(64,389)
Add / (Less) :		
Share of Profit / (Loss) of Joint Ventures	-	-
Interest and Finance Charges	1,59,484	2,339
Operating Profit / (Loss) Before Working Capital Changes	**1,23,39,834**	**(62,050)**
Add / (Less) :		
(Increase) / Decrease in Trade and Other Receivables	(2,07,68,000)	
Increase / (Decrease) in Trade and Other Payables	85,80,980	(5,02,383)
Net Cash flow in the course of Operating Activities	**1,52,814**	**(5,64,433)**
II. Cash flows arising from Investing activities		
Inflow / (Outflow) on account of :		
Net Cash flow in the course of Investing Activities	-	-
III. Cash flows arising from Financing activities		
Inflow / (Outflow) on account of :		
Short term borrowings	-	5,00,000
Interest and Finance Charges Paid	(1,59,484)	(2,339)
Net Cash flow in the course of Financing Activities	**(1,59,484)**	**4,97,661**
Net Increase in cash and cash Equivalents (I + II + III)	(6,670)	(66,772)
Add: Balance at the beginning of the year	38,104	1,04,876
Cash and Cash Equivalents at the end of the year	**31,434**	**38,104**
Reconciliation of Cash and Cash Equivalents (Refer Note 6)		
Cash on Hand	1,125	1,125
Bank Balances in Current Accounts	30,310	36,979
Cash and Cash Equivalents at the end of the year	**31,434**	**38,104**

The accompanying notes are an integral part of Financial Statements.

As per our report of even date

For and on behalf of the Board of Directors

FOR SANKET R. SHAH & ASSOCIATES
Chartered Accountants
Firm Registration No. 135703W

SANKET R SHAH & ASSOCIATES M. No. 152369 Chartered Accountants

SANKET SHAH
PROPRIETOR
Membership No. 152369

Halitious Developer Limited

KUSHAL SHAH
DIRECTOR
DIN: 06843982

KHILEN SHAH
DIRECTOR
DIN: 03134932

Mumbai
Date: 20th June 2018

HALITIOUS DEVELOPER LIMITED
CIN: U70101MH2007PLC172784

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2018

in ₹

Particulars	Equity Share Capital	Reserves and Surplus		Total
		Securities Premium Reserve	Retained Earnings	
Balance at 31st March, 2017	10,00,000	5,90,00,000	(2,94,13,555)	**3,05,86,445**
Total Comprehensive Income for the year	-	-	1,21,80,350	**1,21,80,350**
Balance at 31st March, 2018	10,00,000	5,90,00,000	(1,72,33,205)	**4,27,66,795**

The accompanying notes are an integral part of Financial Statements.

As per our report of even date

FOR SANKET R. SHAH & ASSOCIATES
Chartered Accountants
Firm Registration No. 135703W

SANKET SHAH
PROPRIETOR
Membership No. 152369

For and on behalf of the Board of Directors

KUSHAL SHAH
DIRECTOR
DIN: 06843982

KHILEN SHAH
DIRECTOR
DIN: 03134932

Mumbai
Date: 20th June 2018

HALITIOUS DEVELOPER LIMITED
CIN: U70101MH2007PLC172784

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES

1. COMPANY OVERVIEW

Halitious Developer Limited is an unlisted Public Limited Company domiciled in India, incorporated under the Companies Act, 1956. The Company is engaged into business of constructing building, chawls, houses, appartments, flat, residential township, commercial complex, warehouses, storage facilities, industrial park, SEZ, anywhere in India & abroad and transporting & carriage of goods and to provide storage and protection of goods against calamities.

The financial statements are approved for issue by the Company's Board of Directors on 20th June 2018.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation of Financial Statements

These financial statements are prepared in accordance with Indian Accounting Standards (IndAS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act , 2013 ('Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The Company has adopted all the IndAS standards and the adoption was carried out in accordance with IndAS 101 First time adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP. Reconciliations and descriptions of the effect of the transition has been summarized in Note 24.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy thereto in use.

a) Historical Cost Convention

The financial statements have been prepared on historical cost basis, except for the following:

i. certain financial assets and liabilities that have been measured at fair value
ii. assets held for sale - measured at lower of carrying amount or fair value less cost to sell.
iii. defined benefit plans - plan assets measured at fair value.

b) Current and Non-Current Classification

The Company presents assets and liabilities in the balance sheet based on current/non current classification.

An asset is classified as current when it is:

i. Expected to be realised or intended to sold or consumed in normal operating cycle
ii. Held primarily for the purpose of trading
iii. Expected to be realised within twelve months after the reporting period, or
iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is classified as current when:

i. It is expected to be settled in normal operating cycle
ii. It is held primarily for the purpose of trading
iii. It is due to be settled within twelve months after the reporting period, or
iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.1 REVENUE RECOGNITION

A. Revenue from Construction Activity

a. The company has adopted the principles of revenue recognition on the basis of " Guidance note on Accounting for Real Estate Transactions " issued by the Institute of Chartered Accountants of India, for the entities to whom IndAS is applicable.

b. Revenue from sale of 'finished properties / buildings / rights' is recognised on transfer of all significant risks and rewards of ownership of such properties / building / rights, as per the terms of the contracts entered into with buyer/(s), which generally coincides with the firming of the sales contracts/ agreements, except for contracts where the Company still has obligations to perform substantial acts even after the transfer of all significant risks and rewards.

B. Profit / Loss from Partnership Firms / Association of Persons

Share of profit / loss from partnership firms / association of persons (AOP) is accounted n respect of the financial year of the firm / AOP, during the reporting period, on the basis of their audited/ management reviewed accounts, which is considered as a part of other operating activity.

C. Others

Revenues / Income and Costs/ Expenditure are generally accounted on accrual, as they are earned or incurred.

SANKET R. SHAH & ASSOCIATES * Chartered Accountants * M. No. 152369

Halitious Developer Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

2.2 INVESTMENTS

Investments are classified into Current and Non Current / Long Term Investments. Current investments are stated at lower of cost and fair value. Long term investments are stated at cost. A provision for diminution is made to recognize decline, other than temporary, in the value of long term investments.

2.3 FINANCIAL INSTRUMENTS

2.3.1 Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition except for trade receivables which are initially measured at transaction price.Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss,are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

2.3.2 Subsequent measurement

a. Non-derivative financial instruments

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held with in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(v) Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

2.3.3 Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the finacial asset and the transfer qualifies for derecognition under IndAS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

2.3.4 Impairment

a. Financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to life time ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case thoseare measured at lifetime ECL.The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in the statement of profit or loss.

b. Non-financial assets

Property, plant and equipment

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

SANKET R. SHAH & ASSOCIATES M. No. 152369 Chartered Accountants

Halitious Developer Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

2.4 TAXATION

i. Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss becauseof items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using rates that have been enacted or substantively enacted by the end of the reporting period.

In case the Company is liable to pay income tax u/s 115JB of Income Tax Act, 1961 (i.e. MAT), the amount of tax paid in excess of normal income tax is recognized as an asset (MAT Credit entitlement) only if there is convincing evidence for realization of such asset during the specified period. MAT credit entitlement is reviewed at each Balance Sheet date.

ii. Deferred Tax

Deferred tax is recognized on temporary diferences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax asset is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

iii. Current and deferred tax for the year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

2.5 CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

2.6 PROVISIONS, CONTINGENT ASSETS AND CONTINGENT LIABILITIES

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

* Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
* Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

2.7 SEGMENT REPORTING

The Company is engaged in the business of Real Estate Development, which as per Ind AS - 108 'Operating Segments' is considered to be the only reportable business segment. The Company is also operating within the same geographical segment. Hence, disclosures under Ind AS - 108 are not applicable.

2.8 USE OF ESTIMATES

The preparation of the financial statements in conformity with IndAS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in note 2.8.1. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

2.8.1 Critical accounting judgements and estimates

a. Revenue recognition

The Company uses the percentage-of-completion method in accounting for its revenue. Costs of the project are based on the management's estimate of the cost to be incurred upto the completion of the projects and include cost of land, Floor Space Index (FSI), materials, services and other expenses attributable to the projects. Estimates of project income, as well as project costs, are reviewed periodically. Costs expended have been used to measure progress towards completion of work. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

b. Fair value measurements and valuation processes

Some of the company's assets are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. The Company works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model

SANKET R SHAH & ASSOCIATES Chartered Accountants M. No. 152369

Halitious Developer Limited

HALITIOUS DEVELOPER LIMITED
CIN: U70101MH2007PLC172784

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

3. Investments		As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
Non Current Investments			
(Trade, unless otherwise specified)			
Capital Investment in Partnership Firms and Joint Ventures			
M/s Rising Glory Developers		10,000	10,000
Less: Provision for Diminution in the value of investments		-	-
Total Non Current Investments	**Total**	**10,000**	**10,000**

Footnote:
Details of Investments made in capital of partnership firm:

Sr No	Name of Partners	31st March, 2018 Amount (₹)	31st March, 2018 Profit Sharing Ratio	31st March, 2017 Amount (₹)	31st March, 2017 Profit Sharing Ratio
1	Hubtown Limited	30,000	20.00%	30,000	20.00%
2	Ackruti Safeguard System Private Limited	8,010	5.34%	8,010	5.34%
3	Citygold Education Research Limited	8,010	5.34%	8,010	5.34%
4	Citygold Farming Private Limited	8,010	5.34%	8,010	5.34%
5	Diviniti Projects Private Limited	8,010	5.34%	8,010	5.34%
6	Halitious Developers Limited	8,010	5.34%	8,010	5.34%
7	Headland Farming Private Limited	7,995	5.33%	7,995	5.33%
8	Heddle Knowledge Private Limited	7,995	5.33%	7,995	5.33%
9	Heet Builders Private Limited	7,995	5.33%	7,995	5.33%
10	Subhsiddhi Builders Private Limited	7,995	5.33%	7,995	5.33%
11	Sunstream City Private Limited	15,990	10.66%	15,990	10.66%
12	Upvan lake Resort Private Limited	7,995	5.33%	7,995	5.33%
13	Vega Developers Private Limited	7,995	5.33%	7,995	5.33%
14	Whitebud Developers Limited	7,995	5.33%	7,995	5.33%
15	Yantti Buildcon Private Limited	7,995	5.33%	7,995	5.33%
	Total Capital of the firm in ₹	**150000**	**100%**	**150000**	**100%**

4. Current Tax Assets		As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
Advance Tax paid		18,73,433	1,13,433
Less: Provision for Tax		-	-
Curent Tax Asset	**Total**	**18,73,433**	**1,13,433**

Footnote :
Reconciliation of tax expense and the accounting profit multiplied by India's tax rate :
Since the taxable income is negative, there is no current tax payable; hence reconciliation has not been provided.

5. Trade Receivables		As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
Current			
Unsecured, considered good			
Outstanding for a period exceeding six months from the date they are due for payment		6,57,27,631	4,67,19,631
	Total	**6,57,27,631**	**4,67,19,631**

6. Cash and Cash Equivalents		As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
Balances with banks:			
- in current accounts		30,310	36,979
Cash on hand		1,125	1,125
	Total	**31,434**	**38,104**

SANKET R. SHAH & ASSOCIATES ★ Chartered Accountants ★ M. No. 52369

Halitious Developer Limited

HALITIOUS DEVELOPER LIMITED
CIN: U70101MH2007PLC172784

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

7. Equity Share Capital	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
Authorised Share Capital:		
2,50,000 (As at 31st March, 2017: 2,50,000; As at 1st April, 2018: 2,50,000) Equity Shares of ₹ 10/- each	25,00,000	25,00,000
Issued and subscribed capital comprises:		
1,00,000 (As at 31st March, 2017: 1,00,000; As at 1st April, 2018: 1,00,000) Equity Shares of ₹ 10/- each fully paid up	10,00,000	10,00,000
	10,00,000	**10,00,000**

(i) Reconciliation of the number of Equity Shares outstanding at the beginning and at the end of the year

Balance at 01st April 2017	**1,00,000**	**10,00,000**
Add : Issued during the year		
Less : Bought back during the year		
Balance at 31st March 2018	**1,00,000**	**10,00,000**

(ii) Equity Shares held by its holding company or its ultimate holding company subsidiaries or associates of holding company or the ultimate holding company	As at 31st March, 2018 No. of Shares	As at 31st March, 2017 No. of Shares
Hubtown Limited with Beneficiary Owners [Holding Company]	1,00,000	1,00,000

(iii) Details of shares held by each shareholders holding more than 5% shares

Fully paid equity shares	As at 31st March, 2018 No of shares held	As at 31st March, 2018 % holding	As at 31st March, 2017 No of shares held	As at 31st March, 2017 % holding
Hubtown Limited	99,994	99.994%	99,994	99.994%
Kamal Matalia / Hubtown Limited	1	0.001%	1	0.001%
D. V. Prabhu / Hubtown Limited	1	0.001%	1	0.001%
Anil Ahluwalia / Hubtown Limited	1	0.001%	1	0.001%
Hemant M Shah / Hubtown Limited	1	0.001%	1	0.001%
Chetan S Mody / Huhtown Limited	1	0.001%	1	0.001%
Vyomesh M Shah / Hubtown Limited	1	0.001%	1	0.001%
Total	**1,00,000**	**100.00%**	**1,00,000**	**100.00%**

(iv) Terms / Right attached to Ordinary Equity Shares :

The company has only one class of equity shares having a face value of ₹ 10/- per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

SANKET R SHAH & ASSOCIATES
M. No. 152369
Chartered Accountants

Halitious Developer Limited

HALITIOUS DEVELOPER LIMITED
CIN: U70101MH2007PLC172784

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

8. Other Equity	**As at 31st March, 2018 ₹**	**As at 31st March, 2017 ₹**
(i) Securities premium reserve		
Balance at the beginning of the year	5,90,00,000	5,90,00,000
Add / (Less) :		
Premium on account of shares alloted during the year	-	-
Balance at the end of the year	**5,90,00,000**	**5,90,00,000**
(ii) Retained Earnings		
Balance at the beginning of the year	(2,94,13,555)	(2,93,49,166)
Profit attributable to the owners of the company	1,21,80,350	(64,389)
Balance at the end of the year	**(1,72,33,205)**	**(2,94,13,555)**
Total	**4,17,66,795**	**2,95,86,445**

9. Borrowings	**As at 31st March, 2018 ₹**	**As at 31st March, 2017 ₹**
Current		
Unsecured		
(i) Loans repayable on demand:		
- From Related Party (Refer footnote)	1,08,00,000	1,08,00,000
Total	**1,08,00,000**	**1,08,00,000**

Footnote:
The Company has received interest free Loan from it's Parent Company, considering the nature of business in which the Company operate, the amounts so received are considered to be repayable on call / demand as the repayment period of such amounts so received is not measureable precisely.

10. Trade payables	**As at 31st March, 2018 ₹**	**As at 31st March, 2017 ₹**
Trade Payables	7,18,837	56,238
Total	**7,18,837**	**56,238**

Footnote:
As per information available with the Company regarding dues to Micro, Small and Medium Enterprises as defined under the Micro Small Medium Enterprises Development, Act 2006 (MSMED Act), none of the suppliers of the Company are registered under MSMED Act, and the same has been relied upon by the auditors.

11. Other financial liabilities	**As at 31st March, 2018 ₹**	**As at 31st March, 2017 ₹**
Current		
Current account balance in firms and joint ventures	2,640	692
Other payables	46,54,268	17,250
Total	**46,56,908**	**17,942**

12. Other Liabilities	**As at 31st March, 2018 ₹**	**As at 31st March, 2017 ₹**
Current		
Other payables :		
- Statutory dues	86,99,958	54,20,543
Total	**86,99,958**	**54,20,543**

Halitious Developer Limited

SANKET P. SHAH & ASSOCIATES M. No. 152369

HALITIOUS DEVELOPER LIMITED
CIN: U70101MH2007PLC172784

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

13. Finance Costs	Year Ended 31st March, 2018 ₹	Year Ended 31st March, 2017 ₹
Delayed/penal interest on loans and statutory dues	1,59,484	2,339
	1,59,484	**2,339**

14. Other Expenses	Year Ended 31st March, 2018 ₹	Year Ended 31st March, 2017 ₹
Rates and taxes	2,500	2,500
Legal and professional fees	6,02,299	40,676
Other expenses (Refer footnote)	18,419	18,874
	6,23,218	**62,050**
Footnote :		
Auditor's Remuneration (Included in other expenses)		
Statutory Audit Fees	15,000	15,000
Service tax /GST on above	2,700	2,325
	17,700	**17,325**

15. EARNINGS PER SHARE (EPS)	31st March, 2018	31st March, 2017
Basic and Diluted Earning Per Share	121.80	(0.64)
Basic and Diluted EPS		
The earnings and weighted average number of equity shares used in the calculation of basic and diluted earnings per share are as follows:		
Profit for the year attributable to the owners of the Company	1,21,80,350	(64,389)
Earnings used in the calculation of basic and diluted earnings per share	**1,21,80,350**	**(64,389)**
Weighted average number of equity shares for the purposes of basic and diluted earnings per share	1,00,000	1,00,000

The accompanying notes are an integral part of Financial Statements.

As per our report of even date

FOR SANKET R. SHAH & ASSOCIATES
Chartered Accountants
Firm Registration No. 135703W

SANKET R SHAH & ASSOCIATES Chartered Accountants M. No. 152369

SANKET SHAH
PROPRIETOR
Membership No. 152369

Mumbai
Date: 20th June 2018

For and on behalf of the Board of Directors

Halitious Developer Limited

KUSHAL SHAH
DIRECTOR
DIN: 06843982

KHILEN SHAH
DIRECTOR
DIN: 03134932

HALITIOUS DEVELOPER LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

16. RELATED PARTY TRANSACTIONS

a. **List of Related Parties:**

A. **Names of related parties and description of relationship**

I. **HOLDING COMPANY**
Hubtown Limited

II. **FIRM IN WHICH COMPANY IS PARTNER**
Rising Glory Developers

III. **JOINT VENTURE OF HOLDING COMPANY**
Sunstream City Private Limited

IV. **OTHER SIGNIFICANT INFLUENCES WITH WHOM TRANSACTIONS TAKEN PLACE**
Citygold Management Services Private Limited

Note: Related party relationships are as identified by the Company and relied upon by the Auditors

b. **Transactions with Related Parties:**

in ₹

Particulars	Firm in which Company is Partner	Holding Company	Other Significant Influences
Loans and advances received /recovered:			
Hubtown Limited	- -	2,500 (5,00,000)	- -
On behalf payments made (Including reimbursement of expenses)			
Citygold Management Services Private Limited	- -	- -	6,48,000 (6,500)
Share of Loss			
Rising Glory Developers	1,948 (692)	- -	- -

Note: Previous year's figures are given in brackets

Balance outstanding receivables:	As at 31st March, 2018	As at 31st March, 2017
Joint Venture of Holding Company		
Sunstream City Private Limited	4,67,19,631	4,67,19,631

Balance outstanding payables:	As at 31st March, 2018	As at 31st March, 2017
Firm in which Company is partner		
Rising Glory Developers		
- Current Account Balance (Share of Loss)	2,640	692
Holding Company		
Hubtown Limited	1,08,02,500	1,08,00,000
Other Significant Influences		
Citygold Management Services Private Limited	6,48,000	2,000

SANKET R SHAH & ASSOCIATES
M. No. 152369

Halitious Developer Limited

HALITIOUS DEVELOPER LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

17. CONTINGENT LIABILITY

The Company does not have any contingent liability as at the balance sheet date, as certified by the management and relied upon by the auditors.

18. In the opinion of the Board of Directors of the Company, all items of Current Assets, Current Liabilities and Loans and Advances continues to have a realizable value of at least the amounts at which they are stated in the Balance Sheet.

19. Trade payable & other current liability are subject to confirmation, reconciliation and adjustment if any.

20. FINANCIAL RISK MANAGEMENT OBJECTIVES

The company is not exposed to market risk, credit risk and liquidity risk. The company's management oversees the management of these risks. The company's board of directors review and agrees policies for managing each of these risks summarized below:

1) Market Risk

a) Interest rate risk

Company has received intrest free loan and it receives interest free funds for operating cash flow from its holding company as and when required (Refer Note 10), hence the Company is not exposed to intrest risk.

2) Credit Risk

The company is not exposed to credit risk from its operating activities. Credit risk from balances with banks and inter corporate loans is managed by the company's treasury department in accordance with the company's policy

3) Liquidity risk

Since the company's cashflow requirements are met by funds received from its holding company, the company is not exposed to liquidity risk.

The accompanying notes are an integral part of Financial Statements.

As per our report of even date

FOR SANKET R. SHAH & ASSOCIATES
Chartered Accountants
Firm Registration No. 135703W

SHAH & ASSOCIATES
M. No. 152369
Chartered Accountants

SANKET SHAH
PROPRIETOR
Membership No. 152369

Mumbai
Date: 20th June 2018

For and on behalf of the Board of Directors

Halitious Developer Limited

KUSHAL SHAH
DIRECTOR
DIN: 06843982

KHILEN SHAH
DIRECTOR
DIN: 03134932

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF INDIA DEVELOPMENT AND CONSTRUCTION VENTURE CAPITAL PRIVATE LIMITED

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **INDIA DEVELOPMENT AND CONSTRUCTION VENTURE CAPITAL PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "Ind AS financial statement").

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 Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued there under.

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, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS 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 Ind AS 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 there under.

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 Ind AS financial statements are free from material misstatement.

NIRAJ D. ADATIA & ASSOCIATES CHARTERED ACCOUNTANT

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS 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 Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 including the Ind AS, of the financial position of the Company as at 31st March 2018, and its loss for the year (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Emphasis of Matters

We draw attention to Note no. 18 in the Ind AS financial statements with regards to accumulated losses and its negative net worth of the company. The Company has incurred a net cash loss during the current year and, the Company's liabilities exceeded its assets as at the balance sheet date. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, the Ind AS financial statements of the Company have been prepared on a going concern basis for the reasons stated in the said Note.
Our opinion is not modified in respect of this matter.

Other Matter

The audit of Ind AS financial statements for the year ended 31st March 2017, was carried out and reported by Dalal Doshi & Associates, vide their unmodified audit report dated 26th May 2017, whose report has been furnished to us by the management and which has been relied upon by us for the purpose of our audit of the financial statements. Our audit report is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

I. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms section 143(11) of the Act, we give in the **"Annexure A"** statement on the matters specified in paragraphs 3 and 4 of the Order;

NIRAJ D. ADATIA & ASSOCIATES CHARTERED ACCOUNTANT

II. 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 (including other comprehensive income), the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rule issued there under;

(e) The going concern matter described under the Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.

(f) Based on the information received and explanations given to us, except two Directors, none of the Directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164(2) of the Act.

(g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**"; and

(h) 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 if any on its financial position in its Ind AS financial statements;

   ii. The Company did not have any long term contract including derivative contracts for which there were any material foreseeable losses; and

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

FOR NIRAJ D. ADATIA & ASSOCIATES
Firm Registration No.: 129486W
Chartered Accountants

Adatia

NIRAJ D. ADATIA
Partner
Membership No.: 120844
Place : Mumbai
Date : 22nd June, 2018

NIRAJ D. ADATIA & ASSOCIATES
CHARTERED ACCOUNTANT

"ANNEXURE A" REFERRED TO IN OUR REPORT TO THE MEMBERS OF INDIA DEVELOPMENT AND CONSTRUCTION VENTURE CAPITAL PRIVATE LIMITED ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018;

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that: -

(i) According to the information and explanations given to us and based on our examination of the records of the Company, the Company does not have any fixed assets during the year. Accordingly, paragraph 3(i) of the Order is not applicable.

(ii) According to the information and explanations given to us and based on our examination of the records of the Company, the Company does not have any inventory during the year. Accordingly, paragraph 3(ii) of the Order is not applicable.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships, or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable.

(iv) The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Accordingly, paragraph 3(iv) of the Order is not applicable.

(v) The Company has not accepted any deposits from the public during the year within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed thereunder to the extent notified. Accordingly, paragraph 3(v) of the Order is not applicable.

(vi) The Central Government of India has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.

(vii) a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing undisputed statutory dues, including provident fund, income-tax, goods & service tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues, wherever applicable, with the appropriate authorities. There were no arrears as at 31st March, 2018 for a period of more than six months from the date they become payable.

b) On the basis of our examination of documents and records of the Company, and explanation provided to us, there were no disputed dues in respect of Income Tax, Value Added Tax and Cess as at the Balance Sheet date.

(viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.

(ix) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.

NIRAJ D. ADATIA & ASSOCIATES
CHARTERED ACCOUNTANT

(x) Based on the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

(xi) The Company has not paid / provided for managerial remuneration during the year and hence, the provisions of Section 197 read with Schedule V to the Act are not applicable. Accordingly, paragraph 3(xi) of the Order is not applicable.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) The Company has entered into transactions with related parties which are in compliance with the Section 177 and 188 of the Act. The details of such related party transactions have been disclosed in the Financial Statements as required under IND AS24, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015.

(xiv) The company has not made any preferential allotment / private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3 (xiv) of the Order is not applicable to the Company.

(xv) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3 (xv) of the Order is not applicable.

(xvi) The company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3 (xvi) of the Order is not applicable.

FOR NIRAJ D. ADATIA & ASSOCIATES
Firm Registration No.: 129486W
Chartered Accountants

NIRAJ D. ADATIA
Partner
Membership No.: 120844

NIRAJ D. ADATIA & ASSOCIATES CHARTERED ACCOUNTANT

Place : Mumbai
Date : 22nd June, 2018

"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF INDIA DEVELOPMENT AND CONSTRUCTION VENTURE CAPITAL PRIVATE LIMITED

Report on the Internal Financial Controls 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 INDIA DEVELOPMENT AND CONSTRUCTION VENTURE CAPITAL PRIVATE LIMITED ("the Company") as of 31st March, 2018 in conjunction with our audit of the Ind AS 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that 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 risks. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS 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.

NIRAJ D. ADATIA & ASSOCIATES CHARTERED ACCOUNTANT

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 unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

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 31st March 2018, based on the internal control over financial reporting criteria established by the Company, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR NIRAJ D. ADATIA & ASSOCIATES
Firm Registration No.: 129486W
Chartered Accountants

NIRAJ D. ADATIA
Partner
Membership No.: 120844

NIRAJ D. ADATIA & ASSOCIATES
CHARTERED ACCOUNTANT

Place : Mumbai
Date : 22nd June, 2018

INDIA DEVELOPMENT AND CONSTRUCTION VENTURE CAPITAL PRIVATE LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2018

Particulars	Note No.	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
ASSETS			
Current assets			
Financial assets			
Cash and cash equivalents	3	608	24,581
TOTAL ASSETS		**608**	**24,581**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	4	500,000	500,000
(b) Other equity	5	(2,820,072)	(2,799,055)
Total Equity		**(2,320,072)**	**(2,299,055)**
Liabilities			
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	6	2,295,808	2,253,308
(b) Current Tax Liabilities (Net)	7	-	318
(c) Other current liabilities	8	24,872	70,010
Total Liabilities		**2,320,680**	**2,323,636**
TOTAL EQUITY AND LIABILITIES		**608**	**24,581**

The accompanying notes are an integral part of the financial statements

As per our report of even date

FOR NIRAJ D. ADATIA & ASSOCIATES
Firm Registration No. 129486W
CHARTERED ACCOUNTANTS

Adatia

NIRAJ ADATIA
PARTNER
Membership No.: 120844

NIRAJ D. ADATIA & ASSOCIATES CHARTERED ACCOUNTANT

Mumbai
Date: 22nd June 2018

For and on behalf of the Board of Directors

Jitendra Shah
JITENDRA SHAH
DIRECTOR
DIN: 06995353

INDIAN DEVELOPMENT & CONSTRUCTION VENTURE CAPITAL PVT. LTD.

PRAPHUL SHINDE
DIRECTOR
DIN: 03140671

Mumbai
Date: 22nd June 2018

INDIA DEVELOPMENT AND CONSTRUCTION VENTURE CAPITAL PRIVATE LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

Particulars	Note No.	Year ended 31st March, 2018 ₹	Year ended 31st March, 2017 ₹
INCOME			
Revenue from Operations	9	-	32,820
Total Income		**-**	**32,820**
EXPENSES			
Finance Costs	10	-	363
Other Expenses	11	21,017	31,106
Total Expenses		**21,017**	**31,469**
Profit/(Loss) before Tax		**(21,017)**	**1,351**
Tax Expense			
Current Tax		-	(318)
Profit/(Loss) for the Year		**(21,017)**	**1,033**
Other Comprehensive Income		**-**	**-**
Total Comprehensive Income/(Loss)		**(21,017)**	**1,033**
Earning per equity share of nominal value of ₹ 10/- each			
Basic and Diluted	12	(0.42)	0.02

The accompanying notes are an integral part of the financial statements

As per our report of even date

For and on behalf of the Board of Directors

FOR NIRAJ D. ADATIA & ASSOCIATES
Firm Registration No. 129486W
CHARTERED ACCOUNTANTS

NIRAJ ADATIA
PARTNER
Membership No.: 120844

Mumbai
Date: 22nd June 2018

JITENDRA SHAH
DIRECTOR
DIN: 06995353

PRAPHUL SHINDE
DIRECTOR
DIN: 03140671

Mumbai
Date: 22nd June 2018

INDIA DEVELOPMENT AND CONSTRUCTION VENTURE CAPITAL PRIVATE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

	Particulars	31st March, 2018 ₹	31st March, 2017 ₹
I	**CASH FLOWS ARISING FROM OPERATING ACTIVITIES**		
	Net profit/(loss) before taxation as per Statement of Profit and Loss	**(21,017)**	**1,351**
	Add/(Less) :		
	Interest Expense	-	363
	Provision no longer required	-	(32,820)
		-	(32,457)
	Operating profit before working capital changes	**(21,017)**	**(31,106)**
	Add / (Less) :		
	Increase/(Decrease) in trade and other payables	(45,138)	
	Direct Taxes Paid	(318)	(10,754)
	Net cash flow from operating activities	**(66,473)**	**(41,860)**
II	**CASH FLOWS ARISING FROM INVESTING ACTIVITIES**	-	-
	Net cash flow from investing activities	-	-
III	**CASH FLOWS ARISING FROM FINANCING ACTIVITIES**		
	Inflow/(Outflow) on account of:		
	Interest Expense	-	(363)
	Proceeds of short term borrowings	42,500	27,281
	Net cash flow from financing activities	**42,500**	**26,918**
	Net increase in cash and cash equivalents (I + II + III)	**(23,973)**	**(14,942)**
	Add: Balance at the beginning of the year	**24,581**	**39,523**
	Cash and cash equivalents at the end of the year	**608**	**24,581**
	Components of cash and cash equivalents (refer note 3)		
	Cash and cash equivalents:		
	Cash on hand	-	3,040
	Balances with banks		
	- On Current accounts	60B	21,541
	Total	**608**	**24,581**

The accompanying notes are an integral part of the financial statements

As per our report of even date

FOR NIRAJ D. ADATIA & ASSOCIATES
Firm Registration No. 129486W
CHARTERED ACCOUNTANTS

Adatia

NIRAJ ADATIA
PARTNER
Membership No.: 120844

NIRAJ D. ADATIA & ASSOCIATES CHARTERED ACCOUNTANT

Mumbai
Date: 22nd June 2018

For and on behalf of the Board of Directors

Jitendra Shah

INDIAN DEVELOPMENT & CONSTRUCTION VENTURE CAPITAL PVT. LTD.

JITENDRA SHAH
DIRECTOR
DIN: 06995353

PRAPHUL SHINDE
DIRECTOR
DIN: 03140671

Mumbai
Date: 22nd June 2018

INDIA DEVELOPMENT AND CONSTRUCTION VENTURE CAPITAL PRIVATE LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2018

	Amount
A. EQUITY SHARE CAPITAL	
As at 1st April, 2016	500,000.00
Changes in equity share capital	-
As at 31st March, 2017	**500,000.00**
Changes in equity share capital	-
As at 31st March, 2018	**500,000.00**

B. OTHER EQUITY

	Retained Earnings	Total
Balance at 1st April, 2016	**(2,800,088)**	**(2,800,088)**
Profit / (loss) for the year	**1,033**	**1,033**
Other Comprehensive Income for the year	-	-
Total Comprehensive Income for the year	1,033	**1,033**
Balance at 31st March, 2017	**(2,799,055)**	**(2,799,055)**
Balance at 1st April, 2017	**(2,799,055)**	**(2,799,055)**
Profit / (loss) for the year	(21,017)	**(21,017)**
Other Comprehensive Income for the year	-	-
Total Comprehensive Income for the year	(21,017)	**(21,017)**
Balance at 31st March, 2018	**(2,820,072)**	**(2,820,072)**

The accompanying notes are an integral part of the financial statements

As per attached report of even date

FOR NIRAJ D. ADATIA & ASSOCIATES
Firm Registration No. 129486W
CHARTERED ACCOUNTANTS

Adatia

NIRAJ ADATIA
PARTNER
Membership No.: 120844

NIRAJ D. ADATIA & ASSOCIATES CHARTERED ACCOUNTANT

Mumbai
Date: 22nd June 2018

For and on behalf of the Board of Directors

Jitendra Shah
JITENDRA SHAH
DIRECTOR
DIN: 06995353

INDIAN DEVELOPMENT & CONSTRUCTION VENTURE CAPITAL PVT. LTD.

PRAPHUL SHINDE
DIRECTOR
DIN: 03140671

Mumbai
Date: 22nd June 2018

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

Note 1. Statement of Significant Accounting Policies.

1.1 **Company Overview**

India Development and Construction Venture Capital Private Limited is a subsidiary of Public Limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is engaged in the business of investment advisors, consultants for real estate and infrastructure funds including but not limited to advise on investment by the aforesaid funds in all kind of real estate and infrastructure projects.

1.2 The financial statements are approved for issue by the Company's Board of Directors on 22nd June 2018.

Note 2. Significant Accounting Policies followed by the Company

I. Basis of preparation of financial Statements

(i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The accounting policies are applied consistently to all the periods presented in the financial statements.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

1) certain financial assets and liabilities that are measured at fair value;
2) assets held for sale - measured at lower of carrying amount or fair value less cost to sell;
3) defined benefit plans - plan assets measured at fair value;

(iii) Current non-current classification

All the assets and liabilities have been classified as current or non-current, wherever applicable, as per the operating cycle of the Company as per the guidance set out in Schedule III to the Act. Operating cycle for the business activities of the Company covers the duration of the project/ contract including the defect liability period, wherever applicable, and extends upto the realisation of receivables (including retention monies, if any) within the credit period normally applicable to the respective project.

II. Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions that affect the reported balances of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) Judgements

Classification of property

The company determines whether a property is classified as investment property or inventory property. Investment property comprises land and buildings that are not occupied substantially for use by, or in the operations of, the company, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation. These buildings are substantially rented to tenants and not intended to be sold in the ordinary course of business. Inventory comprises property that is held for sale in the ordinary course of business. Principally, these are properties that the company develops and intends to sell before or on completion of construction.

b) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

III. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will accrue to the Company and the revenue can be reliably measured and also when it is reasonably certain that the ultimate collection will be made and that there is buyers' commitment to make the complete payment.

A. Revenue from Consultancy & Advisory Services

Revenue from consultancy & advisory services are accrued and accounted for as and when the services are provided and the revenue for the same is certain. Where the income / revenue is contingent or uncertain, recognition for the same is postponed to the extent of significant uncertainty.

B. Interest and dividend:

Interest income including income arising on other instruments recognised on time proportion basis using the effective interest rate method. Dividend income is recognized when the right to receive dividend is established.

C. Others:

Other revenues / incomes and costs / expenditure are accounted on accrual, as they are earned or incurred.

NIRAJ D. ADATIA & ASSOCIATES CHARTERED ACCOUNTANT

INDIAN DEVELOPMENT & CONSTRUCTION VENTURE CAPITAL PVT. LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

IV. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A Financial Assets

i. Initial recognition

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognised in the Statement of Profit and Loss.

ii. Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

a) Financial Assets at Amortised Cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial Assets Measured at Fair Value

Financial assets are measured at fair value through OCI if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

Financial asset not measured at amortised cost or at fair value through OCI is carried at FVTPL.

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held with in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(v) Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

iii. De-recognition of Financial Assets:

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

B. Equity Instruments and Financial Liabilities

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

i. Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

ii. Financial Liabilities

1. Initial Recognition

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings and payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

NIRAJ D. ADATIA & ASSOCIATES CHARTERED ACCOUNTANT

INDIAN DEVELOPMENT & CONSTRUCTION VENTURE CAPITAL PVT. LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

2. Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below:

- Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation. Amortisation is recognised as finance income in the Statement of Profit and Loss.

- Financial liabilities at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the Statement of Profit and Loss. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

3. De-recognition of Financial Liabilities

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

C. Offsetting Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis to realise the assets and settle the liabilities simultaneously.

V. Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expires or it transfers the finacial asset and the transfer qualifies for derecognition under IndAS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

VI. Impairment

a. Financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to life time ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case thoseare measured at lifetime ECL.The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in the statement of profit or loss.

b. Non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses, including impairment on inventories, are recognised in the statement of profit and loss.

i. Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability wheneer events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

ii. Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

NIRAJ D. ADATIA & ASSOCIATES CHARTERED ACCOUNTANT

INDIAN DEVELOPMENT & CONSTRUCTION VENTURE CAPITAL PVT. LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

VII. Taxation

i. Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the financial statement of profit and loss becauseof items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using rates that have been enacted or substantively enacted by the end of the reporting period.

In case the Company is liable to pay income tax u/s 115JB of Income Tax Act, 1961 (i.e. MAT), the amount of tax paid in excess of normal income tax is recognized as an asset (MAT Credit entitlement) only if there is convincing evidence for realization of such asset during the specified period. MAT credit entitlement is reviewed at each Balance Sheet date.

ii. Deferred Tax

Deferred tax is recognized on temporary diferences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax asset is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

VIII. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

IX. Provisions, contingent liabilities and contingent assets

A provision is recognized when an enterprise has a present obligation (legal or constructive) as result of past event and it is probable that an outflow of embodying economic benefits of resources will be required to settle a reliably assessable obligation. Provisions are determined based on best estimate required to settle each obligation at each balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A contingent liability also arises, in rare cases, where a liability cannot be recognised because it cannot be measured reliably.

Contingent assets are neither recognised nor disclosed in the financial statements.

X. Recent accounting pronouncements

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On March 28, 2018, Ministry of Corporate Affairs (""MCA"") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreigncurrency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

The amendment will come into force from 1 April 2018. The Company exposure towards foreign currency transation is minimal, hence the impact on the financial statements and effect on adoption of Ind AS 21 is expected to be insignificant.

Ind AS 115

In March 2018, the Ministry of Corporate Affairs has notified the Companies (Indian Accounting Standards) Amended Rules, 2018 ("amended rules"). As per the amended rules, Ind AS 115 "Revenue from contracts with customers" supersedes Ind AS 11, "Construction contracts" and Ind AS 18, "Revenue" and is applicable for all accounting periods commencing on or after 1 April 2018.

Ind AS 115 introduces a new framework of five step model for the analysis of revenue transactions. The model specifies that revenue should be recognised when (or as) an entity transfer control of goods or services to a customer at the amount to which the entity expects to be entitled. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The new revenue standard is applicable to the Company from 1 April 2018.

The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach)

The Company is evaluating the requirement of the amendment and the impact on the financial statements. The effect on adoption of IND AS 115 is expected to be insignificent.

NIRAJ D. ADATIA & ASSOCIATES CHARTERED ACCOUNTANT

INDIAN DEVELOPMENT & CONSTRUCTION VENTURE CAPITAL PVT. LTD.

INDIA DEVELOPMENT AND CONSTRUCTION VENTURE CAPITAL PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
3. Cash and cash equivalents		
Balances with banks:		
- in current accounts	608	21,541
Cash on hand	-	3,040
Total	**608**	**24,581**

NIRAJ D. ADATIA & ASSOCIATES CHARTERED ACCOUNTANT

INDIAN DEVELOPMENT & CONSTRUCTION VENTURE CAPITAL PVT. LTD.

INDIA DEVELOPMENT AND CONSTRUCTION VENTURE CAPITAL PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
4. Equity share capital		
Authorised Share Capital:		
5,00,000 (P.Y. 31st March, 2017: 5,00,000) Ordinary Equity Shares of ₹ 10/- each	5,000,000	5,000,000
Total	**5,000,000**	**5,000,000**
Issued and subscribed capital comprises :		
50,000 (P.Y. 31st March, 2017: 50, 000) Equity Shares of ₹ 10/- each fully paid up	500,000	500,000
Total	**500,000**	**500,000**

a) Reconciliation of Number of shares outstanding at the beginning and at the end of the year

Fully paid equity shares

	Number of Shares	Share Capital ₹
Balance at 1st April, 2016	50,000	500,000
Add : Issued during the year	-	-
Less : Bought back during the year	-	-
Balance at 31st March, 2017	**50,000**	**500,000**
Balance at 1st April, 2017	50,000	500,000
Add : Issued during the year	-	-
Less : Bought back during the year	-	-
Balance at 31st March, 2018	**50,000**	**500,000**

b) Equity Shares held by its holding company or its ultimate holding company, subsidiaries or associates of the holding company or the ultimate holding company

	As at 31st March, 2018		As at 31st March, 2017	
	No of shares held	% holding	No of shares held	% holding
Hubtown Limited with Beneficiary Owners	50,000	100%	50,000	100%
Total	**50,000**	**100%**	**50,000**	**100%**

c) Details of shares held by each shareholders holding more than 5% shares

	As at 31st March, 2018		As at 31st March, 2017	
	No of shares held	% holding	No of shares held	% holding
Fully paid equity shares				
Hubtown Limited with Beneficiary Owners	50,000	100%	50,000	100%
Total	**50,000**	**100%**	**50,000**	**100%**

d) Terms/rights attached to Equity Shares :

The company has single class of equity shares having a par value of ₹ 10/- per share. Each holder of equity share is entitled to one vote per share. The company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing annual general meeting.

NIRAJ D. ADATIA & ASSOCIATES CHARTERED ACCOUNTANT

INDIAN DEVELOPMENT & CONSTRUCTION VENTURE CAPITAL PVT. LTD.

INDIA DEVELOPMENT AND CONSTRUCTION VENTURE CAPITAL PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
5. Other Equity		
Retained Earnings		
Balance at the beginning of the year	(2,799,055)	(2,800,088)
Profit/(Loss) attributable to the owners of the company	(21,017)	1,033
Total	**(2,820,072)**	**(2,799,055)**
6. Borrowings		
Current		
Unsecured		
Loans repayable on demand: (Interest free)		
- from Related Party (Refer note 13)	838,967	798,967
- from Companies	1,456,841	1,454,341
Total	**2,295,808**	**2,253,308**
7. Current Tax Liabilities (Net)		
Provision for Tax	-	318
Less: Advance Tax Paid	-	-
Total	**-**	**318**
8. Other current liabilities		
Current		
Other payables :		
- Statutory dues	-	5,397
- Other Miscellaneous	24,872	64,613
Total	**24,872**	**70,010**

NIRAJ D. ADATIA & ASSOCIATES CHARTERED ACCOUNTANT

INDIAN DEVELOPMENT & CONSTRUCTION VENTURE CAPITAL PVT. LTD.

INDIA DEVELOPMENT AND CONSTRUCTION VENTURE CAPITAL PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

	Year Ended 31st March, 2018 ₹	Year Ended 31st March, 2017 ₹
9. Revenue from operations		
Other operating revenue :		
Provision no longer required	-	32,820
Total	**-**	**32,820**
10. Finance Costs		
Interest costs :		
Delayed/penal interest on loans and statutory dues	-	363
Total	**-**	**363**
11. Other Expenses		
Legal and professional fees	11,863	13,946
Other expenses	9,154	17,160
Total	**21,017**	**31,106**
Footnote:		
Auditor's Remuneration (included in other expenses) :		
Statutory Audit Fees	6,000	6,000
GST/Service tax on above	-	900
Total	**6,000**	**6,900**
12. Earnings Per Share (EPS)		
Basic and Diluted Earnings Per Share	(0.42)	0.02

12.1 Basic and Diluted EPS

The earnings and weighted average number of equity shares used in the calculation of basic and diluted earnings per share are as follows:

Profit/(Loss) for the year attributable to the owners of the Company	(21,017)	1,033
Earnings used in the calculation of basic and diluted earnings per share	(21,017)	1,033
Weighted average number of equity shares for the purposes of basic and diluted earnings per share	50,000	50,000

NIRAJ D. ADATIA & ASSOCIATES CHARTERED ACCOUNTANT

INDIAN DEVELOPMENT & CONSTRUCTION VENTURE CAPITAL PVT. LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

13. RELATED PARTIES DISCLOSURES

A. Names of related parties and description of relationship

(i) Holding Company
Hubtown Limited

(ii) Key Managerial Personnel(KMP) of Holding Company
Chetan S. Mody

(iii) Fellow Subsidiaries, with whom transactions have taken place during the year
ABP Realty Advisors Pvt. Ltd.,

Note: Related Party relationships are identified by the company and relied upon by the auditors

B. Transactions with Related Parties

Sr. No.	Nature of transaction	Holding Company ₹	KMP of Holding Company ₹
i.	**Loans and Advances received/recovered/adjusted**		
	ABP Realty Advisors Private Limited	-	-
		(-)	(-)
	Hubtown Limited	40,000	-
		(-)	(-)
ii.	**On behalf payments made (including reimbursement of expenses)**		
	Chetan S. Mody	-	6500
		(-)	(7,012)
iii.	**On behalf payments received/adjusted**		
	Chetan S. Mody	-	-
		(-)	(512)

Note: Previous Year figures are given in brackets

C. Balance outstanding payables / receivables:

	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
Hubtown Limited (Payable)	730,600	690,600
ABP Realty Advisors Private Limited (Payable)	108,367	108,367
Chetan S. Mody (Payable)	-	6,500

NIRAJ D. ADATIA & ASSOCIATES CHARTERED ACCOUNTANT

INDIAN DEVELOPMENT & CONSTRUCTION VENTURE CAPITAL PVT. LTD.

INDIA DEVELOPMENT AND CONSTRUCTION VENTURE CAPITAL PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

14. Capital Management
The primary objective of company's capital management is to ensure that it maintains strong capital ratios in order to support its business and maximise shareholders value. The company's board of directors reviews the capital structure on an annual basis.

15. Financial Risk Management Objectives
The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

1) Market Risk
Market risk is the risk that the fair value of future cash flows of a financial instrument which fluctuate because of changes in market prices.

Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company's exposure to the risk of changes in market interest rates relates primarily to company's debt obligations with floating interest rates.

The Company has received interest free advances from its holding company and hence it is not exposed to interest rate risk.

2) Credit Risk
Credit risk is the risk that the counterparty will not meet its obligation under a financial instrument or customer contract leading to a financial loss. The company is not exposed to credit risk from its operating activities or trade receivables since the agreement of sale of land is executed only on receipt of full consideration.

Credit risk from balances with banks and inter corporate loans is managed by the company's treasury department in accordance with the company's policy.

3) Liquidity risk
The operating cash flow requirements are met by interest free funding from shareholders.

16. Contingent Liabilities (Not Provided For) :
The company does not have any contingent liabilities as on the balance sheet date as certified by the management and relied upon by the auditors.

17. In the opinion of the Board of Directors of the Company, all the items of current assets, current libilities & loans and advances continue to have a realisable value of at least the amount at which they are stated in the balance sheet.

18. The accumulated losses of the Company have resulted in complete erosion of the net worth of the Company. The Company's management is, however, in the process of procuring new business / entering into joint venture with start up ventures, the proceeds of which when fructified, would result in turnaround of the Company.

19. Fair Value measurement of Financial Instruments

	31st March 2018			31st March 2017		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
Financial Assets						
Cash and cash equivalent	-	-	608	-	-	24,581
Total of Financial Assets	**-**	**-**	**608**	**-**	**-**	**24,581**
Financial Liabilities						
Borrowings	-	-	2,295,808	-	-	2,253,308
Other Financial liabilities	-	-	-	-	-	-
Total of Financial Liabilities	**-**	**-**	**2,295,808**	**-**	**-**	**2,253,308**

20. Previous year's figures have been regrouped / recast wherever necessary.

The accompanying notes are an integral part of the financial statements

As per our report of even date
FOR NIRAJ D. ADATIA & ASSOCIATES
Firm Registration No. 129486W
CHARTERED ACCOUNTANTS

Adatia

NIRAJ ADATIA
PARTNER
Membership No.: 120844

NIRAJ D. ADATIA & ASSOCIATES CHARTERED ACCOUNTANT

Mumbai
Date: 22nd June 2018

For and on behalf of the Board of Directors

Jitendra Shah
JITENDRA SHAH
DIRECTOR
DIN: 06995353

INDIAN DEVELOPMENT & CONSTRUCTION VENTURE CAPITAL PVT. LTD.

PRAPHUL SHINDE
DIRECTOR
DIN: 03140671

Mumbai
Date: 22nd June 2018

Independent Auditor's Report
To the Members of Joynest Premises Private Limited

1) **Report on the Standalone Financial Statements:**
We have audited the accompanying standalone financial statements of Joynest Premises Private Limited ('the Company'), which comprise the balance sheet as at 31st March 2018, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended and a summary of the significant accounting policies and other explanatory information.

2) **Management's Responsibility for the Standalone 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 including other comprehensive income, cash flows and the statement of changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rule, 2015 as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3) **Auditor's Responsibility**:
Our responsibility is to express an opinion on these standalone financial statements based on our audit.

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matter which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order issued under section 143(11) of the Act.

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.

SANKET R SHAH & ASSOCIATES Chartered Accountants M. No. 152369

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's 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 the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the 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.

4) 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 31 March, 2018 and its financial performance including other comprehensive income and the statement of changes in equity for the year ended on that date.

5) Emphasis of Matter:

1. Attention is invited to Note No. 3.1(A) of the financial statements with regarding recognition of expense and income for ongoing projects which is based upon estimated project costs, as per the judgement of the management, which have been relied upon by us, these being technical Matters.
2. Attention is invited to Note No. 13(a) of the financial statements with regard to interest not charged on Compulsory Convertible Debentures.
3. Attention is invited to Note No. 30 of the financial statements with regard to reliance placed by the auditors on certification received from the management with regard to the disclosure of contingent liabilities given by the Company.
4. Attention is invited to Note No. 32 of the financial statements with regards to balances that are subject to confirmations, reconciliation and adjustments if any.
5. Attention is invited to Notes the Company has not charged interest on loans and advances given to various entities in which the Company has a business interest.

6) Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the **Annexure A**, a statement on the matters specified in the paragraph 3 and 4 of the order.
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;

SANKET R SHAH & ASSOCIATES M. No. 152069

c) the balance sheet, the statement of profit and loss, the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;

d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rule issued thereunder;

e) on the basis of the written representations received from the directors as on 31st March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act;

f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure B**; and

g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has no pending litigations on its financial position in its standalone financial statements.

   ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

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

For Sanket R Shah & Associates
Chartered Accountants
FRN: 135703W

SANKET R SHAH & ASSOCIATES ★ Chartered Accountants ★ M. No. 152369

Sanket Shah
Proprietor
M. No.: 152369

Place: Mumbai
Date: 21st June, 2018

Annexure - A to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Joynest Premises Private Limited of even date)

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2018, we report that:

(i) a. The Company has maintained a register of fixed assets, giving description and location of its assets; and

b. As explained to us, the Company has physically verified its fixed assets during the year;

(ii) a. The inventory has been physically verified by the management during the year. In our opinion, the frequency of the verification is reasonable.

b. In our opinion, the procedures of physical verification of Inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business;

c. On the basis of our examination of the records of the company, we are of the opinion that, the company is not maintaining proper project-wise records. The value of inventory has shown of both projects. The discrepancies noticed on physical verification of inventory as compared to its book records were not maintained.

(iii) In our opinion, and according to the information and explanations given to us, the Company has granted any secured or unsecured loans to Companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013;

a. The above loan is interest free and repayable on demand; and
b. As the loan repayable on demand, the question of overdue amount does not arise;

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) The Company has not accepted deposits during the year and does not have any unclaimed deposits as at 31st March, 2018 and therefore, the provisions of the Clause 3(v) of the Order are not applicable to the Company.

(vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.

(vii) According to the information and explanations given to us, in respect of statutory dues:

a. On the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, duty of customs, service tax, cess, goods and service tax (GST) and other material statutory dues have been regularly deposited during the year by the Company

SANKET R SHAH & ASSOCIATES
M. No. 152389
Chartered Accountants

with the appropriate authorities. However, there were outstanding interest dues of statutory liability and the details of outstanding as follows:

Sr. No.	Particulars	Amount in INR
1.	Tax Deducted at Source (TDS) Liability	2,52,08,657/-
2.	Goods and Service Tax (GST) Liability	4,63,358/-
3.	Maharashtra Value Added Tax (MVAT) Liability	61,23,733/-
4.	ESIC Payable	7,617/-
5.	Interest on above Statutory Liability	1,74,83,559/-
	Total Statutory Liability	**4,92,86,924/-**

b. On the basis of our examination of documents and records of the Company, and explanation provided to us, there were no disputed dues in respect of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty or Cess;

(viii) The Company does have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.

(ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration 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. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence reporting under Clause 3(xiv) of the Order is not applicable to the Company.

SANKET R SHAH & ASSOCIATES
M. No. 152369
Chartered Accountants

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into non-cash transactions with directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Sanket R Shah & Associates
Chartered Accountants
FRN: 135703W

Sanket Shah
Proprietor
M. No.: 152369

Place: Mumbai
Date: 21st June, 2018

Annexure - B to the Independent Auditors' Report

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Joynest Premises Private Limited of even date)

Report on the Internal Financial Controls 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 Joynest Premises Private Limited ("the Company") as of 31 March 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

1) **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.

2) **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, 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 applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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.

SANKET R SHAH & ASSOCIATES
M. No. 152329

3) **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.

4) **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.

5) **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 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Sanket R Shah & Associates
Chartered Accountants
FRN: 135703W

SANKET R SHAH & ASSOCIATES
M. No.
152369
Chartered Accountants

Sanket Shah
Proprietor
M. No.: 152369

Place: Mumbai
Date: 21st June, 2018

JOYNEST PREMISES PRIVATE LIMITED
CIN: U45202MH2008PTC183715
BALANCE SHEET AS AT 31ST MARCH, 2018

Particulars	Note No.	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
1 ASSETS			
Non-Current Assets			
(a) Property, plant and equipment	4	44,09,195	57,58,439
(b) Capital work-in-progress	4	1,99,38,918	1,99,38,918
(c) Financial assets			
(ii) Other financial assets	5	3,27,65,000	10,00,67,051
(d) Current tax assets (Net)	6	74,50,617	1,27,91,934
Total Non-Current assets		**6,45,63,730**	**13,85,56,342**
2 Current assets			
(a) Inventories	7	1,91,92,40,014	1,66,45,20,917
(b) Financial assets			
(i) Investments	5	-	-
(i) Cash and cash equivalents	8	44,91,505	26,99,137
(ii) Bank balances other than (iii) above	9	6,60,00,000	-
(iii) Loans	11	-	-
(iv) Other financial assets	5	40,73,61,190	42,69,92,512
(d) Other current assets	10	17,16,62,550	17,36,72,569
Total Current Assets		**2,56,87,55,259**	**2,26,78,85,135**
TOTAL ASSETS		**2,63,33,18,989**	**2,40,64,41,477**
EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	11	1,04,71,94,550	1,04,71,94,550
(b) Other equity	12	(13,60,74,468)	(12,01,53,521)
Total Equity		**91,11,20,082**	**92,70,41,029**
2 Liabilities			
i Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	13	40,15,05,134	40,19,76,306
(ii) Other Financial Liabilities	14	1,56,92,611	1,08,76,639
(b) Provisions	15	10,624	7,41,197
Total Non-Current Liabilities		**41,72,08,369**	**41,35,94,142**
ii Current Liabilities			
(a) Financial Liabilities			
(i) Trade payables	16	18,74,11,946	15,92,62,790
(ii) Other financial liabilities	14	50,93,15,848	32,23,38,369
(b) Other current liabilities	17	60,70,95,622	58,40,56,250
(c) Provisions	15	7,122	1,48,897
(d) Current tax Liabilities (Net)	18	11,60,000	-
Total Current Liabilities		**1,30,49,90,538**	**1,06,58,06,306**
Total Liabilities		**1,72,21,98,907**	**1,47,94,00,448**
TOTAL EQUITY AND LIABILITIES		**2,63,33,18,989**	**2,40,64,41,477**

The accompanying notes are an integral part of the financial statements

As per our report of even date

For Sanket R Shah & Associates
Firm Registration No: 135703W
Chartered Accountants

SANKET SHAH
Proprietor
Membership No.: 152369

M. No. 152369

For and on behalf of the board of Directors

KAMAL MATALIA
Director
DIN : 00009695

AKHILEN V SHAH
Director
DIN : 03134932

Mumbai
Date: 21 June, 2018

Mumbai
Date: 21 June, 2018

JOYNEST PREMISES PRIVATE LIMITED
CIN: U45202MH2008PTC183715
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

Particulars	Note No.	Year ended 31st March, 2018 ₹	Year ended 31st March, 2017 ₹
I INCOME			
Revenue from Operations	19	3,13,99,544	30,23,084
Other Income	20	1,36,94,089	1,22,06,974
Total Income		**4,50,93,633**	**1,52,30,058**
II Expenses			
Costs Of Construction / Development	21	19,58,24,955	14,06,60,090
Purchase of Stock-in-Trade		3,14,85,852	17,73,869
Changes in Inventories of Incomplete Project	22	(25,70,10,103)	(18,43,19,633)
Employee Benefits Expense	23	3,92,35,970	1,29,34,655
Finance Costs	24	3,13,31,269	3,21,96,768
Depreciation and Amortisation Expenses	25	13,49,244	10,31,902
Other Expenses	26	1,66,80,348	6,62,09,635
Total Expenses		**5,88,97,536**	**7,04,87,286**
III Profit before Tax		**(1,38,03,903)**	**(5,52,57,228)**
IV Tax Expense			
Current Tax		-	-
Profit / (Loss) for the Year		**(1,38,03,903)**	**(5,52,57,228)**
V Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeseaurement of the net defined benefit liability / asset		**23,264**	**6,46,154**
VI Total comprehensive income / (loss) for the year		**(1,37,80,639)**	**(5,46,11,074)**
VII Earning per equity share of nominal value of ₹ 10/- each			
Basic and Diluted Earning Per Share	27		
Class - A		(0.76)	(3.05)
Class - B		(6.85)	(27.41)
Class - C		(0.26)	(1.05)
Ordinary		(1,380.39)	(5,525.72)

The accompanying notes are an integral part of the financial statements

As per our report of even date

For Sanket R Shah & Associates
Firm Registration No: 135703W
Chartered Accountants

SANKET SHAH
Proprietor
Membership No.: 152369

Mumbai
Date: 21 June, 2018

For and on behalf of the board of Directors

KAMAL MATALIA
Director
DIN : 00009695

KHILEN V SHAH
Director
DIN : 03134932

Mumbai
Date: 21 June, 2018

JOYNEST PREMISES PRIVATE LIMITED
CIN: U45202MH2008PTC183715
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

Particulars	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
I CASH FLOW ARISING FROM OPERATING ACTIVITIES :		
Net profit/(loss) before taxation as per Statement of Profit and Loss	**(1,59,44,211)**	**(5,52,57,228)**
Add / (Less) :		
Finance costs	3,13,31,269	3,21,96,768
Depreciation and amortisation	13,49,244	10,31,902
Remeseaurement of the net defined benefit liability / asset	23,264	6,46,154
Interest income	(1,36,89,853)	(1,21,62,824)
	1,90,13,924	**2,17,12,000**
Operating profit before working capital changes	**30,69,713**	**(3,35,45,228)**
Add / (Less) :		
Increase / (Decrease) in Trade payables	2,81,49,156	3,84,18,743
Increase / (Decrease) in Provisions	2,87,652	(7,70,824)
Increase / (Decrease) in Other Non Current / Current Liabilities and Provisions	21,48,32,823	(51,13,43,386)
(Increase) / Decrease in Inventories	(25,47,19,097)	(18,83,98,368)
(Increase) / Decrease in Other Non Current / Current Assets	8,89,43,392	(17,76,10,416)
Direct taxes paid	53,41,317	(37,17,349)
	8,28,35,244	**(84,34,21,600)**
Net Cash flow from Operating Activities	**8,59,04,956**	**(87,69,66,828)**
II CASH FLOW ARISING FROM INVESTING ACTIVITIES :		
Inflow / (Outflow) on account of :		
Purchase of Tangible / Intangible Assets	-	(40,29,677)
(Increase) / Decrease in Capital Work in Progress	-	(3,02,852)
(Increase) / Decrease in Investment	-	89,89,63,400
(Increase) / Decrease in Bank balance	(6,60,00,000)	16,84,390
Interest Received	1,36,89,853	1,21,62,824
Net cash flow from investing activities	**(5,23,10,147)**	**90,84,78,085**
III CASH FLOW ARISING FROM FINANCING ACTIVITIES :		
Inflow / (Outflow) on account of :		
Proceeds from Long Term Borrowings	(4,71,172)	19,76,306
Finance costs paid	(3,13,31,269)	(3,21,96,768)
Net Cashflow from Financing Activities	**(3,18,02,442)**	**(3,02,20,462)**
Net increase in cash and cash equivalents (I + II + III)	17,92,368	12,90,796
Add: Balance at the beginning of the year	26,99,137	14,08,342
Cash and Cash Equivalents at the close of the year	**44,91,505**	**26,99,138**
Components of cash and cash equivalents (Refer Note 8)		
Cash on hand	14,444	71,962
Balances with Banks (including Fixed Deposits having maturities less than three months)	44,77,061	26,27,175
	44,91,505	**26,99,137**

The accompanying notes are an integral part of the financial statements
Note:
The Cash Flow Statement has been prepared under indirect method as set out in Indian Accounting Standard (Ind AS- 7) statement of cash flows.

As per our attached report of even date

For and on behalf of the board of Directors

For Sanket R Shah & Associates
Firm Registration No: 135703W
Chartered Accountants

SANKET R SHAH & ASSOCIATES M. No. 152369 Chartered Accountants

SANKET SHAH
Proprietor
Membership No.: 152369

KAMAL MATALIA
Director
DIN : 00009695

KHILEN V SHAH
Director
DIN : 03134932

Mumbai
Date: 21 June, 2018

Mumbai
Date: 21 June, 2018

JOYNEST PREMISES PRIVATE LIMITED
CIN: U45202MH2008PTC183715
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2018

	Notes No	Amount ₹	Amount ₹
A. EQUITY SHARE CAPITAL			
		Equity Shares	**Preference Shares**
As at 1st April, 2016	11	**72,70,94,550**	**32,00,00,000**
Changes in share capital		-	-
As at 31st March, 2017		**72,70,94,550**	**32,00,00,000**
Changes in share capital		-	-
As at 31st March, 2018		**72,70,94,550**	**32,00,00,000**

B. OTHER EQUITY

	Reserves and Surplus	
	Retained Earnings	Total
Balance at April 1, 2016	(6,55,42,447)	98,15,52,103
Total Comprehensive Income for the year	6,46,154	6,46,154
Transfer to Retained Earnings	(5,52,57,228)	(5,52,57,228)
Balance at March 31, 2017	(12,01,53,521)	92,69,41,029
Total Comprehensive Income for the year	23,264	23,264
Transfer to Retained Earnings	(1,38,03,903)	(1,38,03,903)
Balance at March 31, 2018	(13,39,34,160)	91,31,60,390

The accompanying notes are an integral part of the financial statements

As per our attached report of even date

For Sanket R Shah & Associates
Firm Registration No: 135703W
Chartered Accountants

SANKET R SHAH & ASSOCIATES M. No. 152369 Chartered Accountants

SANKET SHAH
Proprietor
Membership No.: 152369

For and on behalf of the board of Directors

KAMAL MATALIA
Director
DIN : 00009695

KHILEN V SHAH
Director
DIN : 03134932

Joynest Premises Private Limited

Mumbai
Date: 21 June, 2018

Mumbai
Date: 21 June, 2018

Note 1. COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES

1.1 **Company Overview**

Joynest Premises Private Limited is a Private Limited Company domiciled in India, incorporated under the Companies Act, 1956. Company is engaged in the real estate business of construction and development of residential project at Chembur and other similar works.

1.2 The financial statements are approved for issue by the Company's Board of Directors on 21st June, 2018.

Note 2. STANDARDS, NOT YET EFFECTIVE AND HAVE NOT BEEN ADOPTED EARLY BY THE COMPANY

Information on new standards, amendments and interpretations that are expected to be relevant to the financial statements is provided below.

Ind AS 115 'Revenue from Contracts with Customers' (Ind AS 115)
There is one new standard issued by MCA (not yet effective) for revenue recognition which overhauls the existing revenue recognition standards including Ind AS 18 – Revenue and Ind AS 11 – Construction contracts. The new standard provides a control-based revenue recognition model and provides a five step application principle to be followed for revenue recognition:

i) Identification of the contracts with the customer
ii) Identification of the performance obligations in the contract
iii) Determination of the transaction price
iv) Allocation of transaction price to the performance obligations in the contract (as identified in step ii)
v) Recognition of revenue when performance obligation is satisfied.

The effective date of the new standard has not yet been notified by the MCA. The management is yet to assess the impact of this new standard on the Company's financial statements.

Note 3. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act , 2013 ('Act') (to the extent notified) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The Company has adopted all the IndAS standards and the adoption was carried out in accordance with IndAS 101 First time adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP. Reconciliations and descriptions of the effect of the transition has been summarized in Note 38.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

a) Historical Cost Convention

The financial statements have been prepared on historical cost basis, except for the following:

i. certain financial assets and liabilities that have been measured at fair value
ii. assets held for sale - measured at lower of carrying amount or fair value less cost to sell.
iii. defined benefit plans - plan assets measured at fair value.

b) Current and Non-Current Classification

The Company presents assets and liabilities in the balance sheet based on current/non current classification.

An asset is classified as current when:

i. It is expected to be realised or intended to sold or consumed in normal operating cycle
ii. It is held primarily for the purpose of trading
iii. It is expected to be realised within twelve months after the reporting period, or
iv. It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is classified as current when:

i. It is expected to be settled in normal operating cycle
ii. It is held primarily for the purpose of trading
iii. It is due to be settled within twelve months after the reporting period, or
iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Operating cycle for the business activities of the company covers the duration of the specific project / contract / service and extends upto the realisation of receivables within the agreed credit period normally applicable to the respective project.

c) Foreign currency translation

Functional and presentation currency

The financial statements are presented in Indian Rupee ('INR') which is also the functional and presentation currency of the Company.

SANKET R SHAH & ASSOCIATES
M. No. 182369
Chartered Accountants

3.1 REVENUE RECOGNITION

A. Revenue from Construction Activity

i. The company has adopted the principles of revenue recognition on the basis of " Guidance note on Accounting for Real Estate Transactions " issued by the Institute of Chartered Accountants of India, for the entities to whom IndAS is applicable.

ii. Revenue from sale of 'finished properties / buildings / rights' is recognised on transfer of all significant risks and rewards of ownership of such properties / building / rights, as per the terms of the contracts entered into with buyer/(s), which generally coincides with the firming of the sales contracts/ agreements, except for contracts where the Company still has obligations to perform substantial acts even after the transfer of all significant risks and rewards.

iii. Revenue from sale of incomplete properties / projects is recognized on the basis of percentage of completion method only if the following thresholds have been met;

a. All critical approvals necessary for the commencement of the project have been obtained;

b. The expenditure incurred on construction and development costs, excluding land costs, is not less than 25% of the total estimated construction and development costs of the project;

c. Atleast 25% of the saleable project area is secured by agreements with the buyers; and

d. Atleast 10% of the sale consideration of each sold unit has been received at the reporting date in respect of such contracts with the buyers.

Further, revenue recognized in the aforesaid manner and related costs are both restricted to 90% until the construction activity and related formalities are substantially completed. Recognition of revenue relating to agreements entered into with the buyers, which are subject to fulfillment of obligations / conditions imposed on the Company by statutory authorities is postponed till such obligations are substantially discharged.

Estimated costs relating to construction / development are charged to the statement of profit and loss in proportion with the revenue recognized during the year. The balance costs are carried as part of 'Incomplete Projects' under inventories under current assets. Amounts receivable / payable are reflected as Trade Receivables / Unbilled Receivables or Advances from Customers, respectively, after considering income recognized in the aforesaid manner.

iv. Losses expected to be incurred on projects under construction, are charged in the statement of profit and loss in the period in which the losses are known.

B. Interest

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

C. Others

Revenues / Income and Costs/ Expenditure are generally accounted on accrual, as they are earned or incurred.

3.2 PROPERTY PLANT AND EQUIPMENT AND DEPRECIATION / AMMORTISATION

A. Tangible Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation and accumulated impairment losses, if any.

B. Depreciation is provided on the straight line method on the basis of estimated useful life of the asset in the manner specified in Schedule II to the Companies Act, 2013. Depreciation on additions to assets or on sale/disposal of assets is calculated pro-rata from the month of such addition, or upto the month of such sale/disposal, as the case may be.

Asset Category	Estimated useful life (in Years)
Computer	3
Office Equipment's	5
Furniture and Fixture	10
Vehicles	8

3.3 FINANCIAL INSTRUMENTS

3.3.1 Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

SANKET R SHAH & ASSOCIATES M. No. 152369 Chartered Accountants

Joynest Premises Private Limited

3.3.2 Subsequent measurement

a. Non-derivative financial instruments

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held with in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(v) Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

3.3.3 Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under IndAS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

3.3.4 Impairment

a. Financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to life time ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in the statement of profit or loss.

b. Non-financial assets

Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

3.4 TAXATION

i. Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the financial statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using rates that have been enacted or substantively enacted by the end of the reporting period.

In case the Company is liable to pay income tax u/s 115JB of Income Tax Act, 1961 (i.e. MAT), the amount of tax paid in excess of normal income tax is recognized as an asset (MAT Credit entitlement) only if there is convincing evidence for realization of such asset during the specified period. MAT credit entitlement is reviewed at each Balance Sheet date.

SANKET R SHAH & ASSOCIATES
M. No. 152369
Chartered Accountants

ii. Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax asset is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.
Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

iii. Current and deferred tax for the year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

3.5 INVENTORIES

All inventories are stated at Cost or Net Realizable Value, whichever is lower.
Stock of material at Site' includes cost of purchase, other costs incurred in bringing them to their respective present location and condition. Cost formula used is average cost.

Incomplete Projects' include cost of incomplete properties for which the Company has not entered into sale agreements and in other cases where the revenue recognition is postponed. 'Incomplete Projects' also include initial project costs that relate directly to a (prospective) project, incurred for the purpose of securing the project. These costs are recognized as expenditure for the year in which they are incurred unless they are separately identifiable and it is probable that the respective project will be obtained.

Inventory value includes costs incurred upto the completion of the project viz. cost of land / rights, value of floor space index (FSI), materials, services and other expenses (including borrowing costs) attributable to the projects. Cost formula used is average cost.

3.6 EMPLOYEE BENEFITS

Post-Employment Benefits

Defined benefit plans:

3.6.1 Gratuity

Gratuity is post-employment benefit and is in the nature of a defined benefit plan. The liability recognised in the financial statements in respect of gratuity is the present value of the defined benefit obligation at the reporting date, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit/obligation is calculated at or near the reporting date by an independent actuary using the projected unit credit method.
Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the statement of OCI in the year in which such gains or losses are determined.

Short-term employee benefits:

Expense in respect of other short term benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

Other Long Term employee Benefits:

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of discounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the year in which such gains or losses are determined.

Defined contribution plans: Company's contribution to State governed Provident Fund Scheme is recognised during the year in which the related service is rendered.

3.7 BORROWING COSTS

Interests and other borrowing costs calculated as per effective interest rate attributable to qualifying assets are allocated as part of the cost of construction / development of such assets. Such allocation is suspended during extended periods in which active development is interrupted and, no costs are allocated once all such activities are substantially complete. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are charged to the Profit and Loss Account.

3.8 CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

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3.9 FOREIGN CURRENCY TRANSACTIONS

i. All transactions in foreign currency are recorded in the reporting currency, based on closing rates of exchange prevalent on the dates of the relevant transactions.

ii. Monetary assets and liabilities in foreign currency, outstanding as on the Balance Sheet date , are converted in reporting currency at the closing rates of exchange prevailing on the said date. Resultant gain or loss is recognized during the year in the statement of profit and loss.

iii. Non monetary assets and liabilities denominated in foreign currencies are carried at the exchange rate prevalent on the date of the transaction.

3.10 SEGMENT REPORTING

The Company is engaged in the business of Real Estate Development, which as per Ind AS - 108 'Operating Segments' is considered to be the only reportable business segment. The Company is also operating within the same geographical segment. Hence, disclosures under Ind AS - 108 are not applicable.

3.11 PROVISIONS, CONTINGENT ASSETS AND CONTINGENT LIABILITIES

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

Possible obligations which will be confirmed only by future events not wholly within the control of the Company or

Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

3.12 USE OF ESTIMATES

The preparation of the financial statements in conformity with IndAS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in note 3.12.1. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

3.12.1 Critical accounting judgements and estimates

a. **Revenue recognition**

The Company uses the percentage-of-completion method in accounting for its revenue. Costs of the project are based on the management's estimate of the cost to be incurred upto the completion of the projects and include cost of land, Floor Space Index (FSI), materials, services and other expenses attributable to the projects. Estimates of project income, as well as project costs, are reviewed periodically. Costs expended have been used to measure progress towards completion of work. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

b. **Property, plant and equipment and depreciation**

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

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Note 4. Property, plant and equipment and capital work in progress

	Computers and Laptops	Furniture and Fixtures	Vehicles	Office Equipment	Total	Capital work-in-progress
Cost or deemed cost						
Balance at April 1, 2016	38,687	11,48,117	-	41,24,283	53,11,087	1,96,36,066
Additions	-	-	39,27,258	1,02,419	40,29,677	3,02,852
Transfers	-	-	-	-	-	-
Balance at March 31, 2017	38,687	11,48,117	39,27,258	42,26,702	93,40,764	1,99,38,918
Accumulated depreciation and impairment						
Balance at April 1, 2016	34,411	7,29,450	-	17,86,562	25,50,423	-
Depreciation expense	3,155	92,738	1,41,099	7,94,910	10,31,902	-
Balance at March 31, 2017	37,566	8,22,188	1,41,099	25,81,472	35,82,325	-
Carrying amount as on 31st March 2017	**1,121**	**3,25,929**	**37,86,159**	**16,45,230**	**57,58,439**	**1,99,38,918**

	Computers and Laptops	Furniture and Fixtures	Vehicles	Office Equipment	Total	Capital work-in-progress
Cost or deemed cost						
Balance at March 31, 2017	38,687	11,48,117	39,27,258	42,26,702	93,40,764	1,99,38,918
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Balance at March 31, 2018	38,687	11,48,117	39,27,258	42,26,702	93,40,764	1,99,38,918
Accumulated depreciation and impairment						
Balance at March 31, 2017	37,566	8,22,188	1,41,099	25,81,472	35,82,325	-
Depreciation expense	1,121	92,736	4,92,147	7,63,240	13,49,244	-
Balance at March 31, 2018	38,687	9,14,924	6,33,246	33,44,712	49,31,569	-
Carrying amount as at March 31, 2018	-	**2,33,193**	**32,94,012**	**8,81,990**	**44,09,195**	**1,99,38,918**

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

		As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
Note 5. Other financial assets			
Non-current			
Bank balances			
- Deposits with maturity of more than twelve months		3,27,00,000	9,82,00,000
- Margin money deposits		-	18,17,051
Security deposits		65,000	50,000
	Total	**3,27,65,000**	**10,00,67,051**
Current			
Project Advances		34,88,86,258	32,64,82,707
Interest accrued on fixed deposits		8,87,143	8,63,275
Other receivables (Other than Trade Receivables)		5,75,87,788	9,96,46,530
	Total	**40,73,61,190**	**42,69,92,512**
Note 6. Current Tax assets and liabilities			
Advance Tax paid		74,50,617	1,27,91,934
	Total	**74,50,617**	**1,27,91,934**
Note 7. Inventories			
Inventories (lower of cost or net realisable value)			
- Stock of material at site		39,28,038	-
- Stock in trade (Acquired for trading)		-	40,78,735
- Incomplete projects		1,91,53,11,976	1,66,04,42,182
	Total	**1,91,92,40,014**	**1,66,45,20,917**
Note 8. Cash and cash equivalents			
Balances with banks:			
- in current accounts		24,10,010	23,77,175
- in deposit with maturity of less than three months		20,67,051	2,50,000
Cash on hand		14,444	71,962
	Total	**44,91,505**	**26,99,137**
Note 9. Other bank balances			
Other bank deposits		6,55,00,000	-
Margin money deposits		5,00,000	-
	Total	**6,60,00,000**	-

Foot Note:
Balances with bank in margin money and fixed deposits are kept as security for guarantees / other facilities.

		As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
Note 10. Other assets			
Current			
Advances to land owners		1,00,00,000	1,00,00,000
Advance recoverable in cash or in kind		14,76,57,661	15,80,39,690
Prepaid Expenses		5,25,539	-
Balance with statutory authorities		1,34,14,445	55,76,018
Plan Assets (Net of provisions ₹ 25,996)		64,905	56,860
	Total	**17,16,62,550**	**17,36,72,568**

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	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
Note 11. Equity share capital		
Equity share capital	72,70,94,550	72,70,94,550
Preference share capital	32,00,00,000	32,00,00,000
Total	**1,04,70,94,550**	**1,04,70,94,550**
Authorised Share Capital:		
100,00 (P.Y. - 100,00) Ordinary Equity Shares of ₹ 10 each	1,00,000	1,00,000
1,81,34,450 (P.Y. - 1,81,34,450) Class A Equity Shares of ₹ 10 each	18,13,44,500	18,13,44,500
20,16,050 (P.Y. - 20,16,050)Class B Equity Shares of ₹ 10 each	2,01,60,500	2,01,60,500
5,25,58,955 (P.Y. - 5,25,58,955) Class C Equity Shares of ₹ 10 each	52,55,89,550	52,55,89,550
3,20,00,000 (P.Y. - 3,20,00,000), 17.75% Cumulative Compulsory Convertible Preference Shares of ₹ 10 each	32,00,00,000	32,00,00,000
Total	**1,04,71,94,550**	**1,04,71,94,550**
Issued and subscribed capital comprises:		
Ordinary Equity Shares		
100,00 (P.Y. - 100,00) Ordinary Equity Shares of ₹ 10 each	1,00,000	1,00,000
Class A Equity Shares		
1,81,34,450(P.Y. - 1,81,34,450) Class A Equity Shares of ₹ 10 each	18,13,44,500	18,13,44,500
Class B Equity Shares		
20,16,050 (P.Y. - 20,16,050)Class B Equity Shares of ₹ 10 each	2,01,60,500	2,01,60,500
Class 'C' Equity Shares		
5,25,58,955 (P.Y. - 5,25,58,955) Class C Equity Shares of ₹ 10 each	52,55,89,550	52,55,89,550
Preference Shares		
3,20,00,000 (P.Y. - 3,20,00,000), 17.75% Cumulative Compulsory Convertible Preference Shares of ₹ 10 each	32,00,00,000	32,00,00,000
Total	**1,04,71,94,550**	**1,04,71,94,550**

a) **Reconciliation of Number of shares outstanding at the beginning and at the end of the year**

	Number of shares	Share Capital ₹
Ordinary Equity Shares		
Balance at 1st April, 2016	10,000	1,00,000
Add / (Less) : Issued / (Bought back) during the year	-	-
Balance at 31st March, 2017	10,000	1,00,000
Add / (Less) : Issued / (Bought back) during the year	-	-
Balance at 31st March, 2018	**10,000**	**1,00,000**
Class A Equity Shares		
Balance at 1st April, 2016	1,81,34,450	18,13,44,500
Add / (Less) : Issued / (Bought back) during the year	-	-
Balance at 31st March, 2017	1,81,34,450	18,13,44,500
Add / (Less) : Issued / (Bought back) during the year	-	-
Balance at 31st March, 2018	**1,81,34,450**	**18,13,44,500**
Class B Equity Shares		
Balance at 1st April, 2016	20,16,050	2,01,60,500
Add / (Less) : Issued / (Bought back) during the year	-	-
Balance at 31st March, 2017	20,16,050	2,01,60,500
Add / (Less) : Issued / (Bought back) during the year	-	-
Balance at 31st March, 2018	**20,16,050**	**2,01,60,500**
Class C Equity Shares		
Balance at 1st April, 2016	5,25,58,955	52,55,89,550
Add / (Less) : Issued / (Bought back) during the year	-	-
Balance at 31st March, 2017	5,25,58,955	52,55,89,550
Add / (Less) : Issued / (Bought back) during the year	-	-
Balance at 31st March, 2018	**5,25,58,955**	**52,55,89,550**
Preference Shares		
Balance at 1st April, 2016	3,20,00,000	32,00,00,000
Add / (Less) : Issued / (Bought back) during the year	-	-
Balance at 31st March, 2017	3,20,00,000	32,00,00,000
Add / (Less) : Issued / (Bought back) during the year	-	-
Balance at 31st March, 2018	**3,20,00,000**	**32,00,00,000**

b) **Terms / rights attached to Equity Shares:**

Equity Shares (Class 'A') :	Class A equity shares have no voting rights.
Equity Shares (Class 'B') :	Class B equity shares shall be entitled to 26% of the total voting rights in the Company.
Equity Shares (Class 'C') :	Class C equity shares shall be entitled to 74% of the total voting rights in the Company.
Ordinary Shares :	Ordinary Equity shares have no voting and distributions rights.

c) **Terms of Conversion of Preference Shares**

The Company has issued 17.75%, 3,20,00,000, cumulative compulsorily convertible preference shares of Rs. 10 each (CCPS) on 26th February, 2014. Each CCPs shall be compulsorily convertible into Class "B " Equity Share at fair value, which is equivalent to the subscription amount of the CCPS in one or more tranches on or after February 27, 2029. The Company has not paid any dividend since date of issue of the above preference shares.

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d) Details of shares held by each shareholders holding more than 5% shares

i. Equity Share Capital

	As at 31st March, 2018		As at 31st March, 2017	
	No of shares held	% holding of this class of shares	No of shares held	% holding of this class of shares
Ordinary Equity Shares				
Hubtown Limited	7,400	74.00%	7,400	74.00%
Shree Naman Developers	2,600	26.00%	2,600	26.00%
	10,000	**100.00%**	**10,000**	**100.00%**
Class 'A' Equity Shares				
Hubtown Limited	1,24,31,045	68.55%	1,24,31,045	68.55%
High Scale Trading Private Limited	20,16,050	11.12%	20,16,050	11.12%
Grayline Real Estate Private Limited	11,08,827	6.11%	11,08,827	6.11%
Eknath Infraprojects Private Limited	16,71,306	9.22%	16,71,306	9.22%
J.P. Vaastu Nirman Private Limited	9,07,222	5.00%	9,07,222	5.00%
	1,81,34,450	**100.00%**	**1,81,34,450**	**100.00%**
Class 'B' Equity Shares				
SIREF I Residential A Limited	20,16,050	100	20,16,050	100
	20,16,050	**100%**	**20,16,050**	**100%**
Class 'C' Equity Shares				
Hubtown Limited	5,25,58,955	100	5,25,58,955	100
	5,25,58,955	**100%**	5,25,58,955	**100%**
Preference Shares				
SIREF I Residential A Limited	3,20,00,000	100%	3,20,00,000	100%
	3,20,00,000	**100%**	**3,20,00,000**	**100%**

		As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
Note 12. Other Equity			
Retained Earning		(13,60,74,468)	(12,01,53,521)
	Total	**(13,60,74,468)**	**(12,01,53,521)**
Retained Earnings			
Balance at the beginning of the year		(12,01,53,521)	(6,55,42,447)
Prior Period Adjustment		(21,40,309)	-
Profit attributable to the owners of the company		(1,37,80,639)	(5,46,11,074)
Balance at the end of the year	**Total**	**(13,60,74,468)**	**(12,01,53,521)**

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		As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
Note 13. Borrowings			
Non-current			
(i)	**Debentures (Unsecured)** 40,00,000 (P.Y. - 40,00,000) Compulsorily convertible debentures of the face value of ₹100/- each **(Refer footnote a)**	40,00,00,000	40,00,00,000
(ii)	**Term Loans (Secured)** - From banks **(Refer Foot Note b)**	15,05,134	19,76,306
	Total	**40,15,05,134**	**40,19,76,306**

Foot Note :

a. 17.75% Debentures of ₹4,000 Lacs have a term of 84 months from issue date (20,00,000 debentures issued on 01/02/2013 and 20,00,000 debentures issued on 10/06/2013) same can be converted into Class "B" Shares in whole or in part at the option of the investor but not before expiry of 36 months.

b. No interest charged during the financial year. (Previous Year interest charged for 3 months April'16 to June'16) as per term sheet signed by both parties.

c. - Secured Vehicle loans from banks, which carry interest rate @ 9.76% p.a and are repayable by November,2021
- Vehicle loans secured against the assets of the Company

d. **Guarantees / Security given for Secured loans taken by the company**
- Personal guarantee of Mr. Hemant Shah and Mr. Vyomesh Shah, the promoter directors of Hubtown Limited
- Corporate guarantee of Hubtown Limited
- The promoters of Hubtown Limited have pledged the shares of Hubtown Limited held by them as security for the loan.

Note 14. Other financial liabilities

Non-current			
Retention money payable		1,56,92,611	1,08,76,639
	Total	**1,56,92,611**	**1,08,76,639**
Current			
Current maturities of long-term debts		24,55,91,780	8,21,34,405
Interest accrued and due on borrowings		-	7,30,74,886
Interest Accrued & Due on Other Loan		22,47,228	-
Interest accrued but not due on borrowings		1,32,970	1,32,970
Retention money payable		27,79,415	84,26,553
Security deposits (Refundable)		2,65,57,576	6,76,06,200
Other payables		23,20,06,879	9,09,63,355
	Total	**50,93,15,848**	**32,23,38,369**

Foot Note :

Retention Money liability to the contractors which are not due for payment as at 31st March, 2018 have been shown under the head "Other Financial Liabilities" as per Ind AS-32. As per the management, the retention liability is in the nature of holding the amount as guarantee towards performance and does not relate to credit period given by the contractor. Further in the opinion of the management, there has not been any authoritative clarification / interpretation with regard to measurement of fair value in respect of above item hence retention liability has not been discounted as on 31st March, 2018.

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		As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
Note 15. Provisions			
Non-current			
Employee Benefits			
Provision for Gratuity		-	-
Provision for leave benefit		10,624	7,41,197
	Total	**10,624**	**7,41,197**
Current			
Employee Benefits			
Provision for Gratuity		-	-
Provision for leave benefit		7,122	1,48,897
	Total	**7,122**	**1,48,897**

Note 16. Trade payables

Micro, Small and Medium Enterprises (Refer Foot Note)		-	-
Trade Payables		18,74,11,946	15,92,62,790
	Total	**18,74,11,946**	**15,92,62,790**

Foot Note :

As per information available with the Company regarding dues to Micro, Small and Medium Enterprises as defined under the Micro Small Medium Enterprises Development, Act 2006 (MSMED Act), none of the suppliers of the Company are registered under MSMED Act, and the same has been relied upon by the auditors.

Note 17. Other current liabilities

Current			
Advance from customers		54,65,77,395	53,12,53,388
Overdrawn bank balances as per books of accounts		1,18,48,912	-
Other payables :			
- Statutory dues		4,86,69,316	5,28,02,861
	Total	**60,70,95,622**	**58,40,56,250**

Note 18. Current Tax Liabilities (Net)

Provision for Tax		11,60,000	-
	Total	**11,60,000**	-

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	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
Note 19. Revenue from operations		
Sale from operations :		
Revenue from sale of Trading Materials	3,02,22,608	22,81,282
	3,02,22,608	**22,81,282**
Other operating revenue :		
Excess/Short provision for expenses	11,56,847	7,41,802
Creditor Balances Written Back	20,089	-
	11,76,936	**7,41,802**
Total	**3,13,99,544**	**30,23,084**
Note 20. Other income		
a) Interest Income:		
- Loans	46,64,713	79,33,256
- Bank fixed deposits	67,20,514	38,73,918
- Others	23,04,627	3,55,650
	1,36,89,853	**1,21,62,824**
b) Other gains and losses		
Miscellaneous income	4,236	44,150
	4,236	**44,150**
Total	**1,36,94,089**	**1,22,06,974**

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EXPENSES

		Year ended 31st March, 2018 ₹	Year ended 31st March, 2017 ₹
Note 21. Costs Of Construction / Development			
Construction costs incurred during the year:			
Land / rights acquired		5,01,14,020	33,80,000
Material and labour costs		8,77,56,785	8,49,43,356
Approval and consultation expenses		4,76,58,285	4,01,30,534
Other direct development expenses		1,02,95,865	1,22,06,201
	Total	**19,58,24,955**	**14,06,60,090**
Note 22. Changes in Inventories of incomplete projects			
Opening Inventory of Incomplete projects		1,65,83,01,873	1,47,61,22,549
Closing Inventory of Incomplete projects		1,91,53,11,976	1,66,04,42,182
	Total	**(25,70,10,103)**	**(18,43,19,633)**
Note 23. Employee Benefits Expense			
Salaries, bonus, etc.		3,78,52,830	1,19,31,505
Contribution to provident and other funds		12,18,761	7,94,403
Staff welfare expenses		80,782	1,94,186
Other fund expenses		83,597	14,561
	Total	**3,92,35,970**	**1,29,34,655**
Note 24. Finance Costs			
Interest on Debentures		-	1,96,68,189
Other interest expense		1,04,48,695	55,49,988
Delayed/penal interest on loans and statutory dues		1,15,25,209	61,66,739
		2,19,73,904	**3,13,84,916**
Other borrowing costs		93,57,365	8,11,852
	Total	**3,13,31,269**	**3,21,96,768**
Note 25. Depreciation and Amortisation Expenses			
Depreciation of property, plant and equipment		13,49,244	10,31,902
	Total	**13,49,244**	**10,31,902**
Note 26. Other Expenses			
Insurance		4,01,732	6,68,433
Rent		10,31,250	35,06,906
Rates and taxes		2,269	-
Advertisement expenses		-	4,97,79,040
Donations		25,000	-
Brokerage		-	8,85,683
Repairs and society maintenance charges		1,56,685	36,847
Legal and professional fees		41,25,673	41,93,542
Other expenses (Refer Foot Note)		1,09,37,739	71,39,184
	Total	**1,66,80,348**	**6,62,09,635**
Foot Note :			
Audit Fees		1,00,000	83,431
Out of Pocket Expenses		-	2,742
Tax on above		-	12,515
	Total	**1,00,000**	**98,688**

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	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
Note 27. Earnings per share (EPS)		
Basic Earnings Per Share		
Class - A	(0.76)	(3.05)
Class - B	(6.85)	(27.41)
Class - C	(0.26)	(1.05)
Ordinary	(1,380.39)	(5,525.72)
Diluted Earnings Per Share		
Class - A	(0.76)	(3.05)
Class - B	(1.22)	(2.47)
Class - C	(0.26)	(1.05)
Ordinary	(1,380.39)	(5,525.72)

Basic EPS

The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows

Profit for the year attributable to the owners of the Company		
Earnings used in the calculation of basic earnings per share	**(1,38,03,903)**	**(5,52,57,228)**
Weighted average number of equity shares for the purposes of basic earnings per share		
Class - A	1,81,34,450	1,81,34,450
Class - B	20,16,050	20,16,050
Class - C	5,25,58,955	5,25,58,955
Ordinary	10,000	10,000
Total	**7,27,19,455**	**7,27,19,455**

Diluted EPS

The earnings and weighted average number of equity shares used in the calculation of diluted earnings per

Profit for the year attributable to the owners of the Company		
Earnings used in the calculation of diluted earnings per share	**(1,38,03,903)**	**(5,52,57,228)**
Weighted average number of equity shares for the purposes of basic earnings per share		
Class - A	1,81,34,450	1,81,34,450
Class - B	7,40,16,050	7,40,16,050
Class - C	5,25,58,955	5,25,58,955
Ordinary	10,000	10,000
Total	**14,47,19,455**	**14,47,19,455**

For the purpose of diluted EPS convertible instruments 17.75% Debentures are deemed to be converted on the first day of the previous year. The conversion ratio has been arrived at on face value basis.

SANKET R SHAH & ASSOCIATES
M. No. 132359
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Joynest Premises Limited

	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
Note 28. Disclosure of derivatives.		
a) No Derivatives installments were outstanding at end of the year		
b) Uncovered risk in foreign Currency transactions are as under		
Interest paid on Debenture (Refer Footnote)	-	1,96,68,189
	-	**1,96,68,189**

Foot Note :

USD [C.Y. 1 USD = 65.0441 (P.Y. 1 USD = 64.8386)]	-	3,03,341

Note 29. Related Parties Disclosures

A. Names of related parties and description of relationship

Parent/ Holding Company
Hubtown Limited

Other Fellow Subsidiaries (with Whom transactions have taken place)
Citygold Education Research Limited
Citygold Farming Private Limited
Heddle Knowledge Private Limited

Others - Joint Ventures Of Holding Company (with Whom transactions have taken place)
Rising Glory Developers

Note: Related party relationships are as identified by the Company and relied upon by the Auditor.
Previous year

B. Related party transactions and balance as at year end:

Sr. No.	Nature of transaction	Holding Company	Fellow Subsidiary companies
a.	**Transactions with Related parties**		
i.	**Loans and Advances received \ recovered \ adjusted**		
	Hubtown Limited	35,76,20,278	-
		(2,17,38,58,253)	-
	Citygold Education Research Limited	-	-
		-	(7,33,15,545)
	Heddle Knowledge Private Limited	-	-
		-	(5,65,00,000)
	Citygold Farming Private Limited	-	15,22,00,000
		-	-
	Rising Glory Developers	-	5,00,00,000
		-	-
ii	**Loans and Advances given/ repaid/adjusted**		
	Hubtown Limited	38,42,75,239	-
		(1,23,53,66,229)	-
	Heddle Knowledge Private Limited	-	55,00,000
		-	(11,30,00,000)
	Citygold Farming Private Limited	-	-
		-	(15,00,00,000)
	Citygold Education Research Limited	-	-
		-	(34,33,15,545)
	Rising Glory Developers	-	5,00,00,000
		-	-
iii	**Reimbursement of Expenses (Ho Allocation)**		
	Hubtown Limited	99,31,603	
		(1,12,70,283)	

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M. No. 152369
Chartered Accountants

Joynest Premises Private Limited

C. **Balance outstanding**

Sr. No.	Nature of Balance outstanding	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
i	**Balance outstanding Receivables :**		
	Citygold Farming Private Limited	-	-
	Citygold Education Research Limited	-	-
	Heddle Knowledge Private Limited	-	-
	Hubtown Limited	20,24,20,504	17,61,72,707
ii	**Balance outstanding payables :**		
	Hubtown Limited	-	-
	M/s Rising Glory Developers	-	-
	Citygold Farming Private Limited	22,00,000	-
	Citygold Education Research Limited	-	27,00,00,000
	Heddle Knowledge Private Limited	-	55,00,000

Note 30. Contingent Liability

In the opinion of the management the company does not have any Contingent liabilities, which have not been provided for.

Note 31.
The Company has created charge on its immovable property or any interest therein against borrowings on behalf of the related parties and third parties.

Note 32.
In the opinion of the Board of Directors of the Company, all the items of current assets, current labilities & loans and advances continue to have a realisable value of at least the amount at which they are stated in the balance sheet.

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M. No. 15[illegible]69
Chartered Accountants

Joynest Premises Private Limited

Note 33. Capital Management

The primary objective of company's capital management is to ensure that it maintains strong capital ratios in order to support its business and maximise shareholders value. The company's board of directors reviews the capital structure on an annual basis.

The capital structure of the company consists of net debt (borrowings and offset by cash and bank balances) and total equity of the company. The borrowings consist of debentures issued, term loans from financial institutions and loans from companies.

Gearing Ratio

The gearing ratio at the reporting period was as follows

	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
Unsecured Loan	40,00,00,000	40,00,00,000
Secured Loan	15,05,134	19,76,306
Interest accrued and due/and but not due	1,32,970	7,32,07,856
Less: Cash and Bank Balance	(44,91,505)	(26,99,137)
Total Debt (A)	**39,71,46,599**	**47,24,85,025**
Equity Share Capital	1,04,70,94,550	1,04,70,94,550
Retained Earnings	(13,60,74,468)	(12,01,53,521)
Total Equity (B)	**91,10,20,082**	**92,69,41,029**
Debt Equity Ratio A/B	43.59%	50.97%

R. SHAH & ASSOCIATES
M. No. 152369
Chartered Accountants

Joynest Premises Private Limited

	Year ended 31st March, 2018 ₹	Year ended 31st March, 2017 ₹
Note 34. Post Retirement Benefit Plans		
The Principal assumptions used for the purpose of the actuarial valuations were as follows,		
Gratuity:		
Discount Rate	7.67%	7.44%
Expected rate of salary increase	5%	5%
Expected average remaining service	24.89	23.04
Service cost		
Current service cost	19,450	17,005
Past service cost and (gain)/loss from settlement	-	-
Net interest expense	(4,231)	42,504
Component of define benefit cost recognised in profit or loss	**15,219**	**59,509**
Actuarial (gains) / losses for the period	(23,264)	(6,46,154)
Component of defined benefit cost recognised in other comprehensive income	**(23,264)**	**(6,46,154)**
Total	(8,045)	(5,86,645)
Present value of funded defined benefit obligation	25,996	27,762
Fair value of plan assets	(90,901)	(84,622)
Funded status	**(1,16,897)**	**(1,12,384)**
Movement in PV of defined benefit obligation		
Opening define benefit obligation	27,762	6,11,884
Current service cost	19,450	17,005
Interest cost	2,065	48,951
Actuarial (gains) and losses arising from changes in financial assumption	(1,378)	2,973
Actuarial (gains) and losses arising from changes in experience adjustment	(21,903)	(6,53,051)
closing define benefit obligation	**25,996**	**27,762**
Movements in fair value of plan assets		
Opening fair value of plan assets	84,622	79,066
Interest income	6,296	6,447
Return on plan assets (excluding amounts included in net interest expense)	(17)	(3,924)
Contribution from employer	-	3,033
closing fair value of plan assets	**90,901**	**84,622**

Asset Information:	**Total Amount**	**Target Allocation %**
Gratuity Fund	-	-

Expected Payout:	**PVO Payout**
Expected Outgo First Year	457
Expected Outgo Second Year	1,054
Expected Outgo Third Year	1,676
Expected Outgo Fourth Year	2,325
Expected Outgo Fifth Year	3,001
Expected Outgo Sixth to Tenth Years	40,724

Sensitivity Analysis:

As of 31st March, 2018, every percentage point increase in discount rate will affect our gratuity benefit obligation ₹ 20,900/-

As of 31st March, 2018, every percentage point decrease in discount rate will affect our gratuity benefit obligation ₹ 32,671/-

As of 31st March, 2018, every percentage point increase in salary escalation rate will affect our gratuity benefit obligation ₹ 32,732/-

As of 31st March, 2018, every percentage point decrease in salary escalation rate will affect our gratuity benefit obligation ₹ 20,790/-

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation by one percentage, keeping all other actuarial assumptions constant.

Projected service cost as on 31st March, 2019 is ₹ 12,015/-

Narrations:

1 **Analysis of Defined Benefit Obligation**
There is no change in the number of members covered under the scheme. However, the total salary decreased by 31.68% during the accounting period. Simiarly, the resultant liability at the end of the period over the beginning of the period has decreased by 6.36%

2 **Expected rate of return basis:**
Since the scheme funds are invested with LIC of India EROA is based on rate of return declared by Fund Managers.

3 **Description of Plan Assets and Reimbursement Conditions:**
100% of the Plan Asset is entrusted to LIC of India under their Group Gratuity Scheme. The reimbursement is subject to Insurer's Surrender Policy.

Note 35. Financial Risk Management Objectives

Financial Risk Management Objectives

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Managing Board.

The Company manages market risk through a treasury department which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommend risk management objectives and policies which are approved by the senior management. The activities of this department include management of cash resourses, borrowing strategies and ensuring compliance with the market risk limits and policies.

Market Risk

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company's exposure to the risk of changes in market interest rates relates primarily to company's long term debt obligations with floating interest rates.

b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate on account of changes in foreign exchange rates. The company does not have any exposure to the risk of changes in foreign exchange rates from its operating activities or investments in foreign companies.

Credit Risk

The company is not exposed to credit risk from its operating activities. Credit risk from balances with banks and inter corporate loans is managed by the company's treasury department in accordance with the company's policy.

Liquidity risk

The companies cashflow requirement are met by funds received from its holding company.

Note 36. Previous year figures have been regrouped or reclassified whereever necessary.

As per our report of even date

For Sanket R Shah & Associates
Firm Registration No: 135703W
Chartered Accountants

SANKET R SHAH & ASSOCIATES
M. No
152369
Chartered Accountants

SANKET SHAH
Proprietor
Membership No.: 152369

Mumbai
Date: 21 June, 2018

Joynest Premises Private Limited

KAMAL MATALIA
Director
DIN : 00009695

KHILEN V SHAH
Director
DIN : 03134932

Mumbai
Date: 21 June, 2018

L. J. KOTHARI
B.COM, F.C.A.
9920424040

L. J. KOTHARI & CO.
CHARTERED ACCOUNTANTS
GANDHI MANSION, 3RD FLOOR, NEW SILK BAZAR, OPP KALBADEVI HEAD P. O.,
MUMBAI – 400 002 * Tel.: 2205 5916 * E-mail: ca_lalitkothari@yahoo.co.in

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF VAMA HOUSING LIMITED

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **VAMA HOUSING LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2018, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder. 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, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS 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 Ind AS 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

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MEMBERSHIP
No. 30917
CHARTERED ACCOUNTANTS

and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS 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 Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 including the Ind AS, of the financial position of the Company as at 31st March 2018, and its financial profit for the year (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

The audited standalone financial statements for the year ended 31st March 2017, was carried out and reported by Dalal Doshi & Associates, vide their unmodified audit report dated 25th May 2017, whose report has been furnished to us by the management and which has been `relied upon by us for the purpose of our audit of the financial statements. Our audit report is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

I. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms section 143(11) of the Act, we give in the **"Annexure A"** statement on the matters specified in paragraphs 3 and 4 of the Order;

II. 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;

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(c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rule issued there under,

(e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**"; and

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in 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 Ind AS financial statements, if any;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses and;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

FOR L.J. KOTHARI & CO
Firm Registration No. 105313W
Chartered Accountants

LALIT KOTHARI
Partner
Membership No.: 30917

L. J. KOTHARI & CO. CHARTERED ACCOUNTANTS MEMBERSHIP No. 30917

Place : Mumbai
Date : 20th June, 2018

ANNEXURE "A" REFERRED TO IN OUR REPORT TO THE MEMBERS OF VAMA HOUSING LIMITED ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018;

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that: -

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed;

(c) The title deeds of immovable properties, as disclosed in Note [4] on Non-Current Investments to the financial statements, are held in the name of the Company;

(ii) The Company does not have any Inventories during the year; Therefore, the provisions of clause 3(ii) of the said order are not applicable to the company;

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act;

(iv) The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3 (iv) of the said Order are not applicable to the Company;

(v) The Company has not accepted any deposits during the year from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified; Therefore, the provisions of Clause 3 (v) of the said Order are not applicable to the Company;

(vi) In our opinion, and according to the information and explanation given to us, the Company has not crossed the threshold limit as prescribed by the Central government under sub-section (1) of section 148 of the Act for maintenance of cost records and hence the provision for maintenance of records are not applicable to the Company;

L. J. KOTHARI & CO. MEMBERSHIP No. 30917 CHARTERED ACCOUNTANTS

(vii) (a) According to the records of the Company, it has been regular in depositing, wherever applicable, undisputed statutory dues including Investor Education and Protection Fund, Wealth Tax, Goods & Service Tax, Sales Tax, Custom Duty, Cess and other statutory dues with the appropriate authorities. There have been delays during certain months in depositing Income Tax Deducted at Source. The extent of arrears of statutory dues outstanding as at Balance Sheet date, for a period exceeding six months from the date they became payable are ₹ 97,500/-, relating to Wealth Tax.

(b) According to the information and explanation given to us and records of the Company examined by us, there are no dues of Income Tax, Wealth Tax, Service Tax, Sales tax including value added tax, duty of customs and duty of excise which have not been deposited on account of any dispute;

(viii) As the Company does not have any loans or borrowings from any financial institution or bank or Government as at the balance sheet date, Therefore, the provisions of Clause 3(viii) of the Order are not applicable to the Company;

(ix) The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Therefore, the provisions of Clause 3(ix) of the Order are 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 practice in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management;

(xi) The Company has not paid / provided managerial Remuneration hence, the provisions of Section 197 read with Schedule V to the Act are not applicable. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company.

(xii) As the Company is not a Nidhi Company, the provisions of clause 3 (xii) of the Order are not applicable to the Company;

(xiii) The Company has not entered into any related party transactions as covered by the section 188 of the Act. The details of related party transaction have been disclosed as per Ind AS 24 - Related Party Disclosers specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.-Refer Note 22. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act, and accordingly, to this extent, the provisions of Clause 3(xiii) of the Order are not applicable to the Company.

(xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debenture during the year under review. Therefore, the provisions of Clause 3(xiv) of the Order are not applicable to the Company;

L. J. KOTHARI & CO. CHARTERED ACCOUNTANTS MEMBERSHIP No. 30917

(xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company;

(xvi) The company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company;

FOR L.J. KOTHARI & CO
Firm Registration No. 105313W
Chartered Accountants

LALIT KOTHARI
Partner
Membership No.: 30917

L. J. KOTHARI & CO. MEMBERSHIP No. 30917 CHARTERED ACCOUNTANTS

Place : Mumbai
Date : 20th June, 2018

"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF VAMA HOUSING LIMITED

Report on the Internal Financial Controls 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 **VAMA HOUSING LIMITED** ("the Company") as of 31st March 2018 in conjunction with our audit of the Ind AS 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that 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 risks. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS 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;

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1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

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 31st March 2018, based on the internal control over financial reporting criteria established by the Company, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR L.J. KOTHARI & CO
Firm Registration No. 105313W
Chartered Accountants

L.J. KOTHARI & CO. ★ CHARTERED ACCOUNTANTS ★ MEMBERSHIP No. 30917

LALIT KOTHARI
Partner
Membership No.: 30917

Place : Mumbai
Date : 20th June, 2018

VAMA HOUSING LIMITED

BALANCE SHEET AS AT 31st MARCH, 2018

Particulars	Note No.	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
ASSETS			
Non-Current Assets			
(a) Property, plant and equipment	3	-	-
(b) Investment property	4	1,24,49,875	1,27,10,706
Total Non-Current assets		**1,24,49,875**	**1,27,10,706**
Current assets			
(a) Financial assets			
Trade Receivables	5	53,46,000	-
Cash and cash equivalents	6	88,368	20,345
(b) Other Current Assets	7	1,305	-
(c) Current Tax Assets (Net)	8	10,83,169	10,83,169
Total Current Assets		**65,18,842**	**11,03,514**
Total assets		**1,89,68,717**	**1,38,14,220**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	9	5,00,000	5,00,000
(b) Other equity	10	(2,75,51,705)	(3,06,77,906)
Total Equity		**(2,70,51,705)**	**(3,01,77,906)**
Liabilities			
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	11	4,41,05,000	4,36,70,000
(ii) Trade payables	12	74,766	1,87,221
(iii) Other financial liabilities	13	1,95,593	17,250
(b) Other current liabilities	14	9,54,563	20,155
(c) Current Tax Liabilities (Net)	15	5,93,000	-
(d) Provisions	16	97,500	97,500
Total Current Liabilities		**4,60,20,422**	**4,39,92,126**
Total Equity and Liabilities		**1,89,68,717**	**1,38,14,220**

The accompanying notes are an integral part of Financial Statements.

As per our report of even date

For L. J. KOTHARI & CO.

CHARTERED ACCOUNTANT

FIRM REGISTRATION NO. 105313W

For and on behalf of the Board of Directors

RAJEEVAN PARAMBAN
DIRECTOR
DIN: 07115916

L. J. KOTHARI & CO. CHARTERED ACCOUNTANTS MEMBERSHIP No. 30917

VAMA HOUSING LIMITED

LALIT KOTHARI
PROPRIETOR
MEMBERSHIP NO. 30917

KUSHAL SHAH
DIRECTOR
DIN: 06843982

Mumbai
Date: 20th June 2018

VAMA HOUSING LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2018

	Particulars	Note No.	Year ended 31st March, 2018 ₹	Year ended 31st March, 2017 ₹
I	**INCOME**			
	Revenue from Operations	17	49,50,000	-
	Total Income		**49,50,000**	-
II	**EXPENSES**			
	Finance Costs	18	56,409	12,232
	Depreciation and Amortisation Expenses	19	2,60,831	2,60,831
	Other Expenses	20	4,18,559	3,35,673
	Total Expenses		**7,35,799**	**6,08,736**
	Profit/(Loss) before Tax		**42,14,202**	**(6,08,736)**
	Tax Expense			
	(1) Current Tax		(10,88,000)	-
	(2) Excess / (Short) provision for taxation in respect of earlier years		-	-
			(10,88,000)	-
	Profit/(Loss) for the Year		**31,26,202**	**(6,08,736)**
	Other Comprehensive Income		-	-
	Total Comprehensive Income/(Loss)		**31,26,202**	**(6,08,736)**
	Earning per equity share of nominal value of ₹ 10/- each	21		
	Basic and Diluted		62.52	(12.17)

The accompanying notes are an integral part of Financial Statements.

As per our report of even date
For L. J. KOTHARI & CO.
CHARTERED ACCOUNTANT
FIRM REGISTRATION NO. 105313W

L. J. KOTHARI & CO. CHARTERED ACCOUNTANTS MEMBERSHIP No. 30917

LALIT KOTHARI
PROPRIETOR
MEMBERSHIP NO. 30917

Mumbai
Date: 20th June 2018

For and on behalf of the Board of Directors

RAJEEVAN PARAMBAN
DIRECTOR
DIN: 07115916

VAMA HOUSING LIMITED

KUSHAL SHAH
DIRECTOR
DIN: 06843982

VAMA HOUSING LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2018

Particulars	31st March, 2018		31st March, 2017	
	Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)
I. Cash flows arising from operating activities				
Net Profit/(Loss) Before tax as per Statement of Profit and Loss		42,14,202		(6,08,736)
Add / (Less) :				
Depreciation and Amortisation	2,60,831		2,60,831	
Finance Costs	56,409		12,232	
Interest Income	-		-	
		3,17,240		2,73,063
		45,31,442		(3,35,673)
Operating Profit / (Loss) Before Working Capital Changes				
Add / (Less) :				
Increase / (Decrease) in Other Liabilities	10,00,296		1,36,456	
Increase / (Decrease) Trade Receivables	(53,46,000)			
Increase / (Decrease) in Other Assets	(4,96,305)			-
Direct Taxes paid	-	(48,42,010)	-	1,36,456
Net Cash flow in the course of Operating Activities		(3,10,568)		(1,99,217)
II. Cash flows arising from Investing activities				
Net Cash flow in the course of Investing Activities		-		-
III. Cash flows arising from Financing activities				
Inflow / (Outflow) on account of :				
Finance Costs	(56,409)		(12,232)	
Interest Income	-		-	
Increase / (Decrease) in Unsecured Loans	4,35,000		(1,00,000)	
Net Cash flow in the course of Financing Activities		3,78,591		(1,12,232)
Net Increase in cash and cash Equivalents (I + II + III)		68,023		(3,11,449)
Add: Balance at the beginning of the year		20,345		3,31,794
Cash and Cash Equivalents at the end of the year		**88,368**		**20,345**
Reconciliation of Cash and Cash Equivalents (Refer Note 6)				
Cash on Hand		330		330
Bank Balances in Current Accounts		88,038		20,015
Cash and Cash Equivalents at the end of the year		**88,368**		**20,345**

As per attached report of even date
For L. J. KOTHARI & CO.
CHARTERED ACCOUNTANT
FIRM REGISTRATION NO. 105313W

L. J. KOTHARI & CO. CHARTERED ACCOUNTANTS MEMBERSHIP No. 30917

LALIT KOTHARI
PROPRIETOR
MEMBERSHIP NO. 30917

Place: Mumbai
Date: 20th June 2018

For and on behalf of the Board of Directors

VAMA HOUSING LIMITED

RAJEEVAN PARAMBAN
DIRECTOR
DIN: 07115916

KUSHAL SHAH
DIRECTOR
DIN: 06843982

VAMA HOUSING LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2018

	Note	Amount (₹)
	9	
A. EQUITY SHARE CAPITAL		
As at 1st April, 2016		5,00,000.00
Changes in equity share capital		-
As at 31st March, 2017		**5,00,000.00**
Changes in equity share capital		-
As at 31st March, 2018		**5,00,000.00**

B. OTHER EQUITY

Particulars	Reserves & Surplus	Total
	Retained Earnings	
Balance at 1st April, 2016	**(3,00,69,170)**	**(3,00,69,170)**
Other comprehensive income for the year	-	-
Total comprehensive income for the year	(6,08,736)	**(6,08,736)**
Balance at 31st March, 2017	**(3,06,77,906)**	**(3,06,77,906)**
Other comprehensive income for the year	-	-
Total comprehensive income for the year	31,26,202	**31,26,202**
Balance at 31st March, 2018	**(2,75,51,705)**	**(2,75,51,705)**

The accompanying notes are an integral part of the financial statements

As per attached report of even date
For L. J. KOTHARI & CO.
CHARTERED ACCOUNTANT
FIRM REGISTRATION NO. 105313W

L. J. KOTHARI & CO. CHARTERED ACCOUNTANTS MEMBERSHIP No. 30917

LALIT KOTHARI
PROPRIETOR
MEMBERSHIP NO. 30917

Place: Mumbai
Date: 20th June 2018

For and on behalf of the Board of Directors

RAJEEVAN PARAMBAN
DIRECTOR
DIN: 07115916

VAMA HOUSING LIMITED

KUSHAL SHAH
DIRECTOR
DIN: 06843982

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

Note 1. Statement of Significant Accounting Policies.

1.1 Company Overview

Vama Housing Limited is unlisted Public Limited Company domiciled in India, incorporated under the Companies Act, 1956. The Company is engaged into real estate business specializing in construction and development of Infotech Parks, Cyber Parks, Business Parks, SEZ as well as sale and lease of commercial, industrial and residential properties and other similar works.

1.2 The financial statements are approved for issue by the Company's Board of Directors on 20th June, 2018.

Note 2. Significant Accounting Policies followed by the Company

I. Basis of preparation of financial Statements

(i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The accounting policies are applied consistently to all the periods presented in the financial statements.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

1) certain financial assets and liabilities that are measured at fair value;
2) assets held for sale - measured at lower of carrying amount or fair value less cost to sell;
3) defined benefit plans - plan assets measured at fair value;

(iii) Current non-current classification

All the assets and liabilities have been classified as current or non-current, wherever applicable, as per the operating cycle of the Company as per the guidance set out in Schedule III to the Act. Operating cycle for the business activities of the Company covers the duration of the project/ contract including the defect liability period, wherever applicable, and extends upto the realisation of receivables (including retention monies, if any) within the credit period normally applicable to the respective project.

II. Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions that affect the reported balances of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) Judgements

Classification of property

The company determines whether a property is classified as investment property or inventory property. Investment property comprises land and buildings that are not occupied substantially for use by, or in the operations of, the company, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation. These buildings are substantially rented to tenants and not intended to be sold in the ordinary course of business. Inventory comprises property that is held for sale in the ordinary course of business. Principally, these are properties that the company develops and intends to sell before or on completion of construction.

b) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

III. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will accrue to the Company and the revenue can be reliably measured and also when it is reasonably certain that the ultimate collection will be made and that there is buyers' commitment to make the complete payment.

A. **Revenue from Construction Activity:**
Revenue from sale of 'finished properties / buildings / rights' is recognised on transfer of all significant risks and rewards of ownership of such properties / buildings / rights, as per the terms of the contracts entered into with buyer/(s), which generally coincides with the firming of the sale contracts/ agreements, except for contracts where the Company still has obligations to perform substantial acts even after the transfer of all significant risks and rewards.

B. **Interest income:**
Interest income including income arising on other instruments recognised on time proportion basis using the effective interest rate method.

C. **Others:**
Other revenues / incomes and costs / expenditure are accounted on accrual, as they are earned or incurred.

IV. Property plant and equipment, investment property and depreciation / ammortisation

A. Tangible fixed assets are stated at cost of acquisition or construction including attributable interest and finance cost, if any till the date of acquisition/installation of the assets, less accumulated depreciation/amortisation and accumulated impairment losses, if any.

B. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Depreciation on additions to assets or on sale/disposal of assets is calculated pro-rata from the month of such addition, or upto the month of such sale/disposal, as the case may be.

Asset Category	Estimated useful life (in Years)
Office Equipments	5

L. J. KOTHARI & CO. CHARTERED ACCOUNTANTS MEMBERSHIP No. 10917

VAMA HOUSING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

. Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured at its cost, including related transaction costs and where applicable borrowing costs less depreciation and impairment if any. Depreciation on building is provided over it's useful life using the written down value method.

Useful life considered for calculation of depreciation for assets class are as follows-

Asset Category	**Estimated useful life (in Years)**
Residential Flat	60

V. Taxation

i. Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the financial statement of profit and loss becauseof items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using rates that have been enacted or substantively enacted by the end of the reporting period.

In case the Company is liable to pay income tax u/s 115JB of Income Tax Act, 1961 (i.e. MAT), the amount of tax paid in excess of normal income tax is recognized as an asset (MAT Credit entitlement) only if there is convincing evidence for realization of such asset during the specified period. MAT credit entitlement is reviewed at each Balance Sheet date.

ii. Deferred Tax

Deferred tax is recognized on temporary diferences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax asset is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

iii. Current and deferred tax for the year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

VI. Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after reporting period. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

VII. Trade receivable

A receivable is classified as a 'trade receivable' if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the EIR method, less provision for impairment.

VIII. Borrowings and Borrowing costs

Borrowing are initally recognised at Net off transation cost incurred and measured at amortised cost. Any difference between the proceeds (net of transation costs) and the redemption amount is recognised in statetment of profit and loss over ther period of the borrowings using the effective interest method.

Interests and other borrowing costs included under finance costs calculated as per effective interest rate attributable to qualifying assets, which takes substantial period of time to get ready for its intended use are allocated as part of the cost of construction / development of such assets. Such allocation is suspended during extended periods in which active development is interrupted and, no costs are allocated once all such activities are substantially complete. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are charged to the Profit and Loss Account.

IX. Earnings per Share

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

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

X. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

L. J. KOTHARI & CO. MEMBERSHIP No. 30917 CHARTERED ACCOUNTANTS

VAMA HOUSING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31[st] MARCH, 2018

XI. Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

XII. Provisions, contingent liabilities and contingent assets

A provision is recognized when an enterprise has a present obligation (legal or constructive) as result of past event and it is probable that an outflow of embodying economic benefits of resources will be required to settle a reliably assessable obligation. Provisions are determined based on best estimate required to settle each obligation at each balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A contingent liability also arises, in rare cases, where a liability cannot be recognised because it cannot be measured reliably.

Contingent assets are neither recognised nor disclosed in the financial statements.

XIII. Recent accounting pronouncements

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On March 28, 2018, Ministry of Corporate Affairs (""MCA"") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

The amendment will come into force from 1 April 2018. The Company exposure towards foreign currency transation is minimal, hence the impact on the financial statements and effect on adoption of Ind AS 21 is expected to be insignificant.

Ind AS 115

In March 2018, the Ministry of Corporate Affairs has notified the Companies (Indian Accounting Standards) Amended Rules, 2018 ("amended rules"). As per the amended rules, Ind AS 115 "Revenue from contracts with customers" supersedes Ind AS 11, "Construction contracts" and Ind AS 18, "Revenue" and is applicable for all accounting periods commencing on or after 1 April 2018.

Ind AS 115 introduces a new framework of five step model for the analysis of revenue transactions. The model specifies that revenue should be recognised when (or as) an entity transfer control of goods or services to a customer at the amount to which the entity expects to be entitled. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The new revenue standard is applicable to the Company from 1 April 2018.

The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach)

The Company is evaluating the requirement of the amendment and the impact on the financial statements. The effect on adoption of IND AS 115 is expected to be insignificant

L. J. KOTHARI & CO. CHARTERED ACCOUNTANTS MEMBERSHIP No. 30917

VAMA HOUSING LIMITED

VAMA HOUSING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

3. Property, plant and equipment	Office Equipment
Cost or deemed cost	
Balance at 1st April, 2016	1,42,113
Additions	-
Disposals	-
Balance at 31st March, 2017	1,42,113
Accumulated depreciation	
Balance at 1st April, 2016	1,42,113
Eliminated on disposal of assets	
Depreciation expense	-
Balance at 31st March, 2017	1,42,113
Carrying amount as at 31st March, 2017	-
Cost or deemed cost	
Balance at 1st April, 2017	1,42,113
Additions	-
Disposals	-
Balance at 31st March, 2018	1,42,113
Accumulated depreciation	
Balance at 1st April, 2017	1,42,113
Eliminated on disposal of assets	
Depreciation expense	-
Balance at 31st March, 2018	1,42,113
Carrying amount as at 31st March, 2018	-

L. J. KOTHARI & CO. ★ CHARTERED ACCOUNTANTS ★ MEMBERSHIP No. 30917

VAMA HOUSING LIMITED

VAMA HOUSING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
4. Investment property		
Cost or deemed cost		
Balance at the beginning of the year	1,95,57,675	1,95,57,675
Additions	-	-
Balance at the end of the year	**1,95,57,675**	**1,95,57,675**
Accumulated depreciation and impairment		
Balance at the beginning of the year	68,46,969	65,86,138
Depreciation expense	2,60,831	2,60,831
Balance at the end of the year	**71,07,800**	**68,46,969**
Carrying amount	**1,24,49,875**	**1,27,10,706**

Note: Details of Income and Expense relating to Investment Property

Particulars	Year Ended 31st March, 2018 ₹	Year Ended 31st March, 2017 ₹
Rental income derived from investment properties	-	-
Direct operating expenses (including repairs and maintenance) generating rental income	2,33,165	2,82,284
Loss from Investment Properties before Depreciation	**2,33,165**	**2,82,284**
Depreciation	2,60,831	2,60,831
Loss from Investment Properties	**4,93,996**	**5,43,115**

	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
5. Trade Receivables		
Current		
Unsecured, Considered good	53,46,000	-
Less: Allowance for doubtful debts	-	
Total	**53,46,000**	-
6. Cash and cash equivalents		
Balances with banks:		
- in current accounts	88,038	20,015
Cash on hand	330	330
Total	**88,368**	**20,345**
7. Other Current Assets		
Prepaid Expense - Current	1,305	-
Total	**1,305**	-
8. Current Tax Assets (Net)		
Advance Tax paid	10,83,169	10,83,169
Less:- Provision for Tax	-	-
Total	**10,83,169**	**10,83,169**

L. J. KOTHARI & CO. MEMBERSHIP No. 30917 CHARTERED ACCOUNTANTS

VAMA HOUSING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
9. Equity share capital		
Authorised Share Capital:		
50,000 (P.Y. 31st March, 2017: 50,000) Equity Shares of ₹ 10/- each	5,00,000	5,00,000
Issued and subscribed capital comprises:		
50,000 (P.Y. 31st March, 2017: 50,000) Equity Shares of ₹ 10/- each fully paid up	5,00,000	5,00,000
Total	**5,00,000**	**5,00,000**

Footnotes:

(i) Reconciliation of the number of Equity shares outstanding at the beginning and at the end of the year.	Number of shares	Share Capital ₹
Balance at 1st April, 2016	50,000	50,000
Add : Issued during the year	-	-
Less : Bought back during the year	-	-
Balance at 31st March, 2017	**50,000**	**50,000**
Balance at 1st April, 2017	50,000	50,000
Add : Issued during the year	-	-
Less : Bought back during the year	-	-
Balance at 31st March, 2018	**50,000**	**50,000**

(ii) Equity Shares held by its holding company or its ultimate holding company.	As at 31st March, 2018 (No.)	As at 31st March, 2017 (No.)
Hubtown Limited with its benefeciary owners	50,000	50,000
Total	**50,000**	**50,000**

(iii) Details of shares held by each shareholders holding more than 5% shares

	31st March, 2018		As at 31st March, 2017	
	No. of shares	% holding	No. of shares	% holding
Fully paid equity shares				
Hubtown Limited with Benificiary Owners	50,000	100%	50,000	100%

(iv) Terms / rights attached to Equity Shares :

The company has a single class of equity shares having a face value of ₹ 10/- per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
10. Other Equity		
Retained Earnings		
Balance at the beginning of the year	(3,06,77,906)	(3,00,69,170)
Profit/(Loss) attributable to the owners of the company	31,26,202	(6,08,736)
Balance at the end of the year	**(2,75,51,705)**	**(3,06,77,906)**

L. J. KOTHARI & CO. CHARTERED ACCOUNTANTS MEMBERSHIP No. 30917

VAMA HOUSING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

		As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
11. Borrowings			
Current			
Loans repayable on demand (Unsecured):			
- From Related Party(Refer Footnote)		4,41,05,000	4,36,70,000
		4,41,05,000	**4,36,70,000**

Footnote:
The Company has received interest free Loan from it's Parent Company, considering the nature of business in which the Company operate, the amounts so received are considered to be repayable on call / demand as the repayment period of such amounts so received is not measureable precisely.

		As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
12. Trade payables			
Trade Payables(Refer Footnote)		74,766	1,87,221
	TOTAL	**74,766**	**1,87,221**

Footnote: As per information available with the Company regarding dues to Micro, Small and Medium Enterprises as defined under the Micro Small Medium Enterprises Development, Act 2006 (MSMED Act), none of the suppliers of the Company are registered under MSMED Act, and the same has been relied upon by the auditors.

13. Other financial liabilities			
Current			
Other payables		1,95,593	17,250
	TOTAL	**1,95,593**	**17,250**
14. Other liabilities			
Current			
Other payables :			
- Statutory dues		9,52,108	17,700
- Others		2,455	2,455
	TOTAL	**9,54,563**	**20,155**
15. Current Tax Liabilities (Net)			
Provision for Tax		10,88,000	-
Less : Advance Tax paid		(4,95,000)	-
	TOTAL	**5,93,000**	-
16. Provisions			
Current			
Provision for Wealth Tax		97,500	97,500
	TOTAL	**97,500**	**97,500**

L. J. KOTHARI & CO. CHARTERED ACCOUNTANTS MEMBERSHIP No. 30917

VAMA HOUSING LIMITED

VAMA HOUSING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
17. Revenue from Operations		
Management and Professional Fees Received	49,50,000	-
Total	**49,50,000**	**-**
18. Finance Costs		
Delayed/penal interest on loans and statutory dues	56,409	12,232
Total	**56,409**	**12,232**
19. Depreciation and Amortisation Expenses		
Depreciation of investment property	2,60,831	2,60,831
Total	**2,60,831**	**2,60,831**
20. Other Expenses		
Repairs and society maintenance charges	2,33,165	2,82,284
Legal and professional fees	1,63,163	24,343
Other expenses	22,231	29,047
Total	**4,18,559**	**3,35,674**
Footnote:		
Auditors Remuneration (included in other expenses) :		
Audit Fees	10,000	15,000
GST / Service Tax on above	-	2,700
Total	**10,000**	**17,700**

L. J. KOTHARI & CO. CHARTERED ACCOUNTANTS MEMBERSHIP No. 30917

VAMA HOUSING LIMITED

VAMA HOUSING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

21. EARNINGS PER SHARE (EPS)

	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
Basic and Diluted Earning Per Share	62.52	(12.17)

(i) Basic and Diluted EPS

The earnings and weighted average number of equity shares used in the calculation of Basic and Diluted earnings per share are as follows:

	Year Ended 31st March, 2018 ₹	Year Ended 31st March, 2017 ₹
Profit/(Loss) for the year attributable to the owners of the Company	31,26,202	(6,08,736)
Earnings used in the calculation of basic earnings per share	31,26,202	(6,08,736)

	As at 31st March, 2018	As at 31st March, 2017
(ii) Weighted average number of equity shares for the purposes of basic earnings per share	50,000	50,000

L. J. KOTHARI & CO. ★ MEMBERSHIP No. 30917 CHARTERED ACCOUNTANTS

VAMA HOUSING LIMITED

VAMA HOUSING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

22. RELATED PARTY TRANSACTIONS

A. **List Of Related Parties:**

HOLDING COMPANY
Hubtown Limited

B. **Transactions with Related Parties:**

Sr. No.	Particulars	HOLDING COMPANY
1	**Loans and advances received /recovered:** Hubtown limited	10,70,000 (3,00,000)
2	**Loans and advances Repaid/Given:** Hubtown limited	6,35,000 (2,00,000)

Footnote:
Figures in bracket pertains to previous year.

Balance outstanding payables / receivables:

	Nature of Transactions	Amount	
		31st March, 2018	31st March, 2017
1	**HOLDING COMPANY** **Payables** Hubtown limited	4,41,05,000	4,36,70,000

Footnotes:
Related parties are identified by the Company and relied upon by the auditors.

23. Contingent Liabilities

The Company does not have any contingent liability as at balance sheet date, as certified by management and relied upon by the auditors.

24 In the opinion of the Board of Directors of the Company, all items of Current Assets, Current Liabilities and Loans and Advances continues to have a realisable value of atleast the amounts at which they are stated in the balancesheet.

25. FINANCIAL RISK MANAGEMENT OBJECTIVES

The company is exposed to market risk, credit risk and liquidity risk. The company's management oversees the management of these risks. The company's board of directors review and agrees policies for managing each of these risks summarized below:

1) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument which fluctuate because of changes in market prices.

Interest rate risk

Company has received intrest free loan and it receives interest free funds for its operating cash flow from its holding company as and when required (Refer note 11), hence the Company is not exposed to interest risk.

2) Credit Risk

The company is not exposed to credit risk from its operating activities. Credit risk from balances with banks and inter corporate loans is managed by the company's treasury department in accordance with the company's policy.

3) Liquidity risk

The companies cashflow requirement are met by funds received from its holding company.

26. Capital Management

The primary objective of company's capital management is to ensure that it maintains strong capital ratios in order to support its business and maximise shareholders value. The company's board of directors reviews the capital structure on an annual basis.

L. J. KOTHARI & CO. MEMBERSHIP No. 30917 CHARTERED ACCOUNTANTS

VAMA HOUSING LIMITED

VAMA HOUSING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

Note 27 :FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

	31st March, 2018			31st March, 2017		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
Financial Assets						
Cash and cash equivalent	-	-	88,368	-	-	20,345
Trade Receivables	-	-	53,46,000	-	-	-
Total of Financial Assets	-	-	**54,34,368**	-	-	**20,345**
Financial Liabilities						
Borrowings	-	-	4,41,05,000	-	-	4,36,70,000
Trade payables	-	-	74,766	-	-	1,87,221
Other Financial liabilities	-	-	1,95,593	-	-	17,250
Total of Financial Liabilities	-	-	**4,43,75,359**	-	-	**4,38,74,471**

Note 28 : Loans and advances, other receivables, debtors and creditors are subject to confirmation and are considered payable / realisable, as the case may be.

The accompanying notes are an integral part of Financial Statements.

As per our report of even date

For L. J. KOTHARI & CO.
CHARTERED ACCOUNTANT
FIRM REGISTRATION NO. 105313W

L. J. KOTHARI & CO. MEMBERSHIP No. 30917 CHARTERED ACCOUNTANTS

LALIT KOTHARI
PROPRIETOR
MEMBERSHIP NO. 30917

Mumbai
Date: 20th June 2018

For and on behalf of the Board of Directors

VAMA HOUSING LIMITED

RAJEEVAN PARAMBAN
DIRECTOR
DIN: 07115916

KUSHAL SHAH
DIRECTOR
DIN: 06843982

CA MUKESH K.GOHEL
B.com., F.C.A., DISA (ICAI)

M. K. Gohel & Associates
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

TO,

THE MEMBERS OF,
UPVAN LAKE RESORTS PRIVATE LIMITED

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial Statements of **UPVAN LAKE RESORTS PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, and the Statement of Profit and Loss (Including Other Comprehensive Income), the Cash Flow Statement and the statement of changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS financial statements").

Management's Responsibility for the Ind AS 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 Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind As 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 Ind AS 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 there under.

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 Ind AS financial statements are free from material misstatement.

M. K. GOHEL & ASSOCIATES MKG MUMBAI

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS 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 Ind AS financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 including the Ind AS, of the state of affairs of the Company as at 31st March, 2018, and its profits (financial performance including other comprehensive Income), its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

I. As required by 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the **Annexure A** statement on the matters specified in paragraphs 3 and 4 of the Order.

II. As required by Section143 (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, the Cash Flow Statement and statement of changes in Equity dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid Ind AS financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**.

M. K. GOHEL & ASSOCIATES
MKG
MUMBAI
M. No.
038823
Chartered Accountants

(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 does not have any material pending litigations which would impact its financial position.

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

  iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

FOR M. K. GOHEL & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: 103256W

MKGohel
MUKESH K. GOHEL
PROPRIETOR
M. No. : 038823

Place : Mumbai
Date : 21/06/2018

"ANNEXURE-A" REFERRED TO IN PARAGRAPH I OF OUR REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS OUR AUDITORS' REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018 OF UPVAN LAKE RESORTS PRIVATE LIMITED

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that: -

(i) a) The company has maintained proper records showing full particulars of its quantitative details and situation of fixed assets;

b) The company has physically verified its fixed assets at reasonable interval;

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no material discrepancies were noticed on verification of such assets.

(ii) As explained to us, the company does not have any inventory during the year. Accordingly the provisions of this clause are not applicable to the company.

(iii) In our opinion, and according to the information and explanations given to us, the Company has not granted any secured or unsecured loans to Companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013;

(iv) As per the information received there are no loan, investment, guarantees and security to director by the company.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted deposits as per the directives issued by the Reserve Bank of India under the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

(vi) In our opinion, and according to the information and explanation given to us, the Company has not crossed the threshold limit as prescribed by the Central government under sub-section (1) of section 148 of the Act for maintenance of cost records and hence such the provision for maintenance of records are not applicable to the company;

(vii) a) According to the records of the Company, there were interest on Tax Deducted at Source ₹ 2,337/- outstanding at the last day of the financial year for a period exceeding six months from the date they became payable;

b) On the basis of our examination of documents and records of the Company, and explanation provided to us, there are no disputed dues in respect of Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty or Cess.

(viii) The company has not defaulted in repayment of loans and borrowing to a financial institution, banks, government or dues to debenture holders.

(ix) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and has not obtained any term loans during the year

M. K. GOHEL & ASSOCIATES
MUMBAI
M. No. 038823
Chartered Accountants

(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 the material fraud on or by the Company, has been noticed or reported by the Company during the year, nor have we been informed any such case by the Company;

(xi) No Managerial remuneration has been paid or provided during the year.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, the Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act where applicable and the details of such related party transactions have been disclosed in the Ind AS financial statements as required by Accounting Standard (AS) 18, Related Party Disclosures prescribed under Section 133 of the Act, read with the relevant rules.

(xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him/ her. Accordingly, paragraph 3(xv) of the Order is not applicable

(xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

FOR M. K. GOHEL & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: 103256W

MKGohel

M. K. GOHEL & ASSOCIATES
MUMBAI
M. No. 038823
Chartered Accountants

MUKESH K. GOHEL
PROPRIETOR
M. No.: 038823

Place : Mumbai
Date : 21/06/2018

"ANNEXURE-B" REFERRED TO IN PARAGRAPH II OF OUR REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (i) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT") OUR AUDITORS' REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018 OF UPVAN LAKE RESORTS PRIVATE LIMITED.

We have audited the internal financial controls over financial reporting of UPVAN LAKE RESORTS PRIVATE LIMITED ("the Company") as of March 31, 2018 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 ('the Guidance Note') 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") 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 applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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 Ind AS 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.

M. K. GOHEL & ASSOCIATES
MKG
MUMBAI
M. No.
038823
Chartered Accountants

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 Ind AS 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 Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS 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, 2018, 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 M. K. GOHEL & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: 103256W

MKGohel

M. K. GOHEL & ASSOCIATES
MUMBAI
M. No.
038823
Chartered Accountants

MUKESH K. GOHEL
PROPRIETOR
M. No.: 038823

Place : Mumbai
Date : 21/06/2018

BALANCE SHEET AS AT 31ST MARCH 2018

Particulars	Note No.	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
ASSETS			
Non-Current Assets			
(a) Property, plant and equipment	3	55,309	75,965
(b) Financial assets			
Investments in Firm	4	10,000	10,000
Total Non-Current assets		**65,309**	**85,965**
Current assets			
(a) Financial assets			
(i) Cash and cash equivalents	5	1,85,270	1,85,270
(b) Other current assets	6	14,20,279	54,079
Total Current Assets		**16,05,549**	**2,39,349**
Total assets		**16,70,858**	**3,25,314**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	7	1,20,000	1,20,000
(b) Other equity	8	(25,18,995)	(34,02,341)
Total Equity		**(23,98,995)**	**(32,82,341)**
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Other Financial Liabilities	9	9,00,000	15,57,984
Total Non-Current Liabilities		**9,00,000**	**15,57,984**
Current Liabilities			
(a) Financial Liabilities			
(i) Trade payables	10	26,77,331	20,04,257
(ii) Other financial liabilities	9	66,452	43,077
(b) Other current liabilities	11	4,26,069	2,337
Total Current Liabilities		**31,69,852**	**20,49,671**
Total Liabilities		**40,69,852**	**36,07,655**
Total Equity and Liabilities		**16,70,857**	**3,25,314**

The accompanying notes are an integral part of Financial Statements

As per our report of even date
For M.K. GOHEL & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No: 103256W

MKGohel

MUKESH K GOHEL
PROPRIETOR
Membership No.: 038823

M. K. GOHEL & ASSOCIATES Chartered Accountants MUMBAI M. No. 038823

Mumbai
Date: 21st June 2018

For and on behalf of the Board of Directors

Bhavik Shah

BHAVIK SHAH
DIRECTOR
DIN: 07108862

UPVAN LAKE RESORTS PRIVATE LIMITED

SAMIR KUMAR SALOT
DIRECTOR
DIN: 07115916

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2018

	Particulars	Note No.	Year ended 31st March, 2018 ₹	Year ended 31st March, 2017 ₹
I	**INCOME**			
	Revenue from Operations		-	-
	Share of Profit / (Loss) of Joint Ventures		(365)	-
	Other Income	12	12,65,044	
	Total Income		**12,64,679**	-
II	**EXPENSES**			
	Costs Of Construction / Development	13	-	-
	Finance Costs		-	-
	Depreciation and Amortisation Expenses	3	20,656	20,656
	Less: Attributable to Capital WIP (Tr. to CWIP)			(20,656)
	Other Expenses	14	53,177	4,90,698
	Total Expenses		**73,833**	**4,90,698**
	Profit before Tax		**11,90,847**	**(4,90,698)**
	Tax Expense			
	Current Tax		3,07,500	-
	Profit for the Year		**8,83,347**	**(4,90,698)**
	Other Comprehensive Income		-	-
	Total Comprehensive Income		**8,83,347**	**(4,90,698)**
	Earning per equity share of nominal value of ₹ 10/- each.	15		
	Basic and Diluted		124.86	(40.89)

The accompanying notes are an integral part of Financial Statements

As per our report of even date
For M.K. GOHEL & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No: 103256W

MKGohel

MUKESH K GOHEL
PROPRIETOR
Membership No.: 038823

M.K. GOHEL & ASSOCIATES MUMBAI M. No. 038823 Chartered Accountants

Mumbai
Date: 21st June 2018

For and on behalf of the Board of Directors

Bhavik Shah
BHAVIK SHAH
DIRECTOR
DIN: 07108862

UPVAN LAKE RESORTS PRIVATE LIMITED

SAMIR KUMAR SALOT
DIRECTOR
DIN: 07115916

UPVAN LAKE RESORTS PRIVATE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018

Particulars		Year ended 31st March, 2018 ₹	Year ended 31st March, 2017 ₹
I.	**Cash Flow arising from Operating Activities:**		
	Net Loss before taxes as per Statement of Profit and Loss	**8,83,347**	**(4,90,698)**
	Add / (Deduct) :		
	Interest Expenses	11,454	-
	Prospective project written off (Net)	-	3,95,495
	Share of Profit / (Loss) of Joint Ventures	-	-
	Depreciation	20,656	20,656
	Operating Profit / (Loss) before Working Capital Changes	9,15,457	(74,547)
	Add / (Deduct) :		
	(Increase) / Decrease in Loans & Advances	(13,66,200)	-
	Increase / (Decrease) in Trade Payable	6,73,074	(18,21,314)
	Increase / (Decrease) in Other liabilities and other provisions	4,47,107	18,36,625
		(2,46,019)	15,311
	Net Cash Flow in the course of operating activities	**6,69,438**	**(59,236)**
II	**Cash Flow from Investing Activities:**		
	Inflow / (Outflow) on account of:		
	Fixed Assets Acquired	-	-
	(Increase) / Decrease in Capital Work-in-Progress	-	23,516
	Proceeds from Long Term Investments	-	-
	Net Cash Flow in the course of Investing activities	**-**	**23,516**
III	**Cash Flow from Financing Activities:**		
	Inflow / (Outflow) on account of:		
	Interest Paid	(11,454)	-
	Borrowings	(6,57,984)	(80,160)
	Net Cash Flow in the course of Financing activities	**(6,69,438)**	**(80,160)**
	Net Increase / (Decrease) in Cash and Cash Equivalents (I + II + III)	(0)	(1,15,880)
	Add: Cash and Cash Equivalents at the Beginning of the Year	1,85,270	3,01,150
	Cash and Cash Equivalents at the end of the Year	**1,85,270**	**1,85,270**
	Reconciliation of Cash and Cash Equivalents		
	Balances with banks:		
	- in current accounts	1,85,263	1,85,263
	Cash on hand	7	7
	Cash and Cash Equivalents at the end of the Year	**1,85,270**	**1,85,270**

As per our report of even date

For M.K. GOHEL & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No: 103256W

MKGohel

MUKESH K GOHEL
PROPRIETOR
Membership No.: 038823

Mumbai
Date: 21st June 2018

For and on behalf of the Board of Directors

Bhavik Shah
BHAVIK SHAH
DIRECTOR
DIN: 07108862

SAMIR KUMAR SALOT
DIRECTOR
DIN: 07115916

M. K. GOHEL & ASSOCIATES Chartered Accountants MUMBAI M. No. 038823

UPVAN LAKE RESORTS PRIVATE LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2018

(₹)

	Equity Share Capital	Retained Earnings	Total
Balance at March 31, 2017	**1,20,000**	**(34,02,341)**	**(32,82,341)**
Total Comprehensive Income for the year	-	8,83,347	8,83,347
Balance at March 31, 2018	**1,20,000**	**(25,18,995)**	**(23,98,995)**

As per our report of even date

For M.K. GOHEL & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No: 103256W

MKGohel

MUKESH K GOHEL
PROPRIETOR
Membership No.: 038823

M. K. GOHEL & ASSOCIATES MUMBAI M. No. 038823 Chartered Accountants

Mumbai
Date: 21st June 2018

Bhavik shah

BHAVIK SHAH
DIRECTOR
DIN: 07108862

UPVAN LAKE RESORTS PRIVATE LIMITED

SAMIR KUMAR SALOT
DIRECTOR
DIN: 07115916

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

COMPANY OVERVIEW

1. **Company Overview**

Upvan Lake Resorts Private Limited is a Company domiciled in India, incorporated under the Companies Act, 1956. The Company is engaged in the real estate business.

The financial statements are approved for issue by the Company's Board of Directors on 21st June , 2018

SIGNIFICANT ACCOUNTING POLICY

2 **BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act , 2013 ('Act') (to the extent notified) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The Company has adopted all the IndAS standards and the adoption was carried out in accordance with IndAS 101 First time adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP. Reconciliations and descriptions of the effect of the transition has been summarized in Note 27.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

a) Historical Cost Convention

The financial statements have been prepared on historical cost basis, except for the following:

i. certain financial assets and liabilities that have been measured at fair value
ii. assets held for sale - measured at lower of carrying amount or fair value less cost to sell.
iii. defined benefit plans - plan assets measured at fair value.

b) Current and Non-Current Classification

The Company presents assets and liabilities in the balance sheet based on current/non current classification.

An asset is classified as current when it is:

i. Expected to be realised or intended to sold or consumed in normal operating cycle
ii. Held primarily for the purpose of trading
iii. Expected to be realised within twelve months after the reporting period, or
iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is classified as current when:

i. It is expected to be settled in normal operating cycle
ii. It is held primarily for the purpose of trading
iii. It is due to be settled within twelve months after the reporting period, or
iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Operating cycle for the business activities of the company covers the duration of the specific project / contract / service and extends upto the realisation of receivables within the agreed credit period normally applicable to the respective project.

2.1 **REVENUE RECOGNITION**

A. Revenue from Construction Activity

Revenue from sale of 'finished properties / buildings / rights' is recognised on transfer of all significant risks and rewards of ownership of such properties / building / rights, as per the terms of the contracts entered into with buyer/(s), which generally coincides with the firming of the sales contracts/ agreements, except for contracts where the Company still has obligations to perform substantial acts even after the transfer of all significant risks and rewards.

B. Interest Income

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

C. Profit / loss from partnership firms / association of persons:

Share of profit / loss from partnership firms / association of persons (AOP) is accounted in respect of the financial year of the firm / AOP, during the reporting period, on the basis of their audited/ management reviewed accounts, which is considered as a part of other operating activity.

D. Others

Other Revenues/ Income and Costs / Expenditure are generally accounted on accrual, as they earned or incurred.

M.K. GOHEL & ASSOCIATES MUMBAI M.No. 038023 Chartered Accountants

UPVAN LAKE RESORTS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

2.2 PROPERTY PLANT AND EQUIPMENT AND DEPRECIATION / AMORTISATION

A. Tangible Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation and accumulated impairment losses, if any.

B. Depreciation is provided on the straight line method on the basis of estimated useful life of the asset in the manner specified in Schedule II to the Companies Act, 2013. Depreciation on additions to assets or on sale/disposal of assets is calculated pro-rata from the month of such addition, or upto the month of such sale/disposal, as the case may be.

Asset Category	Estimated useful life (in Years)
Office Equipments	5
Furniture and Fixture	10

2.3 INVESTMENTS

Investments are classified into Current and Non Current / Long Term Investments. Current investments are stated at lower of cost and fair value. Long term investments are stated at cost. A provision for diminution is made to recognize decline, other than temporary, in the value of long term investments.

2.4 FINANCIAL INSTRUMENTS

2.4.1 Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss,are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

2.4.2 Subsequent measurement

Non-derivative financial instruments

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held with in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(v) Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

2.4.3 Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the finacial asset and the transfer qualifies for derecognition under IndAS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

2.4.4 Impairment

a. Financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to life time ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case thoseare measured at lifetime ECL.The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in the statement of profit or loss.

M. K. GOHEL & ASSOCIATES MUMBAI M. No. 038823 Chartered Accountants

UPVAN LAKE RESORTS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

b. Non-financial assets

Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability wheneer events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

2.5 TAXATION

i. Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss becauseof items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using rates that have been enacted or substantively enacted by the end of the reporting period.

In case the Company is liable to pay income tax u/s 115JB of Income Tax Act, 1961 (i.e. MAT), the amount of tax paid in excess of normal income tax is recognized as an asset (MAT Credit entitlement) only if there is convincing evidence for realization of such asset during the specified period. MAT credit entitlement is reviewed at each Balance Sheet date.

ii. Deferred Tax

Deferred tax is recognized on temporary diferences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax asset is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

iii. Current and deferred tax for the year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

2.6 BORROWINGS AND BORROWING COSTS

Borrowings are initially recognised at the net transaction costs incurred and measured at ammortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of profit and loss over the period of the borrowings using the effective interest method.

Interests and other borrowing costs calculated as per effective interest rate attributable to qualifying assets are allocated as part of the cost of construction / development of such assets. Such allocation is suspended during extended periods in which active development is interrupted and, no costs are allocated once all such activities are substantially complete. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are charged to the Profit and Loss Account.

2.7 CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

2.8 SEGMENT REPORTING

The Company is engaged in the business of Real Estate Development, which as per Ind AS - 108 'Operating Segments' is considered to be the only reportable business segment. The Company is also operating within the same geographical segment. Hence, disclosures under Ind AS - 108 are not applicable.

2.9 PROVISIONS, CONTINGENT ASSETS AND CONTINGENT LIABILITIES

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

* Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
* Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

2.10 USE OF ESTIMATES

The preparation of the financial statements in conformity with IndAS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in note 2.10.1 Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

2.10.1 Critical accounting judgements and estimates

a. Property, plant and equipment and depreciation

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed peiodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

b. Fair value measurements and valuation processes

Some of the company's assets are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. The Company works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

3. Property, plant and equipment and capital work-in-progress

	As at 31st March, 2018	As at 31 March, 2017	As at 31 March, 2016
Carrying amounts of:			
Office Equipments	3,603	4,118	4,632
Furniture and Fixtures	51,706	71,847	91,989
	55,309	75,965	96,621
Capital work-in-progress	-	-	4,95,72,457
	55,309	75,965	4,96,69,077

	Office Equipments	Furniture and Fixtures	Total
	Office Equipments	**Furniture and Fixtures**	**Total**
Cost or deemed cost			
Balance at 31st March, 2017	13,520	2,71,644	2,85,164
Additions	-	-	-
Disposals	-	-	-
Balance at 31st March, 2018	**13,520**	**2,71,644**	**2,85,164**
Accumulated depreciation			
Balance at 31st March, 2017	9,402	1,99,797	2,09,199
Eliminated on disposal of assets	-	-	-
Depreciation expense	514	20,141	**20,656**
Balance at 31st March, 2018	**9,917**	**2,19,938**	**2,29,855**
Carrying amount as at 31st March, 2018	**3,603**	**51,706**	**55,309**

M.K. GOHEL & ASSOCIATES MKG MUMBAI M. No. 038823 Chartered Accountants

UPVAN LAKE RESORTS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

	31st March, 2018 ₹	31st March, 2017 ₹
4. Investments		
Non Current Investments		
(Trade, unless otherwise specified)		
Capital Investment in Partnership Firms (Refer footnote)	10,000	10,000
M/s Rising Glory Developers	-	-
	10,000	**10,000**
Less: Provision for Diminution in the value of investments	-	-
Total Non Current Investments	**10,000**	**10,000**

Footnote:

Details of Investments made in capital of partnership firm:

Sr No	Name of Partners	31st March, 2018 Profit Sharing Ratio	31st March, 2017 Profit Sharing Ratio
1	Hubtown Limited	20.00%	20.00%
2	Ackruti Safeguard System Private Limited	5.34%	5.34%
3	Citygold Education Research Limited	5.34%	5.34%
4	Citygold Farming Private Limited	5.34%	5.34%
5	Diviniti Projects Private Limited	5.34%	5.34%
6	Halitious Developers Limited	5.34%	5.34%
7	Headland Farming Private Limited	5.33%	5.33%
8	Heddle Knowledge Private Limited	5.33%	5.33%
9	Heet Builders Private Limited	5.33%	5.33%
10	Hoary Realty Limited	5.33%	5.33%
11	Subhsiddhi Builders Private Limited	5.33%	5.33%
12	Sunstream City Private Limited	5.33%	5.33%
13	Upvan lake Resort Private Limited	5.33%	5.33%
14	Vega Developers Private Limited	5.33%	5.33%
15	Whitebud Developers Limited	5.33%	5.33%
16	Yantti Buildcon Private Limited	5.33%	5.33%
	TOTAL	**100%**	**100%**
	Toatal Share Capital in Firm (₹)	**1,50,000**	**1,50,000**

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UPVAN LAKE RESORTS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
5. Cash and cash equivalents		
Balances with banks:		
- in current accounts	1,85,263	1,85,263
Cash on hand	7	7
Cash and cash equivalents	**1,85,270**	**1,85,270**
6. Other assets		
Current		
Advance to contractors	54,079	54,079
Other receivable	13,66,200	
Total	**14,20,279**	**54,079**

M.K. GOHEL & ASSOCIATES * Chartered Accountants * MUMBAI M. No. 038823

UPVAN LAKE RESORTS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

7. Equity share capital	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
Authorised Share Capital:		
50,000 (As at March 31, 2016: 50,000; As at April 1, 2015: 50,000) Equity Shares of ₹ 10/- each fully paid up	5,00,000	5,00,000
Issued and subscribed capital comprises:		
12,000 (As at March 31, 2016: 12,000; As at April 1, 2015: 12,000) Equity Shares of ₹ 10/- each fully paid up	1,20,000	1,20,000
Fully paid equity shares	**1,20,000**	**1,20,000**

Footnotes:

(i) Reconciliation of the number of Equity shares outstanding at the beginning and at the end of the year.	Number of shares	Share Capital ₹
Balance at March 31, 2017	**12,000**	**1,20,000**
Add : Issued during the year	-	-
Less : Bought back during the year	-	-
Balance at March 31, 2018	**12,000**	**1,20,000**

(ii) Equity Shares held by its holding company or its ultimate holding company.	As at 31st March, 2018 (No.)	As at 31st March, 2017 (No.)
Hubtown Limited with its benefeciary owners	50000	50000
Total	**50000**	**50000**

(iii) Details of shares held by each shareholders holding more than 5% shares

	As at 31 December 2017	
	No of shares held	% holding
Fully paid equity shares		
Hubtown Limited with Benificiary Owners	9,000	75.00%
Arunkumar Mahabal Suvarna	1,000	8.33%
Vivek Sadanand Salian	1,000	8.33%
Prasad Shashikant Kolambkar	1,000	8.33%
Total	**12000**	**100%**

(iv) Terms / rights attached to Equity Shares :

The company has a single class of equity shares having a face value of ₹ 10/- per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the

	As at 31st March, 2018 ₹	As at 31 March, 2017 ₹
8. Other Equity		
Retained Earnings		
Balance at the beginning of the year	(34,02,341)	(29,11,643)
Profit attributable to the owners of the company	8,83,347	(4,90,698)
Balance at the end of the year	**(25,18,995)**	**(34,02,341)**

M. K. GOHEL & ASSOCIATES MUMBAI M. No. 038823 Chartered Accountants

UPVAN LAKE RESORTS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
9. Other financial liabilities		
Non-current		
Retention money payable	-	6,57,984
Lease deposits from tenants	9,00,000	9,00,000
TOTAL	**9,00,000**	**15,57,984**
Current		
Business Advances for project from related party(Refer Footnote)	-	-
Other payables	66,452	43,077
TOTAL	**66,452**	**43,077**

Foot note :

The Company has received interest free Advances from it's Parent Company, considering the nature of business in which the Company operate, the amounts so received are considered to be repayable on call / demand as the repayment period of such amounts so received is not measureable precisely.

10. Trade payables		
Trade Payables(Refer Footnote)	26,77,331	20,04,257
TOTAL	**26,77,331**	**20,04,257**

Footnote :

As per information available with the Company regarding dues to Micro, Small and Medium Enterprises as defined under the Micro Small Medium Enterprises Development, Act 2006 (MSMED Act), none of the suppliers of the Company are registered under MSMED Act, and the same has been relied upon by the auditors.

11. Other current liabilities		
Current		
Other payables :		
Provision for Tax Liaility	3,07,500	
Less: Advance Tax paid	(1,26,500)	
	1,81,000	-
- Statutory dues	2,45,069	2,337
TOTAL	**4,26,069**	**2,337**

M K GOHEL & ASSOCIATES MUMBAI M No 038825 Chartered Accountants

UPVAN LAKE RESORTS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

12. Revenue from operations		**Year ended 31st March, 2018 ₹**	**Year ended 31st March, 2017 ₹**
Other operating revenue :			
Management and Professional Fees Received		12,65,000	-
Sundry Creditor Balances Written Back		44	
	TOTAL	**12,65,044**	**-**

13. Costs Of Construction / Development			
Construction costs incurred during the year:			
Construction Cost		-	16,970
Other Construction expenses		-	(61,142)
Add / (Less) : Transferred to CWIP		-	44,172
	TOTAL	**-**	**-**
14. Other Expenses			
Legal and professional fees		10,893	22,046
Prospective project written off (Net)		-	3,95,495
Other expenses (Refer Footnote)		23,010	56,656
Filing Fees		5,320	-
Delayed/penal interest on loans and statutory dues		11,454	16,501
Profession Tax (Company)		2,500	
	TOTAL	**53,177**	**4,90,698**
Footnote:			
Audit Fees		19,500	19,500
Service tax/GST on above		3,510	2,925
	TOTAL	**23,010**	**22,425**

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UPVAN LAKE RESORTS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

	Year Ended 31st March, 2018 ₹	Year Ended 31st March, 2017 ₹
15. EARNINGS PER SHARE (EPS)		
Basic and Diluted Earning Per Share	124.86	(40.89)

(i) Basic and Diluted EPS

The earnings and weighted average number of equity shares used in the calculation of basic and diluted earnings per share are as follows:

	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Profit for the year attributable to the owners of the Company	14,98,347	(4,90,698)
Any other adjustments		
Earnings used in the calculation of basic and diluted earnings per share	**14,98,347**	**(4,90,698)**

	Year Ended 31st March, 2018	Year Ended 31st March, 2017
(ii) Weighted average number of equity shares for the purposes of basic and diluted earnings per share	12,000	12,000

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UPVAN LAKE RESORTS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

16. RELATED PARTY TRANSACTIONS

A. List Of Related Parties:

i) Holding Company
Hubtown limited

ii) Firm with whom Company is Partener
Rising Glory Developers

iii) Other significant infuences with whom transaction taken place
Citygold Management Services Private Limited

Footnote:
Related party relationship are identified by the Company and relied upon by the Auditors.

B. Transaction with Related Parties -

(₹)

Sr. No.	Particulars	HOLDING COMPANY	OTHER SIGNIFICANT INFLUENCES
1	**Loans and advances received /recovered:**		
	Hubtown limited	- (49,500)	- -
2	**Balances Written Off**		
	Hubtown limited	- (4,91,53,446)	- -
3	**Share of Lossof Joint Ventures**		
	Rising Glory Developers	- -	1,056 (691)
4	**Reimburesement of Expenses**		
i)	Citygold Management Services Private Limited	- -	5,320 (48,170)
ii)	Hubtown limited	- (9,630)	- -

Footnote:
Previous Year figures are given in brackets.

Balance outstanding payables / receivables:

	Nature of Transactions	Amount(₹)		
		31st March, 2018	31st March, 2017	31st March, 2016
1	Hubtown limited	-	-	4,72,64,446
2	Rising Glory Developers	10,000	10,000	10,000
3	Citygold Management Services Private Limited	5,320	-29,170	1600

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UPVAN LAKE RESORTS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

17. CONTINGENT LIABILITIES

The company does not have any contingent liability as at the balance sheet date, as certified by management & relied upon by the auditors.

18. In the opinion of the Board of Directors of the Company, all items of Current Assets, Current Liabilities and Loans and Advances continues to have a realizable value of at least the amounts at which they are stated in the Balance Sheet.

19. Financial Risk Management Objectives
The company is exposed to market risk, credit risk and liquidity risk. The company's management oversees the management of these risks. The company's board of directors review and agrees policies for managing each of these risks summarized below:

1) Market Risk
Interest rate risk
Company has received intrest free Business Advances and it receives interest free funds for its operating cash flow from its holding company as and when required (Refer note 10), hence the Company is not exposed to interest risk.

2) Credit Risk
Credit risk is the risk that the counter party will not meet its obligation under a financial instrument or customer contract leading to a financial loss. The company is not exposed to credit risk from its operating activities or trade receivables.

Credit risk from balances with banks and inter corporate loans is managed by the company's treasury department in accordance with the company's policy.

3) Liquidity risk
The companies cashflow requirement are met by funds received from its holding company.

20.CAPITAL MANAGEMENT

The primary objective of company's capital management is to ensure that it maintains strong capital ratios in order to support its business and maximise shareholders value. The company's board of directors reviews the capital structure on an annual basis.

21. Previous year figures have been regrouped / reclassified wherever necessary to make them comparable with current year figures.

The accompanying notes are an integral part of Financial Statements

As per our report of even date
For M.K. GOHEL & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No: 103256W

MKGohel

MUKESH K GOHEL
PROPRIETOR
Membership No.: 038823

M.K. GOHEL & ASSOCIATES MUMBAI M. No. 038823 Chartered Accountants

Mumbai
Date: 21st June 2018

For and on behalf of the Board of Directors

SmSalot
SAMIR KUMAR SALOT
DIRECTOR
DIN: 07115916

Bhavik Shah
BHAVIK SHAH
DIRECTOR
DIN: 07108862

UPVAN LAKE RESORTS PRIVATE LIMITED

P M Pande And Co
Chartered Accountants

Pankaaj Pande
B Com F C A

Bldg. No 3, 4th Floor, Office No 4R, Navjivan Society,
Lamington Road, Mumbai - 400 008. Tel. : 2309 2250
Email : pankaajpande@hotmail.com

INDEPENDENT AUDITOR'S REPORT

To
The Members of Vega Developers Private Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **VEGA DEVELOPERS PRIVATE LIMITED** ('the Company'), which comprise the Balance Sheet as at 31st March, 2018, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "standalone Ind AS financial statements".

Management's Responsibility for the Standalone 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder.

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, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS 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 Ind AS 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

P M Pande And Co. M. No. 40694 FRN 107289 W Chartered Accountants audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the standalone Ind AS 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 Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS 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 Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS 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 including the Ind AS, of the financial position of the Company as at 31st March, 2018, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Emphasis of Matter

Attention is invited to: (If Any) NIL

Other Matters

Attention is invited to: (if any) NIL

Report on Other Legal and Regulatory Requirements

I. As required by the provisions of the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the **Annexure "A"**, a statement on the matters specified in paragraphs 3 and 4 of the Order;

II. 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, the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
(d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rule issued thereunder;
(e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a Director in terms of Section 164 (2) of the Act;

P. M. Pande And Co. M. No. 40694 FRN 107289 W Chartered Accountants

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 1 on Report on Other Legal and Regulatory Requirements in our report of even date to the members VEGA DEVELOPERS PVT LTD on the financial statement for the year ended on March 31, 2018, we report that:

(i) a) The company is maintaining proper records showing full particulars including quantative details and situation of fixed assets.

b) The management at reasonable intervals has verified the fixed assets . We Have been informed that no material discrepancies on such verification have been noticed.

(ii) a) As per the records maintained, the management has conducted verification of inventory at reasonable intervals.

b) In our view the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and nature of business.

c) In our view , the company has maintained proper records of inventory. No discrepancy has been noticed on physical verification of stocks as compared to the books record

(iii) The Company has not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii) (a) and 3(iii) (b) of the Order are not applicable

(iv) In our opinion and according to the information and explanation give to us, the company has complied with section 185 and section 186 of the companies Act 2013 in respect of corporate guarantee given in connection with the loan taken by the others from bank or financial institutions and investment in other related party.

(v) The Company has not accepted any deposits from public in terms of the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013. We are informed that no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or Court or any other tribunal. Accordingly, the Company has complied with the provisions of section 73 to 76 of the Companies Act, 2013.

(vi) Central Government has not prescribed/specified the maintenance of cost records under sub-section (l) of section 148 of the Companies Act, 2013, hence clause (vi) of Paragraph 3is not applicable to the company.

(vii) (a) According to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, service tax and any other statutory dues with the appropriate authorities.

P M Pande And Co. M. No. 40694 FRN 107289 W Chartered Accountants

(b) According to the information and explanations given to us, there are no dues of income-tax, service tax, wealth tax, which have not been deposited on account of any dispute.

(viii) Based on our audit procedures and on the information and explanation give to us by the management, the company has not borrowed any amount from financial institutions or bank or Government issued debentures till 31st March 2018. Hence clause (viii) of Paragraph 3 is not applicable to the company.

(ix) In our opinion and according to the information and explanation give to us, the company has not raised money by way of public issue/ follow-on offer (including debt instruments). The company has not obtained housing loan during the year .

(x) To the best of our knowledge and belief, and according to the information and explanations given to us, no fraud by the company or any fraud on the Company by its officers/ employees was noticed or reported during the course of our audit

(xi) To the best of our knowledge and belief, and according to the information and explanations given to us the company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act.

(xii) According to the record of the Company and the information and explanations given to us the company, the company is not the Nidhi Company, hence the clause (xii) of Paragraph 3 is not applicable to the company.

(xiii) To the best of our knowledge and belief, and according to the information and explanations given to us, the company has complied with Section 188 and 177 of Companies Act, 2013 where applicable in respect of all transactions with the related parties and the details have been disclosed in the Financial Statements etc. as required by the accounting standards and Companies Act, 2013.

(xiv) According to the record of the Company and the information and explanations given to us the company, the company has not made preferential allotment / private placement of shares during the year under review and the requirement of Section 42 of the Companies Act, 2013. Hence the clause (xiv) of Paragraph 3 is not applicable to the company.

(xv) According to the record of the Company and the information and explanations given to us the company, the company has not entered into any non-cash transactions with directors or persons connected with him hence the clause (xv) of Paragraph 3 is not applicable to the company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For P M PANDE AND CO
Chartered Accountants
FRN No. 107289W

Pankaj Pande

PANKAAJ PANDE
Place: Mumbai
Dated: 20/06/2018

P M Pande And Co. M. No. 40694 FRM 107289 W Chartered Accountants

ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (f) 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 M/s. VEGA DEVELPOERS PRIVATE LIMITED. ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") 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 applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

P. M. Pande And Co. Chartered Accountants M. No. 40694 FRN 107289 W

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, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For P M PANDE AND CO
Chartered Accountants
FRN No. 107289W

Pankaaj Pande

PANKAAJ PANDE
Proprietor
M. No. 40694
Place: Mumbai
Dated: 20/06/2018

P M Pande And Co.
M. No. 40694
FRN 107289W
Chartered Accountants

VEGA DEVELOPERS PRIVATE LIMITED

BALANCE SHEET AS AT 31st MARCH, 2018

Particulars	Note No.	As at 31st March 2018 ₹	As at 31st March 2017 ₹
ASSETS			
Non-Current Assets			
Financial assets			
Investments	3	10,000	10,000
Total Non-Current assets		**10,000**	**10,000**
Current assets			
(a) Inventories	4	13,49,67,025	16,50,26,830
(b) Financial assets			
(i) Trade Receivables	5	4,82,22,720	-
(ii) Cash and cash equivalents	6	4,98,612	4,72,887
(iii) Other financial assets	7	720	720
(c) Other current assets	8	9,60,750	2,82,10,750
Total Current Assets		**18,46,49,827**	**19,37,11,187**
Total assets		**18,46,59,827**	**19,37,21,187**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	9	3,00,00,000	3,00,00,000
(b) Other equity	10	(11,57,039)	(10,92,391)
Total Equity		**2,88,42,961**	**2,89,07,609**
Current Liabilities			
(a) Financial Liabilities			
(i) Trade payables	11	4,82,62,564	5,25,49,210
(ii) Other financial liabilities	12	10,73,20,571	11,21,20,789
(b) Other current liabilities	13	2,33,731	1,43,579
Total Liabilities		**15,58,16,866**	**16,48,13,578**
Total Equity and Liabilities		**18,46,59,827**	**19,37,21,187**

The accompanying notes are an intergal part of financial statements

As per our report of even date

For and on behalf of the Board of Directors

FOR P. M. PANDE AND CO
FIRM REGISTRATION NO. 107289 W
CHARTERED ACCOUNTANTS

PANKAAJ PANDE
PROPRIETOR
Membership No. 40694

P M Pande And Co. M. No. 40694 FRN 107289 W Chartered Accountants

Place: Mumbai
Date: 20th June, 2018

KETAN SHAH
DIRECTOR
DIN: 00546842

Vega Developers Pvt. Ltd.

KHILEN SHAH
DIRECTOR
DIN: 03134932

VEGA DEVELOPERS PRIVATE LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2018

	Particulars	Note No.	Year ended 31st March 2018 ₹	Year ended 31st March 2017 ₹
I	**INCOME**			
	Revenue from Operations	14	4,82,22,720	-
	Other Income	15	15,000	-
	Share of Profit / (Loss) of Firms		(1,937)	-
	Total Income		4,82,35,783	-
II	**Expenses**			
	Costs Of Construction / Development	16	4,82,22,720	73,640
	Changes in inventories of work-in-progress	17	(1,08,251)	(2,74,640)
	Employee Benefits Expense	18	1,08,251	2,01,000
	Finance Costs	19	-	44,971
	Other Expenses	20	77,711	65,009
	Total Expenses		**4,83,00,431**	**1,09,980**
	Profit before Tax		**(64,648)**	**(1,09,980)**
	Tax Expense			
	Current Tax		-	-
	Profit for the Year		**(64,648)**	**(1,09,980)**
	Other Comprehensive Income		-	-
	Total Comprehensive Income		(64,648)	(1,09,980)
	Earning per equity share of nominal value of ₹ 100/- each	21		
	Basic and Diluted		(0.22)	(0.37)

The accompanying notes are an intergal part of financial statements
As per our report of even date

FOR P. M. PANDE AND CO
FIRM REGISTRATION NO. 107289 W
CHARTERED ACCOUNTANTS

Pankaaj Pande

PANKAAJ PANDE
PROPRIETOR
Membership No. 40694

Place: Mumbai
Date: 20th June, 2018

P M Pande And Co. Chartered Accountants M. No. 40694 FRN 107289 W

For and on behalf of the Board of Directors

Vega Developers Pvt. Ltd.

KETAN SHAH
DIRECTOR
DIN: 03134932

KHILEN SHAH
DIRECTOR
DIN: 03134932

VEGA DEVELOPERS PRIVATE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2018

Particulars	As at 31st March 2018 ₹		As at 31st March 2017 ₹	
I. Cash flows arising from operating activities				
Net Profit before tax as per Statement of Profit and Loss Account		(64,648)		(1,09,980)
Add / (Less) :				
Finance Charges	-			44,971
Share of Profit / (Loss) of Firms	1,937			
Provision no longer required written back	(15,000)			
Interest Income	-	(13,063)		
Operating Profit Before Working Capital Changes		(77,711)		(65,009)
Add / (Less) :				
(Increase) / Decrease in Inventories	3,00,59,805		(2,74,640)	
(Increase) / Decrease in Trade and Other Receivables	(2,09,72,720)		(56,538)	
Increase / (Decrease) in Trade Payables & Other Payables	(90,86,864)		1,13,259	
Increase/ (Decrease) in Other Liablities	1,05,152		4,29,191	
Direct Taxes Paid	-	1,05,373	-	2,11,272
Net Cash flow in the course of Operating Activities		**27,662**		**1,46,263**
II. Cash flows arising from Investing activities				
Inflow / (Outflow) on account of :				
(increase) / Decrease in Investments	(1,937)	-		
Net Cash flow in the course of Investing Activities		**(1,937)**		-
III. Cash flows arising from Financing activities				
Inflow / (Outflow) on account of :				
Increase in Unsecured Loans	-		(2,32,496)	
Interest and Finance Charges Paid	-		(44,971)	
Net Cash flow in the course of Financing Activities		-		**(2,77,467)**
Net Increase in cash and cash Equivalents (I + II + III)		**25,725**		**(1,31,204)**
Add: Balance at the beginning of the year		**4,72,887**		**6,04,091**
Cash and Cash Equivalents at the end of the year		**4,98,612**		**4,72,887**
Reconciliation of Cash and Bank Balances given in Note -5 is as follows :-				
Cash on hand		4,54,114		4,39,114
Bank balance in Current Account		44,498		33,773
Cash and Cash Equivalents at the end of the year		**4,98,612**		**4,72,887**

The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.

As per our report of even date
FOR P. M. PANDE & Co.
FIRM REGISTRATION NO. 107289 W
CHARTERED ACCOUNTANTS

Pankaaj Pande

PANKAAJ PANDE
PROPRIETOR
Membership No. 40694

Place: Mumbai
Date: 20th June, 2018

P M Pande And Co. Chartered Accountants M. No. 40694 FRN 107289 W

For and on behalf of the board

Vega Developers Pvt. Ltd.

KHILEN SHAH
DIRECTOR
DIN: 03134932

KETAN SHAH
DIRECTOR
DIN: 00546842

VEGA DEVELOPERS PRIVATE LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2018 (₹)

Particulars	Equity Share Capital	Retained Earnings	Total
Balance as at 31st March, 2016	**3,00,00,000**	**(9,82,411)**	**2,90,17,589**
Total Comprehensive Income for the year		(1,09,980)	(1,09,980)
Balance as at 31st March, 2017	**3,00,00,000**	**(10,92,391)**	**2,89,07,609**
Total Comprehensive Income for the year		(64,648)	(64,648)
Balance as at 31st March, 2018	**3,00,00,000**	**(11,57,039)**	**2,88,42,961**

FOR P. M. PANDE AND CO
FIRM REGISTRATION NO. 107289 W
CHARTERED ACCOUNTANTS

Pankaaj Pande

PANKAAJ PANDE
PROPRIETOR
Membership No. 40694
Date: 20th June, 2018

P M Pande And Co. Chartered Accountants M. No. 40694 FRN 107289 W

Vega Developers Pvt. Ltd.

KHILEN SHAH
DIRECTOR
DIN: 03134932

KETAN SHAH
DIRECTOR
DIN: 00546842

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

Note 1. Statement of Significant Accounting Policies.

1.1 **Company Overview**

Vega Developers Private Limited is a Private Limited Company domiciled in India, incorporated under the Companies Act, 1956. The Company is engaged in the real estate business of construction and development of residential and commercial premises.

1.2 The financial statements are approved for issue by the Company's Board of Directors on 20th June, 2018

Note 2. Significant Accounting Policies followed by the Company

I. Basis of preparation of financial Statements

(i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The accounting policies are applied consistently to all the periods presented in the financial statements.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

1) certain financial assets and liabilities that are measured at fair value;
2) assets held for sale - measured at lower of carrying amount or fair value less cost to sell;
3) defined benefit plans - plan assets measured at fair value;

(iii) Current non-current classification

All the assets and liabilities have been classified as current or non-current, wherever applicable, as per the operating cycle of the Company as per the guidance set out in Schedule III to the Act. Operating cycle for the business activities of the Company covers the duration of the project/ contract including the defect liability period, wherever applicable, and extends upto the realisation of receivables (including retention monies, if any) within the credit period normally applicable to the respective project.

(iv) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

II. Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions that affect the reported balances of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) Judgements

Classification of property

The company determines whether a property is classified as investment property or inventory property. Investment property comprises land and buildings that are not occupied substantially for use by, or in the operations of, the company, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation. These buildings are substantially rented to tenants and not intended to be sold in the ordinary course of business. Inventory comprises property that is held for sale in the ordinary course of business. Principally, these are properties that the company develops and intends to sell before or on completion of construction.

b) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

i) Revenue Recognition

The Company uses the percentage-of-completion method in accounting for its revenue. The percentage of completion is measured by reference to the stage of the projects and contracts determined based on the proportion of contract costs incurred for work performed to date bear to the estimated total contract costs. Costs of the project are based on the management's estimate of the cost to be incurred upto the completion of the projects and include cost of land, Floor Space Index (FSI), materials, services and other expenses attributable to the projects. Estimates of project income, as well as project costs, are reviewed periodically. Costs expended have been used to measure progress towards completion of work. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

ii) Estimation of net realisable value for inventory (including advance to land owner)

Inventory are stated at the lower of cost and net realisable value (NRV).

NRV for completed property is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Company, based on comparable transactions identified by the Company for properties in the same geographical market serving the same real estate segment.

NRV in respect of inventory under construction / incomplete projects is assessed with reference to market prices at the reporting date for similar completed property, less estimated costs to complete construction and an estimate of the time value of money to the date of completion.

With respect to Advance given to land owners, the net recoverable value is based on the present value of future cash flows, which depends on the estimate of, among other things, the likelihood that a project will be completed, the expected date of completion, the discount rate used and the estimation of sale prices and construction costs.

iii) Valuation of investment in/ loans to subsidiaries

The Company has performed valuation for its investments in equity of subsidiaries, associates and JV's for assessing whether there is any impairment. When the fair value of investments in such entities cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model.

Similar assessment is carried for exposure of the nature of loans and interest receivable thereon as well as project advances. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as expected earnings in future years, liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported amounts of these investments, loans and advances.

Vega Developers Pvt. Ltd.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

III. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will accrue to the Company and the revenue can be reliably measured and also when it is reasonably certain that the ultimate collection will be made and that there is buyers' commitment to make the complete payment.

A. Revenue from sale of properties / development rights

i. The company has adopted the principles of revenue recognition on the basis of "Guidance note on Accounting for Real Estate Transactions" issued by the Institute of Chartered Accountants of India, for the entities to whom IndAS is applicable.

ii. Revenue from sale of 'finished properties / buildings / rights' is recognised on transfer of all significant risks and rewards of ownership of such properties / buildings / rights, as per the terms of the contracts entered into with buyer/(s), which generally coincides with the firming of the sale contracts/ agreements, except for contracts where the Company still has obligations to perform substantial acts even after the transfer of all significant risks and rewards.

iii. Revenue from sale of incomplete properties / projects is recognized on the basis of percentage of completion method only if the following thresholds have been met :

a. All critical approvals necessary for the commencement of the project have been obtained;

b. The expenditure incurred on construction and development costs, excluding land costs, is not less than 25% of the total estimated construction and development costs of the project;

c. Atleast 25% of the saleable project area is secured by agreements with the buyers; and

d. Atleast 10% of the agreement value of each sold unit has been received at the reporting date in respect of such contracts with the buyers.

Further, revenue recognized in the aforesaid manner and related costs are both restricted to 90% until the construction activity and related formalities are substantially completed. Recognition of revenue relating to agreements entered into with the buyers, which are subject to fulfillment of obligations / conditions imposed on the Company by statutory authorities is postponed till such obligations are substantially discharged.

Estimated costs relating to construction / development are charged to the Statement of Profit and Loss in proportion to the revenue recognized during the year. The balance costs are carried as part of 'Incomplete Projects' as inventories under current assets. Amounts receivable / payable are reflected as 'Trade Receivables / Unbilled Receivables or Advances from Customers', respectively, after considering income recognized in the aforesaid manner.

iv. Losses expected to be incurred on projects under construction, are charged in the Statement of Profit and Loss in the period in which the losses are known.

v. Costs of the projects are based on the management's estimate of the cost to be incurred upto the completion of the projects and include cost of land, Floor Space Index (FSI), materials, services and other expenses attributable to the projects. Estimates of project income, as well as project costs, are reviewed periodically.

vi. The sale proceeds of the investments held in subsidiaries, joint ventures, etc. developing real estate projects are included in revenue from operations, net of cost.

B. Profit / loss from partnership firms / association of persons:

Share of profit / loss from partnership firms / association of persons (AOP) is recognised on the basis of their audited/ management reviewed accounts, which is considered as a part of other operating activity.

C. Others:

Other revenues / incomes and costs / expenditure are accounted on accrual, as they are earned or incurred.

IV. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A. Financial Assets

i. Initial recognition

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognised in the Statement of Profit and Loss.

ii. Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

a) Financial Assets at Amortised Cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

b) Financial Assets Measured at Fair Value

Financial assets are measured at fair value through OCI if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

Financial asset not measured at amortised cost or at fair value through OCI is carried at FVTPL.

On transition to Ind AS, the Company has opted to continue with the carrying values measured under the previous GAAP as at 1st April, 2015 of its investments in subsidiaries, associates and joint ventures and used that carrying value as the deemed cost of these investments on the date of transition i.e. 1st April, 2015.

iii. De-recognition of Financial Assets:

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Vega Developers Pvt. Ltd.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

B. **Equity Instruments and Financial Liabilities**

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

i. **Equity Instruments**

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

ii. **Financial Liabilities**

1. Initial Recognition

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings and payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

2. Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below:

- Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation. Amortisation is recognised as finance income in the Statement of Profit and Loss.

- Financial liabilities at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the Statement of Profit and Loss. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

3. De-recognition of Financial Liabilities

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

C. **Offsetting Financial Instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis to realise the assets and settle the liabilities simultaneously.

V. Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expires or it transfers the finacial asset and the transfer qualifies for derecognition under IndAS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

VI. Impairment

a. Financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to life time ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case thoseare measured at lifetime ECL.The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in the statement of profit or loss.

b. Non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses, including impairment on inventories, are recognised in the statement of profit and loss.

i. Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability wheneer events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

ii. Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Vega Developers Pvt. Ltd.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

VII. Taxation

i. Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the financial statement of profit and loss becauseof items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using rates that have been enacted or substantively enacted by the end of the reporting period.

In case the Company is liable to pay income tax u/s 115JB of Income Tax Act, 1961 (i.e. MAT), the amount of tax paid in excess of normal income tax is recognized as an asset (MAT Credit entitlement) only if there is convincing evidence for realization of such asset during the specified period. MAT credit entitlement is reviewed at each Balance Sheet date.

ii. Deferred Tax

Deferred tax is recognized on temporary diferences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax asset is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

iii. Current and deferred tax for the year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

VIII. Inventories

All inventories are stated at Cost or Net Realizable Value, whichever is lower.

Stock of material at Site' includes cost of purchase, other costs incurred in bringing them to their respective present location and condition. Cost formula used is average cost.

Incomplete Projects' include cost of incomplete properties for which the Company has not entered into sale agreements and in other cases where the revenue recognition is postponed. 'Incomplete Projects' also include initial project costs that relate directly to a (prospective) project, incurred for the purpose of securing the project. These costs are recognized as expenditure for the year in which they are incurred unless they are separately identifiable and it is probable that the respective project will be obtained.

Inventory value includes costs incurred upto the completion of the project viz. cost of land / rights, value of floor space index (FSI), materials, services and other expenses (including borrowing costs) attributable to the projects. Cost formula used is average cost.

IX. Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after reporting period. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

X. Trade receivable

A receivable is classified as a 'trade receivable' if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the EIR method, less provision for impairment.

XI. Employee benefits

a) Defined Contribution Plan

Contributions to defined contribution schemes such as provident fund, labour welfare fund are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Company's provident fund contribution is made to a government administered fund and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further obligations beyond the monthly contributions.

b) Defined Benefit Plan

The Company provides for gratuity which is a defined benefit plans the liabilities of which is determined based on valuations, as at the balance sheet date, made by an independent actuary using the projected unit credit method. Re-measurement, comprising of actuarial gains and losses, in respect of gratuity are recognised in the OCI, in the period in which they occur. Re-measurement recognised in OCI are not reclassified to the Statement of Profit and Loss in subsequent periods.

The classification of the Company's obligation into current and non-current is as per the actuarial valuation report.

c) Leave Entitlement

Leave entitlement are provided based on an actuarial valuation, similar to that of gratuity benefit. Re-measurement, comprising of actuarial gains and losses, in respect of leave entitlement are recognised in the Statement of Profit and Loss in the period in which they occur.

d) Short-term Benefits

Short-term employee benefits such as salaries, performance incentives etc. are recognised as expenses at the undiscounted amounts in the Statement of Profit and Loss of the period in which the related service is rendered. Expenses on non-accumulating compensated absences is recognised in the period in which the absences occur.

Vega Developers Pvt. Ltd.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

XII. Borrowings and Borrowing costs

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the Statement of Profit or Loss when the liabilities are de-recognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Interests and other borrowing costs included under finance costs calculated as per effective interest rate attributable to qualifying assets, which takes substantial period of time to get ready for its intended use are allocated as part of the cost of construction / development of such assets. Such allocation is suspended during extended periods in which active development is interrupted and, no costs are allocated once all such activities are substaotially complete. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are charged to the Profit and Loss Account.

XIII. Earnings per Share

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

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

XIV. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

XV. Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.
For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

XVI. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker regularly monitors and reviews the operating result of the whole Company as one segment of "Real Estate Development". Thus, as defined in Ind AS 108 "Operating Segments", the Company's entire business falls under this one operational segment and hence the necessary information has already been disclosed in the Balance Sheet and the Statement of Profit and Loss.

XVII. Provisions, contingent liabilities and contingent assets

A provision is recognized when an enterprise has a present obligation (legal or constructive) as result of past event and it is probable that an outflow of embodying economic benefits of resources will be required to settle a reliably assessable obligation. Provisions are determined based on best estimate required to settle each obligation at each balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A contingent liability also arises, in rare cases, where a liability cannot be recognised because it cannot be measured reliably.

Contingent assets are neither recognised nor disclosed in the financial statements.

XVIII. Recent accounting pronouncements

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration. On March 28, 2018, Ministry of Corporate Affairs (""MCA"") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreigncurrency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

The amendment will come into force from 1 April 2018. The Company is evaluating the requirement of the amendment and the impact on the financial statements. The effect on adoption of Ind AS 21 is expected to be insignificant."

Ind AS 115

In March 2018, the Ministry of Corporate Affairs has notified the Companies (Indian Accounting Standards) Amended Rules, 2018 ("amended rules"). As per the amended rules, Ind AS 115 "Revenue from contracts with customers" supersedes Ind AS 11, "Construction contracts" and Ind AS 18, "Revenue" and is applicable for all accounting periods commencing on or after 1 April 2018.

Ind AS 115 introduces a new framework of five step model for the analysis of revenue transactions. The model specifies that revenue should be recognised when (or as) an entity transfer control of goods or services to a customer at the amount to which the entity expects to be entitled. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The new revenue standard is applicable to the Company from 1 April 2018.

The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach)

The Company is evaluating the requirement of the amendment and the impact on the financial statements.

Vega Developers Pvt. Ltd.

VEGA DEVELOPERS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

		As at 31st March 2018 ₹	As at 31st March 2017 ₹
3. Investments			
Non Current Investments			
(Trade, unless otherwise specified)			
Capital Investment in Partnership Firms (Refer footnote)			
M/s Rising Glory Developers		10,000	10,000
	Total	10,000	10,000

Footnote:

Details of Investments made in capital of partnership firm:

Sr No	Name of Partners	31st March, 2018 Profit Sharing Ratio	31st March, 2017 Profit Sharing Ratio
1	Hubtown Limited	20.00%	20.00%
2	Ackruti Safeguard System Private Limited	5.34%	5.34%
3	Citygold Education Research Limited	5.34%	5.34%
4	Citygold Farming Private Limited	5.34%	5.34%
5	Diviniti Projects Private Limited	5.34%	5.34%
6	Halitious Developers Limited	5.34%	5.34%
7	Headland Farming Private Limited	5.33%	5.33%
8	Heddle Knowledge Private Limited	5.33%	5.33%
9	Heet Builders Private Limited	5.33%	5.33%
10	Subhsiddhi Builders Private Limited	5.33%	5.33%
11	Sunstream City Private Limited	10.66%	10.66%
12	Upvan lake Resort Private Limited	5.33%	5.33%
13	Vega Developers Private Limited	5.33%	5.33%
14	Whitebud Developers Limited	5.33%	5.33%
15	Yantti Buildcon Private Limited	5.33%	5.33%
	TOTAL	**100%**	**100%**
	Toatal Share Capital in Firm (₹)	**1,50,000**	**1,50,000**

		31st March 2018	31st March 2017
4. Inventories			
Inventories (lower of cost or net realisable value)			
Incomplete projects			
Work in Progress (Kalina)		6,50,44,526	11,75,44,526
Work in Progress (Santacruz)		3,76,17,135	2,96,17,135
Work in Progress (Vile Parle)		3,23,05,363	1,78,65,168
	Total	13,49,67,025	16,50,26,830
5. Trade Receivables			
From Related Party		4,82,22,720	-
From Others		-	-
	Total	4,82,22,720	
6. Cash and cash equivalents			
Balances with banks:			
- in current accounts		44,498	33,773
Cash on hand		4,54,114	4,39,114
Cash and cash equivalents		4,98,612	4,72,887
7. Other financial assets			
Current			
Security deposits		720	720
	Total	720	720
8. Other current assets			
Current			
Advances to Suppliers		60,750	60,750
Advances / Deposits recoverable in cash or in kind		9,00,000	2,81,50,000
	Total	9,60,750	2,82,10,750

Vega Developers Pvt. Ltd.

	As at 31st March 2018 ₹	As at 31st March 2017 ₹
9. Equity share capital		
Equity share capital	3,00,00,000	3,00,00,000
TOTAL	**3,00,00,000**	**3,00,00,000**
Authorised Share Capital:		
300,000 (As at 31st March, 2017: 300,000) Equity Shares of ₹ 100/- each fully paid up	3,00,00,000	3,00,00,000
Issued and subscribed capital comprises:		
300,000 (As at 31st March , 2017: 300,000) Equity Shares of ₹ 100/- each fully paid up	3,00,00,000	3,00,00,000

Footnotes:

(i) Reconciliation of the number of Equity shares outstanding at the beginning and at the end of the year.

	Number of shares	Share Capital ₹
Balance at 1st April , 2016	3,00,000	3,00,00,000
Add : Issued during the year	-	-
Less : Bought back during the year	-	-
Balance at 31st March, 2017	3,00,000	3,00,00,000
Add : Issued during the year	-	-
Less : Bought back during the year	-	-
Balance at 31st March, 2018	**3,00,000**	**3,00,00,000**

(ii) Equity Shares held by its holding company or its ultimate holding company.

	As at 31st March, 2018 (No.)	As at 31st March, 2017 (No.)
Hubtown Limited with its benefeciary owners	299994	300000
Others	6	0
Total	**300000**	**300000**

(iii) Details of shares held hy each shareholders holding more than 5% shares

	31st March, 2018		31st March, 2017	
	No of shares held	% of holding	No of shares held	% of holding
Fully paid equity shares				
Hubtown Limited with Benificiary Owners	2,99,994	99.998%	3,00,000	100%
Others	6	0.002%	-	-
Total	**3,00,000**	**100%**	**3,00,000**	**100%**

(iv) Terms / rights attached to Equity Shares :

The company has a single class of equity shares having a face value of ₹ 100/- per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Vega Developers Pvt. Ltd.

VEGA DEVELOPERS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

	Year ended 31st March 2018 ₹	Year ended 31st March 2017 ₹
10. Other Equity		
Retained Earnings		
Balance at the beginning of the year	(10,92,391)	(9,82,411)
Profit attributable to the owners of the company	(64,648)	(1,09,980)
Balance at the end of the year	**(11,57,039)**	**(10,92,391)**
11. Trade payables		
Trade Payables(Refer footnote)	4,82,62,564	5,25,49,210
Total	**4,82,62,564**	**5,25,49,210**

Footnote:

As per information available with the Company regarding dues to Micro, Small and Medium Enterprises as defined under the Micro Small Medium Enterprises Development, Act 2006 (MSMED Act), none of the suppliers of the Company are registered under MSMED Act, and the same has been relied upon by the auditors.

12. Other financial liabilities		
Current		
Advances payable in cash or in kind	11,00,000	-
Business Advances for project from related party(Refer Footnote)	10,61,39,198	10,59,99,198
Current Account balance in Firms (Refer Note 03)	12,628	10,691
Other payables	68,745	61,10,900
Total	**10,73,20,571**	**11,21,20,789**

Foot note :

The Company has received interest free Advances from it's Parent Company, considering the nature of business in which the Company operate, the amounts so received are considered to be repayable on call / demand as the repayment period of such amounts so received is not measureable precisely.

13. Other Liabilities		
Current		
Other payables :		
- Statutory dues	2,33,731	1,43,579
Total	**2,33,731**	**1,43,579**

Vega Developers Pvt. Ltd.

		Year ended 31st March 2018 ₹	Year ended 31st March 2017 ₹
14. Revenue from Operation			
Sale from Operation:			
Revenue from Sale of TDR		4,82,22,720	-
	Total	**4,82,22,720**	**-**
15. Others Income			
Provision no longer required written back		15,000	-
	Total	**15,000**	**-**
16. Costs Of Construction / Development			
Construction costs incurred during the year:			
Purchase of TDR		4,82,22,720	-
Approval/Construction expenses		-	73,640
	Total	**4,82,22,720**	**73,640**
17. Changes in Inventories of Work-in-progress			
Opening Inventory :			
Work-in-progress		16,50,26,830	16,47,52,190
		16,50,26,830	**16,47,52,190**
Add/(Less): During the year		(3,01,68,056)	-
Total		**13,48,58,774**	**16,47,52,190**
Closing Inventory :			
Work-in-progress		13,49,67,025	16,50,26,830
		13,49,67,025	16,50,26,830
	Total	**(1,08,251)**	**(2,74,640)**
18. Employee Benefits Expense			
Salaries, bonus, etc.		1,08,251	2,01,000
	Total	**1,08,251**	**2,01,000**
19. Finance Costs			
Interest costs:-			
Interest on Fixed loans		-	44,971
	Total	**-**	**44,971**
20. Other Expenses			
Legal and professional fees		20,000	-
Filing Fee		7,979	30,152
Other expenses (Refer Footnote)		49,732	34,857
	Total	**77,711**	**65,009**
Footnote :			
Auditors Remuneration			
- Audit Fees		30,000	28,750
- Limited Review		-	-
	Total	**30,000**	**28,750**

Vega Developers Pvt. Ltd.

21. EARNINGS PER SHARE (EPS)	Year Ended 31st March, 2018 ₹	Year Ended 31st March, 2017 ₹
Basic and Diluted Earning Per Share	(0.22)	(0.37)

Basic and Diluted EPS

The earnings and weighted average number of equity shares used in the calculation of basic and diluted earnings per share are as follows:

Profit for the year attributable to the owners of the Company	(64,648)	(1,09,980)
Earnings used in the calculation of basic earnings per share	(64,648)	(1,09,980)
Weighted average number of equity shares for the purposes of basic and diluted earnings per share	3,00,000	3,00,000

22. CONTINGENT LIABILITY

The company does not have any contingent liability as on the balance sheet date, as certified by the management and relied upon by the auditor.

23. In the opinion of the Board of Directors of the Company, all the items of current assets, current libilities & loans and advances continue to have a realisable value of at least the amount at which they are stated in the balance sheet.

24. CAPITAL MANAGEMENT

The primary objective of company's capital management is to ensure that it maintains strong capital ratios in order to support its business and maximise shareholders value. The company's board of directors reviews the capital structure on an annual basis.

The capital structure of the company consists of net debt (borrowings and offset by cash and bank balances) and total equity of the company.

Vega Developers Pvt. Ltd.

25. RELATED PARTY TRANSACTIONS

A. List Of Related Parties:

i) Holding Company
Hubtown limited

ii) Firm with whom Company is Partner
Rising Glory Developers

iii) Subsidiaries of the Holding Company belonging to the same Group
Joynest Premises Pvt. Ltd.

Footnote:
(i) Related party relationship are identified by the Company and relied upon by the Auditors.
(ii) Previous Year figures are given in brackets.

B. Transaction with Related Parties -

(₹)

Particulars	HOLDING COMPANY
Loans and advances received /recovered:	
Hubtown limited	12,40,000 (3,75,500)
Loans and advances Paid:	
Hubtown limited	11,00,000 (-)
Sale of Properties/ Rights	
Joynest Premises Pvt. Ltd.	4,82,22,720 (-)

Balance outstanding Receivables/(Payables):

	Nature of Transactions Receivable/(Payable)	Amount(₹) 31st March, 2018	31st March, 2017
1	Hubtown limited	(10,61,39,198)	(10,59,99,198)
2	Rising Glory Developers		
	In Capital Account	10,000	10,000
	In Current Account	(12,628)	(10,691)
3	Joynest Premises Pvt. Ltd.	4,82,22,720	-

Vega Developers Pvt. Ltd.

Vega Developers Pvt. Ltd,

Particulars	WIP as on 31st Mar 2017	Addition/ Deletion During the year	WIP as on 31st Mar 2018
Work-In-Progress (Kalina)			
Conveyance (Kalina)	19,473		19,473
CO-ORDINATION FEE (KALINA)	25,00,000		25,00,000
GENERAL EXP.(KALINA)	1,50,43,533		1,50,43,533
Kalina (Kunchikurve) Project	36,49,099		36,49,099
Kunchikorve Complex Co-Op Society	6,12,000		6,12,000
Legal Charges	5,902		5,902
Mohd. Farid Ali (SRA- KALINA PROJECT)	10,01,155		10,01,155
Office Exp. (Kunchikurve)	120		120
Professional Fees-Kalina	1,02,500		1,02,500
PROFESSIONAL FEES ON SITE	1,99,270		1,99,270
Sayyed Shaizadi Begum(Kalina Project)	90,00,000		90,00,000
Sheikh M.K (Kalina Project)	2,50,000		2,50,000
Soma S. Jadhav	7,17,000		7,17,000
Stamp Duty Charges(SRA - KALINA)	9,72,272		9,72,272
Stationery (Kalina)	853		853
Wadia Land Kalina	8,34,63,888	(5,25,00,000)	3,09,63,888
Zerox (Kalina)	7,461		7,461
Total Rs.	11,75,44,526	(5,25,00,000)	6,50,44,526
Work-In-Progress (Santacruz)			
Conveyance (K.B.Lal Ind.)	14,504		14,504
K.B .Lal .Industries (Santacruz Project)	2,95,67,996	80,00,000	3,75,67,996
Legal Exp. -KB Lal	25,000		25,000
Mobile Expenses-K.B.Lal	400		400
Mobile Exp. (K.B. LAL IND)	4,719		4,719
STATIONERY (K B.LAL IND.)	640		640
ZEROX (K.B.LAL INDUSTRIES)	3,876		3,876
Total Rs.	2,96,17,135	80,00,000	3,76,17,135
Work-In-Progress (Vile Parle)			
Bipin Vora (Ashok Niwas WIP)	-	(44,00,000)	(44,00,000)
CFO Charges	1,64,000		1,64,000
Conveyance (Parle Ashok Niwas)	22,615		22,615
ELECTRICITY EXPS.-ASHOK NIVAS	3,520		3,520
Interest on Loan - WIP	29,673		29,673
Maintainence Charges	58,146	15,506	73,652
Mobile Exps (Ashok Nivas)	7,816		7,816
Parle Ashok Niwas Co Op Hsg Soc Ltd	65,632	1,92,52,650	1,93,18,282
Parle Ashok Niwas Co-Op.Soc.	6,18,174		6,18,174
Pravin Nanji Shah (Ashok Niwas WIP)		(16,00,000)	(16,00,000)
Professional Fees-Ashok Nivas	14,47,420	10,63,788	25,11,208
Rajeshree N. Joshi	95,00,000		95,00,000
Registration Charges (Ashok Niwas)	5,35,590		5,35,590
SALARY (ASHOK NIVAS)	5,33,000	1,08,251	6,41,251
Scrutiny Expenses	56,640		56,640
Stamp Duty Charges (Ashok Niwas)	48,19,896	-	48,19,896
STATIONERY (PARLE ASHOK NIWAS)	640		640
TDR (Parle Ashok Niwas)	-	-	-
ZEROX (PARLE ASHOK NIVAS)	2,406		2,406
Total Rs.	1,78,65,168	1,44,40,195	3,23,05,363
Total WIP	16,50,26,830	(3,00,59,805)	13,49,67,025

Vega Developers Pvt. Ltd.

VEGA DEVELOPERS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

26 : Fair Value measurement of Financial Instruments

	31st March 2018(₹)			31st March 2017(₹)		
	FVPL	**FVOCI**	**Amortised Cost**	**FVPL**	**FVOCI**	**Amortised Cost**
Financial Assets						
Cash and cash equivalent	-	-	4,98,612	-	-	4,72,887
Other financial assets	-	-	720	-	-	720
Total of Financial Assets	-	-	**4,99,332**	-	-	**4,73,607**
Financial Liabilities						
Trade payables	-	-	4,82,62,564	-	-	5,25,49,210
Other Financial liabilities	-	-	10,73,20,571	-	-	11,21,20,789
Total of Financial Liabilities	-	-	**15,55,83,135**	-	-	**16,46,69,999**

27. Financial Risk Management Objectives

The company is exposed to market risk, credit risk and liquidity risk. The company's management oversees the management of these risks. The company's board of directors review and agrees policies for managing each of these risks summarized below:

1) Market Risk

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company's exposure to the risk of changes in market interest rates relates primarily to company's long term debt obligations with floating interest rates.

There is no cash outflow on account of interest on Loans and Business Advance from shareholders are to be repaid only on realisation of sale component.

2) Credit Risk

The Company is not exposed to credit risk form its operating activities. Credit risk from balances with banks and inter corporate loans is managed by the company's treasury department in accordance with the company's policy.

3) Liquidity risk

The Company's cashflow requiremnet are met by funds received from its holding company.

As per our report of even date
FOR P. M. PANDE AND CO
FIRM REGISTRATION NO. 107289 W
CHARTERED ACCOUNTANTS

PANKAAJ PANDE
PROPRIETOR
Membership No. 40694

Place: Mumbai
Date: 20th June, 2018

For and on behalf of the Board of Directors

KETAN SHAH
DIRECTOR
DIN: 03134932

KHILEN SHAH
DIRECTOR
DIN: 03134932

Independent Auditor's Report
To the Members of Vishal Techno Commerce Limited

1) **Report on the Standalone Financial Statements:**
We have audited the accompanying standalone financial statements of Vishal Techno Commerce Limited ('the Company'), which comprise the balance sheet as at 31 March 2018, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended and a summary of the significant accounting policies and other explanatory information.

2) **Management's Responsibility for the Standalone 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 including other comprehensive income, cash flows and the statement of changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rule, 2015 as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3) **Auditor's Responsibility**:
Our responsibility is to express an opinion on these standalone financial statements based on our audit.

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matter which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order issued under section 143(11) of the Act.

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 the disclosures in the standalone financial statements. The procedures selected depend on the auditor's 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

ANAND A. YADAV & ASSOCIATES MUMBAI CHARTERED ACCOUNTANTS that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the 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.

4) 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 31 March, 2018 and its financial performance including other comprehensive income and the statement of changes in equity for the year ended on that date.

5) Emphasis of Matter:

1. Attention is invited to Note No. 26 of the financial statements with regard to reliance placed by the auditors on certification received from the management with regard to the disclosure of contingent liabilities given by the Company.
2. Attention is invited to Note No. 29 of the financial statements with regards to balances that are subject to confirmations, reconciliation and adjustments if any.

6) Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the **Annexure A**, a statement on the matters specified in the paragraph 3 and 4 of the order.
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, the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
   d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rule issued thereunder;
   e) on the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
   f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure B**; and
   g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
      i. the Company has no pending litigations on its financial position in its standalone financial statements;
      ii. the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

ANAND A. YADAV & ASSOCIATES
MUMBAI
* CHARTERED ACCOUNTANTS *

iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company; and

For Anand A. Yadav & Associates
Chartered Accountants
FRN: 137527W

Anand Yadav
Proprietor
M. No.: 156864

Place: Mumbai
Date: 25th June, 2018

Annexure - A to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Vishal Techno Commerce Limited of even date)

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2018, we report that:

(i) The company does not have any Fixed Assets during the financial year and as at the balance sheet date, except investment of property and charged depreciation as per Companies Act, 2013 on investment of property;

(ii) The Company does not have any Inventories during the year and as at the balance sheet date.

(iii) In our opinion, and according to the information and explanations given to us, the Company has granted any secured or unsecured loans to Companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013;

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) The Company has not accepted deposits during the year and does not have any unclaimed deposits as at 31st March, 2018 and therefore, the provisions of the Clause 3(v) of the Order are not applicable to the Company.

(vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.

(vii) According to the information and explanations given to us, in respect of statutory dues:

a. On the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. However, there were outstanding interest dues of statutory liability and the details of outstanding as follows:

Sr. No.	Particulars	Amount in INR
1.	Tax Deducted at Source (TDS) Liability	7,02,572/-
2.	Goods and Service Tax (GST) Liability	7,200/-
3.	Interest on above Statutory Liability	2,98,937/-
	Total Statutory Liability	**10,08,709/-**

b. On the basis of our examination of documents and records of the Company, and explanation provided to us, there were no disputed dues in respect of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty or Cess;

c. Details of dues of Income Tax which have not been deposited as at 31st March, 2018 on account of dispute are given below

(Amount in INR)

Statute and Nature of Dues	Section	Financial Year	Disputed Dues	Amount Paid	Balance Disputed Dues Payable	Forum where dispute is pending
Income Tax	221	2010-11	3,50,00,000/-	2,50,99,630/-	99,00,370/-	Income Tax Appellate Tribunal (ITAT)

ANAND A. YADAV & ASSOCIATES * MUMBAI * CHARTERED ACCOUNTANTS

(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.

4) **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.

5) **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 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Anand A. Yadav & Associates
Chartered Accountants
FRN: 137527W

Anand Yadav
Proprietor
M. No.: 156864

Place: Mumbai
Date: 25th June, 2018

VISHAL TECHNO COMMERCE LIMITED

BALANCE SHEET AS AT 31st MARCH, 2018

Particulars			Note No.	As at 31st March, 2018 (₹)	As at 31st March, 2017 (₹)
ASSETS					
Non-Current Assets					
(a)	Property, plant and equipment		3	-	2,195
(b)	Investment property		4	33,02,831	33,69,197
(c)	Financial assets				
	(i)	Investments	5	1,09,343	1,09,343
		c) Other investments			
	(ii)	Loans	6	2,49,82,63,586	2,14,51,31,594
(d)	Deferred tax assets (Net)		7	-	36,716
(e)	Current tax assets		9	2,56,68,422	2,61,50,852
Total Non-Current assets				**2,52,73,44,182**	**2,17,47,99,897**
Current assets					
(a)	Financial assets				
	(i)	Cash and cash equivalents	10A	67,11,747	1,82,190
	(ii)	Bank balances other than (i) above	10B	-	29,98,771
	(iii)	Other financial assets	11	24,12,22,017	24,30,42,082
Total Current Assets				**24,79,33,764**	**24,62,23,043**
TOTAL ASSETS				**2,77,52,77,946**	**2,42,10,22,940**
EQUITY AND LIABILITIES					
Equity					
(a)	Equity share capital		12	5,00,000	5,00,000
(b)	Other equity		13	19,80,02,953	20,83,69,827
Total Equity				**19,85,02,953**	**20,88,69,827**
Liabilities					
Non-Current Liabilities		0			
(a)	Financial Liabilities				
	(i)	Borrowings	14	2,54,93,00,000	2,19,13,00,000
Total Non-Current Liabilities				**2,54,93,00,000**	**2,19,13,00,000**
Current Liabilities					
(a)	Financial Liabilities				
	(i)	Borrowings	14	1,26,74,282	1,16,99,282
	(ii)	Trade payables	16	87,31,999	34,40,107
	(iii)	Other financial liabilities	15	30,19,834	34,96,786
	Other current liabilities		17	10,08,709	3,69,222
(c)	Provisions		18	3,26,750	3,26,750
	Current tax Liabilities		9	17,13,419	15,20,966
				2,74,74,993	**2,08,53,113**
Total Liabilities				**2,57,67,74,993**	**2,21,21,53,113**
TOTAL EQUITY AND LIABILITIES				**2,77,52,77,946**	**2,42,10,22,940**

As per our report of even date

FOR ANAND A YADAV & ASSOCIATES
Chartered Accountants
Firm Registration No 137527W

ANAND YADAV
PROPRIETOR
Membership No. 156864

Mumbai
Date 25Th June 2018

For and on behalf of the Board of Directors

Shrenik Mehta
DIRECTOR
DIN: 03137231

D V Prabhu
DIRECTOR
DIN. 03142640

VISHAL TECHNO COMMERCE LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2018

Particulars	Note No.	Year ended 31st March, 2018 (₹)	Year ended 31st March, 2017 (₹)
I INCOME			
Revenue from Operations	19	6,27,720	9,548
Other Income	20	1,87,072	15,65,309
Total Income		8,14,792	15,74,857
II EXPENSES			
Changes in Inventories of Finished Goods, Stock-in-Trade and Wor		-	-
Finance Costs	21	96,29,294	15,37,331
Depreciation Expenses	22	68,561	93,951
Other Expenses	23	7,39,276	4,60,973
Total Expenses		1,04,37,132	20,92,255
Profit before exceptional items and Tax (I - II)		**(96,22,339)**	**(5,17,398)**
Earlier Year Adjustment		**(8,618)**	-
Profit / (Loss) before Tax		**(96,30,957)**	**(5,17,398)**
Tax Expense			
(1) Current Tax		-	-
(2) Deferred tax (charge) / credit		(36,716)	740
(3) Deferred tax (charge) / credit (IND AS)		-	-
(3) Excess / (Short) provision for taxation in respect of earlier years		(6,99,200)	(12,07,110)
		(7,35,916)	(12,06,370)
Profit for the Period from Continuing Operations		**(1,03,66,873)**	**(17,23,768)**
Profit from Discontinued Operations before Tax		-	-
Tax Expense of Discontinued Operations		-	-
Profit from Discontinued Operations (after tax)		-	-
Profit / (Loss) for the Year		**(1,03,66,873)**	**(17,23,768)**
Other Comprehensive Income		-	-
Total Comprehensive Income		**(1,03,66,873)**	**(17,23,768)**
Earning per equity share of nominal value of `10/each			
Basic and Diluted	24	(20.73)	(34.48)

As per our report of even date

FOR ANAND A YADAV & ASSOCIATES
Chartered Accountants
Firm Registration No. 137527W

ANAND YADAV
PROPRIETOR
Membership No. 156864

Mumbai
Date: 25Th June 2018

For and on behalf of the Board of Directors

Shrenik Mehta
DIRECTOR
DIN: 03137231

D V Prabhu
DIRECTOR
DIN: 03142640

VISHAL TECHNO COMMERCE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2018

Particulars	As at 31st March, 2018 (₹)	As at 31st March, 2017 (₹)
I. CASH FLOWS ARISING FROM OPERATING ACTIVITIES		
Net profit / (loss) before taxation and prior period items as per Statement of Profit and Loss	(96,30,957)	(5,17,398)
Add / (Less) :		
Finance costs	96,29,294	15,37,331
Depreciation and amortisation	68558.45	93,951
Excess/ (Short) provision for expense	8,618	(9,548)
Interest income	(1,78,454)	(15,65,309)
	95,28,016	56,425
Operating profit before working capital changes	(1,02,941)	(4,60,973)
Add / (Less) :		
(Increase)/ Decrease in inventories	-	-
(Increase) / Decrease in trade receivables	-	-
(Increase) / Decrease in trade and other receivebles	18,20,065	33,94,90,871
Increase / (Decrease) in trade and other payables	56,46,880	(1,12,22,815)
Increase / (Decrease) in provisions	3,26,750	-
Direct taxes paid	-	1,57,319
	77,93,694	32,84,25,375
Net cash flow from operating activities	76,90,753	32,79,64,402
II. CASH FLOWS ARISING FROM INVESTING ACTIVITIES		
Inflow / (Outflow) on account of :		
Interest income received	1,99,145	26,30,140
(Increase) / Decrease Loans and Advances	(35,31,31,992)	(84,51,31,594)
Inrease in Investment	-	(1,00,000)
(Increase) / Decrease in Fixed Deposits having maturities more than three months	-	(29,98,771)
Net cash flow from investing activities	(35,29,32,847)	(84,56,00,225)
III. CASH FLOWS ARISING FROM FINANCING ACTIVITIES		
Inflow / (Outflow) on account of :		
Proceeds from Long term borrowings	35,89,75,000	39,64,81,004
Finance costs paid	(72,03,349)	(18,05,851)
Net cash flow from financing activities	35,17,71,651	39,46,75,153
Net increase in cash and cash equivalents (I + II + III)	65,29,557	(12,29,60,670)
Add: Balance at the beginning of the year	1,82,190	12,31,42,860
	67,11,747	1,82,190
Components of cash and cash equivalents (Refer Note 11)		
	1,863	4,927
Balances with Banks		
- in Current accounts	67,09,884	1,77,263
	67,11,747	1,82,190

Footnote:
The Cash Flow Statement has been prepared under indirect method as set out in Indian Accounting Standard (Ind AS- 7) statement of Cash Flows

FOR ANAND A YADAV & ASSOCIATES
Chartered Accountants
Firm Registration No. 137527W

ANAND A. YADAV & ASSOCIATES MUMBAI CHARTERED ACCOUNTANTS

ANAND YADAV
PROPRIETOR
Membership No. 156864

Mumbai
Date: 25Th June 2018

VISHAL TECHNO COMMERCE LIMITED MUMBAI

For and on behalf of the Board of Directors

Shrenik Mehta
DIRECTOR
DIN: 03137231

D V Prabhu
DIRECTOR
DIN: 03142640

VISHAL TECHNO COMMERCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

1. COMPANY OVERVIEW

Vishal Techno Commerce Limited is an unlisted Public Limited Company domiciled in India, incorporated under the Companies Act, 1956. The Company is engaged into real estate business specializing in construction and development of Infotech Parks, Cyber Parks, Business Parks, SEZ, lease of commercial, industrial and residential properties, solar power energy generation and distribution and financing activities.

The financial statements are approved for issue by the Company's Board of Directors on .

2 SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PREPARATION OF FINANCIAL STATEMENTS

These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act , 2013 ('Act') (to the extent notified) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The Company has adopted all the IndAS standards and the adoption was carried out in accordance with IndAS 101 First time adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP. Reconciliations and descriptions of the effect of the transition has been summarized in Note 32.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

a) **Historical Cost Convention**

The financial statements have been prepared on historical cost basis, except for the following:

i. certain financial assets and liabilities that have been measured at fair value

ii. assets held for sale - measured at lower of carrying amount or fair value less cost to sell.

iii. defined benefit plans - plan assets measured at fair value.

b) **Current and Non-Current Classification**

The Company presents assets and liabilities in the balance sheet based on current/non current classification.

An asset is classified as current when:

i. It is expected to be realised or intended to sold or consumed in normal operating cycle

ii. It is held primarily for the purpose of trading

A. Revenue from Construction Activity

i. Revenue from sale of 'finished properties/buildings/rights' is recognised on transfer of all significant risks and rewards of ownership of such properties/building/rights, as per the terms of the contracts entered into with buyer/(s), which generally coincides with the firming of the sales contracts/agreements, except for contracts where the Company still has obligations to perform substantial acts even after the transfer of all significant risks and rewards.

B. Interest and Dividend Income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income is recognized when the right to receive payment is established.

Others

Revenues / Income and Costs/ Expenditure are generally accounted on accrual, as they are earned or incurred.

2.2 PROPERTY PLANT AND EQUIPMENT AND DEPRECIATION / AMMORTISATION

Tangible Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation and accumulated impairment losses, if any.

B. Depreciation is provided on the straight line method on the basis of estimated useful life of the asset in the manner specified in Schedule II to the Companies Act, 2013. Depreciation on additions to assets or on sale/disposal of assets is calculated pro-rata from the month of such addition, or upto the month of such sale/disposal, as the case may be.

Asset Category	Estimated useful life (in Years)
Furniture and Fixture	10
Office equipments	5

2.3 INVESTMENTS

Investments are classified into Current and Non Current / Long Term Investments. Current investments are stated at lower of cost and fair value. Long term investments are stated at cost. A provision for diminution is made to recognize decline, other than temporary, in the value of long term investments.

2.4 FINANCIAL INSTRUMENTS

2.4.1 Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss,are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

2.4.2 Subsequent measurement

a. Non-derivative financial instruments

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income it it is held with in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(v) Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

2.4.3 Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the finacial asset and the transfer qualifies for derecognition under IndAS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

2.4.4 Impairment

a. Financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to life time ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case thoseare measured at lifetime ECL.The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in the statement of profit or loss.

b. Non-financial assets

Property, plant and equipment

Property, plant and equipment are evaluated for recoverability wheneer events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

2.5 TAXATION

i. Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the financial statement of profit and loss becauseof items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using rates that have been enacted or substantively enacted by the end of the reporting period.

In case the Company is liable to pay income tax u/s 115JB of Income Tax Act, 1961 (i.e. MAT), the amount of tax paid in excess of normal income tax is recognized as an asset (MAT Credit entitlement) only if there is convincing evidence for realization of such asset during the specified period. MAT credit entitlement is reviewed at each Balance Sheet date.

ANAND A. YADAV & ASSOCIATES MUMBAI CHARTERED ACCOUNTANTS

VISHAL TECHNO COMMERCE LIMITED MUMBAI

ii. Deferred Tax

Deferred tax is recognized on temporary diterences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax asset is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

iii. Current and deferred tax for the year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

2.6 BORROWINGS AND BORROWING COSTS

Borrowings are initially recognised at the net transaction costs incurred and measured at ammortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of profit and loss over the period of the borrowings using the effective interest method.

Interests and other borrowing costs calculated as per effective interest rate attributable to qualifying assets are allocated as part of the cost of construction / development of such assets. Such allocation is suspended during extended periods in which active development is interrupted and, no costs are allocated once all such activities are substantially complete. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are charged to the Profit and Loss Account.

2.7 CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

2.8 PROVISIONS, CONTINGENT ASSETS AND CONTINGENT LIABILITIES

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
  Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or
- a reliable estimate of the amount of the obligation cannot be made.

2.9 USE OF ESTIMATES

The preparation of the financial statements in conformity with IndAS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in note 2.10. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

2.10 Critical accounting judgements and estimates

a. Property, plant and equipment and depreciation

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed peiodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

b. Fair value measurements and valuation processes

Some of the company's assets are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. The Company works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

VISHAL TECHNO COMMERCE LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2018

	Notes	Amount (₹)
A. EQUITY SHARE CAPITAL		
As at 1st April, 2017	12	5,00,000
Changes in equity share capital		-
As at 31st March, 2018		5,00,000

Amount in (₹)

Particulars	Equity Share Capital	Retained Earnings	Total
Balance at April 1, 2015	5,00,000.00	21,13,81,156	21,18,81,156
Changes in accounting Policy or prior period errors	-	-	-
Total Comprehensive Income for the year	-	(12,87,562)	(12,87,562)
Dividends	-	-	-
Transfer to Retained Earnings	-	-	-
Balance as at 31st March, 2016	5,00,000.00	21,00,93,594	21,05,93,594
Changes in accounting Policy or prior period errors	-	-	-
Restated balance at the beginning of the reporting period	-	-	-
Total Comprehensive Income for the year	-	(17,23,768)	(17,23,768)
Dividends	-	-	-
Transfer to Retained Earnings	-	-	-
Any other changes (to be specified)	-	-	-
Balance at April 1, 2017	5,00,000.00	20,83,69,826	20,88,69,826
Total Comprehensive Income for the year	-	-	-
Balance as at 31st March, 2018	5,00,000.00	20,83,69,826	20,88,69,826

As per our report of even date

For and on behalf of the Board of Directors

FOR ANAND A YADAV & ASSOCIATES
Chartered Accountants
Firm Registration No. 137527W

ANAND A. YADAV & ASSOCIATES MUMBAI CHARTERED ACCOUNTANTS

ANAND YADAV
PROPRIETOR
Membership No. 156864

Shrenik Mehta
DIRECTOR
DIN: 03137231

VISHAL TECHNO COMMERCE LIMITED MUMBAI

D V Prabhu
DIRECTOR
DIN: 03142640

Mumbai
Date: 25Th June 2018

VISHAL TECHNO COMMERCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

3. Property, plant and equipment

Amount in (₹)

	Furniture and Fixtures	Office Equipment	Total
Cost or deemed cost			
Balance at 31st March, 2016	2,88,238	17,250	3,05,488
Additions	-	-	-
Disposals	-	-	-
Balance at 31st March, 2017	**2,88,238**	**17,250**	**3,05,488**
Accumulated depreciation			
Balance at 31st March, 2016	2,58,458	17,250	2,75,708
Depreciation expense	27,585	-	27,585
Balance at 31st March, 2017	**2,86,043**	**17,250**	**3,03,293**
Carrying amount as at 31st March, 2017	2,195	-	2,195

Amount in (₹)

	Furniture and Fixtures	Office Equipment	Total
Cost or deemed cost			
Balance at 31st March, 2018	2,88,238	17,250	3,05,488
	-	-	-
	-	-	-
Balance at 31st March, 2018	**2,88,238**	**17,250**	**3,05,488**
Accumulated depreciation			
	2,86,043	17,250	3,03,293
Eliminated on disposal of assets	-	-	-
Depreciation expense	2,195	-	2,195
Balance at 31st March, 2018	**2,88,238**	**17,250**	**3,05,488**
Carrying amount as at 31st March, 2018	-	-	-

ANAND A. YADAV & ASSOCIATES MUMBAI CHARTERED ACCOUNTANTS

VISHAL TECHNO COMMERCE LIMITED MUMBAI

	As at 31st March, 2018 (₹)	As at 31st March, 2017 (₹)
4. Investment property		
Cost or deemed cost		
Balance at the beginning of the year	59,27,638	59,27,638
Additions	-	-
Transferred from property, plant and equipment	-	-
Balance at the end of the year	**59,27,638**	**59,27,638**
Accumulated depreciation and impairment		
Balance at the beginning of the year	25,58,441	24,92,075
Additions	-	-
Disposals	-	-
Depreciation expense	66,366	66,366
Transferred from property, plant and equipment		
Effect of Foreign currency exchange differences		
Balance at the end of the year	**26,24,807**	**25,58,441**
Carrying amount	**33,02,831**	**33,69,197**

		As at 31st March, 2018 (₹)	As at 31st March, 2017 (₹)
5. Investment			
Non Current Investments			
	(Trade, unless otherwise specified)		
	Investment in equity instruments (Unquoted)		
I)	Subsidiary Company (Fully paid up equity shares) (At cost)		
a)	10,000 (As at 31st March, 2016 :Nil , 1st April, 2015:Nil) Equity shares of ` 10/- each **A B Renewable Energy Private Limited**	1,00,000	1,00,000
II)	Others (At Fair Value)		
b)	25 (As at 31st March, 2016 :25 ,1st April, 2015 :25) Equity shares of ` 29/- each Shamrao Vithal Co-operative Bank Limited (Refer Footnote)	9,343	9,343
	Total	**1,09,343**	**1,09,343**

Footnote

Equity shares of Shamrao Vithal Co-operative Bank Limited are fair valued based on audited financial statement for the year ended F.Y. 2016-17

	As at 31st March, 2018 (₹)	As at 31st March, 2017 (₹)
6. Loans		
Non-current		
Loans to related parties		
- Unsecured, considered good (Refer Note No: 26)	2,49,82,63,586	2,14,51,31,594
Less: Allowance for bad and doubtful loans	-	-
Total	**2,49,82,63,586**	**2,14,51,31,594**
7. Deferred Tax balances		
Deferred Tax Asset	-	36,716
Deferred Tax Liability	-	-
Total	**-**	**36,716**

2017-2018	Opening Balance	Recognised in profit o	Closing Balance
Deferred tax (liabilities) / assets in relation to:			
Property, plant and equipment	36,716	(36,716)	
	36,716	**(36,716)**	**-**

2016-2017	Opening Balance	Recognised in profit o	Closing Balance
Deferred tax (liabilities) / assets in relation to:			
Property, plant and equipment	35976	740.00	36,716
	35,976	**740**	**36,716**

	As at 31st March, 2018 (₹)	As at 31st March, 2017 (₹)
9. Current Tax Assets / (Liabilities)		
(i) Current Tax Assets		
Advance Tax paid	2,56,68,422	2,61,50,852
Less: Provision for Tax	-	-
Current Tax Assets Total	**2,56,68,422**	**2,61,50,852**
(ii) Current Tax Liability		
Provision for Tax	17,13,419	1,64,06,181
Less: Advance Tax Paid	-	1,48,85,215
Current Tax Liability Total	**17,13,419**	**15,20,966**

Reconciliation of tax expense and the accounting profit multiplied by India's tax rate
Since the taxable income is negative, there is no current tax payable; hence reconciliation has not been provided.

	As at 31st March, 2018 (₹)	As at 31st March, 2017 (₹)
10. Cash and Bank Balances		
A. Cash and cash equivalents		
Balances with banks:		
- in current accounts	67,09,884	1,77,263
- in deposit with maturity of less than three months	-	-
Cash on hand	1,863	4,927
Total	**67,11,747**	**1,82,190**
B. Bank balances other than above		
Margin money deposits (Refer Footnote)	-	29,98,771
Total	**-**	**29,98,771**

Footnote:
Balances with bank in margin money are kept as security for guarantees / other facilities.

	As at 31st March, 2018 (₹)	As at 31st March, 2017 (₹)
11. Other financial assets		
Current		
Security deposits	1,50,000	1,50,000
Interest accrued on fixed deposits	-	20,691
Other receivables (Other than Trade Receivables)	24,10,72,017	24,28,71,391
Total	**24,12,22,017**	**24,30,42,082**

ANAND A. YADAV & ASSOCIATES * MUMBAI * CHARTERED ACCOUNTANTS

VISHAL TECHNO COMMERCE MUMBAI

VISHAL TECHNO COMMERCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

			As at 31st March, 2018 (₹)	As at 31st March, 2017 (₹)
12. Equity share capital				
Authorised Share Capital:				
1,000,000 (As at 31st March, 2018: 10,00,000, As at 1st April, 2017: 10,00,000) Equity Shares of 10/- each			1,00,00,000	1,00,00,000
Issued and subscribed capital comprises:				
50,000 (As at 31st March, 2018: 50,000; As at 1st April, 2017: 50,000) Equity Shares of ` 10/- each fully paid up			5,00,000	5,00,000
			5,00,000	5,00,000
12.1			Number of shares	Share Capital
Reconciliation of the number of Equity shares outstanding at the beginning and at the enc				
Balance at 1st April, 2016			50,000	5,00,000
Hubtown Limited with Benificiary Owners	500000	100%	50000	100%

12.4 Terms/Right attached to Ordinary Equity Shares

The company has a single class of equity shares having a par value of ` 10/- per share. Each holder of equity share is entitled to one vote per share . The company declares and pays dividend in indian rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing annual general meeting.

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VISHAL TECHNO COMMERCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

	As at 31st March, 2018 (₹)	As at 31st March, 2017 (₹)
13. Other Equity		
Retained Earnings		
Balance at the beginning of the year	20,83,69,827	21,00,93,594
Profit attributable to the owners of the company	(1,03,66,873)	(17,23,768)
Balance at the end of the year	**19,80,02,953**	**20,83,69,827**
14. Borrowings		
Non-current		
Secured		
- From financial institutions (Refer Footnote)	2,54,93,00,000	2,19,13,00,000
Total	**2,54,93,00,000**	**2,19,13,00,000**

Footnote:

(i)

Repayable in quarterly installment starting from 30th September 2019. Mortgage of land and structures on project located in Andheri (East), Matunga, Kelavali, Ghodivali, Raigad, Mulund, Khalapur and Majiwade; first charge by way of over the receivable and escrow account collection from above project. Irrevocable and unconditional Personal Guarantee(s) of Mr. Hemant Shah and Vyomesh Shah. Corporate guarantee of Heet Builder Private Limited and Citygold Education Research Limited Pledge of shares of Heet Builder Private Limited, Citygold Education Research Limited held by Hubtown Limited. Pledge of 70,00,000 shares of Hubtown Limited.

(ii) The Company has borrowed funds from ECL Finance Limited for the project under execution in a fellow subsidiary, Heet Builders Private Limited. All the cost of borrowings, upfront fees and interest cost are borne by Heet Builders Private Limited to the extent of loans advanced to Heet Builders Private Limited out of total amount of borrowed from ECL Finance Limited.

		As at 31st March, 2018 (₹)	As at 31st March, 2017 (₹)
	Currrent		
	Unsecured		
(i)	Loans repayable on demand:		
-	From Related Party (Refer Footnote)	1,26,74,282	1,16,99,282
-	From Companies	-	-
	Total	1,26,74,282	1,16,99,282

ANAND A. YADAV & ASSOCIATES MUMBAI CHARTERED ACCOUNTANTS

VISHAL TECHNO COMMERCE LIMITED MUMBAI

Footnote

The Company has received interest free loan from it's Parent Company, considering the nature of business in which the Company operate, the amounts so received are considered to be repayable on call / demand as the repayment period of such amounts so received is not measureable precisely.

15. Other financial liabilities

Current		
Interest accrued but not due on borrowings	29,38,192	5,08,192
Refundable deposits	-	29,60,000
Other payables	81,642	28,594
Total	**30,19,834**	**34,96,786**

16. Trade payables

Dues to MSME (Refer Footnote)	-	-
Dues to others	87,31,999	34,40,107
Total	**87,31,999**	**34,40,107**

Footnote
As per information available with the Company regarding dues to Micro, Small and Medium Enterprises as defined under the Micro Small Medium Enterprises Development, Act 2006 (MSMED Act), none of the suppliers of the Company are registered under MSMED Act, and the same has been

17. Other Current liabilities

Other payables :		
- Statutory dues	10,08,709.00	3,69,222.00
Total	**10,08,709**	**3,69,222**

18. Provisions

Current		
Provision for Rates and Taxes	3,26,750.00	3,26,750.00
Total	**3,26,750**	**3,26,750**

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VISHAL TECHNO COMMERCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

	Year ended 31st March, 2018 (₹)	Year ended 31st March, 2017 (₹)
19. Revenue from operations		
Other operating revenue :		
Income on investments in subsidiaries, Joint ventures, etc. deve	-	-
Gain on fair valuation of investments	8,618	-
	8,618	-
Total (a+b)	**1,87,072**	**15,65,309**
21. Finance Costs		
Other interest expense	94,50,001	11,30,167
Other Interest Charges (Delayed and penal Interest)	1,79,293	4,07,164
Total	**96,29,294**	**15,37,331**

Footnote: Interest expense for loan taken from ECL Finance Limited is recoverable from Heet Builders Private Limited and therefore finance cost for the loan is not recognized for the year to the extent of loan advanced to Heet Builders Private Limited.

22. Depreciation and Amortisation Expenses		
Depreciation on Furniture and Fixtures	2,195	27,585
Depreciation on Buildings	66,366	66,366
Total	**68,561**	**93,951**
23. Other Expenses		
Rates and taxes	2,500	-
Repairs and society maintenance charges	2,17,040	2,82,285
Legal and professional fees	41,031	50,211
Other expenses	4,78,705	1,28,477
Total	**7,39,276**	**4,60,973**
Footnote:		
Audit Fees	20,000	20,000
	-	3,000
	20,000	**23,000**

ANAND A. YADAV & ASSOCIATES ★ CHARTERED ACCOUNTANTS ★ MUMBAI

VISHAL TECHNO COMMERCE LIMITED MUMBAI

24. Earnings Per Share (EPS)	As at 31st March, 2018 (₹)	As at 31st March, 2017 (₹)
Basic and Diluted Earning Per Share	(20.73)	(3.45)

Basic EPS

The earnings and weighted average number of equity shares used in the calculation of basic and diluted earnings per share are as follows:

	Year Ended 31st March, 2018 (₹)	Year Ended 31st March, 2017 (₹)
Profit for the year attributable to the owners of the Company Earnings used in the calculation of basic and diluted earnings per share	(1,03,66,873)	(17,23,768)
Weighted average number of equity shares for the purposes of basic and diluted earnings per share	5,00,000	5,00,000

25 Related Party Disclosures (As per IND AS - 24)

A. Name of the related parties and related parties relationship

I **Holding Company** : Hubtown Limited

II **Fellow Subsidiary** : Heet Builders Private Limited

III **Others Significant Influence** : Citygold Management Services Private Limited

Footnote:

Related party relationship are identified by the Company and relied upon by the Auditors

B. Transaction with Related Parties -

Sr. No	Nature of Transaction	Holding Company	Fellow Subsidiary	Others Significant Influence
i	**Loans and advances received /recovered**			
	Hubtown Limited	12,25,000	-	-
		(6,62,50,000)	(-)	(-)
	Heet Builders Private Limited	-	52,48,73,769	-
		(-)	(10,29,42,535)	(-)
ii	**Interest expense borne on our behalf**			
	Heet Builders Private Limited (Refer note 21)	-	94,50,001	-
		(-)	(11,30,167)	(-)
iii	**Loan Repaid /given / Adjusted**			
	Hubtown Limited	2,50,000	-	-
		(36,00,00,000)	(-)	( )
	Heet Builders Private Limited	-	17,17,41,777	-
		(-)	(78,55,35,165)	(-)
iv	**Payment made on our Behalf**			
	Heet Builders Private Limited	-	60,75,001	-
		(-)	(52,49,401)	(-)
	Citygold Management Services Pvt Limited			46,079
				(-)
v	**On Behalf Payment made**			
	Citygold Management Services Pvt Limited	-	-	921
		(-)	(-)	(19,050)
vi	**Corporate gurantee availed during the year for loan taken**			
	Hubtown Limited, Heet Builders Private Limited and Citygold Education Private Limited	2,87,63,90,797	-	-
		(2,38,18,11,491)	(-)	(-)

ANAND ... MUMBAI CHARTERED ACCOUNTANTS

VISHAL TECHNO COMMERCE LIMITED MUMBAI

VISHAL TECHNO COMMERCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

	Balances outstanding	As at 31st March, 2018 (₹)	As at 31st March, 2017 (₹)
i	**Balance Payables**		
	Holding Company		
	Hubtown Limited	1,26,74,282	1,16,99,282
	Others - Fellow Subsidiaries		
	Heet Builders Private Limited		-
	Other Significant Influence		
	Citygold Management Services Pvt Limited	11,70,022	11,24,864
ii	**Balance Receivables**		
	Others - Fellow Subsidiaries		
	Heet Builders Private Limited	2,49,82,63,586	2,14,51,31,594
	Other Significant Influence		
	Citygold Management Services Pvt Limited	-	3,000
iii	**Balance of corporate gurantee for loan taken**		
	Holding Company and Fellow Subsidiary		
	Hubtown Limited, Heet Builders Private Limited, Citygold Education Private Limited	2,87,63,90,797	2,38,18,11,491

Note:-

The loan of Rs. 28,763.90 lakhs taken by Vishal Techno Commerce Limited has been jointly and severally guranteed by Heet Builders Private Limited and Hubtown Limited. There is no contract determining the ratio of individual gurantees by each party, in such cases the amount shall be divided equally between each party.

26. Contingent Liability

A. Contingent liability with regards disputed dues with statutory authorities :	As at 31st March, 2018 (₹)	As at 31st March, 2017 (₹)
A. Claims against company not acknowledge as debt on account of:-		
Income tax matter under appeals with the Commissioner of Income Tax (Appeal) :		
Financial year 2010 2011 Under Section 221 of Income Tax Act, 1961	99,00,370	99,00,370
Financial year 2011-2012 Under Section 143(3) of Income Tax , 1961	-	84,95,590
Total	99,00,370	1,83,95,960

Further interest / penalty that may accrue on original demands are not ascertainable, at present. The Company has taken necessary steps to protect its position with respect to the above referred claims, which in its opinion, based on professional / legal advice, are not sustainable

The Company does not have any contingent liability as at balance sheet date, other then stated above, as certified by management & relied upon by the auditors.

B. On account of Corporate guarantees issued by the Company to ECL Finance Limited on behalf of Heet Bulders Private Limited : Outstanding Loan amount	-	10,00,00,000
	-	10,00,00,000

27 Capital Management

The entity manages its capital to ensure that the entity will be able to continue as a going concern while maximising the return to stakeholders through optimisation of debt equity ratio.

The capital structure of the entity consists of net debt (Borrowings offset by cash and bank balances) and total equity of the company.

Gearing Ratio

The gearing ratio at the reporting period was as follows	As at 31st March, 2018 (₹)	As at 31st March, 2017 (₹)
Secured Loan	2,54,93,00,000	2,19,13,00,000
Unsecured Loan	1,26,74,282	1,16,99,282
Interest accured and due/and but not due	29,38,192	5,08,192
Total Debt	2,56,49,12,474	2,20,35,07,474
Cash and Cash Equivalents	67,11,747	1,82,190
Net Debt (A)	2,55,82,00,727	2,20,33,25,284
Equity Share Capital	5,00,000	5,00,000
Other equity	19,80,02,953	20,83,69,827
Total Equity (B)	19,85,02,953	20,88,69,827
Debt Equity Ratio A/B	12.89	10.55

28 Financial Risk Management Objectives

The company is exposed to market risk, credit risk and liquidity risk. The company's management oversees the management of these risks. The company's board of directors review and agrees policies for managing each of these risks summarized below:

i) Market Risk

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has borrowed funds for execution of project by a fellow subsidiary Heet Builders Private Limited. Interest and other Borrowings cost are born by Heet Builders Private Limted refer **Note No. 14**

ii) Credit Risk

The company is not exposed to credit risk from its operating activities. Credit risk from balances with banks and inter corporate loans is managed by the company's treasury department in accordance with the company's policy.

iii) Liquidity risk

The companies cashflow requirement are met by funds received from its holding company.

29

In the opinion of the Board of Directors of the Compaoy, all items of Current Assets, Non Current Assets, Non current liabilities, Current Liabilities and Loans and Advances continues to have a realizable value of at least the amnunts at which they are stated in the Balance Sheet.

FOR ANAND A YADAV & ASSOCIATES
Chartered Accountants
Firm Registration No. 137527W

ANAND YADAV
PROPRIETOR
Membership No. 156864
Mumbai
Date: 25Th June 2018

For and on behalf of the Board of Directors

Shrenik Mehta
DIRECTOR
DIN: 03137231

D V Prabhu
DIRECTOR
DIN: 03142640

CA MUKESH K.GOHEL
B.com., F.C.A., DISA (ICAI)

M. K. Gohel & Associates
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

TO,

THE MEMBERS OF,
YANTTI BUILDCON PRIVATE LIMITED

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial Statements of **YANTTI BUILDCON PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, and the Statement of Profit and Loss (Including Other Comprehensive Income), the Cash Flow Statement and the statement of changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS financial statements").

Management's Responsibility for the Ind AS 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 Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind As 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 Ind AS 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 there under.

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 Ind AS financial statements are free from material misstatement.

B- 104, Sahayog CHS, Ltd., opp, Lohana Mahajan Wadi, 192 - A, S. V. Road, Kandivali - (W), Mumbai - 400 067.
Tel.: 022 - 28078033 / 28068033 / mukesh.gohel@mkgohel.com / www.mkgohel.com

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS 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 Ind AS financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 including the Ind AS, of the state of affairs of the Company as at 31st March, 2018, and its losses (financial performance including other comprehensive Income), its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

I. As required by 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the **Annexure A** statement on the matters specified in paragraphs 3 and 4 of the Order.

II. As required by Section143 (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, the Cash Flow Statement and statement of changes in Equity dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid Ind AS financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**.

M. K. GOHEL & ASSOCIATES * MKG MUMBAI M. No. 038823

(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 does not have any material pending litigations which would impact its financial position.

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

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

FOR M. K. GOHEL & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: 103256W

MKGohel

M. K. GOHEL & ASSOCIATES
MUMBAI
M. No.
038823
Chartered Accountants

MUKESH K. GOHEL
PROPRIETOR
M. No.: 038823

Place : Mumbai
Date : 25/06/2018

"ANNEXURE-A" REFERRED TO IN PARAGRAPH I OF OUR REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS OUR AUDITORS' REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018 OF YANTTI BUILDCON PRIVATE LIMITED

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that: -

(i) a) The company has maintained proper records showing full particulars of its quantitative details and situation of fixed assets;

b) The company has physically verified its fixed assets at reasonable interval;

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no material discrepancies were noticed on verification of such assets.

(ii) The company has physically verified its inventories at reasonable intervals of time and no material discrepancies have been noticed on such verification of inventories.

(iii) In our opinion, and according to the information and explanations given to us, the Company has during the year, not granted any unsecured loans to Companies covered in the register maintained under Section 189 of the Companies Act, 2013.

(iv) As per the information received there are no loan, investment, guarantees and security to director by the company.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted deposits as per the directives issued by the Reserve Bank of India under the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

(vi) In our opinion, and according to the information and explanation given to us, the Company has not crossed the threshold limit as prescribed by the Central government under sub-section (1) of section 148 of the Act for maintenance of cost records and hence such the provision for maintenance of records are not applicable to the company;

(vii) a. According to the records of the Company, it has been generally regular in depositing, wherever applicable Custom Duty, Cess and other statutory dues with the appropriate authorities. There have been delays during certain months in depositing Income Tax Deducted at Source and Service Tax. There were Tax Deducted at Source ₹ 14,23,417/- , TDS on Interest ₹ 45,81,701/- and WCT ₹ 87,765/-outstanding at the last day of the financial year for a period exceeding six months from the date they became payable. There were no dues during the year towards Employees State Insurance;

M. K. GOHEL & ASSOCIATES
MKG
MUMBAI
M. No.
038823
Chartered Accountants

b. On the basis of our examination of documents and records of the Company, and explanation provided to us, there are no disputed dues in respect of Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty or Cess other than mentioned below:

Statute and nature of dues	Section	Financial Year	Disputed Dues	Forum where dispute is pending
Income Tax	143(3)	2011-12	40,08,522	Commissioner of Income Tax (Appeals)
Income Tax	271(1)(C)	2011-12	Amount not ascertainable	Income Tax Officer

(viii) The company has not defaulted in repayment of loans and borrowing to a financial institution, banks, government or dues to debenture holders.

(ix) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and has not obtained any term loans during the year

(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 the material fraud on or by the Company, has been noticed or reported by the Company during the year, nor have we been informed any such case by the Company;

(xi) No Managerial remuneration has been paid or provided during the year.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, the Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act where applicable and the details of such related party transactions have been disclosed in the Ind AS financial statements as required by Accounting Standard (AS) 18, Related Party Disclosures prescribed under Section 133 of the Act, read with the relevant rules.

(xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.

M.K. GOHEL & ASSOCIATES
MKG
MUMBAI
M. No.
038823
Chartered Accountants

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him/ her. Accordingly, paragraph 3(xv) of the Order is not applicable

(xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

FOR M. K. GOHEL & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: 103256W

MKGohel

M. K. GOHEL & ASSOCIATES
MUMBAI
M. No.
038823
Chartered Accountants

MUKESH K. GOHEL
PROPRIETOR
M. No. 038823

Place : Mumbai
Date : 25/06/2018

"ANNEXURE-B" REFERRED TO IN PARAGRAPH II OF OUR REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (i) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT") OUR AUDITORS' REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018 OF YANTTI BUILDCON PRIVATE LIMITED.

We have audited the internal financial controls over financial reporting of YANTTI BUILDCON PRIVATE LIMITED ("the Company") as of March 31, 2018 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 ('the Guidance Note') 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") 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 applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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 Ind AS 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 Ind AS 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 Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS 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, 2018, 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 M. K. GOHEL & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: 103256W

MKGohel

M. K. GOHEL & ASSOCIATES
MUMBAI
M. No.
038823
Chartered Accountants

MUKESH K. GOHEL
PROPRIETOR
M. No.: 038823

Place : Mumbai
Date : 25/06/2018

YANTTI BUILDCON PRIVATE LIMITED
BALANCE SHEET AS AT 31ST MARCH 2018

Particulars	Note No.	As at 31 March, 2018 ₹	As at 31 March, 2017 ₹
ASSETS			
Non-Current Assets			
(a) Property, plant and equipment	4	292,000	292,000
(b) Financial assets			
Investments	5	10,000	10,000
(c) Current tax assets (Net)	6	110,901	110,901
Total Non-Current assets		**412,901**	**412,901**
Current assets			
(a) Inventories	7	573,870,227	570,456,237
(b) Financial assets			
(i) Cash and cash equivalents	8	259,303	237,963
(ii) Loans	9	15,000	15,000
(c) Other current assets	10	189,488	189,488
Total Current Assets		**574,334,018**	**570,898,688**
Total assets		**574,746,919**	**571,311,589**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	11	500,000	500,000
(b) Other equity	12	(7,107,688)	(5,382,726)
Total Equity		**(6,607,688)**	**(4,882,726)**
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Other Financial Liabilities	13	-	34,235
Total Non-Current Liabilities		-	**34,235**
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	14	8,892,587	8,892,587
(ii) Trade payables	15	173,443,315	172,065,314
(iii) Other financial liabilities	13	392,947,803	383,957,920
(b) Other current liabilities	16	6,070,902	11,244,259
Total Current Liabilities		581,354,607	576,160,080
Total Liabilities		581,354,607	576,194,315
Total Equity and Liabilities		**574,746,919**	571,311,589

The accompanying notes are an integral part of the financial statements.

As per attached report of even date

For and on behalf of the Board of Directors

For M. K. GOHEL & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: 103256W

M. K. GOHEL & ASSOCIATES MUMBAI M. No. 038823 Chartered Accountants

YANTTI BUILDCON PVT. LTD.

MUKESH K. GOHEL
PROPRIETOR
M.No.: 038823

HEMANT GULATI
DIRECTOR
DIN: 00408734

SAMEERKUMAR SALOT
DIRECTOR
DIN: 07115916

Place: Mumbai
Date: 25th June 2018

YANTTI BUILDCON PRIVATE LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2018

Particulars	Note No.	Year ended 31 March, 2018 ₹	Year ended 31 March, 2017 ₹
INCOME			
Revenue from Operations	17	38,624	1,147
Share of profit / (loss) from parternship firm		-	-
Share of Profit / (Loss) of Joint Ventures		(365)	-
Total Income		38,259	1,147
EXPENSES			
Costs Of Construction / Development	18	24,47,500	13,65,104
Changes in Inventories of Incomplete Projects	19	(34,13,990)	(35,00,368)
Employee Benefits Expense	20	37,652	23,547
Finance Costs	21	16,08,860	29,58,561
Other Expenses	22	10,83,199	7,27,093
Total Expenses		17,63,221	15,73,937
Profit/(Loss) before Tax		(17,24,962)	(15,72,790)
Tax Expense			
(1) Current Tax		-	-
(2) Excess / (Short) provision for taxation in respect of earlier years		-	(34,091)
Total		-	(34,091)
Profit for the Year		(17,24,962)	(16,06,880)
Earning per equity share of nominal value of ₹ 10/- each (in Rupees)	25		
Basic and Diluted		(34.50)	(32.14)

The accompanying notes are an integral part of the financial statements.

As per attached report of even date

For and on behalf of the Board of Directors

For M. K. GOHEL & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: 103256W

MKGohel

MUKESH K. GOHEL
PROPRIETOR
M.No.: 038823

M. K. GOHEL & ASSOCIATES MUMBAI M. No. 038823 Chartered Accountants

YANTTI BUILDCON PVT. LTD.

HEMANT GULATI
DIRECTOR
DIN: 00408734

SAMEERKUMAR SALOT
DIRECTOR
DIN: 07115916

Place: Mumbai
Date: 25th June 2018

YANTTI BUILDCON PRIVATE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018

	Particulars	2017 - 2018 ₹		2016 - 2017 ₹	
	Cash Flow arising from Operating Activities:				
I	Net Profit before taxes as per profit and loss account		(1,724,962)		(1,572,790)
	Add / (Deduct) :				
	Interest Expenses	1,608,860		2,958,561	
	Depreciation	-		-	
	Share of Profit	-		-	
			1,608,860		2,958,561
	Operating Profit / (Loss) before Working Capital Changes		(116,102)		1,385,771
	Add / (Deduct) :				
	(Increase) / Decrease in Inventories	(3,413,990)		(3,500,368)	
	(Increase) / Decrease in Loans and Advances	-		(11,576)	
	Increase / (Decrease) in Trade Payables and other liabilities	9,176,816		3,655,951	
	Income tax paid	-		(15,717)	
			5,762,827		128,290
	Net Cash Flow in the course of operating activities		5,646,725		1,514,061
	Cash Flow from Investing Activities:				
II	Inflow / (Outflow) on account of:				
	Share of Profit	-		-	
	Proceeds from Long Term Investments	-		-	
	Net Cash Flow in the course of Investing activities		-		-
	Cash Flow from Financing Activities:				
III	Inflow / (Outflow) on account of:				
	Unsecured Loans Borrowed (net)	-		2,325,296	
	Interest Paid	(5,625,385)		(4,016,525)	
	Net Cash Flow in the course of Financing activities		(5,625,385)		(1,691,229)
	Net Increase / (Decrease) in Cash and Cash Equivalents (I + II + III)		21,340		(177,168)
	Add: Cash and Cash Equivalents at the Beginning of the Year		237,962		415,130
	Cash and Cash Equivalents at the end of the Year		259,302		237,962
	Reconcilition of cash and cash equilvalent (Refer note 8)				
	Cash on hand	2,743		2,743	
	Balances with banks				
	in current account	256,560	259,303	235,220	237,963

The accompanying notes are an integral part of the financial statements.

As per attached report of even date

For and on behalf of the Board of Directors

For M. K. GOHEL & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: 103256W

MKGohel

M. K. GOHEL & ASSOCIATES MUMBAI M. No. 038823 Chartered Accountants

MUKESH K. GOHEL
PROPRIETOR
M.No.: 038823

YANTTI BUILDCON PVT. LTD.

HEMANT GULATI
DIRECTOR
DIN: 00408734

SAMEERKUMAR SALOT
DIRECTOR
DIN: 07115916

Place: Mumbai
Date: 25th June 2018

YANTTI BUILDCON PRIVATE LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2018

(₹)

	Equity Share Capital	Reserves and Surplus	
	Equity Share Capital	Retained Earnings	Total
Balance at March 31, 2017	500,000	(5,382,726)	(4,882,726)
Total Comprehensive Income for the year	-	(1,724,962)	(1,724,962)
Balance at March 31, 2018	500,000	(7,107,687)	(6,607,687)

The accompanying notes are an integral part of the financial statements.

As per attached report of even date

For M. K. GOHEL & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: 103256W

M. K. GOHEL & ASSOCIATES MUMBAI M. No. 038823 Chartered Accountants

MKGohel

MUKESH K. GOHEL
PROPRIETOR

Place: Mumbai
Date: 25th June 2018

For and on behalf of the Board of Directors

HEMANT GULATI
DIRECTOR
DIN: 00408734

YANTTI BUILDCON PVT. LTD.

SAMEERKUMAR SALOT
DIRECTOR
DIN: 07115916

1. Company Overview and Significant Accounting Policies

1.1 COMPANY OVERVIEW

Yantti Buildcon Private Limited is an Private Limited Company domiciled in India, incorporated under the Companies Act, 1956. The Company is engaged into real estate business specializing in construction and development of Infotech Parks, Cyber Parks, Business Parks, SEZ as well as sale and lease of commercial, industrial properties and other similar works

The financial statements are approved for issue by the Company's Board of Directors on June 25, 2018

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

These financial statements are prepared in accordance with Indian Accounting Standards (IndAS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act , 2013 ('Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The Company has adopted all the IndAS standards and the adoption was carried out in accordance with IndAS 101 First time adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP. Reconciliations and descriptions of the effect of the transition has been summarized in Note 36.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

a) Historical Cost Convention

The financial statements have been prepared on historical cost basis, except for the following:

i. certain financial assets and liabilities that have been measured at fair value
ii. assets held for sale - measured at lower of carrying amount or fair value less cost to sell.
iii. defined benefit plans - plan assets measured at fair value.

b) Current versus non- current classification

The Company presents assets and liabilities in the balance sheet based on current/non current classification. An asset is classified as current when it is:

* Expected to be realised or intended to sold or consumed in normal operating cycle
* Held primarily for the purpose of trading
* Expected to be realised within twelve months after the reporting period, or
* Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is classified as current when:

* It is expected to be settled in normal operating cycle
* It is held primarily for the purpose of trading
* It is due to be settled within twelve months after the reporting period, or
* There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Operating cycle for the business activ'ties of the company covers the duration of the specific project / contract / service and extends upto the realisation of receivables within the agreed credit period normally applicable to the respective project.

A. Revenue from Construction Activity

a. The company has adopted the principles of revenue recognition on the basis of " Guidance note on Accounting for Real Estate Transactions " issued by the Institute of Chartered Accountants of India, for the entities to whom IndAS is applicable.

b. Revenue from sale of 'finished properties / buildings / rights' is recognised on transfer of all significant risks and rewards of ownership of such properties / building / rights, as per the terms of the contracts entered into with buyer/(s), which generally coincides with the firming of the sales contracts/ agreements, except for contracts where the Company still has obligations to perform substantial acts even after the transfer of all significant risks and rewards

c. Losses expected to be incurred on projects under construction, are charged in the statement of profit and loss in the period in which the losses are known.

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B. Interest and Dividend Income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income is recognized when the right to receive payment is established.

C. Others
Revenues / Income and Costs/ Expenditure are generally accounted on accrual, as they are earned or incurred.

D. Profit / loss from partnership firms / association of persons:
Share of profit / loss from partnership firms / association of persons (AOP) is accounted n respect of the financial year of the firm / AOP, during the reporting period, on the basis of their audited/ management reviewed accounts, which is considered as a part of other operating activity.

2.2 PROPERTY PLANT AND EQUIPMENT AND DEPRECIATION / AMMORTISATION

A. Tangible Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation and accumulated impairment losses, if any.

B. Depreciation is provided on the straight line method on the basis of estimated useful life of the asset in the manner specified in Schedule II to the Companies Act, 2013. Depreciation on additions to assets or on sale/disposal of assets is calculated pro-rata from the month of such addition, or upto the month of such sale/disposal, as the case may be.

Asset Category	Estimated useful life (in Years)
Computer	3

2.3 INVESTMENTS
Investments are classified into Current and Non Current / Long Term Investments. Current investments are stated at lower of cost and fair value. Long term investments are stated at cost. A provision for diminution is made to recognize decline, other than temporary, in the value of long term investments.

2.4 FINANCIAL INSTRUMENTS
2.4.1 Initial recognition
The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition except for trade receivables which are initially measured at transaction price.Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss,are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

2.4.2 Subsequent measurement
a. Non-derivative financial instruments
(i) Financial assets carried at amortised cost
A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income
A financial asset is subsequently measured at fair value through other comprehensive income if it is held with in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

(iii) Financial assets at fair value through profit or loss
A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

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(iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(v) Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

2.4.3 Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the finacial asset and the transfer qualifies for derecognition under IndAS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

2.4.4 Impairment

a. Financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to life time ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case thoseare measured at lifetime ECL.The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in the statement of profit or loss.

b. Non-financial assets

i. Property, plant and equipment

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

2.5 TAXATION

i. Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using rates that have been enacted or substantively enacted by the end of the reporting period.

In case the Company is liable to pay income tax u/s 115JB of Income Tax Act, 1961 (i.e. MAT), the amount of tax paid in excess of normal income tax is recognized as an asset (MAT Credit entitlement) only if there is convincing evidence for realization of such asset during the specified period. MAT credit entitlement is reviewed at each Balance Sheet date.

ii. Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Standalone financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax asset is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

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iii. Current and deferred tax for the year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

2.6 INVENTORIES

All inventories are stated at Cost or Net Realizable Value, whichever is lower.

'Incomplete Projects' include cost of incomplete properties for which the Company has not entered into sale agreements and in other cases where the revenue recognition is postponed. 'Incomplete Projects' also include initial project costs that relate to a (prospective) project, incurred for the purpose of securing the project. These costs are recognized as expenditure for the year in which they are incurred unless they are separately identifiable and it is probable that the respective project will be obtained.

Inventory values includes costs incurred upto the completion of the project viz. cost of land / rights, value of FSI, materials, services and other expenses (including borrowing costs) attributable to the projects. Cost formula used is average cost.

2.7 BORROWING COSTS

Interests and other borrowing costs calculated as per effective interest rate attributable to qualifying assets are allocated as part of the cost of construction / development of such assets. Such allocation is suspended during extended periods in which active development is interrupted and, no costs are allocated once all such activities are substantially complete. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are charged to the Profit and Loss Account.

2.8 CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

2.9 PROVISIONS, CONTINGENT ASSETS AND CONTINGENT LIABILITIES

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

* Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
* Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

2.10 USE OF ESTIMATES

The preparation of the financial statements in conformity with IndAS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in note 2.10. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

2.11 CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES

a. Fair value measurements and valuation processes

Some of the company's assets are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. The Company works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

b. **Property, plant and equipment**

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed peiodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

4. Property, plant and equipment	₹	₹	₹
	Freehold Land	Computers	Total
Cost or deemed cost			
Balance at March 31, 2016	292,000	97,882	389,882
Additions	-	-	-
Disposals	-	-	-
Balance at March 31, 2017	292,000	97,882	389,882
Accumulated depreciation			
Balance at March 31, 2016	-	97,882	97,882
Eliminated on disposal of assets			-
Depreciation expense	-	-	-
Balance at March 31, 2017	-	97,882	97,882
Carrying amount as at 31st March 2017	292,000	-	292,000
	Freehold Land	Computers	Total
Cost or deemed cost			
Balance at March 31, 2017	292,000	97,882	389,882
Additions	-	-	-
Disposals	-	-	-
Balance at March 31, 2018	292,000	97,882	389,882
Accumulated depreciation			
Balance at March 31, 2017	-	97,882	97,882
Eliminated on disposal of assets			-
Depreciation expense	-	-	-
Balance at March 31, 2018	-	97,882	97,882
Carrying amount as at 31st March 2018	292,000	-	292,000

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		As at 31 March, 2018 ₹	As at 31 March, 2017 ₹
5	Investments		
	Non Current Investments		
	(Trade, unless otherwise specified)		
A)	Capital Investment in Partnership Firms and Joint Ventures		
	M/s Rising Glory Developers	10,000	10,000
	Less: Provision for Diminution in the value of investments	-	-
	Total	10,000	10,000

Sr No	Name of Partners	31 March, 2018 Profit Sharing Ratio	31 March, 2017 Profit Sharing Ratio
1	Hubtown Limited	20.00%	20.00%
2	Ackruti Safeguard System Private Limited	5.33%	5.33%
3	Citygold Education Research Limited	5.33%	5.33%
4	Citygold Farming Private Limited	5.33%	5.33%
5	Diviniti Projects Private Limited	5.33%	5.33%
6	Halitious Developers Limited	5.33%	5.33%
7	Headland Farming Private Limited	5.33%	5.33%
8	Heddle Knowledge Private Limited	5.33%	5.33%
9	Heet Builders Private Limited	5.33%	5.33%
10	Subhsiddhi Builders Private Limited	5.33%	5.33%
11	Sunstream City Private Limited	10.66%	10.66%
12	Upvan lake Resort Private Limited	5.33%	5.33%
13	Vega Developers Private Limited	5.33%	5.33%
14	Whitebud Developers Limited	5.33%	5.33%
15	Yantti Buildcon Private Limited	5.33%	5.33%
	Total Capital of the firm in ₹	150,000	150,000

		As at 31 March, 2018 ₹	As at 31 March, 2017 ₹
6	Current Tax Assets (Net)		
	Advance Tax paid	159,901	159,901
	Less: Provision for Tax	(49,000)	(49,000)
	Total	110,901	110,901

(a) **Significant Estimates**

In calculating the tax expense for the current period, the group has treated certain expenditures as being deductible for tax pu

(b) **Reconciliation of tax expense and the accounting profit multiplied by India's tax rate**

Since the taxable income is negative, there is no current tax payable; hence reconciliation has not been provided.

7	Inventories		
	Inventories (lower of cost or net realisable value)		
	- Incomplete projects	573,870,227	570,456,237
	Total	573,870,227	570,456,237

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

8	**Cash and cash equivalents**		
	Balances with banks:		
	- in current accounts	256,560	235,220
	Cash on hand	2,743	2,743
	Total	259,303	237,963
9	**Loans**		
	Current		
	Loans to Employees	15,000	15,000
	Total	15,000	15,000

		As at 31 March, 2018 ₹	As at 31 March, 2017 ₹
10	**Other Current assets**		
	Current		
	Advances Recoverable	189,488	189,488
	Prepaid Expense	-	-
	Total	189,488	189,488

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		As at 31 March, 2018 ₹	As at 31 March, 2017 ₹
11	Equity share capital		
Authorised Share Capital:			
	50,000 (P.Y. 50,000) Equity Shares of ₹ 10/- each	5,00,000	5,00,000
Issued and subscribed capital comprises:			
	50,000 (As at March 31, 2017: 50,000) Equity Shares of ₹ 10/- each fully paid up	5,00,000	5,00,000
		5,00,000	5,00,000

11.1	Reconciliation of the number of Equity shares outstanding at the beginning and at the end of reporting year		
	Balance at April 1, 2016	50,000	5,00,000
Add :	Issued during the year	-	-
Less :	Bought back during the year	-	-
	Balance at March 31, 2017	50,000	5,00,000
Add :	Issued during the year	-	-
Less :	Bought back during the year	-	-
	Balance at March 31, 2018	50,000	5,00,000

11.2 Details of shares held by each shareholders holding more than 5% shares

	As at 31 March, 2018		As at 31 March, 2017	
	No of shares held	% holding	No of shares held	% holding
Fully paid equity shares				
Hubtown Limited with beneficiary holders	50000	100%	50000	100%
Total	50000	100%	50000	100%

11.3 The company has a single class of equity shares having a par value of ₹10/- per share. Each holder of equity share is entitled to one vote per share . The company declares and pays dividend in indian rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing annual general meeting.

		As at 31 March, 2018 ₹	As at 31 March, 2017 ₹
12	Other Equity		
	Equity Component of Financial Instruments	-	-
	Retained Earning	(71,07,688)	(53,82,726)
	Total	(71,07,688)	(53,82,726)
	Retained Earnings		
	Balance at the beginning of the year	(53,82,726)	(37,75,846)
	Profit attributable to the owners of the company	(17,24,962)	(16,06,880)
	Balance at the end of the year	(71,07,688)	(53,82,726)

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13	Other financial liabilities		
	Non-current		
	Retention money payable	-	34,235
	Total	-	34,235
	Current		
	Interest accrued and due on borrowings	-	-
	Business advances from related party **(Refer Footnote)**	392,907,829	383,922,167
	Other payables	39,974	35,753
	Total	392,947,803	383,957,920

Footnote:

The Company has received interest free advances from it's Parent Company, considering the nature of business in which the Company operate, the amounts so received are considered to be repayable on call / demand as the repayment period of such amounts so received is not measureable precisely.

		As at 31 March, 2018 ₹	As at 31 March, 2017 ₹
14	Borrowings		
	Current		
	Unsecured		
(i)	Loans repayable on demand:		
	- From Related Party (Refer Footnote A)	-	-
	- From Company (Refer Footnote B)	8,892,587	8,892,587
	Total	8,892,587	8,892,587

Footnote :

A) Loan from director are interest free and are repayable on demand

B) Unsecured loan from company are received at the rate of C.Y. 19.10%- (P.Y. 19.10%) and are repayable on demand.

15	Trade payables		
	Trade Payables	173,443,315	172,065,314
	Total	173,443,315	172,065,314

Footnote :

As per information available with the Comapny regarding dues to Micro, Small and Medium Enterprises as defined under the Micro Small Medium Enterprises Development, Act 2006 (MSMED Act), none of the suppliers of the Comapny are registered under MSMED Act, and the same has been relied upon by the auditors.

16	Other Liabilities		
	Current		
	Other payables :		
	Overdrawn bank balances as per books of accounts	-	-
	- Provision for Audit Fees	55,422	37,722
	- Statutory dues	6,015,480	11,206,537
	Total	6,070,902	11,244,259

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		Year ended 31 March, 2018 ₹	Year ended 31 March, 2017 ₹
17	**Revenue from operations**		
	Other operating revenue :	-	
	- Sundry credit balances appropriated	38,624	1,147
	Total	**38,624**	**1,147**
18	**Costs Of Construction / Development**		
	Construction costs incurred during the year:	-	
	Land / rights acquired	2,447,500	1,365,104
	Other Direct Civil Cost	-	-
	Total	**2,447,500**	**1,365,104**
19	**Changes In Inventories Of Incomplete Projects**		
	Opening Inventory :		
	Incomplete projects	570,456,237	566,955,869
		570,456,237	**566,955,869**
	Closing Inventory :		
	Incomplete projects	573,870,227	570,456,237
		573,870,227	570,456,237
	Total	**(3,413,990)**	**(3,500,368)**
20	**Employee Benefits Expense**		
	Salaries, bonus, etc.	-	-
	Staff welfare expenses	37,652	23,547
	Total	**37,652**	**23,547**
21	**Finance Costs**		
	Interest on Fixed loans	-	1,430,270
	Delayed/penal interest on loans and statutory dues	1,608,860	1,528,291
	Total	**1,608,860**	**2,958,561**
22	**Other Expenses**		
	Rates and taxes	53,016	70,226
	Bank Charges	2,704	5,248
	Directors' fees and travelling expenses	27,646	107,951
	Legal and professional fees	108,140	10,130
	Sundry Balances Written off	286	-
	Other Expenses	891,408	533,538
	Total	**1,083,199**	**727,093**
	Footnote:		
	Audit Fees	15,000	15,000
	Service Tax /GST on above	2,700	2,250
	Total	**17,700**	**17,250**

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

	Year ended 31 March, 2018 ₹	Year ended 31 March, 2017 ₹
23 **Earnings per share (EPS)**		
Basic and Diluted Earnings Per Share	(34.50)	(32.14)

Basic and Diluted EPS

The earnings and weighted average number of equity shares used in the calculation of basic and diluted earnings per share are as follows

	Year Ended 31 March, 2018 ₹	Year Ended 31 March, 2017 ₹
Profit for the year attributable to the owners of the Company	(1,724,962)	(1,606,880)
Earnings used in the calculation of basic and diluted earnings per share	**(1,724,962)**	**(1,606,880)**

	Year Ended 31 March, 2018	Year Ended 31 March, 2017
Weighted average number of equity shares for the purposes of basic earnings per share		
Ordinary	50,000	50,000
Total	50,000	50,000

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24 Related Party Disclosures (As per IND AS - 24)

A. Name of the related parties and related parties relationship

	HOLDING COMPANY	: Hubtown Limited
I	Firm in which Company is a partner	: M/s Rising Glory Developers
II	Key Managerial Personnel	: Hemant Gulati
III	Others Significant Influence	: Citygold Management Services Private Limited

Footnote:
Related party relationship are identified by the Company and relied upon by the Auditors

B. Transaction with Related Parties -

Sr. No.	Nature of Transaction	Holding Company	Others Significant Influence	Key Management Personnel of the Entity	Firm in which Company is a partner
i	Business advances taken/ recovered / adjusted				
	Hubtown Limited	1,35,94,662	-	-	-
		(43,10,000)	(-)	(-)	(-)
ii	Business Advance given/repaid/adjusted				
	Hubtown Limited	33,09,000	-	-	-
		(21,80,000)	(-)	(-)	(-)
iii	InterCompany payables				
	Citygold Management services Pvt Limited	-	-	-	-
		(-)	(400)	(-)	(-)
iv	Loan taken/ recovered/ adjusted				
	Hemant Gulati	-	-	2,67,117	-
		(-)	(-)	(2,03,588)	(-)
v	Loans given/ repaid/ adjusted				
	Hemant Gulati	-	-	2,60,600	-
		(-)	(-)	(1,93,088)	(-)
vi	Share of loss from Partnerships / Joint Ventures				
	M/s Rising Glory Developers (Joint Venturer)	-	-	-	365
		(-)	(-)	(-)	(691)

Footnote:
Previous Year figures are given in brackets

Balance outstanding

		As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016
i	Balance Payables			
	Hubtown Limited (Holding Company)	42,05,08,018	41,02,22,356	40,80,92,356
	Citygold Management services Pvt Limited (Others Significant Influence)	2,000	2,000	1,600
	Hemant Gulati (Key Management Personnel)	17,017	10,500	-
	M/s Rising Glory Developers (Firm in which the Company is a Partner)	1,056	691	691
ii	Balance Receivables			
	M/s Rising Glory Developers	10,000	10,000	10,000

YANTTI BUILDCON PVT. LTD.

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25 Contingent Liability

The company does not have any contingent liability as at the balance sheet date as certified by the management and relied upon by the auditors, as otherwise mentioned below:

Statute and nature of dues	Section	Financial Year	Disputed Dues	Amount Paid	Balance disputed dues payable	Forum where dispute is pending
Income Tax	143(3)	2011-12	4,069,952	61,430	4,008,522	Commissioner of Income Tax (appeals)
Income Tax	271(1)(c)	2011-12	Amount not Ascertainable	-	-	Income Tax Officer
Total			4,069,952	61,430	4,008,522	

Further interest / penalty that may accrue on original demands are not ascertainable, at present. The Company has taken necessary steps to protect its position with respect to the above referred claims, which in its opinion, based on professional / legal advice, are not sustainable.

26 Capital Management

The entity manages its capital to ensure that the entity will be able to continue as a going concern while maximising the return to stakeholders through optimisation of debt equity ratio.

The capital structure of the entity consists of net debt (Borrowings offset by cash and bank balances) and total equity of the company.

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MKG
MUMBAI
M. No.
038823
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27 Financial Risk Management Objectives

The company is exposed to market risk, credit risk and liquidity risk. The company's management oversees the management of these risks. The company's board of directors review and agrees policies for managing each of these risks summarized below:

i) **Market Risk**

Interest rate risk

Company has received intrest free advances and it receives interest free funds for its operating cash flow from its holding company as and when required (Refer note 10), hence the Company is not exposed to interest risk.

ii) **Credit Risk**

The company is not exposed to credit risk from its operating activities. Credit risk from balances with banks and inter corporate loans is managed by the company's treasury department in accordance with the company's policy.

iii) **Liquidity risk**

The companies cashflow requirement are met by funds received from its holding company.

28 Trade payable & other current liability are subject to confirmation, reconciliation and adjustment if any.

29 The accumulated losses of the company have resulted in complete erosion of the net worth of the company. The Company's management is however of the view that the same erosion is temporary in nature as the company has made certain investments in certain assets / projects, the proceeds of which would, when fructified, result in recovery of the eroded worth of the company. The company to that extend does not see the stated erosion of the net worth as an impediment to its status as a going concern.

30 In the opinion of the Board of Directors of the Company, all items of Current Assets, Inventories and Loans and Advances continues to have a realizable value of at least the amounts at which they are stated in the Balance Sheet.

31 Previous year's figures have been regrouped / recast wherever necessary.

The accompanying notes are an integral part of the financial statements.

As per attached report of even date

For and on behalf of the Board of Directors

For M. K. GOHEL & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: 103256W

M. K. GOHEL & ASSOCIATES MUMBAI M No. 038823 Chartered Accountants

MKGohel

MUKESH K. GOHEL
PROPRIETOR
M.No.: 038823

YANTTI BUILDCON PVT. LTD.

HEMANT GULATI
DIRECTOR
DIN: 00408734

SAMEERKUMAR SALOT
DIRECTOR
DIN: 07115916

Place: Mumbai
Date: 25th June 2018