

# ABP REALTY ADVISORS PRIVATE LIMITED

CIN: U67190MH2007PTC172390

## DIRECTORS' REPORT

To  
THE MEMBERS  
ABP REALTY ADVISORS PRIVATE LIMITED

The Directors hereby present the Tenth Annual Report of the Company together with the Audited Financial Statements for the year ended March 31, 2017.

### FINANCIAL RESULTS:

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standard) Rules, 2015 as amended. The financial statements for the Financial Year ended March 31, 2017 are the Company's first Ind AS compliant annual audited financial statements with comparative figures for the year ended March 31, 2016 also under Ind AS. The transition date is April 1, 2015.

During the year under review, the Company incurred a net loss of Rs.6, 661/- as against net loss of Rs. 19,484/- during the previous year.

### DIVIDEND:

In view of the loss incurred, the Directors do not recommend any dividend for the year under review.

### TRANSFER TO RESERVES:

In view of the loss incurred by the Company, the Board does not propose to transfer any amount to reserves.

### MATERIAL CHANGES AND COMMITMENTS:

No material changes or commitments have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report, affecting the financial position of the Company.

### CHANGE IN THE NATURE OF BUSINESS:

There has been no change in the nature of business of the Company during the year under review.

### SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

During the year under review, the Company did not have any subsidiary, joint venture or an associate company.

### DEPOSITS:

The Company has not accepted any deposits during the year under review.

### TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND:

During the year under review, the Company was not required to transfer any amount to the Investor Education and Protection Fund.



**SHARE CAPITAL:**

The paid-up equity share capital of the Company as on March 31, 2017 was Rs. 500,000/-. During the year under review, the Company has not issued any shares with differential voting rights or granted stock options or sweat equity.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:**

The Company has not given any loan or made investment or provided any security or guarantee during the year under review, which require to be disclosed under Section 186 of the Companies Act, 2013.

**RELATED PARTY TRANSACTIONS:**

The particulars of transactions entered into by the Company with related parties during the year under review are disclosed in the relevant note to the Financial Statements. The said related party transactions are on an arm's length basis and hence not required to be disclosed in Form AOC-2.

**INTERNAL FINANCIAL CONTROLS:**

The Company has an Internal Control System, commensurate with the nature and size of its operations. Based on the framework of internal financial controls maintained by the Company and the work performed by the Statutory Auditors, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the Financial Year 2016-2017.

**DIRECTORS:**

In accordance with the provisions of Section 152 (6) (e) of the said Act and the Articles of Association of the Company, Mr. Jasmin Rathod (DIN: 03147669), Director of the Company retires by rotation and being eligible, offers himself for reappointment.

The provisions of Section 149 of the Companies Act, 2013 relating to the appointment of Independent Directors do not apply to the Company.

**ANNUAL RETURN:**

The extracts of Annual Return pursuant to the provisions of Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in 'Annexure A' to this Report.

**BOARD MEETINGS:**

The Company had convened and held Five (5) Board meetings during the year under review. The said Board meetings were held on April 11, 2016, May 18, 2016, September 07, 2016, December 13, 2016 and February 02, 2017. The gap between the meetings did not exceed the period prescribed under the Act.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to sub-section (3) (c) of Section 134 (5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended March 31, 2017, the Directors of your Company, to the best of their knowledge and belief and on the basis of the information and explanations received by them, hereby state and confirm that:

- (i) in the preparation of the Annual Accounts for the year ended March 31, 2017, the applicable accounting standards read with the requirements under Schedule III to the said Act have been followed alongwith proper explanation relating to material departures, if any;



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- (ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year on March 31, 2017, and of the loss of the Company for that period;
- (iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the annual accounts have been prepared on a 'going concern' basis;
- (v) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

**DISCLOSURE OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL**

During the year under review, there were no significant or material orders passed by any regulatory / statutory authorities or courts / tribunals against the Company impacting its going concern status and operations in future.

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

The nature of operations of the Company does not require disclosure of particulars relating to conservation of energy and technology absorption, as prescribed under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014. During the year under review, the Company had 'Nil' foreign exchange earnings and outgo.

**RISK MANAGEMENT POLICY:**

The Company has not adopted a Risk Management Policy as the elements of risks threatening the Company's existence are minimal.

**AUDITORS:**

There are no qualifications, reservation or adverse remark or disclaimer made by the Statutory Auditors in the Auditors' Report.

At the Seventh Annual General Meeting (AGM) of the Company held on September 18, 2014 M/s. Dalal Doshi & Associates, Chartered Accountants (Firm Reg. No.121773W) were appointed as Statutory Auditors of the Company for five financial years commencing from April 01, 2014 upto March 31, 2019, to hold office until the conclusion of the Twelfth AGM to be held for the year 2019, subject to ratification of their appointment at each AGM.

Accordingly, the members are requested to ratify the reappointment of M/s. Dalal Doshi & Associates, Chartered Accountants as the Statutory Auditors of the Company for the financial year 2017-2018 and to authorise the Board of Directors to fix their remuneration.

M/s. Dalal Doshi & Associates, Chartered Accountants have offered themselves for reappointment and have confirmed their eligibility to be appointed as Auditors pursuant to the provisions of Section 141 of the Companies Act, 2013 and Rule 4 of the Companies (Audit and Auditors) Rules, 2014.



**GENERAL:**

The provisions relating to Secretarial Audit, appointment of Key Managerial Personnel, constitution of Audit Committee, Corporate Social Responsibility Committee, Nomination and Remuneration Committee and Vigil Mechanism are not applicable to the Company.

**DISCLOSURE UNDER 'THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013':**

The Company has adopted a Policy on Prevention, Prohibition and Redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder for prevention and redressal of complaints of sexual harassment at work place.

The Company has not received any complaint on sexual harassment during the year under review.



**PARTICULARS OF EMPLOYEES**

The Company did not have any employee on its roll and none of the Directors of the Company received any remuneration under Section 197 of the Companies Act, 2013 during the year under review. Accordingly, no information is required to be disclosed in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

For and Behalf of the Board

Place: Mumbai  
Date: May 26, 2017



  
Praphul Shinde        
Director                      Director  
DIN: 03140671      DIN: 03147669

FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN

ANNEXURE-A

As on financial year ended on March 31, 2017

[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014]

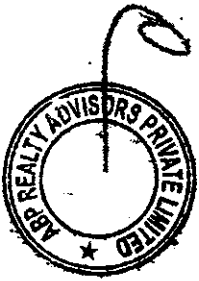
**I. REGISTRATION & OTHER DETAILS:**

1.	CIN	U67190MH2007PTC172390
2.	Registration Date	16-07-2007
3.	Name of the Company	ABP Realty Advisors Private Limited
4.	Category/Sub-category of the Company	Company Having Share Capital
5.	Address of the Registered office & contact details	Unit No. 116, First Floor, Rehab Building No. 4, Akruiti Annexe, Road No. 7, Marol MIDC, Andheri (E) Mumbai- 400093 Tel: 022 67037400; Fax: 022 67037403
6.	Whether listed company	No
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Not applicable

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Engaged in the business of investment advisors, consultants for real estate and infrastructure funds including but not limited to advise on investment by the funds in all kind of real estate and infrastructure projects.	7020	Nil



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III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-

Sr. No.	Name And Address of the Company	CIN/GLN	Holding/ Subsidiary/Associate	% of Shares Held	Applicable Section
1	Hubtown Limited Ackruti Center Point, 6 <sup>th</sup> Floor, Central Road, Marol MIDC, Andheri (East), Mumbai- 400093	L45200MH1989PLC050688	Holding	100%	2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

SN.	Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2016]		No. of Shares held at the end of the year [As on 31-March-2017]			% Change during the year
		Demat	Physical	Demat	Physical	Total	
		% of Total Shares		% of Total Shares			
<b>A. Promoters</b>							
<b>(1) Indian</b>							
(a)	Individual/ HUF	0	0	0	0	0	0
(b)	Central Govt	0	0	0	0	0	0
(c)	State Govt(s)	0	0	0	0	0	0
(d)	Bodies Corp.	0	50000	0	50000	50000	100
(e)	Banks / FI	0	0	0	0	0	0
(f)	Any other	0	0	0	0	0	0
<b>Total share- holding of Promoter (A)(1)</b>		0	50000	0	50000	50000	100
		0	50000	0	50000	50000	100
		0	50000	0	50000	50000	100



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2. Non-Institutions										
(a)	Bodies Corp.									
	(i) Indian	0	0	0	0	0	0	0	0	0
	(ii) Overseas	0	0	0	0	0	0	0	0	0
(b)	Individuals:									
	(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	0	0	0	0	0	0	0	0
	(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0	0	0	0	0	0
(c)	Others (specify)									
	(i) Trusts									
	(ii) Non-Resident Indians	0	0	0	0	0	0	0	0	0
	(iii) Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
	(iv) Clearing Members	0	0	0	0	0	0	0	0	0
	Sub-total (B)(2)	0	0	0	0	0	0	0	0	0
	Total Public Shareholding (B)=(B)(1)+(B)(2)	0	0	0	0	0	0	0	0	0
C.	Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
	Grand Total (A+B+C)	0	50000	50000	100	0	50000	50000	100	0



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<b>(2) Foreign</b>										
(a)	NRIs – Individuals	0	0	0	0	0	0	0	0	0
(b)	Other – Individuals	0	0	0	0	0	0	0	0	0
(c)	Bodies Corp.	0	0	0	0	0	0	0	0	0
(d)	Banks / FI	0	0	0	0	0	0	0	0	0
(e)	Any Other	0	0	0	0	0	0	0	0	0
	Sub-total (A) (2)	0	0	0	0	0	0	0	0	0
	<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	0	50000	50000	100	0	50000	50000	100	0
<b>B. Public Shareholding</b>										
<b>1. Institutions</b>										
(a)	Mutual Funds	0	0	0	0	0	0	0	0	0
(b)	Banks / FI	0	0	0	0	0	0	0	0	0
(c)	Central Govt	0	0	0	0	0	0	0	0	0
(d)	State Govt(s)	0	0	0	0	0	0	0	0	0
(e)	Venture Capital Funds	0	0	0	0	0	0	0	0	0
(f)	Insurance Companies	0	0	0	0	0	0	0	0	0

SN	Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2016]			No. of Shares held at the end of the year [As on 31-March-2017]			% Change during the year
		Demat	Physical	Total	Demat	Physical	Total	
				% of Total Shares			% of Total Shares	
(g)	FII's	0	0	0	0	0	0	0
(h)	Foreign Venture Capital Funds	0	0	0	0	0	0	0
(i)	Others (specify)	0	0	0	0	0	0	0
	<b>Sub-total (B)(1):-</b>	0	0	0	0	0	0	0





ii) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year [As on 31-March-2016]			Shareholding at the end of the year [As on 31-March-2017]			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Hubtown Limited along with Nominees.	50000	100.00%	0	50000	100.00%	0	0
	<b>Total</b>	<b>50000</b>	<b>100.00%</b>	<b>0</b>	<b>50000</b>	<b>100.00%</b>	<b>0</b>	<b>0</b>

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	<b>Hubtown Limited (No change in the shareholding during the year)</b>				
	At the beginning of the year (April 01, 2016)	50000	100.00%	50000	100.00%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year(March 31, 2017)	-	-	50000	100.00%

iv) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the Company
	Nil	Nil	Nil	Nil	Nil



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v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	<b>Praphul Shinde (Director)</b>				
	At the beginning of the year(April 01, 2016)	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year(March 31, 2017)	-	-	-	-
2	<b>Jasmin Rathod (Director)</b>				
	At the beginning of the year(April 01, 2016)	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year(March 31, 2017)	-	-	-	-
3	<b>Jainam Shah (Director)</b>				
	At the beginning of the year(April 01, 2016)	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year(March 31, 2017)	-	-	-	-



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V) INDEBTEDNESS -

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	0	2,24,597	0	2,24,597
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>0</b>	<b>2,24,597</b>	<b>0</b>	<b>2,24,597</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	0	0	0	0
* Reduction	0	0	0	0
<b>Net Change</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	0	2,24,597	0	2,24,597
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>0</b>	<b>2,24,597</b>	<b>0</b>	<b>2,24,597</b>



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**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		N.A.	-
1	Gross salary (a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	N.A.	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission - as % of profit - others, specify...	-	-
5	Others, please specify	-	-
	<b>Total (A)</b>	-	-
	Ceiling as per the Act	-	-



B. Remuneration to other directors:

SN.	Particulars of Remuneration	Name of Directors			Total Amount	
1	Independent Directors	Mr. Praphul Shinde	Mr. Jasmin Rathod	Mr. Jainam Shah	0	
	Fee for attending Board/Committee meetings	0	0	0	0	
	Commission	0	0	0	0	
	Others, please specify	0	0	0	0	
	<b>Total (1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
	2	Other Non-Executive Directors	0	0	0	0
		Fee for attending Board/Committee meetings	0	0	0	0
		Commission	0	0	0	0
		Others, please specify	0	0	0	0
		<b>Total (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total (B)=(1+2)</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
Total Managerial Remuneration		0	0	0	0	
Overall Ceiling as per the Act						



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**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	Company Secretary	CFO	
1	Gross salary				-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				-
2	Stock Option	N.A.	N.A.	N.A.	-
3	Sweat Equity				-
4	Commission				-
	- as % of profit				-
	others, specify...				-
5	Others, please specify				-
	Total				-

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B. DIRECTORS</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For and on behalf of the Board



*[Signature]*  
Praphul Shinde  
Director  
DIN: 03140671

*[Signature]*  
Jasmin Rathod  
Director  
DIN: 03147669

Place: Mumbai

Date: May 26, 2017

# **DALAL DOSHI & ASSOCIATES**

## **CHARTERED ACCOUNTANTS**

{Formerly known as DOSHI DOSHI & ASSOCIATES}

REGISTERED OFFICE : OFFICE NO. 11, FIRST FLOOR, THE REGENCY BUILDING,  
NATIONAL LIBRARY ROAD, NEAR NANDI CINEMA HALL  
BANDRA (WEST), MUMBAI – 400 050.  
PHONE NOS : 26513538 / 26513539



### **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, 2017, 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 2017, 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 financial information of the Company for the year ended 31<sup>st</sup> March, 2016 and the transition date opening balance sheet as at 01<sup>st</sup> April, 2015 included in these financial statements, are based on the previously issued statutory financial statements for the years ended 31<sup>st</sup> March, 2016 and 31<sup>st</sup> March, 2015 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an unmodified opinion dated 18<sup>th</sup> May, 2016 and 18<sup>th</sup> May, 2015 respectively. The adjustments to those financial statements for the differences in accounting policies adopted by the Company on transition have been audited by us.

## **Emphasis of Matters**

We draw attention to Note 17 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;
- (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, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 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;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company; and



- iv. The Company has provided requisite disclosures in its Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016 on the basis of information available with the company. Based on audit procedures, and relying on management's representation, we report that disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the management.  
– Refer Note 14.

**FOR DALAL DOSHI & ASSOCIATES**

Firm Registration No.: 121773W

Chartered Accountants



**VIRAL DOSHI**

Partner

Membership No.: 105330



Place : Mumbai

Date : 26<sup>th</sup> May, 2017

**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 31<sup>st</sup> MARCH, 2017;**

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 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 were no arrears as at 31<sup>st</sup> March, 2017 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.



- (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 DALAL DOSHI & ASSOCIATES**

Firm Registration No.: 121773W

Chartered Accountants



**VIRAL DOSHI**

Partner

Membership No.: 105330

Place : Mumbai

Date : 26<sup>th</sup> May, 2017

## **“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, 2017 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 2017, 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 DALAL DOSHI & ASSOCIATES**

Firm Registration No.:121773W

Chartered Accountants



**VIRAL DOSHI**

Partner

Membership No.: 105330



Place: Mumbai

Date: 26<sup>th</sup> May, 2017

**ABP REALTY ADVISORS PRIVATE LIMITED**

**BALANCE SHEET AS AT 31ST MARCH, 2017**

Particulars	Note No.	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹	As at 1st April, 2015 ₹
<b>ASSETS</b>				
<b>Current assets</b>				
(a) Financial assets				
(i) Cash and cash equivalents	3	57,333	71,687	85,600
(ii) Loans	4	1,08,367	1,12,917	1,02,959
(b) Current tax assets (Net)	5	-	-	10,252
<b>TOTAL ASSETS</b>		<b>1,65,700</b>	<b>1,84,604</b>	<b>1,98,811</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity share capital	6	5,00,000	5,00,000	5,00,000
(b) Other equity	7	(1,82,06,427)	(1,81,99,766)	(1,81,80,282)
<b>Total Equity</b>		<b>(1,77,06,427)</b>	<b>(1,76,99,766)</b>	<b>(1,76,80,282)</b>
<b>Liabilities</b>				
<b>Current Liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	8	2,24,597	2,24,597	2,24,597
(ii) Other financial liabilities	9	1,76,47,530	1,76,59,773	1,76,54,496
<b>Total Liabilities</b>		<b>1,78,72,127</b>	<b>1,78,84,370</b>	<b>1,78,79,093</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,65,700</b>	<b>1,84,604</b>	<b>1,98,811</b>

The accompanying notes are an integral part of the financial statements

As per our report of even date

**FOR DALAL DOSHI & ASSOCIATES**  
Firm Registration No. 121773W  
CHARTERED ACCOUNTANTS

*Y.*

**VIRAL DOSHI**  
PARTNER  
Membership No.: 105330

Mumbai  
Date: 26th May, 2017



For and on behalf of the Board of Directors

*Jasmin*  
**JASMIN RATHOD**  
DIRECTOR  
DIN: 03147669



*Pratibha*  
**PRATIBHA SHINDE**  
DIRECTOR  
DIN: 03140671

Mumbai  
Date: 26th May, 2017

**ABP REALTY ADVISORS PRIVATE LIMITED****STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017**

Particulars	Note No.	Year ended 31st March, 2017 ₹	Year ended 31st March, 2016 ₹
<b>INCOME</b>			
Revenue From Operations	10	32,933	-
Other Income	11	-	1,313
<b>TOTAL INCOME</b>		<b>32,933</b>	<b>1,313</b>
<b>EXPENSES</b>			
Other Expenses	12	39,594	19,190
<b>TOTAL EXPENSE</b>		<b>39,594</b>	<b>19,190</b>
<b>Profit/(Loss) before Tax</b>		<b>(6,661)</b>	<b>(17,877)</b>
<b>Tax Expense</b>			
Excess/(Short) provision for taxation in respect of earlier years		-	(1,607)
<b>Profit/(Loss) for the Year</b>		<b>(6,661)</b>	<b>(19,484)</b>
<b>Other Comprehensive Income</b>		-	-
<b>Total Comprehensive Income</b>		<b>(6,661)</b>	<b>(19,484)</b>
<b>Earning per equity share of nominal value of ₹ 10/- each</b>	13		
Basic and Diluted		(0.13)	(0.39)

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 DALAL DOSHI & ASSOCIATES**

Firm Registration No. 121773W  
CHARTERED ACCOUNTANTS

**VIRAL DOSHI**  
PARTNER  
Membership No.: 105330



**JASMIN RATHOD**  
DIRECTOR  
DIN: 03147669

**PRAPHUL SHINDE**  
DIRECTOR  
DIN: 03140671

Mumbai  
Date: 26th May, 2017

Mumbai  
Date: 26th May, 2017



**ABP REALTY ADVISORS PRIVATE LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017**

Particulars	31st March, 2017 ₹	31st March, 2016 ₹
<b>I CASH FLOWS ARISING FROM OPERATING ACTIVITIES</b>		
Net profit/(loss) before taxation as per Statement of Profit and Loss	(6,661)	(17,877)
<b>Add/(Less) :</b>		
Provision no longer required	(32,933)	-
<b>Operating profit before working capital changes</b>	<b>(39,594)</b>	<b>(17,877)</b>
<b>Add/(Less) :</b>		
(Increase) / Decrease in loans and advances	4,550	(9,958)
Increase / (Decrease) in trade and other payables	20,690	5,277
Direct taxes paid /(received)	-	8,645
	<b>25,240</b>	<b>3,964</b>
<b>Net cash flow from operating activities</b>	<b>(14,354)</b>	<b>(13,913)</b>
<b>II CASH FLOWS ARISING FROM INVESTING ACTIVITIES</b>	-	-
Net cash flow from investing activities	-	-
<b>III CASH FLOWS ARISING FROM FINANCING ACTIVITIES</b>	-	-
Net cash flow from financing activities	-	-
<b>Net increase in cash and cash equivalents ( I + II + III )</b>	<b>(14,354)</b>	<b>(13,913)</b>
<b>Add: Balance at the beginning of the year</b>	<b>71,687</b>	<b>85,600</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>57,333</b>	<b>71,687</b>
<b>Components of cash and cash equivalents (Refer note 3)</b>		
Cash on hand	8,270	8,270
Balances with banks		
- On Current accounts	49,063	63,417
	<b>57,333</b>	<b>71,687</b>

**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 DALAL DOSHI & ASSOCIATES**

Firm Registration No. 121773W  
CHARTERED ACCOUNTANTS



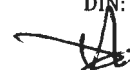
**VIRAL DOSHI**  
PARTNER  
Membership No.: 105330



Mumbai  
Date: 26th May, 2017



  
**JASMIN RATHOD**  
DIRECTOR  
DIN: 03147669

  
**PRAPHUL SHINDE**  
DIRECTOR  
DIN: 03140671

Mumbai  
Date: 26th May, 2017

**ABP REALTY ADVISORS PRIVATE LIMITED****STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2017**

	Equity Share Capital	Retained Earnings	Total
<b>Balance at 1st April, 2015</b>	5,00,000	(1,81,80,282)	(1,76,80,282)
Total Comprehensive Income for the year	-	(19,484)	(19,484)
<b>Balance at 31st March, 2016</b>	5,00,000	(1,81,99,766)	(1,76,99,766)
Total Comprehensive Income for the year	-	(6,661)	(6,661)
<b>Balance at 31st March, 2017</b>	5,00,000	(1,82,06,427)	(1,77,06,427)

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 DALAL DOSHI & ASSOCIATES**

Firm Registration No. 121773W  
CHARTERED ACCOUNTANTS



**VIRAL DOSHI**  
PARTNER  
Membership No.: 105330



  
**JASMIN RATHOD**  
DIRECTOR  
DIN: 03147669

  
**PRAPHUL SHINDE**  
DIRECTOR  
DIN: 03140671

Mumbai  
Date: 26th May, 2017

Mumbai  
Date: 26th May, 2017

## ABP REALTY ADVISORS PRIVATE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

#### COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES

##### 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.

The financial statements are approved for issue by the Company's Board of Directors on 26th May, 2017.

##### 2. Basis of preparation of financial statements

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) 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 Ind AS standards and the adoption was carried out in accordance with Ind AS 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 22.

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
- \* It is held primarily for the purpose of trading
- \* It is 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 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.



**ABP REALTY ADVISORS PRIVATE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

**2.1 Revenue Recognition**

**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 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**

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

**2.2 Financial Instruments**

**2.2.1 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.

**2.2.2 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.



2



## ABP REALTY ADVISORS PRIVATE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

#### (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.

#### 2.2.3 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.

#### 2.2.4 Impairment

##### 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.

#### 2.3 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 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.



## ABP REALTY ADVISORS PRIVATE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

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.

#### 2.4 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.

#### 2.5 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.

#### 2.6 Use of estimates

The preparation of the financial statements in conformity with Ind AS 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 2.6.1. 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.

##### 2.6.1 Critical accounting judgements and estimates

###### 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.



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**ABP REALTY ADVISORS PRIVATE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

	As at 31 March, 2017 ₹	As at 31 March, 2016 ₹	As at 1 April, 2015 ₹
<b>3. Cash and cash equivalents</b>			
Balances with banks:			
- in current accounts	49,063	63,417	77,330
Cash on hand	8,270	8,270	8,270
<b>Total</b>	<b>57,333</b>	<b>71,687</b>	<b>85,600</b>
<b>4. Loans</b>			
<b>Current</b>			
a) Loans to related parties			
- Unsecured, considered good	1,08,367	1,08,367	1,02,959
	1,08,367	1,08,367	1,02,959
b) Loan to others			
- Unsecured, considered good	-	4,550	-
	-	4,550	-
<b>Total</b>	<b>1,08,367</b>	<b>1,12,917</b>	<b>1,02,959</b>
<b>5. Current Tax Assets</b>			
Advance Tax Paid	-	-	24,502
Less: Provision for Tax	-	-	(14,250)
<b>Total</b>	-	-	<b>10,252</b>
<b>Income Tax expense</b>			
	<b>31st March, 2017</b>	<b>31st March, 2016</b>	
	₹	₹	
(a) Income Tax Expense			
Current Tax			
Tax in respect of earlier years	-	-	(1,607)
<b>Current Tax Expense</b>	-	-	<b>(1,607)</b>
<b>Deferred tax charge / (credit)</b>	-	-	-
<b>Income Tax expense</b>	-	-	<b>(1,607)</b>
<b>(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate</b>			
Since the taxable income is negative, there is no current tax payable; hence reconciliation has not been provided.			



**ABP REALTY ADVISORS PRIVATE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹	As at 1st April, 2015 ₹
<b>6. Equity share capital</b>			
<b>Authorised Share Capital:</b>			
2,50,000 (As at 31st March, 2016: 2,50,000; As at 1st April, 2015: 2,50,000) Ordinary Equity Shares of ₹ 10/-each	25,00,000	25,00,000	25,00,000
<b>Total</b>	<b>25,00,000</b>	<b>25,00,000</b>	<b>25,00,000</b>
<b>Issued and subscribed capital comprises :</b>			
50,000 (As at 31st March, 2016: 50,000; As at 1st April, 2015: 50,000) Equity Shares of ₹ 10/- each fully paid up	5,00,000	5,00,000	5,00,000
<b>Total</b>	<b>5,00,000</b>	<b>5,00,000</b>	<b>5,00,000</b>

**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, 2015	50,000	5,00,000
Add : Issued during the year	-	-
Less : Bought back during the year	-	-
Balance at 31st March, 2016	50,000	5,00,000
Add : Issued during the year	-	-
Less : Bought back during the year	-	-
<b>Balance at 31st March, 2017</b>	<b>50,000</b>	<b>5,00,000</b>

**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, 2017		As at 31st March, 2016		As at 1st April, 2015	
	No of shares held	% holding	No of shares held	% holding	No of shares held	% holding
Hubtown Limited with Beneficiary Owners	50,000	100%	50,000	100%	50,000	100%
<b>Total</b>	<b>50,000</b>	<b>100%</b>	<b>50,000</b>	<b>100%</b>	<b>50,000</b>	<b>100%</b>

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

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	No of shares held	% holding	No of shares held	% holding	No of shares held	% holding
<b>Fully paid equity shares</b>						
Hubtown Limited with Beneficiary Owners	50,000	100%	50,000	100%	50,000	100%
<b>Total</b>	<b>50,000</b>	<b>100%</b>	<b>50,000</b>	<b>100%</b>	<b>50,000</b>	<b>100%</b>

**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.



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**ABP REALTY ADVISORS PRIVATE LIMITED**
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹	As at 1st April, 2015 ₹
<b>7. Other Equity</b>			
<b>Retained Earnings</b>			
Balance at the beginning of the year	(1,81,99,766)	(1,81,80,282)	(1,81,80,282)
Profit attributable to the owners of the company	(6,661)	(19,484)	-
<b>Total</b>	<b>(1,82,06,427)</b>	<b>(1,81,99,766)</b>	<b>(1,81,80,282)</b>

**8. Borrowings**
**Current**
**Unsecured**

(i) Loans repayable on demand:

- From Related Party

2,24,597

2,24,597

2,24,597

**Total**
**2,24,597**
**2,24,597**
**2,24,597**
**Footnote :**

The Company has received interest free loans from its 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.

**9. Other financial liabilities**
**Current**

Business Advance

1,76,00,000

1,76,00,000

1,76,00,000

Other payables

47,530

59,773

54,496

**Total**
**1,76,47,530**
**1,76,59,773**
**1,76,54,496**
**10. Revenue from operations**

Other operating revenue :

Provision no Longer required

32,933

-

**Total**
**32,933**
**-**
**11. Other income**

Interest Income:

- Interest on IT refund

-

1,313

**Total**
**-**
**1,313**
**12. Other Expenses**

Legal and professional fees

14,132

1,710

Other expenses

25,462

17,480

**Total**
**39,594**
**19,190**
**Footnote :**

Auditor's Remuneration (included in other expenses) :

Statutory Audit Fees

6,000

6,000

Service tax on above

900

840

**Total**
**6,900**
**6,840**


**ABP REALTY ADVISORS PRIVATE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

	Year Ended 31 March, 2017 ₹	Year Ended 31 March, 2016 ₹
<b>13. Earnings Per Share (EPS)</b>		
Basic and Diluted Earnings Per Share	(0.13)	(0.39)
<b>13.1 Basic and Diluted EPS</b>		
The earnings and weighted average number of equity shares used in the calculation of basic and diluted earnings per share are as follows		
<b>Earnings used in the calculation of basic and diluted earnings per share</b>	(6,661)	(19,484)
Weighted average number of equity shares for the purposes of basic and diluted earnings per share	50,000	50,000
<b>14. Disclosure on Specified Bank Notes (SBNs)</b>		

Particulars	SBNs*	Other Denomination Notes	Total
Closing Cash in hand as on November 8, 2016	-	8,270	8,270
(+) Permitted Receipts	-	-	-
(-) Permitted Payments	-	-	-
(-) Amount Deposited in Bank	-	-	-
Closing Cash in hand as on December 30, 2016	-	<u>8,270</u>	<u>8,270</u>

Specified Bank Notes is defined as Bank Notes of denominations of the existing series of the value of five hundred rupees and one thousand rupees.

**15. 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.

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

17. 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.



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**ABP REALTY ADVISORS PRIVATE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

**18. 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 ₹
<b>i. Loans and Advances given/ repaid/adjusted</b>				
	India Development and Construction Venture Capital Private Limited	- (-)	- (5,408)	- (-)
<b>ii. On behalf payments made (including reimbursement of expenses)</b>				
	Chetan Mody	- (-)	- (-)	10,952 (-)
<b>iii. On behalf payments received/ adjusted</b>				
	Chetan Mody	- (-)	- (-)	614 (-)

Previous figures are given in brackets

**C. Balance outstanding payables/receivables:**

	As at 31 March, 2017 ₹	As at 31 March, 2016 ₹	As at 1 April, 2015 ₹
Hubtown Limited (Payable)	2,24,597	2,24,597	2,24,597
India Development and Construction Venture Capital Private Limited (Receivable)	1,08,367	1,08,367	1,02,959
Chetan Mody (Payable)	10,338	-	-



**ABP REALTY ADVISORS PRIVATE LIMITED****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017****19. 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 debt - equity ratio of the Company is in negative, therefore it has not been disclosed.

**20. 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 interest free loan and it receives interest free funds for its operating cash flow from its holding company as and when required (Refer note 8), hence the Company is not exposed to interest risk.

**2) Credit Risk**

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

**21. Fair Value measurement of Financial Instruments**

	31st March 2017			31st March 2016			31st March 2015		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
<b>Financial Assets</b>									
Cash and cash equivalent	-	-	57,333	-	-	71,687	-	-	85,600
Loans	-	-	1,08,367	-	-	1,12,917	-	-	1,02,959
<b>Total of Financial Assets</b>	-	-	<b>1,65,700</b>	-	-	<b>1,84,604</b>	-	-	<b>1,88,559</b>
<b>Financial Liabilities</b>									
Borrowings	-	-	2,24,597	-	-	2,24,597	-	-	2,24,597
Other Financial liabilities	-	-	1,76,47,530	-	-	1,76,59,773	-	-	1,76,54,496
<b>Total of Financial Liabilities</b>	-	-	<b>1,78,72,127</b>	-	-	<b>1,78,84,370</b>	-	-	<b>1,78,79,093</b>



**ABP REALTY ADVISORS PRIVATE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

**22. First Time Ind AS Adoption Reconciliations**

**(i) Effect of Ind AS adoption on the Balance Sheet as at 31st March, 2016 and 1st April, 2015**

Particulars	As at March 31, 2016 (End of last period presented under previous GAAP)			As at March 31, 2015 (Date of Transition)		
	Regrouped Previous GAAP	Effect of Transition to Ind AS	As per Ind AS balance sheet	Regrouped Previous GAAP	Effect of Transition to Ind AS	As per Ind AS balance sheet
<b>Current assets</b>						
(a) Financial assets						
(i) Cash and cash equivalents	71,687	-	71,687	85,600	-	85,600
(ii) Loans	1,12,917	-	1,12,917	1,02,959	-	1,02,959
(b) Current tax assets (Net)	-	-	-	10,252	-	10,252
<b>Total Assets</b>	<b>1,84,604</b>	<b>-</b>	<b>1,84,604</b>	<b>1,98,811</b>	<b>-</b>	<b>1,98,811</b>
<b>Equity and Liabilities</b>						
<b>Equity</b>						
(a) Equity share capital	5,00,000	-	5,00,000	5,00,000	-	5,00,000
(b) Other equity	(1,81,99,766)	-	(1,81,99,766)	(1,81,80,282)	-	(1,81,80,282)
<b>Total Equity</b>	<b>(1,76,99,766)</b>	<b>-</b>	<b>(1,76,99,766)</b>	<b>(1,76,80,282)</b>	<b>-</b>	<b>(1,76,80,282)</b>
<b>Liabilities</b>						
<b>Current Liabilities</b>						
(a) Financial Liabilities						
(i) Borrowings	2,24,597	-	2,24,597	2,24,597	-	2,24,597
(ii) Other financial liabilities	1,76,59,773	-	1,76,59,773	1,76,54,496	-	1,76,54,496
<b>Total Liabilities</b>	<b>1,78,84,370</b>	<b>-</b>	<b>1,78,84,370</b>	<b>1,78,79,093</b>	<b>-</b>	<b>1,78,79,093</b>
<b>Total Equity and Liabilities</b>	<b>1,84,604</b>	<b>-</b>	<b>1,84,604</b>	<b>1,98,811</b>	<b>-</b>	<b>1,98,811</b>

The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note



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**ABP REALTY ADVISORS PRIVATE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

**(ii) Effect of Ind AS adoption on the Statement of Profit and Loss for the year ended 31st March, 2016**

Particulars	As at March 31, 2016 (End of last period presented under previous GAAP)		
	Regrouped Previous GAAP	Effect of Transition to Ind AS	As per Ind AS balance sheet
Revenue from Operations	-	-	-
Other Income	1,313	-	1,313
<b>Total Income</b>	<b>1,313</b>	<b>-</b>	<b>1,313</b>
<b>Expenses</b>			
Other Expenses	19,190	-	19,190
<b>Total Expenses</b>	<b>19,190</b>	<b>-</b>	<b>19,190</b>
<b>Profit Before Tax</b>	<b>(17,877)</b>	<b>-</b>	<b>(17,877)</b>
<b>Tax Expense</b>			
Excess/(Short) provision for taxation in respect of earlier years	(1,607)	-	(1,607)
<b>Profit/(Loss) for the Year</b>	<b>(19,484)</b>	<b>-</b>	<b>(19,484)</b>
<b>Other Comprehensive Income</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Comprehensive Income</b>	<b>-</b>	<b>-</b>	<b>-</b>

The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note

**(iii) Effect of Ind AS adoption on the statement of cash flows for the year ended 31st March, 2016**

Particulars	Year ended 31st March, 2016		
	Previous GAAP	Effect of Transition to Ind AS	As per Ind AS balance sheet
Net cash flows from Operating activities	(13,913)	-	(13,913)
Net cash flows from Investing activities	-	-	-
Net cash flows from Financing activities	-	-	-
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(13,913)</b>	<b>-</b>	<b>(13,913)</b>
<b>Cash and cash equivalents at the beginning of the Year</b>	<b>85,600</b>	<b>-</b>	<b>85,600</b>
<b>Cash and cash equivalents at the end of the Year</b>	<b>71,687</b>	<b>-</b>	<b>71,687</b>

As per our report of even date

For and on behalf of the Board of Directors

**FOR DALAL DOSHI & ASSOCIATES**  
Firm Registration No. 121773W  
CHARTERED ACCOUNTANTS



*Y.S.*  
**VIRAL DOSHI**  
PARTNER  
Membership No.: 105330

Mumbai  
Date: 26th May, 2017



*Jasmin*  
**JASMIN RATHOD**  
DIRECTOR  
DIN: 03147669  
*Kapul*  
**KAPUL SHINDE**  
DIRECTOR  
DIN: 03140671

Mumbai  
Date: 26th May, 2017

**ACKRUTI SAFEGUARD SYSTEMS PRIVATE LIMITED**

**CIN: U51909MH1999PTC176073**

**DIRECTORS' REPORT**

To  
**THE MEMBERS**  
**ACKRUTI SAFEGUARD SYSTEMS PRIVATE LIMITED**

The Directors hereby present the Eighteenth Annual Report of the Company together with the Audited Financial Statements for the year ended March 31, 2017.

**FINANCIAL RESULTS:**

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standard) Rules, 2015 as amended. The financial statements for the Financial Year ended March 31, 2017 are the Company's first Ind AS compliant annual audited financial statements with comparative figures for the year ended March 31, 2016 also under Ind AS. The transition date is April 1, 2015.

During the year under review, the Company incurred a net loss of Rs. 22,32,787/- as against net profit of Rs. 5,28,169/- during the previous year.

**DIVIDEND:**

In view of the loss incurred, the Directors do not recommend any dividend for the year under review.

**TRANSFER TO RESERVES:**

In view of the loss incurred by the Company, the Board does not propose to transfer any amount to reserves.

**MATERIAL CHANGES AND COMMITMENTS:**

No material changes or commitments have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report, affecting the financial position of the Company.

**CHANGE IN THE NATURE OF BUSINESS:**

There has been no change in the nature of business of the Company during the year under review.

**SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:**

During the year under review, the Company did not have any subsidiary, joint venture or an associate company.

**DEPOSITS:**

The Company has not accepted any deposits during the year under review.

**TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND:**

During the year under review, the Company was not required to transfer any amount to the Investor Education and Protection Fund.



**SHARE CAPITAL:**

The paid-up equity share capital and paid-up preference share capital of the Company as on March 31, 2017 was Rs. 6,76,000/- and Rs. 20,00,000/- respectively. During the year under review, the Company has not issued any shares with differential voting rights or granted stock options or sweat equity.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:**

The particulars of loans given by the Company during the year under review are disclosed in the relevant note to the Financial Statements.

**RELATED PARTY TRANSACTIONS:**

The particulars of transactions entered into by the Company with related parties during the year under review are disclosed in the relevant note to the Financial Statements. The said related party transactions are on an arms length basis and hence not required to be disclosed in Form AOC-2.

**INTERNAL FINANCIAL CONTROLS:**

The Company has an Internal Control System, commensurate with the nature and size of its operations. Based on the framework of internal financial controls maintained by the Company and the work performed by the Statutory Auditors, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the Financial Year 2016-2017.

**DIRECTORS:**

In accordance with the provisions of Section 152 (6) (e) of the said Act and the Articles of Association of the Company, Mr. Samirkumar Salot (DIN: 07115916), Director of the Company retires by rotation and being eligible, offers himself for reappointment.

The provisions of Section 149 of the Companies Act, 2013 relating to the appointment of Independent Directors do not apply to the Company.

**ANNUAL RETURN:**

The extracts of Annual Return pursuant to the provisions of Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in 'Annexure-A' to this Report.

**BOARD MEETINGS:**

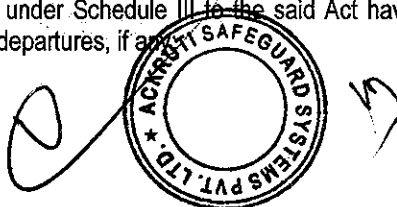
The Company had convened and held Six (6) Board meetings during the year under review. The said Board meetings were held on April 08, 2016, May 19, 2016, July 01, 2016, September 07, 2016, December 22, 2016, and February 02, 2017.

The gap between the meetings did not exceed the period prescribed under the Act.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to sub-section (3) (c) of Section 134 (5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended March 31, 2017, the Directors of your Company, to the best of their knowledge and belief and on the basis of the information and explanations received by them, hereby state and confirm that:

- (i) in the preparation of the Annual Accounts for the year ended March 31, 2017, the applicable accounting standards read with the requirements under Schedule III to the said Act have been followed alongwith proper explanation relating to material departures, if any.





- (ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year on 31st March, 2017, and of the loss of the Company for that period;
- (iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the annual accounts have been prepared on a 'going concern' basis;
- (v) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

**DISCLOSURE OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL**

During the year under review, there were no significant or material orders passed by any regulatory / statutory authorities or courts / tribunals against the Company impacting its going concern status and operations in future.

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

The nature of operations of the Company does not require disclosure of particulars relating to conservation of energy and technology absorption, as prescribed under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014. During the year under review, the Company had 'Nil' foreign exchange earnings and outgo.

**RISK MANAGEMENT POLICY:**

The Company has not adopted a Risk Management Policy as the elements of risks threatening the Company's existence are minimal.

**AUDITORS:**

There are no qualification, reservation or adverse remark or disclaimer made by the Statutory Auditors in the Auditors' Report.

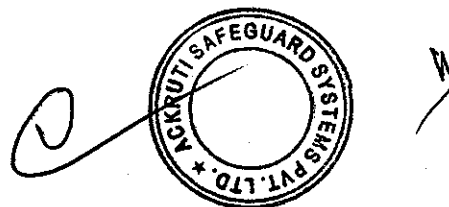
At the Fifteenth Annual General Meeting (AGM) of the Company held on September 18, 2014 M/s. Dalal Doshi & Associates, Chartered Accountants (Firm Reg. No. 121773W) were appointed as Statutory Auditors of the Company for five financial years commencing from April 01, 2014 to March 31, 2019, to hold office until the conclusion of the Twentieth AGM to be held for the year 2019 (subject to ratification of their appointment at each AGM).

Accordingly, the members are requested to ratify the reappointment of M/s. Dalal Doshi & Associates, Chartered Accountants as the Statutory Auditors of the Company for the financial year 2017-2018 and to authorise the Board of Directors to fix their remuneration.

M/s. Dalal Doshi & Associates, Chartered Accountants have offered themselves for reappointment and have confirmed their eligibility to be appointed as Auditors pursuant to the provisions of Section 141 of the Companies Act, 2013 and Rule 4 of the Companies (Audit and Auditors) Rules, 2014.

**GENERAL:**

The provisions relating to Secretarial Audit, appointment of Key Managerial Personnel, constitution of Audit Committee, Corporate Social Responsibility Committee, Nomination and Remuneration Committee and Vigil Mechanism are not applicable to the Company.



**DISCLOSURE UNDER 'THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013':**

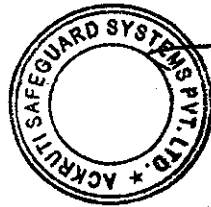
The Company has adopted a Policy on Prevention, Prohibition and Redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder for prevention and redressal of complaints of sexual harassment at work place.

The Company has not received any complaint on sexual harassment during the year under review.

**PARTICULARS OF EMPLOYEES**

The Company does not have any employee on its roll and none of the Directors of the Company receive any remuneration under Section 197 of the Companies Act, 2013. Accordingly, no information is required to be disclosed in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**For and Behalf of the Board**



**Praphul Shinde**  
Director  
DIN: 03140671

**Kamlesh Shah**  
Director  
DIN: 01317352

**Place: Mumbai**  
**Date: May 25, 2017**

**FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2017  
[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014]

**I. REGISTRATION & OTHER DETAILS:**

1.	CIN	U51909MH1999PTC176073
2.	Registration Date	30/03/1999
3.	Name of the Company	Akkruti Safeguard Systems Private Limited
4.	Category/Sub-category of the Company	Company Having Share Capital
5.	Address of the Registered office & contact details	D-89/3, TTC Industrial Area, MIDC Turbhe, Navi Mumbai, Thane – 400705 Tel: 022 66830600 ; Fax: 022 66830602
6.	Whether listed company	No
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Not applicable

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

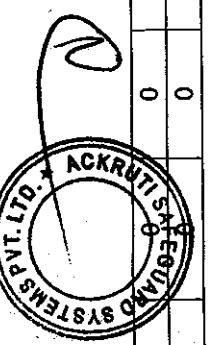
Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Manufacture of parts and accessories for motor vehicles	2930	100.00%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-**

Sr. No.	Name And Address of the Company	CIN/GLN	Holding/ Subsidiary/Associate	% of Shares Held	Applicable Section
1	Hubtown Limited Ackruti Center Point, 6 <sup>th</sup> Floor, Central Road, Marol MIDC, Andheri (East), Mumbai- 400093	L45200MH1989PLC050688	Holding	88.27%	2(46)

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)****i) Category-wise Share Holding**

SN.	Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2016]			No. of Shares held at the end of the year [As on 31-March-2017]			% Change during the year
		Demat	Physical	Total	Demat	Physical	Total	
<b>A. Promoters</b>								
<b>(1)</b>	<b>Indian</b>							
(a)	Individual/ HUF	0	0	0	0	0	0	0
(b)	Central Govt	0	0	0	0	0	0	0

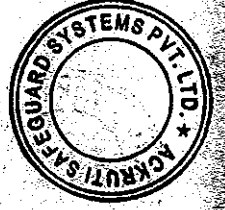






iv) Shareholding Pattern of top ten Shareholders:  
(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the Company
1	<b>Kushal H. Shah</b>				
	At the beginning of the year (April 01, 2016)	3090	6.18	3090	6.18
	Purchase of shares on 01-07-2016	348	0.70	3438	6.88
	At the end of the year(March 31, 2017)	-	-	3438	6.88
2	<b>Khilen V. Shah</b>				
	At the beginning of the year (April 01, 2016)	3090	6.18	3090	6.18
	Purchase of shares on 01-07-2016	348	0.70	3438	6.88
	At the end of the year(March 31, 2017)	-	-	3438	6.88
3	<b>Rushank Shah</b>				
	At the beginning of the year (April 01, 2016)	3090	6.18	3090	6.18
	Purchase of shares on 01-07-2016	347	0.70	3437	6.87
	At the end of the year(March 31, 2017)	-	-	3437	6.87
4	<b>Kunjal Shah (No changes in the shareholding during the year)</b>				
	At the beginning of the year (April 01, 2016)	1797	3.59	1797	3.59
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year(March 31, 2017)	1797	3.59	1797	3.59
5	<b>Falguni Shah (No changes in the shareholding during the year)</b>				
	At the beginning of the year (April 01, 2016)	1675	3.35	1675	3.35
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year(March 31, 2017)	1675	3.35	1675	3.35
6	<b>Lata Shah</b>				
	At the beginning of the year (April 01, 2016)	1043	2.09	1043	2.09
	Sale of Shares on 01-07-2016	(1043)	(2.09)	-	-
	At the end of the year(March 31, 2017)	-	-	-	-



v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the Company
1	<b>Samirkumar Salot (Director)</b>				
	At the beginning of the year(April 01, 2015)	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g: allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year(March 31, 2016)	-	-	-	-
2	<b>Praphul Shinde (Director)</b>				
	At the beginning of the year(April 01, 2015)	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g: allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year(March 31, 2016)	-	-	-	-
3	<b>Kamlesh Shah (Director)</b>				
	At the beginning of the year(April 01, 2015)	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g: allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year(March 31, 2016)	-	-	-	-



**V) INDEBTEDNESS -**

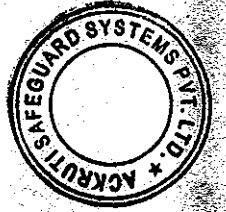
Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	-	474880	-	474880
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	474880	-	474880
<b>Change in Indebtedness during the financial year</b>				
* Addition	-	-	-	-
* Reduction	-	400000	-	400000
<b>Net Change</b>	-	74880	-	74880
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	74880	-	74880
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	74880	-	74880

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission - as % of profit - others, specify...	-	-
5	Others, please specify	-	-
	<b>Total (A)</b>	-	-
	Ceiling as per the Act	-	-





B. Remuneration to other directors:

SN.	Particulars of Remuneration	Name of Directors			Total Amount
1	Independent Directors	Praphul Shinde	Sarmitkumar Salot	Kamlesh Shah	0
	Fee for attending Board/Committee meetings	0	0	0	0
	Commission	0	0	0	0
	Others, please specify	0	0	0	0
	<b>Total (1)</b>	0	0	0	0
2	Other Non-Executive Directors	0	0	0	0
	Fee for attending Board/Committee meetings	0	0	0	0
	Commission	0	0	0	0
	Others, please specify	0	0	0	0
	<b>Total (2)</b>	0	0	0	0
	Total (B)=(1+2)	0	0	0	0
	Total Managerial Remuneration	0	0	0	0
	Overall Ceiling as per the Act				0

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross salary				-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				-
2	Stock Option				-
3	Sweat Equity	N.A.			-
4	Commission		N.A.		-
	- as % of profit				-
	others, specify...				-
5	Others, please specify				-
	<b>Total</b>				-



VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B. DIRECTORS</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For and on behalf of the Board



*[Signature]*  
Praphul-Shinde  
Director  
DIN: 03140671

*[Signature]*  
Kamlesh Shah  
Director  
DIN: 01317352

Place: Mumbai  
Date: May 25, 2017

**INDEPENDENT AUDITOR'S REPORT**

**TO THE MEMBERS OF ACKRUTI SAFEGUARD SYSTEMS PRIVATE LIMITED**

**Report on the Ind AS Financial Statements**

We have audited the accompanying Ind AS financial statements of **ACKRUTI SAFEGUARD SYSTEMS PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, 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 2017, and its loss and its cash flows and the changes in equity for the year ended on that date.

## Other Matter

The financial information of the Company for the year ended 31<sup>st</sup> March, 2016 and the transition date opening balance sheet as at 01<sup>st</sup> April, 2015 included in these financial statements, are based on the previously issued statutory financial statements for the years ended 31<sup>st</sup> March, 2016 and 31<sup>st</sup> March, 2015 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an unmodified opinion dated 19<sup>th</sup> May, 2016 and 19<sup>th</sup> May, 2015 respectively. The adjustments to those financial statements for the differences in accounting policies adopted by the Company on transition have been audited by us.

## 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;
  - (e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 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;
  - 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; and
  - iv. The Company has provided requisite disclosures in its Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016 on the basis of information available with the company. Based on audit procedures, and relying on management's representation, we report that disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the management.
- Refer Note 34

**FOR DALAL DOSHI & ASSOCIATES**

Firm Registration No.: 121773W

Chartered Accountants



**DINESH DOSHI**

Partner

Membership No.: 9464



Place: Mumbai

Date: 25<sup>th</sup> May, 2017

**ANNEXURE "A" REFERRED TO IN OUR REPORT TO THE MEMBERS OF ACKRUTI SAFEGUARD SYSTEM PRIVATE LIMITED ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2017;**

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 is maintaining 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) The title deeds of the immovable properties are held in the name of the Company.
- ii. The physical verification of inventory has been conducted at reasonable intervals by the Management during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been appropriately dealt with in the books of accounts.
- 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 there under to the extent notified. Accordingly, paragraph 3(v) of the Order is not applicable.
- 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. Accordingly, paragraph 3(vi) of the Order is not applicable.
- 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 ₹ 1,69,965 and interest on late payment of taxes of ₹ 2,36,748 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, the particulars of dues of Income Tax, Value Added Tax and Cess 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	271 (1) (c)	2011 - 12	Amount not ascertainable	Income Tax Officer
MVAT	23	2012 - 13	3,622	
CST	R/w 9 (2) - U/s 23 (2)	2012 - 13	12,05,103	

- viii. The Company does not have any loans or borrowings from any financial institution or bank 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 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 Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable.

**FOR DALAL DOSHI & ASSOCIATES**

Firm Registration No.: 121773W

Chartered Accountants



**DINESH DOSHI**

Partner

Membership No.: F - 9464



Place: Mumbai

Date: 25<sup>th</sup> May, 2017



## **"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF ACKRUTI SAFEGUARD SYSTEMS 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 ACKRUTI SAFEGUARD SYSTEMS PRIVATE LIMITED ("the Company") as of 31st March, 2017 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 2017, 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 DALAL DOSHI & ASSOCIATES**

Firm Registration No.:121773W

Chartered Accountants



**DINESH DOSHI**

Partner

Membership No.: F-9464



Place: Mumbai

Date: 25<sup>th</sup> May, 2017

**ACKRUTI SAFEGUARD SYSTEMS PRIVATE LIMITED**
**BALANCE SHEET AS AT 31st MARCH, 2017**

Particulars	Note No.	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹	As at 1st April, 2015 ₹
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
(a) Property, plant and equipment	3	3,15,83,711	3,30,71,931	3,52,22,604
(b) Intangible assets	4	34,01,813	37,65,781	41,29,749
(c) Financial assets				
(i) Investments	5	10,000	10,000	10,000
(ii) Other financial assets	6	20,04,130	4,10,085	3,53,903
<b>Total Non-Current assets</b>		<b>3,69,99,654</b>	<b>3,72,57,797</b>	<b>3,97,16,256</b>
<b>Current assets</b>				
(a) Inventories	7	53,38,401	71,89,159	84,41,853
(b) Financial assets				
(i) Investments	5	65,33,325	46,55,264	32,17,092
(ii) Cash and cash equivalents	8	60,35,845	77,57,694	83,63,394
(iii) Bank balances other than (ii) above	9	15,00,000	40,82,271	38,12,756
(iv) Loans	10	14,00,000	-	-
(v) Other financial assets	6	28,87,037	31,14,636	27,47,607
(c) Current tax assets (Net)	11	6,76,395	6,90,637	7,64,882
(d) Other current assets	12	8,46,814	42,468	56,644
<b>Total Current Assets</b>		<b>2,52,17,818</b>	<b>2,75,32,129</b>	<b>2,74,04,228</b>
<b>TOTAL ASSETS</b>		<b>6,22,17,472</b>	<b>6,47,89,926</b>	<b>6,71,20,484</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity share capital	13	26,76,000	26,76,000	26,76,000
(b) Other equity	14	(12,39,33,365)	(12,17,00,578)	(12,12,05,680)
<b>Total Equity</b>		<b>(12,12,57,365)</b>	<b>(11,90,24,578)</b>	<b>(11,85,29,680)</b>
<b>Liabilities</b>				
<b>Non-Current Liabilities</b>				
(a) Financial Liabilities				
(i) Other Financial Liabilities	15	10,81,977	9,00,297	7,55,432
(b) Provisions	16	-	-	29,434
(c) Deferred Tax Liabilities (Net)	17	29,65,378	29,65,378	25,35,838
<b>Total Non-Current Liabilities</b>		<b>40,47,355</b>	<b>38,65,675</b>	<b>33,50,704</b>
<b>Current Liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	18	74,880	4,74,880	4,13,005
(ii) Trade payables	19	7,49,614	1,09,654	9,04,269
(iii) Other financial liabilities	15	17,77,13,674	17,81,11,206	17,98,17,854
(b) Other current liabilities	20	8,89,314	12,53,089	11,64,332
<b>Total Current Liabilities</b>		<b>17,94,27,482</b>	<b>17,99,48,829</b>	<b>18,22,99,460</b>
<b>Total Liabilities</b>		<b>18,34,74,837</b>	<b>18,38,14,504</b>	<b>18,56,50,164</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>6,22,17,472</b>	<b>6,47,89,926</b>	<b>6,71,20,484</b>

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 DALAL DOSHI & ASSOCIATES**

Firm Registration No. 121773W  
CHARTERED ACCOUNTANTS

**DINESH DOSHI**  
PARTNER  
Membership No. F-9464

Mumbai  
Date: 25th May, 2017



**KAMLESH SHAH**  
Director

DIN: 01317352

**PRAPHUL SHINDE**  
Director

DIN: 03140671

Mumbai

Date: 25th May, 2017

ACKRUTI SAFEGUARD SYSTEMS PRIVATE LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2017

Particulars	Note No.	Year ended 31st March, 2017 ₹	Year ended 31st March, 2016 ₹
<b>I Income</b>			
Revenue from Operations	21	1,59,80,972	1,61,08,787
Other Income	22	10,89,848	7,83,700
Share of Profit / (Loss) of Joint Ventures		-	(692)
<b>Total Income</b>		<b>1,70,70,820</b>	<b>1,68,91,795</b>
<b>II Expenses</b>			
Cost Of Material Consumed	23	46,46,350	32,89,651
Changes in Inventory	24	21,58,353	10,65,884
Employee Benefits Expense	25	-	5,84,679
Finance Costs	26	5,02,386	2,25,671
Depreciation and Amortisation Expenses	27	20,10,349	25,14,641
Other Expenses	28	99,86,169	82,53,560
<b>Total Expenses</b>		<b>1,93,03,607</b>	<b>1,59,34,086</b>
<b>Profit/(Loss) before Tax</b>		<b>(22,32,787)</b>	<b>9,57,709</b>
Tax Expense			
(1) Deferred tax (charge) / credit		-	(4,29,540)
		-	(4,29,540)
<b>Profit/(Loss) for the Year</b>		<b>(22,32,787)</b>	<b>5,28,169</b>
<b>Other Comprehensive Income</b>		-	-
<b>Total Comprehensive Income for the year</b>		<b>(22,32,787)</b>	<b>5,28,169</b>
<b>Earning per equity share of nominal value of ₹ 10/- each (in Rupees)</b>	29		
Basic		(44.66)	10.56
Diluted		(44.66)	2.11

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 DALAL DOSHI & ASSOCIATES  
Firm Registration No. 121773W  
CHARTERED ACCOUNTANTS

KAMLESH SHAH  
Director  
DIN: 01317352

  
DINESH DOSHI  
PARTNER  
Membership No. F-9464



  
PRAPHUL SHINDE  
Director  
DIN : 03140671

Mumbai  
Date: 25th May, 2017

Mumbai  
Date: 25th May, 2017

**ACKRUTI SAFEGUARD SYSTEMS PRIVATE LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2017**

Particulars	2016 - 2017 ₹	2015 - 2016 ₹
<b>Cash flows arising from operating activities</b>		
Net Profit / (Loss) before tax as per Statement of Profit and Loss	(22,32,787)	9,57,709
<b>Add / (Less) :</b>		
Interest and Finance Charges	5,02,386	2,25,671
Depreciation and Amortisation	20,10,349	25,14,641
Prior Period Adjustments (Net)	-	(10,23,067)
Dividend received	(40,539)	(1,29,872)
Gain on redemption of Mutual Fund	(3,08,119)	(37,971)
Provision no longer required	(4,73,345)	(90,717)
Interest Income	(3,87,925)	(5,42,612)
	<u>13,02,807</u>	<u>9,16,073</u>
Operating Profit Before Working Capital Changes	<b>(9,29,980)</b>	<b>18,73,781</b>
<b>Add / (Less) :</b>		
(Increase) / Decrease in Inventories	18,50,758	12,52,694
(Increase) / Decrease in Other Current Assets	(8,04,347)	14,176
(Increase) / Decrease in Other Financial Assets	(29,48,125)	(5,74,384)
(Increase) / Decrease in Other Financial Liabilities	75,813	(15,54,056)
(Increase) / Decrease in Other current liabilities	(1,82,095)	1,74,188
Increase / (Decrease) in Trade Payables	6,39,960	(7,94,615)
Direct Taxes Paid	14,243	74,245
	<u>(13,53,793)</u>	<u>(14,07,753)</u>
<b>Net Cash flow in the course of Operating Activities</b>	<b>(22,83,773)</b>	<b>4,66,029</b>
<b>Cash flows arising from Investing activities</b>		
<b>Inflow / (Outflow) on account of :</b>		
Interest Income	3,87,925	5,42,612
Dividend Income	40,539	1,29,872
Gain on redemption of Mutual Fund	3,08,119	37,971
(Purchase) of Investment	(65,33,326)	(29,38,172)
Sale of Investment	46,55,264	15,00,000
Deposits with maturity of more than three months but less than twelve months	25,82,271	(2,69,515)
(Purchase) of fixed assets	(1,58,161)	-
	<u>12,82,631</u>	<u>(9,97,232)</u>
<b>Net Cash flow in the course of Investing Activities</b>	<b>12,82,631</b>	<b>(9,97,232)</b>
<b>Cash flows arising from Financing activities</b>		
<b>Inflow / (Outflow) on account of :</b>		
Increase / (Decrease) in Unsecured Loans	(4,00,000)	61,875
Interest and Finance Charges Paid	(3,20,706)	(1,36,372)
	<u>(7,20,706)</u>	<u>(74,497)</u>
<b>Net Cash flow in the course of Financing Activities</b>	<b>(7,20,706)</b>	<b>(74,497)</b>
<b>Net Increase in cash and cash Equivalents ( I + II + III )</b>	<b>(7,21,848)</b>	<b>(6,05,700)</b>
<b>Add: Balance at the beginning of the year</b>	<b>77,57,694</b>	<b>83,63,394</b>
<b>Cash and Cash Equivalents at the end of the year</b>	<b>60,35,845</b>	<b>77,57,694</b>
<b>Reconciliation of Cash and Bank Balances given in</b>		
<b>Note - 8 is as follows :-</b>		
Balances with banks:		
- in current accounts	19,67,447	42,45,040
- in deposit with maturity of less than three months	33,39,910	31,60,861
Cash on hand	5,50,178	1,69,378
Foreign Currency on hand	1,78,310	1,82,415
	<u>60,35,845</u>	<u>77,57,694</u>

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 DALAL DOSHI & ASSOCIATES**  
 Firm Registration No. 121773W  
 CHARTERED ACCOUNTANTS

**KAMLESH SHAH**  
 Director  
 DIN: 01317352

**DINESH DOSHI**  
 PARTNER  
 Membership No. F-9464



**PRAPHUL SHINDE**  
 Director  
 DIN : 03140671

Mumbai  
 Date: 25th May, 2017

Mumbai  
 Date: 25th May, 2017

**ACKRUTI SAFEGUARD SYSTEMS PRIVATE LIMITED**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2017**


₹			
Particulars	Equity component of compound financial instruments	Retained Earnings	Total
Balance at 1st April , 2015	26,76,000	(12,12,05,680)	(11,85,29,680)
Changes in accounting Policy or prior period errors	-	(10,23,067)	(10,23,067)
Total Comprehensive Income for the year	-	5,28,169	5,28,169
<b>Balance at 31st March, 2016</b>	<b>26,76,000</b>	<b>(12,17,00,578)</b>	<b>(11,90,24,578)</b>
Total Comprehensive Income for the year	-	(22,32,787)	(22,32,787)
<b>Balance at 31st March, 2017</b>	<b>26,76,000</b>	<b>(12,39,33,365)</b>	<b>(12,12,57,365)</b>

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 **DALAL DOSHI & ASSOCIATES**  
 Firm Registration No. 121773W  
 CHARTERED ACCOUNTANTS

  
**DINESH DOSHI**  
 PARTNER  
 Membership No. F-9464



  
**KAMLESH SHAH**  
 Director  
 DIN: 01317352

  
**PRAPHUL SHINDE**  
 Director  
 DIN : 03140671

Mumbai  
 Date: 25th May, 2017

Mumbai  
 Date: 25th May, 2017

**ACKRUTI SAFEGUARD SYSTEMS PRIVATE LIMITED****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017****Note 1. COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES****1.1 Company Overview**

Ackruti Safeguard Systems Private Limited is an Private Limited Company domiciled in India, incorporated under the Companies Act, 1956. The Company is engaged into manufacturers, buyers, sellers, traders, importers, exporters, merchant exporters, brokers, distributors, factors, stockiest, dealers of all kinds of high security number plates and to act as consultants and agents for any Government, semi-Government, or any other organization for all kinds of high security number plates and matters related thereto.

1.2 The financial statements are approved for issue by the Company's Board of Directors on 25th May, 2017.

**Note 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 40.

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

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.



**ACKRUTI SAFEGUARD SYSTEMS PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017**

**2.1 REVENUE RECOGNITION**

Revenue is recognised to the extent that is probable that the economic benefits will accrue to the Company and revenue can be reliably 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.

**A. Income from operation**

- a) Revenues / Incomes and Costs / Expenditure are generally accounted on accrual, as they are earned or incurred
- b) Revenue is recognised as and when security plates is affixed on vehicle of the buyer including the ancillary cost.

**B. 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:**

Share of profit / loss from partnership firms is accounted in respect of the financial year of the firm, during the reporting period, on the basis of the 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. Technical Knowhow are classified as intangible assets are stated at cost of acquisition less accumulated
- C. 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)
Leasehold Land	60
Building	30
Plant and Machinery	15
Computer	3
Office Equipments	5
Furniture and Fixture	10
Technical Knowhow	20

**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.





**ACKRUTI SAFEGUARD SYSTEMS PRIVATE LIMITED****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017****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 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.

**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 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****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.

**ii. Intangible assets**

If the carrying amount of the intangible asset is not recoverable and it exceeds its fair value, an entity would recognize an impairment loss. That recorded loss is based on the amount of the asset at the date it is tested for recoverability, whether in use or under development. The impairment loss is measured at the amount by which the carrying value of the intangible asset exceeds its fair value.



**ACKRUTI SAFEGUARD SYSTEMS PRIVATE LIMITED****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017****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 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 realized. 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.

Deferred tax asset can be created only if there is a virtual certainty with convincing evidence (VCCE) that there will be sufficient future taxable income against which DTA could be realised, if this condition is not satisfied deferred tax for the year shall not be recognised.

**2.5 INVENTORIES**

All inventories are stated at Cost or Net Realizable Value, whichever is lower.

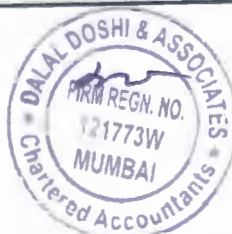
'Cost' comprises of all costs of purchase, cost of conversion and other costs incurred in bringing the inventory to the present location and condition. The costs formulae used is 'First In First Out'.

**2.6 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.

**2.7 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.



**ACKRUTI SAFEGUARD SYSTEMS PRIVATE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017**

**2.8 FOREIGN CURRENCY TRANSACTIONS**

- i. All transactions in foreign currency are recorded in the reporting currency, based on closing rates of exchange
- 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.

**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 2.10.1. 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.

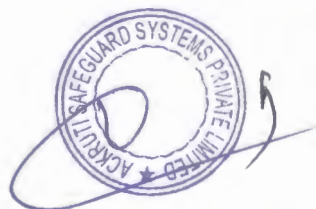
**2.10.1 CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES**

**a. 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 / Intangible assets**

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.



**ACKRUTI SAFEGUARD SYSTEMS PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017**

**Note 3. Property, plant and equipment**

	In ₹						
	Leasehold land	Building	Plant & Machinery	Computers & Laptops	Furniture & Fixtures	Office Equipment	Total
<b>Cost or deemed cost</b>							
Balance at 1st April, 2015	1,03,04,642	1,86,35,052	1,41,44,024	16,66,840	2,20,779	3,47,829	4,53,19,166
Additions	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
<b>Balance at 31st March, 2016</b>	<b>1,03,04,642</b>	<b>1,86,35,052</b>	<b>1,41,44,024</b>	<b>16,66,840</b>	<b>2,20,779</b>	<b>3,47,829</b>	<b>4,53,19,166</b>
<b>Accumulated depreciation</b>							
Balance at 1st April, 2015	19,87,345	21,60,423	43,74,829	13,13,423	99,311	1,61,230	1,00,96,562
Eliminated on disposal of assets	-	-	-	-	-	-	-
Depreciation expense	3,03,068	5,95,469	8,01,614	3,47,109	16,933	86,480	21,50,673
<b>Balance at 31st March, 2016</b>	<b>22,90,413</b>	<b>27,55,892</b>	<b>51,76,443</b>	<b>16,60,532</b>	<b>1,16,244</b>	<b>2,47,710</b>	<b>1,22,47,235</b>
<b>Carrying amount as on 31st March 2016</b>	<b>80,14,229</b>	<b>1,58,79,160</b>	<b>89,67,581</b>	<b>6,308</b>	<b>1,04,535</b>	<b>1,00,119</b>	<b>3,30,71,931</b>
	<b>Leasehold land</b>	<b>Building</b>	<b>Plant &amp; Machinery</b>	<b>Computers &amp; Laptops</b>	<b>Furniture &amp; Fixtures</b>	<b>Office Equipment</b>	<b>Total</b>
<b>Cost or deemed cost</b>							
Balance at 31st March, 2016	1,03,04,642	1,86,35,052	1,41,44,024	16,66,840	2,20,779	3,47,829	4,53,19,166
Additions	-	-	-	-	-	1,58,161	1,58,161
Disposals	-	-	-	-	-	-	-
<b>Balance at 31st March, 2017</b>	<b>1,03,04,642</b>	<b>1,86,35,052</b>	<b>1,41,44,024</b>	<b>16,66,840</b>	<b>2,20,779</b>	<b>5,05,990</b>	<b>4,54,77,327</b>
<b>Accumulated depreciation</b>							
Balance at 31st March, 2016	22,90,413	27,55,892	51,76,443	16,60,532	1,16,244	2,47,710	1,22,47,235
Eliminated on disposal of assets	-	-	-	-	-	-	-
Depreciation expense	1,51,212	5,97,335	8,01,814	3,880	16,957	75,183	16,46,381
<b>Balance at 31st March, 2017</b>	<b>24,41,625</b>	<b>33,53,227</b>	<b>59,78,257</b>	<b>16,64,412</b>	<b>1,33,201</b>	<b>3,22,893</b>	<b>1,38,93,616</b>
<b>Carrying amount as at 31st March 2017</b>	<b>78,63,017</b>	<b>1,52,81,825</b>	<b>81,65,767</b>	<b>2,428</b>	<b>87,578</b>	<b>1,83,097</b>	<b>3,15,83,711</b>



**ACKRUTI SAFEGUARD SYSTEMS PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017**

**Note 4. Intangible assets**

	<b>Technical Knowhow</b>
<b>Cost or deemed cost</b>	
<b>Balance at 1st April, 2015</b>	74,55,350
Additions	-
Disposals	-
<b>Balance at 31st March, 2016</b>	<b>74,55,350</b>
<b>Accumulated depreciation</b>	
<b>Balance at 1st April, 2015</b>	33,25,601
Eliminated on disposal of assets	-
Depreciation expense	3,63,968
<b>Balance at 31st March, 2016</b>	<b>36,89,569</b>
<b>Carrying amount as at 31st March, 2016</b>	<b>37,65,781</b>
<b>Cost or deemed cost</b>	
<b>Balance at 31st March, 2016</b>	74,55,350
Additions	-
Disposals	-
<b>Balance at 31st March, 2017</b>	<b>74,55,350</b>
<b>Accumulated depreciation</b>	
<b>Balance at 31st March, 2016</b>	36,89,569
Eliminated on disposal of assets	-
Depreciation expense	3,63,968
<b>Balance at 31st March, 2017</b>	<b>40,53,537</b>
<b>Carrying amount as at 31st March, 2017</b>	<b>34,01,813</b>



**ACKRUTI SAFEGUARD SYSTEMS PRIVATE LIMITED**  
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	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹	As at 1st April, 2015 ₹
<b>Note 5. Investments</b>			
<b>Non Current</b>			
<b>A) Capital Investment in Partnership Firms and Joint Ventures (Refer footnote)</b>			
M/s Rising Glory Developers	10,000	10,000	10,000
Less: Provision for Diminution in the value of investments	-	-	-
<b>Total</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>
<b>B) Current</b>			
<b>(At NAV) (Quoted)</b>			
<b>(Trade, unless otherwise specified)</b>			
<b>Investments in Mutual Funds</b>			
NIL units (As at 31st March, 2016: 1,55,120.8 units; As at 1st April, 2015: 16,365.4 units) HDFC Cash Management Treasury Advantage Ret Monthly Divt	-	15,59,879	1,65,327
NIL units (As at 31st March, 2016: 16,498.9 units; As at 1st April, 2015: 16,498.9 units) ICICI Pru MIP 25 Reg Growth	-	5,00,000	5,00,000
NIL units (As at 31st March, 2016: 91,370.4 units; As at 1st April, 2015: 87,576.8 units) ICICI Short Term Reg monthly Div Rein	-	10,51,765	10,51,765
NIL units (As at 31st March, 2016: NIL units; As at 1st April, 2015: 89,831.6 units) UTI Short Term Inc Funds	-	-	15,00,000
NIL units (As at 31st March, 2016: 1,43,714.2 Units; As at 1st April, 2015: NIL units) Kotak Equity Arbitrage Fund	-	15,43,620	-
39,507.8 units (As at 31st March, 2016: NIL Units; As at 1st April, 2015: NIL units) DSP BR INCOME OPP FUND	10,61,328	-	-
8,636.9 units (As at 31st March, 2016: NIL Units; As at 1st April, 2015: NIL units) IDFC Super Saver IF MT Plan	22,34,040	-	-
62,228.4 units (As at 31st March, 2016: NIL Units; As at 1st April, 2015: NIL units) L&T Income Opportunities Fund	11,61,189	-	-
1,19,372.3 units (As at 31st March, 2016: NIL Units; As at 1st April, 2015: NIL units) L & T Short Term Income Fund Growth	20,76,769	-	-
<b>Total</b>	<b>65,33,326</b>	<b>46,55,264</b>	<b>32,17,092</b>

**Footnote:**

Details of Investments made in capital of Partnership firm :

**A. Partnership Firm**  
**M/s Rising Glory Developers**

Sr. No.	Name of Partners	31st March, 2017	31st March, 2016	1st April, 2015
		Profit Sharing Ratio	Profit Sharing Ratio	Profit Sharing Ratio
1	Hubtown Limited	20.00%	20.00%	4.78%
2	Ackruti Safeguard System Private Limited	5.33%	5.33%	4.76%
3	Citygold Education Research Limited	5.33%	5.33%	4.76%
4	Citygold Farming Private Limited	5.33%	5.33%	4.76%
5	Diviniti Projects Private Limited	5.33%	5.33%	4.76%
6	Halitious Developers Limited	5.33%	5.33%	4.76%
7	Headland Farming Private Limited	5.33%	5.33%	4.76%
8	Heddle Knowledge Private Limited	5.33%	5.33%	4.76%
9	Heet Builders Private Limited	5.33%	5.33%	4.77%
10	Twenty Five South Realty Limited	-	-	4.76%
11	Hubtown Bus Terminal (Adajan) Private Limited	-	-	4.76%
12	Hubtown Bus Terminal (Ahemdabad) Private Limited	-	-	4.76%
13	Hubtown Bus Terminal (Mehsana) Private Limited	-	-	4.76%
14	Hubtown Bus Terminal (Surat) Private Limited	-	-	4.76%
15	Hubtown Bus Terminal (Vadodara) Private Limited	-	-	4.76%
16	Subsiddhi Builders Private Limited	5.33%	5.33%	-
17	Joyneat Premises Private Limited	-	-	4.76%
18	Sunstream City Private Limited	10.66%	10.66%	4.77%
19	Upvan lake Resort Private Limited	5.33%	5.33%	4.76%
20	Vega Developers Private Limited	5.33%	5.33%	4.76%
21	Whitebud Developers Limited	5.33%	5.33%	4.76%
22	Yantti Buildcon Private Limited	5.33%	5.33%	4.76%
	<b>Total Capital of the firm in ₹</b>	<b>1,50,000</b>	<b>1,50,000</b>	<b>2,10,000</b>



**ACKRUTI SAFEGUARD SYSTEMS PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017**

	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹	As at 01st April, 2015 ₹
<b>Note 6. Other financial assets</b>			
<b>Non-current</b>			
Bank balances			
Deposits with maturity of more than twelve months (Refer Footnote)	15,26,526	-	-
Security deposits	4,77,604	4,10,085	3,53,903
<b>Total</b>	<b>20,04,130</b>	<b>4,10,085</b>	<b>3,53,903</b>
Footnote: Balances with bank in fixed deposits worth ₹ 9,51,529 are kept as security for guarantees / other facilities.			
<b>Current</b>			
Security deposits	26,00,000	26,00,000	26,00,000
Other Advances and Receivables			
Advances recoverable from others	1,98,934	3,66,691	2,864
Interest accrued on fixed deposits	88,103	1,47,945	1,44,743
<b>Total</b>	<b>28,87,037</b>	<b>31,14,636</b>	<b>27,47,607</b>
<b>Note 7. Inventories</b>			
<b>Inventories (lower of cost or net realisable value)</b>			
Stock of Raw Materials	19,74,705	16,67,110	18,53,920
Inventories of Number Plates	33,63,696	55,22,049	65,87,933
<b>Total</b>	<b>53,38,401</b>	<b>71,89,159</b>	<b>84,41,853</b>
<b>Note 8. Cash and cash equivalents</b>			
Balances with banks:			
- in current accounts	19,67,447	42,45,040	36,75,072
- in deposit with maturity of less than three months	33,39,910	31,60,861	29,74,726
Cash on hand	5,50,178	1,69,378	15,42,174
Foreign Currency on hand	1,78,310	1,82,415	1,71,421
<b>Total</b>	<b>60,35,845</b>	<b>77,57,694</b>	<b>83,63,394</b>
<b>Note 9. Other bank balances</b>			
Other Bank Balances:			
Deposits with maturity of more than three months but less than twelve months	15,00,000	75,000	62,756
Balances with Bank against guarantees with maturity of more than three months but less than twelve months	-	40,07,271	37,50,000
<b>Total</b>	<b>15,00,000</b>	<b>40,82,271</b>	<b>38,12,756</b>
Footnote: Balances with bank as deposits are kept as security for guarantees / other facilities.			
<b>Note 10. Loans</b>			
<b>Current</b>			
Loans to related parties (Refer Note 30)			
- Unsecured, considered good	14,00,000	-	-
<b>Total</b>	<b>14,00,000</b>	<b>-</b>	<b>-</b>
<b>Note 11. Current tax assets</b>			
Advance Tax paid	6,76,395	6,90,637	7,64,882
Less: Provision for Tax	-	-	-
<b>Total</b>	<b>6,76,395</b>	<b>6,90,637</b>	<b>7,64,882</b>
<b>Note 12. Other assets</b>			
<b>Current</b>			
Service Tax Input Credit (Tripura)	88,706	42,468	56,644
Advance to Suppliers	7,58,108	-	-
<b>Total</b>	<b>8,46,814</b>	<b>42,468</b>	<b>56,644</b>



ACKRUTI SAFEGUARD SYSTEMS PRIVATE LIMITED  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹	As at 1st April, 2015 ₹
<b>Note 13. Equity share capital</b>			
<b>Authorised Share Capital:</b>			
<b>Class A</b>			
7,500,000 (As at 31st March, 2016: 75,00,000; As at 1st April, 2015: 75,00,000) Equity Shares of ₹ 10/- each	7,50,00,000	7,50,00,000	7,50,00,000
<b>Class B</b>			
1,500,000 (As at 31st March, 2016: 15,00,000; As at 1st April, 2015: 15,00,000) Equity Shares of ₹ 10/- each	1,50,00,000	1,50,00,000	1,50,00,000
<b>Preference Shares</b>			
100,000 (As at 31st March, 2016: 1,00,000; As at 1st April, 2015: 1,00,000) Preference Shares of ₹ 100/- each	1,00,00,000	1,00,00,000	1,00,00,000
<b>Issued and subscribed capital comprises:</b>			
<b>Class A</b>			
50,000 (As at 31st March, 2016: 50,000; As at 1st April, 2015: 50,000) Equity Shares of ₹ 10/- each fully paid up	5,00,000	5,00,000	5,00,000
<b>Class B</b>			
17,600 (As at 31st March, 2016: 17,600; As at 1st April, 2015: 17,600) Equity Shares of ₹ 10/- each fully paid up	1,76,000	1,76,000	1,76,000
<b>Preference Shares</b>			
20,000 (As at 31st March, 2016: 20,000; As at 1st April, 2015: 20,000) 9% Cumulative Convertible Preference Shares of ₹ 100 each	20,00,000	20,00,000	20,00,000
<b>Total</b>	<b>26,76,000</b>	<b>26,76,000</b>	<b>26,76,000</b>

(a) Reconciliation of the number of Equity shares outstanding at the beginning

	Number of shares (Nos)	Share Capital ₹
<b>Class A</b>		
Balance at 1st April, 2015	50,000	5,00,000
Add : Issued during the year	-	-
Less : Bought back during the year	-	-
Balance at 31st March, 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
<b>Class B</b>		
Balance at 1st April, 2015	17,600	1,76,000
Add : Issued during the year	-	-
Less : Bought back during the year	-	-
Balance at 31st March, 2016	17,600	1,76,000
Add : Issued during the year	-	-
Less : Bought back during the year	-	-
Balance at 31st March, 2017	17,600	1,76,000
<b>Preference Shares</b>		
Balance at 1st April, 2015	20,000	20,00,000
Add : Issued during the year	-	-
Less : Bought back during the year	-	-
Balance at 31st March, 2016	20,000	20,00,000
Add : Issued during the year	-	-
Less : Bought back during the year	-	-
Balance at 31st March, 2017	20,000	20,00,000





**ACKRUTI SAFEGUARD SYSTEMS PRIVATE LIMITED**  
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**Equity (Class 'A') :**

Class 'A' equity shares are having 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. 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.

**Equity (Class 'B') :**

Class 'B' shares does not have any right to vote or participate in the distribution of profits or capital.

**9% Cumulative Convertible Preference shares :**

The Preference Shares of the Company shall be converted into fully paid equity shares of the Company on or after 1st April, 2012 or on such other date as may be decided by Board of Directors of the Company by exercising a call option vested in the Company for conversion of the Preference Shares on such terms and conditions as the Board of Directors may deem fit. The company has not exercised the call option till the balancesheet date. Dividend shall be payable on face value of the share and not on the issue price.

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

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	No of shares held	% holding	No of shares held	% holding	No of shares held	% holding
<b>Equity (Class 'A')</b>						
Hubtown Limited	36,215	72.43%	36,215	72.43%	36,215	72.43%
Kushal H. Shah	3,438	6.88%	3,090	6.18%	3,090	6.18%
Khilen V. Shah	3,438	6.88%	3,090	6.18%	3,090	6.18%
Rushank V. Shah	3,437	6.87%	3,090	6.18%	3,090	6.18%
Others	3,472	6.94%	4,515	9.03%	4,515	9.03%
<b>Total</b>	<b>50,000</b>	<b>100%</b>	<b>50,000</b>	<b>100%</b>	<b>50,000</b>	<b>100%</b>

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	No of shares held	% holding	No of shares held	% holding	No of shares held	% holding
<b>Equity (Class 'B')</b>						
Samar't S.A.	17,600	100%	17,600	100%	17,600	100%
<b>Total</b>	<b>17,600</b>	<b>100%</b>	<b>17,600</b>	<b>100%</b>	<b>17,600</b>	<b>100%</b>

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	No of shares held	% holding	No of shares held	% holding	No of shares held	% holding
<b>Preference Shares</b>						
Hubtown Limited	20,000	100%	20,000	100%	20,000	100%
<b>Total</b>	<b>20,000</b>	<b>100%</b>	<b>20,000</b>	<b>100%</b>	<b>20,000</b>	<b>100%</b>

	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹	As at 1st April, 2015 ₹
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**Note 14. Other Equity**

**Retained Earnings**

Balance at the beginning of the year	(12,17,00,578)	(12,12,05,680)	(11,90,71,082)
Prior Period Errors	-	(10,23,067)	-
Profit attributable to the owners of the company	(22,32,787)	5,28,169	(21,34,598)
<b>Balance at the end of the year</b>	<b>(12,39,33,365)</b>	<b>(12,17,00,578)</b>	<b>(12,12,05,680)</b>



**ACKRUTI SAFEGUARD SYSTEMS PRIVATE LIMITED**  
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	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹	As at 1st April, 2015 ₹
<b>Note 15. Other financial liabilities</b>			
<b>Non-current</b>			
Retention money payable (Refer Footnote a)	-	-	36,309
Security deposits (Refundable)	10,81,977	9,00,297	7,49,123
<b>Total</b>	<b>10,81,977</b>	<b>9,00,297</b>	<b>7,85,432</b>
<b>Current</b>			
Interest accrued and due on borrowings	-	-	61,875
Business Advances from related party (Refer Note 30 and Footnote b)	17,61,07,815	17,67,94,267	17,69,70,121
Other payables	16,05,859	13,16,939	27,85,858
<b>Total</b>	<b>17,77,13,674</b>	<b>17,81,11,206</b>	<b>17,98,17,854</b>

**Footnote:**

- a) Retention Money liability to the contractors which are not due for payment as at 31.3.2017 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 31.3.2017
- b) The Company has received interest free advances from its 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.

**Note 16. Provisions**

**Non-Current**

Employee Benefits			
Provision for leave benefit	-	-	29,434
<b>Total</b>	<b>-</b>	<b>-</b>	<b>29,434</b>

**Note 17. Deferred Tax balances**

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

Deferred Tax Liability	(29,65,378)	(29,65,378)	(25,45,388)
Deferred Tax Asset	-	-	9,550
<b>Total</b>	<b>(29,65,378)</b>	<b>(29,65,378)</b>	<b>(25,35,838)</b>

2016-2017	Opening Balance	Recognised in profit or loss	Closing Balance
<b>Deferred tax (liabilities) / assets in relation to:</b>			
Property, plant and equipment	(29,65,378)	-	(29,65,378)
	<b>(29,65,378)</b>	<b>-</b>	<b>(29,65,378)</b>

2015-2016	Opening Balance	Recognised in profit or loss	Closing Balance
<b>Deferred tax (liabilities) / assets in relation to:</b>			
Tax losses	9,550	(9,550)	-
Property, plant and equipment	(25,45,388)	(4,19,990)	(29,65,378)
	<b>(25,35,838)</b>	<b>(4,29,540)</b>	<b>(29,65,378)</b>



**ACKRUTI SAFEGUARD SYSTEMS PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017**

	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹	As at 1st April, 2015 ₹
<b>Note 18. Current borrowings</b>			
<b>Unsecured</b>			
Loans repayable on demand:			
- From Others	74,880	4,74,880	4,13,005
<b>Total</b>	<b>74,880</b>	<b>4,74,880</b>	<b>4,13,005</b>
<b>Note 19. Trade payables</b>			
Dues to MSME (Refer Footnote)	-	-	-
Dues to others	7,49,614	1,09,654	9,04,269
<b>Total</b>	<b>7,49,614</b>	<b>1,09,654</b>	<b>9,04,269</b>
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>Note 20. Other current liabilities</b>			
<b>Current</b>			
Advance from customers	1,75,585	2,94,813	30,033
Other payables :			
- Statutory dues	7,13,729	9,58,276	11,34,299
<b>Total</b>	<b>8,89,314</b>	<b>12,53,089</b>	<b>11,64,332</b>



**ACKRUTI SAFEGUARD SYSTEMS PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017**

	Year Ended 31st March, 2017 ₹	Year Ended 31st March, 2016 ₹
<b>Note 21. Revenue from operations</b>		
<b>Sale from operations :</b>		
Sale of Security Plates	1,55,07,627	1,60,18,070
	<b>1,55,07,627</b>	<b>1,60,18,070</b>
<b>Other operating revenue :</b>		
Sundry credit balances appropriated	76,782	-
Provision no longer required	3,96,563	90,717
	<b>4,73,345</b>	<b>90,717</b>
<b>Total</b>	<b>1,59,80,972</b>	<b>1,61,08,787</b>
<b>Note 22. Other income</b>		
<b>Interest Income:</b>		
- Bank fixed deposits	3,87,925	5,42,612
- Income Tax refund	2,421	-
- Others	67,519	56,182
	<b>4,57,865</b>	<b>5,98,794</b>
<b>Dividend Income</b>		
Dividend Received on Mutual Fund	40,539	1,29,872
<b>Other gains and losses</b>		
Gain on Investments classified at FVTPL	2,83,325	-
Gain on foreign currency fluctuation (Net)	-	10,994
Gain on redemption of Mutual Fund	3,08,119	37,971
Miscellaneous income	-	6,069
	<b>5,91,444</b>	<b>55,034</b>
<b>Total</b>	<b>10,89,848</b>	<b>7,83,700</b>
<b>Note 23. Cost of Material Consumed</b>		
Opening Stock Of Material	16,67,110	18,53,920
Less: Stock Adjustment	-	-
	<b>A</b>	<b>16,67,110</b>
Raw Material Purchases	<b>B</b>	<b>45,98,073</b>
Other Expenses related to purchase of Materials :		
Carriage Inward	16,303	14,365
Custom Clearing Charges	33,862	41,026
Custom Duty	3,05,707	3,09,792
	<b>C</b>	<b>3,55,872</b>
	<b>TOTAL (A+B+C)</b>	<b>66,21,055</b>
Closing Stock Of Raw Material	<b>D</b>	<b>19,74,705</b>
Raw Materials Consumed	<b>TOTAL (A+B+C-D)</b>	<b>46,46,350</b>
Packing Material Expenses	-	1,62,520
<b>Total</b>	<b>46,46,350</b>	<b>32,89,651</b>



**ACKRUTI SAFEGUARD SYSTEMS PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017**

	Year Ended 31st March, 2017 ₹	Year Ended 31st March, 2016 ₹
<b>Note 24. Changes in Inventory</b>		
Finished Stock:		
Opening Stock Of Number Plates	55,22,049	65,87,933
Less: Closing Stock Of Number Plates	33,63,696	55,22,049
<b>Total</b>	<b>21,58,353</b>	<b>10,65,884</b>
<b>Note 25. Employee Benefits Expense</b>		
Salaries, bonus, etc.	-	5,84,679
<b>Total</b>	-	<b>5,84,679</b>
<b>Note 26. Finance Costs</b>		
Interest costs:-		
Other interest expense	1,81,680	1,51,173
Delayed/penal interest on loans and statutory dues	3,20,706	74,498
<b>Total</b>	<b>5,02,386</b>	<b>2,25,671</b>
<b>Note 27 Depreciation and Amortisation Expenses</b>		
Depreciation of property, plant and equipment	16,46,381	21,50,673
Amortization of intangible assets	3,63,968	3,63,968
<b>Total</b>	<b>20,10,349</b>	<b>25,14,641</b>
<b>Note 28. Other Expenses</b>		
Royalty	15,50,829	16,01,860
Bank Charges	4,08,354	8,46,384
Travelling Expenses	30,005	71,288
Security Charges	2,135	2,68,443
Rates and Taxes	29,337	27,940
Carriage Outward	5,47,318	3,40,665
Repairs and Maintenance	16,72,051	1,98,475
Legal and professional fees	36,65,842	33,92,170
Loss on foreign currency fluctuation (Net)	4,105	-
Other expenses (refer footnote)	20,76,193	15,06,335
<b>Total</b>	<b>99,86,169</b>	<b>82,53,560</b>
<b>Footnote :</b>		
Auditor's Remuneration (Included in other expenses above)		
- Audit fees	60,000	60,000
- Service tax on above	9,000	8,700
<b>Total</b>	<b>69,000</b>	<b>68,700</b>

**Note 29. Earnings per share (EPS)**

Basic Earnings Per Share	(44.66)	10.56
Diluted Earnings Per Share	(44.66) *	2.11

**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	(22,32,787)	5,28,169
Weighted average number of equity shares for the purposes of basic and diluted earnings per	50,000	50,000

**Diluted EPS**

The earnings and weighted average number of equity shares used in the calculation of diluted earnings per share are as follows		
Profit for the year attributable to the owners of the Company	(22,32,787)	5,28,169
Weighted average number of equity shares for the purposes of basic and diluted earnings per share	50,000 *	2,50,000

For the purpose of diluted EPS convertible instruments (9% cumulative convertible preference shares) are deemed to be converted on the first day of the previous year. The conversion ratio has been arrived at on face value basis.

\* 9% cumulative convertible preference shares could potentially dilute basic earnings per share for the year ended 31st March, 2017, hence are not included in the calculation of diluted earnings per share for 2017 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.



**ACKRUTI SAFEGUARD SYSTEMS PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017**

**Note 30. 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 Companies** : Heddle Knowledge Private Limited  
**III Firm in which Company is a partner** : M/s Rising Glory Developers  
**IV Key Managerial Personnel** : Kamlesh Shah

**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 Companies	Key Management Personnel of the Entity	Firm in which Company is a partner
<b>i Business advances taken/ recovered / adjusted</b>					
	Hubtown Limited	13,548 (31,051)	- (-)	- (-)	- (-)
<b>ii Business Advance given/repaid/adjusted</b>					
	Hubtown Limited	7,00,000 (8,00,000)	- (-)	- (-)	- (-)
	Heddle Knowledge Private Limited	- (-)	14,00,000 (-)	- (-)	- (-)
<b>iii On behalf payments made (Including reimbursement of expenses)</b>					
	Kamlesh Shah	- (-)	- (-)	10,29,949 (2,50,552)	- (-)
<b>iv On behalf payments received/adjusted</b>					
	Kamlesh Shah	- (-)	- (-)	10,17,420 (2,41,084)	- (-)
<b>v Share of loss of Joint Venture</b>					
	M/s Rising Glory Developers				- (692)

**Footnote:**

Previous Year figures are given in brackets

**Balance outstanding**

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
<b>i Balance Payables</b>			
Hubtown Limited (Holding Company)	17,61,07,815	17,67,94,267	17,75,63,216
Heddle Knowledge Private Limited (Fellow Subsidiary Company)	14,00,000	-	-
Rising Glory Developers (Joint Venturer)	692	692	-
Kamlesh Shah (Key Management Personnel)	33,335	20,807	11,338



**ACKRUTI SAFEGUARD SYSTEMS PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017**

**Note 31. 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:

Sr. No.	Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
1	Income tax matters u/s 271 (1) (c) pending: For F.Y. 2011-12; A.Y. 2012-13	Amount not Ascertainable	-	-
2	MVAT matters pending u/s 23 (Refer Note)	3,622	-	-
3	CST matters pending - u/s 23(2) r/w 9(2)	12,05,103	-	-

**Note:** The company has received above VAT orders dated 23rd March, 2017 received on 15th April, 2017. The Company is in the process of filing appeal with higher authorities against the demand raised in the respective orders. 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 than stated above, as certified by management & relied upon by the auditors.

**Note 32. Disclosure Of Derivatives**

**FOREIGN CURRENCY ON HAND**

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
USD	2,750	2,750	2,750
Equivalent INR	1,78,310	1,82,415	1,71,421

**Note 33. 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.

**Note 34. Disclosure On Specified Bank Notes (SBNs)**

Particulars	SBNs	Other Denomination Notes	Total
Opening Cash in hand as on 8th November, 2016	-	40,092	40,092
(+) Permitted Receipts	-	1,24,000	1,24,000
(-) Permitted Payments	-	20,742	20,742
(-) Amount Deposited in Bank	-	50,000	50,000
<b>Closing Cash in hand as on 30th December, 2016</b>	<b>-</b>	<b>93,350</b>	<b>93,350</b>

**Note 35. 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 interest 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.

**Note 36.** Trade payable and other current liability are subject to confirmation, reconciliation and adjustment if any.

**Note 37.** 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.

**Note 38.** 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.



**ACKRUTI SAFEGUARD SYSTEMS PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017**

**Note 39. Categories of Financial Instruments**

**Fair Value measurement**

(₹)

Particulars	31st March 2017		31st March 2016		1st April 2015	
	FVPTL	Amortised Cost	FVPTL	Amortised Cost	FVPTL	Amortised Cost
<b>Financial Assets</b>						
Investment	65,33,326	10,000	46,55,264	10,000	32,17,092	10,000
Loans	-	14,00,000	-	-	-	-
Other financial assets	-	48,91,167	-	35,24,721	-	31,01,510
Cash and cash equivalent	-	60,35,845	-	77,57,694	-	83,63,394
<b>Total of Financial Assets</b>	<b>65,33,326</b>	<b>1,23,37,012</b>	<b>46,55,264</b>	<b>1,12,92,415</b>	<b>32,17,092</b>	<b>1,14,74,904</b>
<b>Financial Liabilities</b>						
Borrowings	-	74,880	-	4,74,880	-	4,13,005
Trade payables	-	7,49,614	-	1,09,654	-	9,04,269
Other Financial liabilities	-	17,87,95,651	-	17,90,11,503	-	18,06,03,286
<b>Total of Financial Liabilities</b>	<b>-</b>	<b>17,96,20,145</b>	<b>-</b>	<b>17,95,96,036</b>	<b>-</b>	<b>18,19,20,561</b>

Note: There are no instruments that have been classified as FVTOCI.

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 2017				
<b>Financial Assets</b>				
Financial Investments at FVPL				
Investments in Mutual Fund	65,33,326	-	-	65,33,326
<b>Total Financial Assets</b>	<b>65,33,326</b>	<b>-</b>	<b>-</b>	<b>65,33,326</b>

**Level 1**

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

ii) **Valuation technique and process used to determine fair value**

The fair value of the financial instrument is determined based on the NAV as on the balance sheet date.

**Changes in Level 1 items for the year ended 31st March, 2017 and 31st March, 2016**

	Investments	Total
<b>As at 1st April, 2015</b>	<b>32,17,092</b>	<b>32,17,092</b>
Purchase of additional units	29,38,172	29,38,172
(Sale) of units	(15,37,971)	(15,37,971)
Gain/(loss) recognised in profit or loss	37,971	37,971
<b>As at 31st March, 2016</b>	<b>46,55,264</b>	<b>46,55,264</b>
Purchase of additional units	62,50,001	62,50,001
(Sale) of units	(49,63,383)	(49,63,383)
Gain/(loss) recognised in profit or loss	5,91,444	5,91,444
<b>As at 31st March, 2017</b>	<b>65,33,326</b>	<b>65,33,326</b>





**ACKRUTI SAFEGUARD SYSTEMS PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017**

**Note 41. First Time Ind AS Adoption Reconciliations**

**I Effect of Ind AS adoption on the Balance Sheet as at 31st March, 2016 and 1st April, 2015**

(₹)

Particulars	Notes	As at 31st March, 2016 (End of last period presented under previous GAAP)			As at 1st April, 2015 (Date of Transition)		
		Regrouped Previous GAAP	Effect of Transition to Ind AS	As per Ind AS balance sheet	Regrouped Previous GAAP	Effect of Transition to Ind AS	As per Ind AS balance sheet
<b>Non-Current Assets</b>							
(a) Property, plant and equipment		3,30,71,931	-	3,30,71,931	3,52,22,604	-	3,52,22,604
(b) Intangible assets		37,65,781	-	37,65,781	41,29,749	-	41,29,749
(c) Financial assets							
(i) Investments		10,000	-	10,000	10,000	-	10,000
(ii) Other financial assets	a	10,75,500	(6,65,415)	4,10,085	10,75,500	(7,21,597)	3,53,903
(d) Deferred tax assets		-	-	-	-	-	-
<b>Total Non-Current Assets</b>		<b>3,79,23,212</b>	<b>(6,65,415)</b>	<b>3,72,57,797</b>	<b>4,04,37,853</b>	<b>(7,21,597)</b>	<b>3,97,16,256</b>
<b>Current assets</b>							
(a) Inventories		71,89,159	-	71,89,159	84,41,853	-	84,41,853
(b) Financial assets							
(i) Investments		46,55,264	-	46,55,264	32,17,092	-	32,17,092
(ii) Cash and cash equivalents		77,57,694	-	77,57,694	83,63,394	-	83,63,394
(iii) Bank balances other than (iii) above		40,82,271	-	40,82,271	38,12,756	-	38,12,756
(iv) Loans		-	-	-	-	-	-
(v) Other financial assets		31,14,636	-	31,14,636	27,47,607	-	27,47,607
(c) Other current assets		-	-	-	-	-	-
(d) Current tax assets (Net)		6,90,637	-	6,90,637	7,64,882	-	7,64,882
(e) Other current assets		42,468	-	42,468	56,644	-	56,644
<b>Total Current Assets</b>		<b>2,75,32,129</b>	<b>-</b>	<b>2,75,32,129</b>	<b>2,74,04,228</b>	<b>-</b>	<b>2,74,04,228</b>
<b>Total Assets</b>		<b>6,54,55,341</b>	<b>(6,65,415)</b>	<b>6,47,89,926</b>	<b>6,78,42,081</b>	<b>(7,21,597)</b>	<b>6,71,20,484</b>
<b>Equity</b>							
(a) Equity share capital		26,76,000	-	26,76,000	26,76,000	-	26,76,000
(b) Other equity	c	(12,29,34,866)	12,34,288	(12,17,00,578)	(12,25,34,960)	13,29,280	(12,12,05,680)
<b>Total Equity</b>		<b>(12,02,58,866)</b>	<b>12,34,288</b>	<b>(11,90,24,578)</b>	<b>(11,98,58,960)</b>	<b>13,29,280</b>	<b>(11,85,29,680)</b>
<b>Non-Current Liabilities</b>							
(a) Financial Liabilities							
Other Financial Liabilities	b	28,00,000	(18,99,703)	9,00,297	28,36,309	(20,50,877)	7,85,432
(b) Provisions		-	-	-	29,434	-	29,434
(c) Deferred Tax Liabilities (Net)		29,65,378	-	29,65,378	25,35,838	-	25,35,838
(d) Other Non-Current Liabilities		-	-	-	-	-	-
<b>Total Non-Current Liabilities</b>		<b>57,65,378</b>	<b>(18,99,703)</b>	<b>38,65,675</b>	<b>54,01,581</b>	<b>(20,50,877)</b>	<b>33,50,704</b>
<b>Current Liabilities</b>							
(a) Financial Liabilities							
(i) Borrowings		4,74,880	-	4,74,880	4,13,005	-	4,13,005
(ii) Trade payables		1,09,654	-	1,09,654	9,04,269	-	9,04,269
(iii) Other financial liabilities		17,81,11,206	-	17,81,11,206	17,98,17,854	-	17,98,17,854
(b) Other current liabilities		12,53,089	-	12,53,089	11,64,332	-	11,64,332
<b>Total Current Liabilities</b>		<b>17,99,48,829</b>	<b>-</b>	<b>17,99,48,829</b>	<b>18,22,99,460</b>	<b>-</b>	<b>18,22,99,460</b>
<b>Total Liabilities</b>		<b>18,57,14,207</b>	<b>(18,99,703)</b>	<b>18,38,14,504</b>	<b>18,77,01,041</b>	<b>(20,50,877)</b>	<b>18,56,50,164</b>
<b>Total Equity and Liabilities</b>		<b>6,54,55,341</b>	<b>(6,65,415)</b>	<b>6,47,89,926</b>	<b>6,78,42,081</b>	<b>(7,21,597)</b>	<b>6,71,20,484</b>

The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note



ACKRUTI SAFEGUARD SYSTEMS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

II Effect of Ind AS adoption on the Statement of Profit and Loss for the year ended 31st March, 2016

(₹)

Particulars	Notes	As at 31st March, 2016 (End of last period presented under previous GAAP)		
		Regrouped Previous GAAP	Effect of Transition to Ind AS	As per Ind AS balance sheet
Revenue from Operations		1,61,08,787	-	1,61,08,787
Other Income	a	7,27,518	56,182	7,83,700
Share of Profit / (Loss) of Joint Ventures		(692)	-	(692)
<b>Total Income</b>		<b>1,68,35,613</b>	<b>56,182</b>	<b>1,68,91,795</b>
Costs Of Construction / Development		32,89,651	-	32,89,651
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress		10,65,884	-	10,65,884
Employee Benefits Expense		5,84,679	-	5,84,679
Finance Costs	b	74,498	1,51,173	2,25,671
Depreciation and Amortisation Expenses		25,14,641	-	25,14,641
Other Expenses		82,53,560	-	82,53,560
<b>Total Expenses</b>		<b>1,57,82,913</b>	<b>1,51,173</b>	<b>1,59,34,087</b>
<b>Profit Before Tax</b>		<b>10,52,700</b>	<b>(94,991)</b>	<b>9,57,708</b>
Tax Expense				
(1) Deferred tax (charge) / credit		(4,29,540)	-	(4,29,540)
		<b>(4,29,540)</b>	<b>-</b>	<b>(4,29,540)</b>
<b>Profit for the Year</b>		<b>6,23,160</b>	<b>(94,991)</b>	<b>5,28,169</b>
<b>Other Comprehensive Income</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Other Comprehensive Income for the Year</b>		<b>6,23,160</b>	<b>(94,991)</b>	<b>5,28,169</b>

The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note

III Effect of Ind AS adoption on the statement of cash flows for the year ended 31st March, 2016

(₹)

Particulars	Year ended 31st March, 2016 (Latest period presented under previous GAAP)		
	Regrouped Previous GAAP	Effect of Transition to Ind AS	As per Ind AS balance sheet
Net cash flows from Operating activities	4,66,029	-	4,66,029
Net cash flows from Investing activities	(9,97,232)	-	(9,97,232)
Net cash flows from Financing activities	(74,497)	-	(74,497)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(6,05,700)</b>	<b>-</b>	<b>(6,05,700)</b>
Cash and cash equivalents at the beginning of the Year	83,63,394	-	83,63,394
Cash and cash equivalents at the end of the Year	77,57,694	-	77,57,694

Notes to Reconciliation

- a) Under previous GAAP security deposit given were stated at carrying value. However under Ind AS security deposit given are to be stated at amortised cost. Therefore security deposit given has been discounted by ₹ 721,597 in March 2015 and has been unwinded at a rate of 20.18%, being the cost of capital to the company. Consequently, income has been recognised amounting to ₹ 56,182 for the year ended 31st March, 2016.
- b) Under previous GAAP security deposit taken were stated at carrying value. However under Ind AS security deposit taken are to be stated at amortised cost. Therefore security deposit taken has been discounted by ₹ 2,050,877 in March 2015 and has been unwinded at a rate of 20.18%, being the cost of capital to the company. Consequently, finance cost has been recognised amounting to ₹ 151,173 for the year ended 31st March, 2016.
- c) The net effect of these changes is an increase in total equity of ₹ 1,329,280 as on 31st March, 2016 (₹ 1,234,288 as on 1st April, 2015).

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 DALAL DOSHI & ASSOCIATES

Firm Registration No. 121773W  
CHARTERED ACCOUNTANTS

DINESH DOSHI  
PARTNER  
Membership No. F-9464



KAMLESH SHAH  
Director  
DIN: 01317352

PRAPHUL SHINDE  
Director  
DIN: 03140671

Mumbai  
Date: 25th May, 2017

**DIRECTORS' REPORT**

To  
**THE MEMBERS**  
**CITYGOLD EDUCATION RESEARCH LIMITED**

The Directors hereby present the Twelfth Annual Report of the Company together with the Audited Financial Statements for the year ended March 31, 2017.

**FINANCIAL RESULTS :**

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standard) Rules, 2015 as amended. The financial statements for the Financial Year ended March 31, 2017 are the Company's first Ind AS compliant annual audited financial statements with comparative figures for the year ended March 31, 2016 also under Ind AS. The transition date is April 1, 2015.

During the year under review, the Company incurred a net loss of Rs.1,37,81,082/- as against net loss of Rs. 90,21,805/- during the previous year.

**DIVIDEND :**

In view of the loss incurred, the Directors do not recommend the payment of dividend for the year ended March 31, 2017.

**TRANSFER TO RESERVES :**

In view of the loss incurred, the Directors have no transferred any amount to reserves.

**MATERIAL CHANGES AND COMMITMENTS :**

No material changes or commitments have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report, affecting the financial position of the Company.

**CHANGE IN THE NATURE OF BUSINESS :**

There has been no change in the nature of business of the Company during the year under review.

**SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES :**

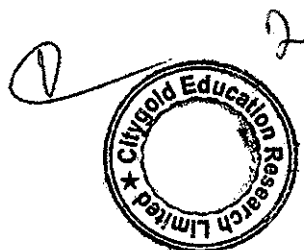
During the year under review, the Company had 1 subsidiary company. However, as the financial statements of the said subsidiary are not available, the statement in Form- AOC -1 have not been attached to the financial statements of the Company pursuant to the provisions of Section 129 (1) of the Companies Act, 2013.

**DEPOSITS :**

The Company has not accepted any deposits during the year under review.

**TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND :**

During the year under review, the Company was not required to transfer any amount to the Investor Education and Protection Fund.



**SHARE CAPITAL :**

The paid-up equity share capital and paid-up preference share capital of the Company as on March 31, 2017 was Rs. 5,00,000/- and Rs. 33,800,000/- respectively. During the year under review, the Company has not issued any shares with differential voting rights or granted stock options or sweat equity.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 :**

The Company has not given any loan or made investment or provided any security or guarantee during the year under review, which require to be disclosed under Section 186 of the Companies Act, 2013.

**RELATED PARTY TRANSACTIONS :**

The particulars of transactions entered into by the Company with related parties during the year under review are disclosed in the relevant note to the Financial Statements. The said related party transactions are on an arm's length basis and hence not required to be disclosed in Form AOC-2.

**INTERNAL FINANCIAL CONTROLS :**

The Company has an Internal Control System, commensurate with the nature and size of its operations. Based on the framework of internal financial controls maintained by the Company and the work performed by the Statutory Auditors, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the Financial Year 2016-2017.

**DIRECTORS :**

Mr. Vyomesh Shah (DIN: 00009596), Mr. Hemant Shah (DIN: 00009659), Mr. Rushank Shah (DIN: 02960155) and Mr. Khilen Shah (DIN: 03134932) were appointed as Additional Directors on the Board of Directors of the Company effective January 02, 2017.

Mr. Rushank Shah (DIN: 02960155) and Mr. Khilen Shah (DIN: 03134932) resigned from the Board of Directors of the Company effective January 03, 2017.

In accordance with the provisions of Section 152 (6) (e) of the said Act and the Articles of Association of the Company, Mr. Jasmin Rathod (DIN: 03147669), Director of the Company retires by rotation and being eligible, offers himself for reappointment.

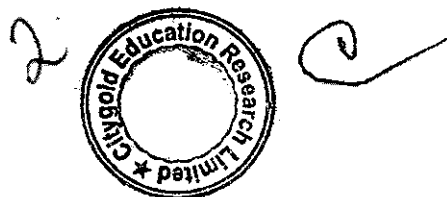
The provisions of Section 149 of the Companies Act, 2013 relating to the appointment of Independent Directors do not apply to the Company.

**ANNUAL RETURN :**

The extracts of Annual Return pursuant to the provisions of Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in Annexure A to this Report.

**BOARD MEETINGS :**

The Company had convened and held Six (6) Board meetings during the year under review. The said Board meetings were held on April 29, 2016, May 20, 2016, August 22, 2016, December 01, 2016 and January 02, 2017 and January 03, 2017. The gap between the meetings did not exceed the period prescribed under the Act.



## **DIRECTORS' RESPONSIBILITY STATEMENT :**

Pursuant to sub-section (3) (c) of Section 134 (5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended March 31, 2016, the Directors of your Company, to the best of their knowledge and belief and on the basis of the information and explanations received by them, hereby state and confirm that :

- (i) in the preparation of the Annual Accounts for the year ended March 31, 2017, the applicable accounting standards read with the requirements under Schedule III to the said Act have been followed alongwith proper explanation relating to material departures, if any;
- (ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year on 31st March, 2017, and of the loss of the Company for that period;
- (iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the annual accounts have been prepared on a 'going concern' basis;
- (v) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

## **DISCLOSURE OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL**

During the year under review, there were no significant or material orders passed by any regulatory / statutory authorities or courts / tribunals against the Company impacting its going concern status and operations in future.

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

The nature of operations of the Company does not require disclosure of particulars relating to conservation of energy and technology absorption, as prescribed under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014. During the year under review, the Company had 'Nil' foreign exchange earnings and outgo.

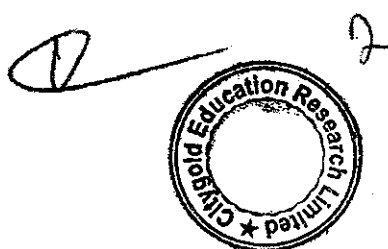
## **RISK MANAGEMENT POLICY :**

The Company has not adopted a Risk Management Policy as the elements of risks threatening the Company's existence are minimal.

## **AUDITORS :**

At the Ninth Annual General Meeting (AGM) of the Company held on September 24, 2014 M/s. L. J. Kothari & Co., Chartered Accountants (Firm Reg. No. 105313W) were appointed as Statutory Auditors of the Company for five financial years commencing from April 01, 2014 upto March 31, 2019 , to hold office until the conclusion of the Thirteenth AGM to be held in the year 2019 (subject to ratification of their appointment at each AGM).

Accordingly, the members are requested to ratify the reappointment of M/s. L.J. Kothari & Co., Chartered Accountants as the Statutory Auditors of the Company for the current financial year 2017-2018 and to authorise the Board of Directors to fix their remuneration.



M/s.. L. J. Kothari & Co., Chartered Accountants have offered themselves for reappointment and have confirmed their eligibility to be appointed as Auditors pursuant to the provisions of Section 141 of the Companies Act, 2013 and Rule 4 of the Companies (Audit and Auditors) Rules, 2014.

**AUDITORS' REPORT AND AUDIT OBSERVATIONS :**

The Statutory Auditors have stated an 'Emphasis of Matter' in their Report on the Financial Statements for the year ended March 31, 2017 and the response of your Directors thereto is as follows

**EMPHASIS OF MATTER :**

The footnote to Note. 4 of the Financial Statements is self-explanatory and do not call for further clarifications/elaboration.

**GENERAL :**

The provisions relating to Secretarial Audit, appointment of Key Managerial Personnel, constitution of Audit Committee, Corporate Social Responsibility Committee, Nomination and Remuneration Committee and Vigil Mechanism are not applicable to the Company.

**DISCLOSURE UNDER 'THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013':**

The Company has adopted a Policy on Prevention, Prohibition and Redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder for prevention and redressal of complaints of sexual harassment at work place.

The Company has not received any complaint on sexual harassment during the year under review.

**PARTICULARS OF EMPLOYEES**

The Company does not have any employee on its roll and none of the Directors of the Company receive any remuneration under Section 197 of the Companies Act, 2013. Accordingly, no information is required to be disclosed in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**For and on behalf of the Board**

Place : Mumbai  
Date : May 26, 2017



  
Praphul Shinde  
Director  
DIN: 03140671

  
Jasmin Rathod  
Director  
DIN: 03147669

**CITYGOLD EDUCATION RESEARCH LIMITED**

CIN: U80100MH2006PLC158595

**ADDENDUM TO THE DIRECTORS' REPORT**

The changes in Directors' Report consequent to the changes in the Board of Directors of the Company subsequent to the signing of the Directors' Report on May 26, 2017 are given hereunder:

**DIRECTORS**

At the meeting of the Board of Directors of the Company held on July 25, 2017, Mr. Anil Ahluwalia (DIN: 00597508) was appointed as an Additional Director of the Company. Pursuant to Section 161 of the Companies Act, 2013, Mr. Anil Ahluwalia holds office upto the date of the ensuing Annual General Meeting. The Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 together with requisite deposit, signifying his intention to propose Mr. Anil Ahluwalia as candidate for the office of Director of the Company.

Mr. Vyomesh Shah (DIN: 00009596) and Mr. Hemant Shah (DIN: 00009659) resigned from the Board of Directors of the Company effective July 25, 2017. The Board places on record its appreciation of the valuable services provided by Mr. Vyomesh Shah and Mr. Hemant Shah.

**For and on behalf of the Board**



A handwritten signature in black ink, appearing to be "Praphul Shinde".

**Praphul Shinde**  
Director  
DIN: 03140671

A handwritten signature in black ink, appearing to be "Jasmin Rathod".

**Jasmin Rathod**  
Director  
DIN: 03147669

Place : Mumbai  
Date : July 25, 2017

**FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN**

As on financial year ended on March 31, 2017

[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014]

**I. REGISTRATION & OTHER DETAILS:**

1.	CIN	U80100MH2006PLC158595
2.	Registration Date	03/01/2006
3.	Name of the Company	Citygold Education Research Limited
4.	Category/Sub-category of the Company	Company Having Share Capital
5.	Address of the Registered office & contact details	Unit No. 116, First Floor, Rehab Building No. 4, Akruti Annexe, Road No. 7, Marol MIDC, Andheri (E) Mumbai - 400093. Tel: 022 67037400; Fax: 022 67037403
6.	Whether listed company	No
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Not Applicable

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	To deal in the land commercial and residential complex, integrated townships etc.	4100	100.00%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sr. No.	Name And Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate Holding	% of Shares Held	Applicable Section
1	<b>Hubtown Limited</b> Akruti Center Point, 6th Floor, Central Road, Marol MIDC, Andheri (East), Mumbai-400093	L45200MH1989PLC050688	Holding	2.17%	2(46)
2	<b>Jineshwar Multitrade Private Limited</b> 108, B Wing, 1st floor, Mahavir Jyot Station Road, Bhayander (West) Mumbai- 401101	U50102MH2009PTC194123	Subsidiary	96.42%	2(87)(ii)





**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

**i) Category-wise Share Holding**

SN.	Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2016]			No. of Shares held at the end of the year [As on 31-March-2017]			% Change during the year	
		Demat	Physical	Total	% of Total Shares	Demat	Physical		Total
<b>A. Promoters</b>									
<b>(1) Indian</b>									
(a)	Individual/ HUF	0	0	0	0	0	0	0	
(b)	Central Govt	0	0	0	0	0	0	0	
(c)	State Govt(s)	0	0	0	0	0	0	0	
(d)	Bodies Corp.	0	50000	50000	100	0	50000	50000	100
(e)	Banks / FI	0	0	0	0	0	0	0	
(f)	Any other	0	0	0	0	0	0	0	
	<b>Total share-holding of Promoter (A) (1)</b>	0	50000	50000	100	0	50000	50000	100
<b>(2) Foreign</b>									
(a)	NRIs - Individuals	0	0	0	0	0	0	0	
(b)	Other - Individuals	0	0	0	0	0	0	0	
(c)	Bodies Corp.	0	0	0	0	0	0	0	
(d)	Banks / FI	0	0	0	0	0	0	0	
(e)	Any Other	0	0	0	0	0	0	0	
	<b>Sub-total (A) (2)</b>	0	0	0	0	0	0	0	
	<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	0	50000	50000	100	0	50000	50000	100
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
(a)	Mutual Funds	0	0	0	0	0	0	0	
(b)	Banks / FI	0	0	0	0	0	0	0	
(c)	Central Govt	0	0	0	0	0	0	0	
(d)	State Govt(s)	0	0	0	0	0	0	0	
(e)	Venture Capital Funds	0	0	0	0	0	0	0	
(f)	Insurance Companies	0	0	0	0	0	0	0	
(g)	FIs	0	0	0	0	0	0	0	
(h)	Foreign Venture Capital Funds	0	0	0	0	0	0	0	
(i)	Others (Specify)	0	0	0	0	0	0	0	
	<b>Sub-total (B)(1):-</b>	0	0	0	0	0	0	0	
<b>2. Non-Institutions</b>									



(a)	<b>Bodies Corp.</b>	0	0	0	0	0	0	0	0	0	0	0
	(i) Indian	0	0	0	0	0	0	0	0	0	0	0
	(ii) Overseas	0	0	0	0	0	0	0	0	0	0	0
(b)	<b>Individuals:</b>											
	(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	0	0	0	0	0	0	0	0	0	0
	(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	0	0	0	0	0	0	0	0	0	0	0
(c)	<b>Others (specify)</b>											
	(i) Trusts	0	0	0	0	0	0	0	0	0	0	0
	(ii) Non-Resident Indians	0	0	0	0	0	0	0	0	0	0	0
	(iii) Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0	0	0
	(iv) Clearing Members	0	0	0	0	0	0	0	0	0	0	0
	<b>Sub-total (B)(2)</b>	0	0	0	0	0	0	0	0	0	0	0
	Total Public Shareholding (B)=(B)(1)+(B)(2)	0	0	0	0	0	0	0	0	0	0	0
C.	<b>Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0	0	0
	<b>Grand Total (A+B+C)</b>	0	50000	50000	100	50000	100	50000	50000	50000	100	0

**ii) Shareholding of Promoter-**

SN	Shareholder's Name	Shareholding at the beginning of the year [As on 31-March-2016]				Shareholding at the end of the year [As on 31-March-2017]				% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	% of Shares of the company	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares		
1	Hubtown Limited along with beneficial owners	50000	100.00%	100.00%	50000	100.00%	100.00%	50000	100.00%	0
	<b>Total</b>	50000	100.00%	100.00%	50000	100.00%	100.00%	50000	100.00%	0



(iii) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Hubtown Limited along with beneficial owners (No changes in the shareholding during the year)	50000	100.00%	100000	100.00%
	At the beginning of the year (April 01, 2016)				
	Date wise Increase / Decrease in the Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)				
	At the end of the year (March 31, 2017)	-	-	100000	100.00%

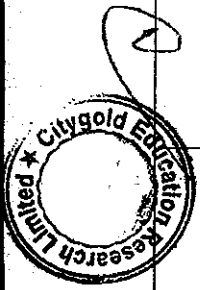
(iv) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the Company
	Nil	-	-	-	-

v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the Company
<b>1) Mr. Praphul Shinde (Director)</b>					
	At the beginning of the year (April 01, 2016)	-	-	-	-
	Date wise Increase / Decrease in the Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	-	-	-	-
	At the end of the year (March 31, 2017)	-	-	-	-
<b>2) Mr. Suhaas Dumbre (Director) (upto August 22, 2016)</b>					
	At the beginning of the year (April 01, 2016)	-	-	-	-
	Date wise Increase / Decrease in the Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	-	-	-	-



SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the Company
	equity etc.)				
	At the end of the year(March 31, 2017)	-	-	-	-
<b>3)</b>	<b>Mr. Jasmin Rathod (Director)</b>				
	At the beginning of the year(April 01, 2016)	-	-	-	-
	Date wise Increase / Decrease in the Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year(March 31, 2017)	-	-	-	-
<b>4)</b>	<b>Mr. Hemant M. Shah(Additional Director) (w.e.f. January 02, 2017)</b>				
	At the beginning of the year(April 01, 2016)				
	Date wise Increase / Decrease in the Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)				
	At the end of the year(March 31, 2017)				
<b>5)</b>	<b>Mr. Vyomesh M. Shah(Additional Director) (w.e.f. January 02, 2017)</b>				
	At the beginning of the year(April 01, 2016)				
	Date wise Increase / Decrease in the Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)				
	At the end of the year(March 31, 2017)				
<b>6)</b>	<b>Mr. Khilen V. Shah (Additional Director) (upto January 03, 2017)</b>				
	At the beginning of the year(April 01, 2016)				
	Date wise Increase / Decrease in the Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)				
	At the end of the year(March 31, 2017)				
<b>7)</b>	<b>Mr. Rushank V. Shah (Additional Director) (upto January 03, 2017)</b>				
	At the beginning of the year(April 01, 2016)				
	Date wise Increase / Decrease in the Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)				



SN	Shareholding of each Directors and each Key Managerial Personnel equity etc.)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the Company
	At the end of the year (March 31, 2017)				
	At the beginning of the year (April 01, 2016)				
8)	Mr. Jainam Shah (Director) (w.e.f. August 22, 2016)				
	At the beginning of the year (April 01, 2016)				
	Date wise Increase / Decrease in the Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)				
	At the end of the year (March 31, 2017)				

**V) INDEBTEDNESS -**

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

Indebtedness at the beginning of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
i) Principal Amount	-	6,15,372	-	6,15,372
ii) Interest due but not paid	-	1,07,998	-	1,07,998
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	<b>7,23,370</b>	-	<b>7,23,370</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	-	6,15,372	-	6,15,372
* Reduction	-	6,15,372	-	6,15,372
<b>Net Change</b>	-	-	-	-
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	1,07,998	-	1,07,998
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	<b>1,07,998</b>	-	<b>1,07,998</b>



2

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1	Gross salary (a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under Section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission - as % of profit - others, specify...	-	-
5	Others, please specify	-	-
	<b>Total (A)</b>	-	-
	Ceiling as per the Act	-	-

**B. Remuneration to other directors:**

SN	Particulars of Remuneration	Name of Directors								Total Amount	
1	Independent Directors Fee for attending Board/Committee meetings Commission Others, please specify <b>Total (1)</b>	Mr. Praphul Shinde	Mr. Suhaas Dumbre (upto August 22, 2016)	Mr. Jasmin Rathod	Mr. Hemant Shah (w.e.f. Januray 02, 2017)	Mr. Vyomesh Shah (w.e.f. Januray 02, 2017)	Mr. Khilen Shah (upto January 03, 2017)	Mr. Jainam Shah (w.e.f. August 22, 2016)	Mr. Rushank Shah (upto January 03, 2017)	-	-
2	Other Non-Executive Directors Fee for attending Board/Committee meetings Commission	-	-	-	-	-	-	-	-	-	



Others, please specify	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total (2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total (B) = (1+2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Managerial Remuneration	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Overall Ceiling as per the Act														

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		GEO	Company Secretary	CFO	Total
1	Gross salary	-	-	-	-
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	-	-	-



2

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B. DIRECTORS</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For and on behalf of the Board



*Pravin Shinde*  
Pravin Shinde  
Director  
DIN: 03140671

*Jasmin Rathod*  
Jasmin Rathod  
Director  
DIN: 03147669

Place: Mumbai  
Date: May 26, 2017





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

**L. J. KOTHARI & CO.**

**CHARTERED ACCOUNTANTS**

GANDHI MANSION, 3<sup>RD</sup> 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 CITYGOLD EDUCATION RESEARCH LIMITED**

#### **Report on the Ind AS Financial Statements**

We have audited the accompanying Ind AS financial statements of **CITYGOLD EDUCATION RESEARCH LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017 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 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 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, 2017, and its financial 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 Matter

Attention is invited to Note 4 in the financial statements with regards to the Company's investment in subsidiary Jineshwar Multitrade Private Limited, carried at Rs. 27 Crore in the balance sheet as at March 31st, 2017. We are unable to obtain sufficient appropriate audit evidence with regards value of such long term investment. Consequently, we are unable to state whether any provision for diminution is required to recognize decline in value of investment, if any.

Our opinion is not qualified with respect to this matter.

### Other Matter

The financial information of the Company for the year ended 31<sup>st</sup> March, 2016 and the transition date opening balance sheet as at 01<sup>st</sup> April, 2015 included in these financial statements, are based on the previously issued statutory financial statements for the years ended 31<sup>st</sup> March, 2016 and 31<sup>st</sup> March, 2015 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an unmodified opinion dated 20th May, 2016 and 20th May, 2015 respectively. The adjustments to those financial statements for the differences in accounting policies adopted by the Company on transition have been audited by us.

### 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 of 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;

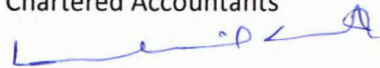


- (e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to 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 contract 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; and
  - iv. The Company has provided requisite disclosures in its Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016 on the basis of information available with the company. Based on audit procedures, and relying on management’s representation, we report that disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the management. – Refer Note 29.

**FOR L.J. KOTHARI & CO**

Firm Registration No. 105313W

Chartered Accountants



**LALIT KOTHARI**

Partner

Membership No.: 30917



Place: Mumbai

Date : 26<sup>th</sup> May, 2017

**ANNEXURE "A" REFERRED TO IN OUR REPORT TO THE MEMBERS OF CITYGOLD EDUCATION RESEARCH LIMITED ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2017;**

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) The Company does not own any immovable property therefore provision of clause 3(I)(c) of the said order are not applicable;
- (ii) The physical verification of inventory has been conducted at the reasonable intervals by the management during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been appropriately dealt with in the books of accounts;
- (iii) 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 under section 189 of the Companies Act, 2013 ('the Act'). Therefore, provision of clause 3(iii), 3(iii)(a), 3(iii)(b), 3(iii)(c) of the said order are not applicable to the company;
- (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. 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, Therefore the provisions of clause 3 (v) of the Companies (Auditors Report) Order, 2016 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;
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, except for dues in respect of Tax deducted at Source and Interest on tax payable, the Company is generally regular in depositing undisputed statutory dues, including Service tax, duty of customs, Value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. There was an amount of Tax deducted at Source of ₹43,480/- and Interest on tax payable ₹ 16,34,878/- outstanding as 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, Wealth Tax, Service Tax, Custom Duty, Excise Duty or Cess other than mentioned below:

Name of the statute	Nature of dues	Period to which the amount relates (F.Y.)	Amount (₹)	Amount Paid (₹)	Balance Amount (₹)	Forum where the dispute is pending
Income Tax Act, 1961	143 (3)	2009-10	10,17,08,240	Nil	10,17,08,240	Commissioner of Income tax (appeals) (Preferred by Dept.)
Income Tax Act, 1961	271 (1)(c)	2009-10	Amount not ascertainable	-	-	Dy. Commissioner of Income tax
Income Tax Act, 1961	143 (3)	2011-12	12,63,710	Nil	12,63,710	Commissioner of Income tax (appeals) (Preferred by Dept.)

- (viii) As the Company does not have any loans or borrowings from any financial institution or bank or Government, nor has it issued any debentures 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. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- (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 or provided managerial remuneration during the year and 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) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company;
- (xiii) The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Ind AS 24, Related Party Disclosures specified under section 133 to 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, the provision of clause 3(xiv) of the Companies (Auditors Report) Order, 2016 are 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 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.

**L.J. KOTHARI & CO**

Firm Registration No. 105313W

Chartered Accountants



**LALIT KOTHARI**

Partner

Membership No.: 30917



Place: Mumbai

Date : 26<sup>th</sup> May, 2017

## **“ANNEXURE B” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF CITYGOLD EDUCATION RESEARCH 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 CITYGOLD EDUCATION RESEARCH LIMITED (“the Company”) as of 31st March, 2017 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 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 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.

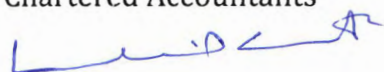
## **Opinion**

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, 2017, 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 : 26<sup>th</sup> May, 2017



BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2017

Particulars	Note No.	As at	As at	As at
		31 <sup>st</sup> March, 2017 ₹	31 <sup>st</sup> March, 2016 ₹	1 <sup>st</sup> April, 2015 ₹
<b>I ASSETS</b>				
<b>1. Non-Current Assets</b>				
(a) Property, plant and equipment	3	-	-	18,39,187
(b) Financial assets				
(i) Investments	4	27,00,10,000	27,00,16,000	27,00,16,000
(ii) Other financial assets	5	32,866	32,866	32,866
(c) Current tax assets (Net)	6	10,69,833	48,19,833	47,12,333
(d) Other non-current assets	7	6,14,99,241	6,04,99,241	7,90,15,781
<b>Total Non-Current assets</b>		<b>33,26,11,940</b>	<b>33,53,67,940</b>	<b>35,56,16,167</b>
<b>2. Current assets</b>				
(a) Inventories	8	56,54,33,223	56,54,33,223	54,85,75,590
(b) Financial assets				
(i) Cash and cash equivalents	9	96,756	2,73,825	7,96,229
(ii) Other financial assets	5	1,42,96,844	1,26,28,999	1,35,88,406
<b>Total Current Assets</b>		<b>57,98,26,823</b>	<b>57,83,36,047</b>	<b>56,29,60,225</b>
<b>TOTAL ASSETS</b>		<b>91,24,38,763</b>	<b>91,37,03,987</b>	<b>91,85,76,392</b>
<b>II EQUITY AND LIABILITIES</b>				
<b>1. Equity</b>				
(a) Equity share capital	10	2,30,50,000	2,30,50,000	2,30,50,000
(b) Other equity	11	31,72,73,862	33,10,54,944	34,00,76,749
<b>Total Equity</b>		<b>34,03,23,862</b>	<b>35,41,04,944</b>	<b>36,31,26,749</b>
<b>2. Liabilities</b>				
<b>(i) Non-Current Liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	12	24,48,328	22,25,753	20,23,411
(ii) Other Financial Liabilities	13	3,30,003	3,30,003	3,30,003
<b>Total Non-Current Liabilities</b>		<b>27,78,331</b>	<b>25,55,756</b>	<b>23,53,414</b>
<b>(ii) Current Liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	12	1,07,998	7,23,370	-
(ii) Trade payables	14	1,91,950	1,46,520	79,200
(iii) Other financial liabilities	13	55,62,86,433	47,17,29,805	47,26,48,161
(b) Other current liabilities	15	1,27,50,189	8,44,43,592	8,03,68,868
<b>Total Current Liabilities</b>		<b>56,93,36,570</b>	<b>55,70,43,287</b>	<b>55,30,96,229</b>
<b>Total Liabilities</b>		<b>57,21,14,901</b>	<b>55,95,99,043</b>	<b>55,54,49,643</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>91,24,38,763</b>	<b>91,37,03,987</b>	<b>91,85,76,392</b>

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: 26th May, 2017

For and on behalf of the Board of Directors

**PRAPHUL SHINDE**

Director

DIN: 03140671

**JAINAM SHAH**

Director

DIN: 07129100



Mumbai

Date: 26th May, 2017

CITYGOLD EDUCATION RESEARCH LIMITED

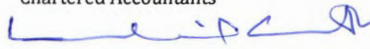
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

Particulars	Note No.	Year ended 31 <sup>st</sup> March, 2017 ₹	Year ended 31 <sup>st</sup> March, 2016 ₹
<b>I Income</b>			
Revenue from Operations	16	-	28,00,000
Other Income	17	4,56,250	84,168
Share of Profit / (Loss) of Joint Venture and Firm		3,200	(5,146)
<b>Total Income</b>		<b>4,59,450</b>	<b>28,79,022</b>
<b>II Expenses</b>			
Costs Of Development	18	-	2,45,36,540
Changes in Inventories of Land and ancillary costs	19	-	(1,68,57,633)
Finance Costs	20	2,34,539	3,83,161
Depreciation Expenses	21	-	18,39,187
Other Expenses	22	1,40,05,993	20,75,863
<b>Total Expenses</b>		<b>1,42,40,532</b>	<b>1,19,77,118</b>
<b>III Profit / (Loss) before Tax</b>		<b>(1,37,81,082)</b>	<b>(90,98,096)</b>
Tax Expense			
Excess / (Short) provision for taxation in respect of earlier years		-	76,291
<b>IV Profit / (Loss) for the Year</b>		<b>(1,37,81,082)</b>	<b>(90,21,805)</b>
<b>V Other Comprehensive Income</b>		-	-
<b>VI Total comprehensive income for the year</b>		<b>(1,37,81,082)</b>	<b>(90,21,805)</b>
<b>VII Earning per equity share of nominal value of ₹ 10/- each (in ₹)</b>			
Basic	23	(275.62)	(180.44)
Diluted	23	(275.62)	(180.44)

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: 26th May, 2017

For and on behalf of the Board of Directors

**PRAPHUL SHINDE**

Director  
DIN: 03140671

**JAINAM SHAH**  
Director  
DIN: 07129100



Mumbai  
Date: 26th May, 2017

## CITYGOLD EDUCATION RESEARCH LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

Particulars	31 <sup>st</sup> March, 2017 ₹	31 <sup>st</sup> March, 2016 ₹
<b>I. CASH FLOWS ARISING FROM OPERATING ACTIVITIES</b>		
Net profit / (loss) before taxation as per Statement of Profit and Loss	(1,37,81,082)	(90,98,096)
<b>Add / (Less) :</b>		
Depreciation	-	18,39,187
Share of loss of firm and joint venture	3,200	(5,146)
Finance cost	2,34,539	3,83,161
	<u>2,37,739</u>	<u>22,17,202</u>
<b>Operating profit before working capital changes</b>	<b>(1,35,43,343)</b>	<b>(68,80,894)</b>
<b>Add / (Less) :</b>		
(Increase)/ Decrease in inventories	-	(1,68,57,633)
(Increase) / Decrease in trade and other receivables	(26,65,044)	1,94,75,947
Increase / (Decrease) in trade and other payables	1,29,08,654	38,44,206
Direct taxes refund/ (paid)	37,50,000	(31,209)
	<u>1,39,93,610</u>	<u>64,31,311</u>
<b>Net cash flow from operating activities</b>	<b>4,50,267</b>	<b>(4,49,583)</b>
<b>II. CASH FLOWS ARISING FROM INVESTING ACTIVITIES</b>		
<b>Inflow / (Outflow) on account of :</b>		
Sale / (Purchase) of fixed assets	-	-
<b>Net cash flow from investing activities</b>	<b>-</b>	<b>-</b>
<b>III. CASH FLOWS ARISING FROM FINANCING ACTIVITIES</b>		
<b>Inflow / (Outflow) on account of :</b>		
Proceeds from borrowings	(6,15,372)	7,23,370
Finance costs paid	(11,964)	(7,96,191)
<b>Net cash flow from financing activities</b>	<b>(6,27,336)</b>	<b>(72,821)</b>
<b>Net increase in cash and cash equivalents ( I + II + III )</b>	<b>(1,77,069)</b>	<b>(5,22,404)</b>
<b>Add: Balance at the beginning of the year</b>	<b>2,73,825</b>	<b>7,96,229</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>96,756</b>	<b>2,73,825</b>
<b>Components of cash and cash equivalents (Refer Note 9)</b>		
Cash on hand	59,979	78,580
Balances with Banks - in Current accounts	36,778	1,95,245
<b>Total</b>	<b>96,756</b>	<b>2,73,825</b>

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 report of even date

**FOR L.J. KOTHARI & CO.**

Firm Registration No. 105313W  
Chartered Accountants

**LALIT KOTHARI**

Proprietor  
Membership No. 30917



Mumbai

Date: 26th May, 2017

For and on behalf of the Board of Directors

**PRAPHUL SHINDE**  
Director

DIN: 03140671

*Jainam Shah*

**JAINAM SHAH**

Director

DIN: 07129100



Mumbai

Date: 26th May, 2017

CITYGOLD EDUCATION RESEARCH LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

(in ₹)

	Equity Share Capital	Securities Premium reserve	Retained Earnings	Total
Balance at 1 <sup>st</sup> April, 2015	2,30,50,000	37,18,00,000	(3,17,23,251)	36,31,26,749
Total Comprehensive Income for the year	-	-	(90,21,805)	(90,21,805)
Balance at March 31 <sup>st</sup> , 2016	2,30,50,000	37,18,00,000	(4,07,45,056)	35,41,04,944
Total Comprehensive Income for the year	-	-	(1,37,81,082)	(1,37,81,082)
Balance at 31 <sup>st</sup> March, 2017	2,30,50,000	37,18,00,000	(5,45,26,138)	34,03,23,862

The accompanying notes are an integral part of the standalone 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

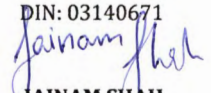


Mumbai  
Date: 26th May, 2017

For and on behalf of the Board of Directors

  
PRAPHUL SHINDE  
Director

DIN: 03140671

  
JAINAM SHAH  
Director

DIN: 07129100



Mumbai  
Date: 26th May, 2017

**Note 1. Company Overview**

Citygold Education Research Limited is a public limited Company domiciled in India, incorporated under the Companies Act, 1956. The main object of the company is to acquire by purchase, lease or otherwise, agricultural land for farming, to establish and run farms and to Construct, erect, acquire, equip, lease, furnish, convert, adapt, improve, develop, operate & manage all sorts of Agricultural Parks, Industrial Parks, Special Economic Zone & related infrastructure facilities, commercial & social infrastructure facilities & amenities.

The financial statements are approved for issue by the Company's Board of Directors on 26th May, 2017.

**Note 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 no. 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 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
- \* It is held primarily for the purpose of trading
- \* It is expected to be realised within twelve months after the reporting period, or
- \* 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 :**

- \* 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.

**2.1 Revenue Recognition****A. Revenue from Sale of Land**

Revenue from sale of land is recognised on transfer of all significant risks and rewards of ownership of such land, 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 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.

**D. 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.

**2.2 Property Plant and Equipment and Depreciation**

- 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)
Computers & Laptops	3
Furnitures & Fixtures	10
Office Equipments	5

**2.3 Investments**

Investments are classified into Current and Non Current/Investments. Current Investments are stated at fair value. Non-current investments are stated at amortised cost.

**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.

**(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 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.

**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 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****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 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 Inventories**

All inventories are stated at Cost or Net Realizable Value, whichever is lower.

'Incomplete Projects' include cost of land 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.

Cost included in inventory include costs incurred upto the completion of the project viz. cost of land, 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 Statement of 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 2.10.1. 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**

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.

**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.





## Note 3. Property, plant and equipment

	(in ₹)			
	Computers and Laptops	Furniture and Fixtures	Office Equipment	Total
<b>Cost or deemed cost</b>				
Balance at 1 <sup>st</sup> April, 2015	25,80,602	1,53,96,585	7,27,762	1,87,04,949
Additions	-	-	-	-
Disposals	-	-	-	-
Balance at 31 <sup>st</sup> March, 2016	25,80,602	1,53,96,585	7,27,762	1,87,04,949
<b>Accumulated depreciation</b>				
Balance at 1 <sup>st</sup> April, 2015	25,80,602	1,35,57,398	7,27,762	1,68,65,762
Eliminated on disposal of assets	-	-	-	-
Depreciation expense	-	18,39,187	-	18,39,187
Balance at 31 <sup>st</sup> March, 2016	25,80,602	1,53,96,585	7,27,762	1,87,04,949
Carrying amount as on 31 <sup>st</sup> March, 2016	-	-	-	-
<b>Cost or deemed cost</b>				
Balance at 31 <sup>st</sup> March, 2016	25,80,602	1,53,96,585	7,27,762	1,87,04,949
Additions	-	-	-	-
Disposals	-	-	-	-
Balance at 31 <sup>st</sup> March, 2017	25,80,602	1,53,96,585	7,27,762	1,87,04,949
<b>Accumulated depreciation</b>				
Balance at 31 <sup>st</sup> March, 2016	25,80,602	1,53,96,585	7,27,762	1,87,04,949
Eliminated on disposal of assets	-	-	-	-
Depreciation expense	-	-	-	-
Balance at 31 <sup>st</sup> March, 2017	25,80,602	1,53,96,585	7,27,762	1,87,04,949
Carrying amount as at 31 <sup>st</sup> March, 2017	-	-	-	-



	As at 31 <sup>st</sup> March, 2017 ₹	As at 31 <sup>st</sup> March, 2016 ₹	As at 1 <sup>st</sup> April, 2015 ₹
<b>Note 4. Investments</b>			
<b>Non Current</b>			
<b>A) Investment in equity instruments (At cost)(Unquoted)</b>			
Fellow Subsidiary			
270,000 Equity shares of face value of ₹ 10/- each			
Jineshwar Multitrade Private Limited (Refer footnote (i))	27,00,00,000	27,00,00,000	27,00,00,000
<b>Total</b>	<b>27,00,00,000</b>	<b>27,00,00,000</b>	<b>27,00,00,000</b>
<b>B) Capital Investment in Partnership Firms and Joint Ventures (At cost)</b>			
M/s Rising Glory Developers (Refer footnote (ii))	10,000	10,000	10,000
Hinterland Fintrade JV (Refer footnote (iii))	-	6,000	6,000
<b>Total</b>	<b>10,000</b>	<b>16,000</b>	<b>16,000</b>

**Footnotes:**

(i) The company had in earlier year invested Rs. 27,00,00,000 in Jineshwar Multitrade Private Limited and thereby held 96.43% of Equity Share Capital of the said company. The financial statements as on 31st March 2017 of the investee company are not available. However, the management is of the view that there is no permanent diminution in value of its long term investment. Considering the representations made available, the Company has opted for exemption from preparing consolidated financial statements as per 4(a) of Ind AS 110 - Consolidated Financial Statement.

(ii) Details of Investments made in capital of Rising Glory Developers (partnership firm):

Name of Partners	31st March, 2017	31st March, 2016	31st March, 2015
	Profit Sharing Ratio	Profit Sharing Ratio	Profit Sharing Ratio
Hubtown Limited	20.00%	20.00%	4.78%
Ackruti Safeguard System Private Limited	5.34%	5.34%	4.76%
Citygold Education Research Limited	5.34%	5.34%	4.76%
Citygold Farming Private Limited	5.34%	5.34%	4.76%
Diviniti Projects Private Limited	5.34%	5.34%	4.76%
Halitious Developers Limited	5.34%	5.34%	4.76%
Headland Farming Private Limited	5.33%	5.33%	4.76%
Hedde Knowledge Private Limited	5.33%	5.33%	4.76%
Heet Builders Private Limited	5.33%	5.33%	4.77%
Twenty Five South Realty Limited	-	-	4.76%
Subhsiddhi Builders Private Limited	5.33%	5.33%	0.00%
Hubtown Bus Terminal (Adajan) Private Limited	-	-	4.76%
Hubtown Bus Terminal (Ahemdabad) Private Limited	-	-	4.76%
Hubtown Bus Terminal (Mehsana) Private Limited	-	-	4.76%
Hubtown Bus Terminal (Surat) Private Limited	-	-	4.76%
Hubtown Bus Terminal (Vadodara) Private Limited	-	-	4.76%
Joynest Premises Private Limited	-	-	4.76%
Sunstream City Private Limited	10.66%	10.66%	4.77%
Upvan lake Resort Private Limited	5.33%	5.33%	4.76%
Vega Developers Private Limited	5.33%	5.33%	4.76%
Whitebud Developers Limited	5.33%	5.33%	4.76%
Yantti Buildcon Private Limited	5.33%	5.33%	4.76%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Total Capital of the firm in ₹</b>	<b>1,50,000</b>	<b>1,50,000</b>	<b>2,10,000</b>

(iii) Details of Investments made in capital of Hinterland Fintrade JV (Joint Venture):

Name of Co- Venturer	31st March, 2017	31st March, 2016	31st March, 2015
	Profit Sharing	Profit Sharing	Profit Sharing
Citygold Education Research Limited	-	60%	60%
Rubix Trading Private Limited	-	40%	40%
<b>Total</b>	<b>-</b>	<b>100%</b>	<b>100%</b>
<b>Total Capital of the Joint Venture in ₹</b>	<b>-</b>	<b>10,000</b>	<b>10,000</b>



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

	As at 31 <sup>ST</sup> March, 2017 ₹	As at 31 <sup>ST</sup> March, 2016 ₹	As at 1 <sup>ST</sup> April, 2015 ₹
<b>Note 5. Other financial assets</b>			
<b>Non-current</b>			
Security deposits	32,866	32,866	32,866
<b>Total</b>	<b>32,866</b>	<b>32,866</b>	<b>32,866</b>
<b>Current</b>			
Other Advances and Receivables			
Advances recoverable from related party (Refer Note 24)	14,60,885	-	-
Advances recoverable from others	1,02,06,960	1,00,00,000	1,00,00,000
Other receivables	26,28,999	26,28,999	35,88,406
<b>Total</b>	<b>1,42,96,844</b>	<b>1,26,28,999</b>	<b>1,35,88,406</b>
<b>Note 6. Current tax assets (Net)</b>			
Advance Tax paid	10,69,833	49,27,333	48,19,833
Less: Provision for tax	-	(1,07,500)	(1,07,500)
<b>Total</b>	<b>10,69,833</b>	<b>48,19,833</b>	<b>47,12,333</b>
<b>Reconciliation of tax expense and the accounting profit multiplied by India's tax rate</b>			
Since the taxable income is negative, there is no current tax payable; hence reconciliation has not been provided.			
<b>Note 7. Other assets</b>			
<b>Non-current</b>			
Advances to land owners (Refer Footnote)	6,14,99,241	6,04,99,241	7,90,15,781
<b>Total</b>	<b>6,14,99,241</b>	<b>6,04,99,241</b>	<b>7,90,15,781</b>
<b>Footnote:</b>			
No agreement has been entered into for the above advances paid to landowners (farmers): ₹61499241 ( 31st March, 16: ₹60499241 ; 1st April, 2015: ₹65499241).			
<b>Note 8. Inventories</b>			
Land and ancilliary costs	56,54,33,223	56,54,33,223	54,85,75,590
<b>Total</b>	<b>56,54,33,223</b>	<b>56,54,33,223</b>	<b>54,85,75,590</b>
<b>Note 9. Cash and cash equivalents</b>			
Balances with banks:			
- in current accounts	36,778	1,95,245	7,19,718
Cash on hand	59,979	78,580	76,511
<b>Total</b>	<b>96,756</b>	<b>2,73,825</b>	<b>7,96,229</b>



	As at 31 <sup>st</sup> March, 2017 ₹	As at 31 <sup>st</sup> March, 2016 ₹	As at 1 <sup>st</sup> April, 2015 ₹
<b>Note 10. Equity share capital</b>			
<b>Authorised Share Capital:</b>			
50,000 (As at March 31, 2016: 50,000, As at March 31, 2015: 50,000) Equity Shares of ₹ 10/- each	5,00,000	5,00,000	5,00,000
2,25,500 (As at March 31, 2016: 2,25,000, As at March 31, 2015: 2,25,000) 8% Non Cumulative Convertible Preference Shares of ₹ 100/- each	2,25,50,000	2,25,50,000	2,25,50,000
1,12,500 (As at March 31, 2016: 1,12,500, As at March 31, 2015: 1,12,500) 10% Non Cumulative Non -Convertible Redeemable Preference Shares of ₹ 100/- each (Refer note. 12)	1,12,50,000	1,12,50,000	1,12,50,000
3,28,700 (As at March 31, 2016: 3,28,700, As at March 31, 2015: 3,28,700) Preference Shares of ₹ 100/- each	3,28,70,000	3,28,70,000	3,28,70,000
<b>Total</b>	<b>6,71,70,000</b>	<b>6,71,70,000</b>	<b>6,71,70,000</b>
<b>Issued and subscribed capital comprises:</b>			
50,000 (As at March 31, 2016: 50,000, As at March 31, 2015: 50,000) Equity Shares of ₹ 10/- each	5,00,000	5,00,000	5,00,000
2,25,500 (As at March 31, 2016: 2,25,000, As at March 31, 2015: 2,25,500) 8% Non Cumulative Convertible Preference Shares of ₹ 100/- each, fully paid	2,25,50,000	2,25,50,000	2,25,50,000
<b>Total</b>	<b>2,30,50,000</b>	<b>2,30,50,000</b>	<b>2,30,50,000</b>

**Footnotes:**

	Number of shares	Share Capital (in ₹)
<b>(i) Reconciliation of the number of Equity shares outstanding at the beginning and at the end of the year.</b>		
Balance at 1 <sup>st</sup> April, 2015	50,000	5,00,000
Add : Issued during the year	-	-
Less : Bought back during the year	-	-
Balance at 31 <sup>st</sup> March, 2016	50,000	5,00,000
Add : Issued during the year	-	-
Less : Bought back during the year	-	-
<b>Balance at 31<sup>st</sup> March, 2017</b>	<b>50,000</b>	<b>5,00,000</b>
<b>(ii) Reconciliation of the number of Preference shares outstanding at the beginning and the end of the year</b>		
Balance at 1 <sup>st</sup> April, 2015	2,25,500	2,25,50,000
Add : Issued during the year	-	-
Less : Bought back during the year	-	-
Balance at 31 <sup>st</sup> March, 2016	2,25,500	2,25,50,000
Add : Issued during the year	-	-
Less : Bought back during the year	-	-
<b>Balance at 31<sup>st</sup> March, 2017</b>	<b>2,25,500</b>	<b>2,25,50,000</b>

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

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	No of shares held	% holding of this class of shares	No of shares held	% holding of this class of shares	No of shares held	% holding of this class of shares
<b>Fully paid equity shares</b>						
Holding Company of Reporting Company (HCRC):						
Hubtown Limited with Beneficiary Owners	50,000	100%	50,000	100%	50,000	100%
<b>Convertible Preference Shares</b>						
Alken Management and Financial Services Pvt Ltd	20,900	9.27%	20,900	9.63%	20,900	9.63%
Harekrishna Securities Pvt Ltd	20,900	9.27%	20,900	9.63%	20,900	9.63%
Empower India Limited	41,700	18.49%	41,700	19.21%	41,700	19.21%
Signora Finance Pvt Ltd	16,700	7.41%	16,700	7.69%	16,700	7.69%
Lilac Medicines Private Limited	20,900	9.27%	20,900	9.63%	20,900	9.63%
Sonal Cosmetic (Exports) Ltd	20,900	9.27%	20,900	9.63%	20,900	9.63%
Prabhav Industries Ltd	41,700	18.49%	41,700	19.21%	41,700	19.21%
Sonal Sil Chem Limited	12,500	5.54%	12,500	5.76%	12,500	5.76%
Sonal International Ltd	16,700	7.41%	16,700	7.69%	16,700	7.69%
Dynachem Pharmaceuticals Limited	4,200	1.86%	4,200	1.93%	4,200	1.93%
<b>Total</b>	<b>2,25,500</b>	<b>100%</b>	<b>2,17,100</b>	<b>100%</b>	<b>2,17,100</b>	<b>100%</b>

**(iv) Terms / rights attached to each class of shares :****Equity Share**

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. 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.

**Preference Shares**

8% Non cumulative convertible Preference Shares of ₹ 100 each. The Preference Shares of the Company shall be converted into fully paid equity shares of the Company on or after 1st April, 2012 or on such other date as may be decided by Board of Directors of the Company by exercising a call option vested in the Company for conversion of the Preference Shares on such terms and conditions as the Board of Directors may deem fit. The call option has however not been exercised by the Company till date.



	As at 31 <sup>st</sup> March, 2017 ₹	As at 31 <sup>st</sup> March, 2016 ₹	As at 1 <sup>st</sup> April, 2015 ₹
<b>Note 11. Other Equity</b>			
<b>Securities premium reserve</b>			
Balance at the beginning of the year	37,18,00,000	37,18,00,000	37,18,00,000
Add / (Less) :	-	-	-
Premium on account of shares allotted during the year	-	-	-
<b>Balance at the end of the year</b>	<b>37,18,00,000</b>	<b>37,18,00,000</b>	<b>37,18,00,000</b>
<b>Retained Earnings</b>			
Balance at the beginning of the year	(4,07,45,056)	(3,17,23,251)	(3,17,23,251)
Profit attributable to the owners of the company	(1,37,81,082)	(90,21,805)	-
<b>Balance at the end of the year</b>	<b>(5,45,26,138)</b>	<b>(4,07,45,056)</b>	<b>(3,17,23,251)</b>
<b>Total</b>	<b>31,72,73,862</b>	<b>33,10,54,944</b>	<b>34,00,76,749</b>

**Note 12. Borrowings****Non-current**

Liability component of preference shares (At amortised cost)	24,48,328	22,25,753	20,23,411
1,12,500 (As at 31 <sup>st</sup> March, 2016: 1,12,500, As at 1st April, 2015: 1,12,500) 10% Non Cumulative Non-Convertible Redeemable Preference Shares of ₹ 100/- each fully paid up			
<b>Total</b>	<b>24,48,328</b>	<b>22,25,753</b>	<b>20,23,411</b>

**(i) Reconciliation of the number of fully paid non convertible preference shares outstanding at the beginning and the end of reporting year**

	Number of shares	Share Capital (in ₹)
Balance at 1 <sup>st</sup> April, 2015	1,12,500	1,12,50,000
Add : Issued during the year	-	-
Less : Bought back during the year	-	-
Balance at 31 <sup>st</sup> March, 2016	1,12,500	1,12,50,000
Add : Issued during the year	-	-
Less : Bought back during the year	-	-
<b>Balance at 31<sup>st</sup> March, 2017</b>	<b>1,12,500</b>	<b>1,12,50,000</b>

**(ii) Shareholders holding more than five percent of holdings :**

Celestial Spaces Private Limited	100%	100%	100%
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**Note:**

The preference shares have been classified as a financial liability as per Ind AS 32 and 109 if the issuer does not have the unconditional right to avoid cash outflow at the end of the term of preference shares, the instrument is classified as a financial liability. Hence they have been grouped under non-current borrowings.

**Current****Unsecured**

Loans repayable on demand:

- From Others

**Total**

1,07,998	7,23,370	-
<b>1,07,998</b>	<b>7,23,370</b>	<b>-</b>

**Note 13. Other financial liabilities****Non-current**

Retention money payable	3,30,003	3,30,003	3,30,003
<b>Total</b>	<b>3,30,003</b>	<b>3,30,003</b>	<b>3,30,003</b>

**Current**

Interest accrued but not due on borrowings	-	-	6,15,372
Business Advance from related party (Refer footnote)(Refer Note 24)	45,13,03,000	37,70,78,000	16,08,000
Current account balance in firms and joint ventures	-	9,18,96,255	46,68,91,755
Payable to related party (Refer note 24)	646	646	-
Other payables	10,49,82,787	27,54,904	35,33,034
<b>Total</b>	<b>55,62,86,433</b>	<b>47,17,29,805</b>	<b>47,26,48,161</b>

**Footnote:**

The Company has received interest free advances from its 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.



CITYGOLD EDUCATION RESEARCH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> March, 2017

	As at 31 <sup>st</sup> March, 2017 ₹	As at 31 <sup>st</sup> March, 2016 ₹	As at 1 <sup>st</sup> April, 2015 ₹
<b>Note 14. Trade payables</b>			
Due to micro and small enterprises (Refer Footnote)	-	-	-
Due to others	1,91,950	1,46,520	79,200
<b>Total</b>	<b>1,91,950</b>	<b>1,46,520</b>	<b>79,200</b>

**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.

**Note 15. Other liabilities**

**Current**

Advance from customers	1,25,50,000	1,10,50,000	67,50,000
Advances received for projects from related party	-	7,33,15,545	7,33,15,545
Overdrawn balance as per books of accounts	47,474	-	-
Other payables :			
- Statutory dues	1,52,715	78,047	3,03,323
<b>Total</b>	<b>1,27,50,189</b>	<b>8,44,43,592</b>	<b>8,03,68,868</b>



	Year ended 31 <sup>st</sup> March, 2017 ₹	Year ended 31 <sup>st</sup> March, 2016 ₹
<b>Note 16. Revenue from operations</b>		
Sale from operations :		
Sale of plot	-	28,00,000
<b>Total</b>	<b>-</b>	<b>28,00,000</b>
<b>Note 17. Other income</b>		
Interest on income tax refund	4,56,250	-
Stamp duty refund income	-	59,189
Excess provision written back	-	24,979
<b>Total</b>	<b>4,56,250</b>	<b>84,168</b>
<b>Note 18. Costs Of Development</b>		
Land acquired	-	2,45,36,540
<b>Total</b>	<b>-</b>	<b>2,45,36,540</b>
<b>Note 19. Changes In Inventories Of Land and Ancilliary costs</b>		
Opening Inventory :	56,54,33,223	54,85,75,590
Closing Inventory :	56,54,33,223	56,54,33,223
<b>Total</b>	<b>-</b>	<b>(1,68,57,633)</b>
<b>Note 20. Finance Costs</b>		
Interest on preference shares	2,22,575	3,22,339
Delayed/penal interest on loans and statutory dues	11,964	60,822
<b>Total</b>	<b>2,34,539</b>	<b>3,83,161</b>
<b>Note 21. Depreciation Expenses</b>		
Depreciation of property, plant and equipment	-	18,39,187
<b>Total</b>	<b>-</b>	<b>18,39,187</b>
<b>Note 22. Other Expenses</b>		
Brokerage	-	2,30,000
Filling Fees	11,648	12,710
Professional fees	1,24,139	10,65,519
Legal Fees	4,88,196	1,12,360
Security Charges	5,60,060	5,41,810
Land non utilization charges	1,27,67,058	-
Other Expenses (Refer footnote)	54,892	1,13,464
<b>Total</b>	<b>1,40,05,993</b>	<b>20,75,863</b>
<b>Footnote :</b>		
Auditors Remuneration (included in the other expenses)		
Audit fees	35,000	35,000
<b>Total</b>	<b>35,000</b>	<b>35,000</b>
<b>Note 23. EARNINGS PER SHARE (EPS)</b>		
Basic earnings per share	(275.62)	(180.44)
Diluted earnings per share*	(275.62)	(180.44)
<b>Basic EPS</b>		
The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows:		
Profit/(Loss) for the year attributable to the owners of the Company	(1,37,81,082)	(90,21,805)
Weighted average number of equity shares for the purposes of basic earnings per share	50,000	50,000
<b>Diluted EPS</b>		
The earnings and weighted average number of equity shares used in the calculation of diluted earnings per share are as follows:		
Profit/(Loss) for the year attributable to the owners of the Company	(1,37,81,082)	(90,21,805)
Weighted average number of equity shares for the purposes of diluted earnings per share*	50,000	50,000

**Footnote:**

For the purpose of diluted EPS convertible instruments (8% non cumulative convertible preference shares) deem to have been converted into equity shares at the beginning of the period. The conversion ratio has been arrived at on face value basis.

8% non cumulative convertible preference shares could potentially dilute basic earnings per share, hence are not included in the calculation of diluted earnings per share for 2017 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.



## Note 24. RELATED PARTY DISCLOSURES (As per IND AS - 24)

<b>A. Name of the related parties and related parties relationship</b>	
I Holding Company	: Hubtown Limited
II Subsidiary	: Jineshwar Multitrade Private Limited (Upto 15th Feb, 2017)
III Firm in which Company is a partner	: M/s Rising Glory Developers
IV Joint Venture in which Company is a Co-venture	: Hinterland Fintrade JV
V Other Significant Influence	: Citygold Management Services Private Limited
VI Fellow Subsidiary	: Citygold Farming Private Limited Joynest Premises Private Limited Vishal Techno Commerce Private Limited

## Footnote:

Related party relationships are identified by the Company and relied upon by the Auditors

## B. Transaction with Related Parties -

Sr. No.	Nature of Transaction	(in ₹)				
		Holding Company	Fellow Subsidiary	Other Significant Influence	Joint Venture in which the company is a co-venturer	Firm in which Company is a partner
i	<b>Business advances taken/ recovered / adjusted</b>					
	Hubtown Limited	7,98,15,000 (38,09,70,000)	- (-)	- (-)	- (-)	- (-)
ii	<b>Business Advance given/repaid/adjusted</b>					
	Hubtown Limited	58,50,000 (55,00,000)	- (-)	- (-)	- (-)	- (-)
	Citygold Farming Private Limited	-	2,60,000	-	-	-
	Citygold Management Services Private Limited	(-)	(-)	19,02,280	(-)	(-)
	Joynest Premises Private Limited	(-)	7,33,15,545	(-)	(-)	(-)
iii	<b>Reimbursement of expenses</b>					
	Citygold Management Services Pvt. Ltd.	-	-	3,500	-	-
		(-)	(-)	(7,800)	(-)	(-)
iv	<b>Share of profit from Joint Venture</b>					
	Hinterland Fintrade JV	-	-	-	3,200	-
		(-)	(-)	(-)	(4,500)	(-)
v	<b>Share of loss from partnership firm</b>					
	M/s Rising Glory Developers	-	-	-	-	-
		(-)	(-)	(-)	(-)	(646)
vi	<b>Corporate guarantee given</b>					
	Vishal Techno Commerce Limited	-	2,38,18,11,491	-	-	-
		(-)	(1,50,00,00,000)	(-)	(-)	(-)

Note: Previous year figures are given in the brackets

C.	Balance outstanding	As at		
		31st March, 2017	31st March, 2016	31st March, 2015
i	<b>Balance Payables</b>			
	Hubtown Limited (Holding Company)	45,10,43,000	37,70,78,000	16,08,000
	M/s Rising Glory Developers( Firm in which company is a partner)	646	646	-
	Joynest Premises Private Limited (Fellow Subsidiary)	-	7,33,15,545	7,33,15,545
	Hinterland Fintrade JV (Joint Venture in which Company is a Co-venturer)	-	9,18,96,255	46,68,91,755
	Citygold Management Services Pvt. Ltd.( Other significant influence)	-	4,40,395	4,96,350
	Citygold Farming Private Limited (Fellow Subsidiary)	2,60,000	-	-
ii	<b>Balance Receivables</b>			
	Citygold Management Services Pvt. Ltd.( Other significant influence)	14,60,885	-	-
iii	<b>Corporate Guarantees given for loans availed by others</b>			
	Vishal Techno Commerce Private Limited (Refer Footnote)	2,38,18,11,491	1,50,00,00,000	-

## Footnote:

The loan of ₹238.18 lakhs taken by Vishal Techno Commerce Pvt. Ltd. has been jointly and severally guaranteed by Citygold Education Pvt. Ltd., Heet Builders Pvt. Ltd., Hubtown Ltd. and Sunstream City Pvt. Ltd. There is no contract determining the ratio of individual guarantees by each party. Since there is a joint guarantee, the entire amount of guarantee has been disclosed.





**Note 25. 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 resources, borrowing strategies and ensuring compliance with the market risk limits and policies.

**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 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.

**Note 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.

**Gearing Ratio**

The gearing ratio at the reporting period was as follows

	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
Unsecured Borrowings	25,56,326	29,49,123	20,23,411.39
Interest accrued	-	-	6,15,372
<b>Total Debt</b>	<b>25,56,326</b>	<b>29,49,123</b>	<b>6,15,372</b>
Less: Cash and cash equivalents	96,756	2,73,825	7,96,229
<b>Net Debt (A)</b>	<b>24,59,570</b>	<b>26,75,298</b>	<b>(1,80,857)</b>
Equity Share Capital	5,00,000	5,00,000	5,00,000
Other Equity	31,72,73,862	33,10,54,944	34,00,76,749
<b>Total Equity (B)</b>	<b>31,77,73,862</b>	<b>33,15,54,944</b>	<b>34,05,76,749</b>
<b>Debt Equity Ratio A/B</b>	<b>0.008</b>	<b>0.008</b>	<b>-0.001</b>

**Note 27. Fair Value Measurements**

(₹)

	31st March, 2017		31st March, 2016		1st April, 2015	
	FVPL	Amortised Cost	FVPL	Amortised Cost	FVPL	Amortised Cost
<b>Financial Assets</b>						
Investment	-	27,00,10,000	-	27,00,16,000	-	27,00,16,000
Other financial assets	-	1,43,29,710	-	1,26,61,865	-	1,36,21,272
Cash and cash equivalent	-	96,756	-	2,73,825	-	7,96,229
<b>Total of Financial Assets</b>	<b>-</b>	<b>28,44,36,466</b>	<b>-</b>	<b>28,29,51,690</b>	<b>-</b>	<b>28,44,33,501</b>
<b>Financial Liabilities</b>						
Borrowings	-	25,56,326	-	29,49,123	-	20,23,411
Trade payables	-	1,91,950	-	1,46,520	-	79,200
Other Financial liabilities	-	55,66,16,436	-	47,20,59,808	-	47,29,78,164
<b>Total of Financial Liabilities</b>	<b>-</b>	<b>55,93,64,712</b>	<b>-</b>	<b>47,51,55,451</b>	<b>-</b>	<b>47,50,80,775</b>



CITYGOLD EDUCATION RESEARCH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2017

Note 28.

- a. The company has obtained permission for purchase of Agricultural lands admeasuring 442.15 hectares in the District Raigad as per villages referred in the order dated 12th March 2008 and the details of land shown in the annexure to said order from Directorate of Industries, Maharashtra State, for setting up Industrial Estate, Flatted Building, readymade build space, plots custom Built Campuses for IT & ITES services sector.
- b. Further same is subject to permission from town planning department and Agricultural Land Ceiling Act and the provisions of section 36 and 36 A of Maharashtra Land Revenue Code 1966 and of the Maharashtra Restoration of Lands to scheduled Tribe Act 1974 and permission and approval from other Government bodies.

Note 29. Disclosure On Specified Bank Notes (SBNs)

in ₹

Particulars	SBNs	Other	Total
Closing Cash in hand as on 8th November, 2016	-	60,428	60,428
(+) Permitted Receipts	-	-	-
(-) Permitted Payments	-	-	-
(-) Amount Deposited in Bank	-	-	-
<b>Closing Cash in hand as on 30th Decemeber, 2016</b>	<b>-</b>	<b>60,428</b>	<b>60,428</b>

Note 30. Contingent Liability

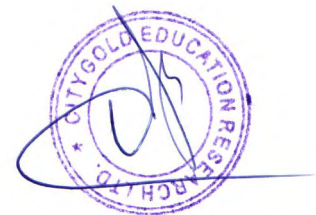
Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
<b>Claims against the Company, not acknowledged as debts on account of:-</b>			
On account of properties purchased pending registration and other formalities under different statutes, for which confirmations are pending, with regards to consideration paid for the purchase of land through aggregator.	Amount not ascertainable at present	Amount not ascertainable at present	Amount not ascertainable at present
Income Tax Matter under Appeal with CIT for the F.Y. 2009-2010 (A.Y. 2010-11)	10,17,08,240	10,17,08,240	9,79,58,240
Income Tax Matter under Appeal with CIT for the F.Y. 2011-2012 (A.Y. 2012-13)	12,63,710	12,63,710	12,63,710
Income Tax Matter under u/s 271 (1) (c) for the F.Y. 2009-2010 (A.Y. 2010-11)	Amount not ascertainable at present	Amount not ascertainable at present	Nil
On account of Corporate Guarantee issued by the Company to ECL Finance Limited on behalf of Vishal Techno Commerce Limited, a fellow subsidiary. (Refer footnote a)	2,38,18,11,491	1,50,00,00,000	-

Footnotes.

- a. The loan of ₹238.18 lakhs taken by Vishal Techno Commerce Pvt. Ltd. has been jointly and severally guaranteed by Citygold Education Pvt. Ltd., Heet Builders Pvt. Ltd., Hubtown Ltd. and Sunstream City Pvt. Ltd. There is no contract determining the ratio of individual guarantees by each party. Since there is a joint guarantee, the entire amount of guarantee has been disclosed.
- b. Interest / Penalty that may accrue on original demands are not ascertainable, at present. The company has taken the 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.

Note 31.

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



CITYGOLD EDUCATION RESEARCH LIMITED

Note 32. FIRST TIME IND AS ADOPTION RECONCILIATION

(i) Effect of Ind AS adoption on the Balance Sheet as at 31<sup>st</sup> March, 2016 and 1<sup>st</sup> April, 2015

(in ₹)

Particulars	Notes	As at 31 <sup>st</sup> March, 2016 (End of last period presented under previous GAAP)			As at 1 <sup>st</sup> April, 2015 (Date of Transition)		
		Re-grouped Previous GAAP	Effect of Transition to Ind AS	As per Ind AS balance sheet	Re-grouped Previous GAAP	Effect of Transition to Ind AS	As per Ind AS balance sheet
<b>Non-Current Assets</b>							
(a) Property, plant and equipment		-	-	-	18,39,187	-	18,39,187
(b) Financial assets							
(i) Investments in firm and joint venture		27,00,16,000	-	27,00,16,000	27,00,16,000	-	27,00,16,000
(ii) Other financial assets		32,866	-	32,866	32,866	-	32,866
(c) Current tax Assets (net)		48,19,833	-	48,19,833	47,12,333	-	47,12,333
(d) Other non-current assets		6,04,99,241	-	6,04,99,241	7,90,15,781	-	7,90,15,781
<b>Total Non-Current Assets</b>		<b>33,53,67,940</b>	<b>-</b>	<b>33,53,67,940</b>	<b>35,56,16,167</b>	<b>-</b>	<b>35,56,16,167</b>
<b>Current assets</b>							
(a) Inventories		56,54,33,223	-	56,54,33,223	54,85,75,590	-	54,85,75,590
(b) Financial assets							
(i) Cash and cash equivalents		2,73,825	-	2,73,825	7,96,229	-	7,96,229
(ii) Other financial assets		1,26,28,999	-	1,26,28,999	1,35,88,406	-	1,35,88,406
<b>Total Current Assets</b>		<b>57,83,36,047</b>	<b>-</b>	<b>57,83,36,047</b>	<b>56,29,60,225</b>	<b>-</b>	<b>56,29,60,225</b>
<b>Total Assets</b>		<b>91,37,03,987</b>	<b>-</b>	<b>91,37,03,987</b>	<b>91,85,76,392</b>	<b>-</b>	<b>91,85,76,392</b>
<b>Equity</b>							
(a) Equity share capital	a	3,43,00,000	(1,12,50,000)	2,30,50,000	3,43,00,000	(1,12,50,000)	2,30,50,000
(b) Other equity	a	32,20,30,697	90,24,247	33,10,54,944	33,08,50,160	92,26,589	34,00,76,749
<b>Total Equity</b>		<b>35,63,30,697</b>	<b>(22,25,753)</b>	<b>35,41,04,944</b>	<b>36,51,50,160</b>	<b>(20,23,411)</b>	<b>36,31,26,749</b>
<b>Non-Current Liabilities</b>							
(a) Financial Liabilities							
(i) Borrowings	a	-	22,25,753	22,25,753	-	20,23,411	20,23,411
(ii) Other Financial Liabilities		3,30,003	-	3,30,003	3,30,003	-	3,30,003
<b>Total Non-Current Liabilities</b>		<b>3,30,003</b>	<b>22,25,753</b>	<b>25,55,756</b>	<b>3,30,003</b>	<b>20,23,411</b>	<b>23,53,414</b>
<b>Current Liabilities</b>							
(a) Financial Liabilities							
(i) Borrowings		7,23,370	-	7,23,370	-	-	-
(ii) Trade payables		1,46,520	-	1,46,520	79,200	-	79,200
(iii) Other financial liabilities		47,17,29,805	-	47,17,29,805	47,26,48,161	-	47,26,48,161
(b) Other current liabilities		8,44,43,592	-	8,44,43,592	8,03,68,868	-	8,03,68,868
<b>Total Current Liabilities</b>		<b>55,70,43,287</b>	<b>-</b>	<b>55,70,43,287</b>	<b>55,30,96,229</b>	<b>-</b>	<b>55,30,96,229</b>
<b>Total Liabilities</b>		<b>55,73,73,290</b>	<b>22,25,753</b>	<b>55,95,99,043</b>	<b>55,34,26,232</b>	<b>20,23,411</b>	<b>55,54,49,643</b>
<b>Total Equity and Liabilities</b>		<b>91,37,03,987</b>	<b>-</b>	<b>91,37,03,987</b>	<b>91,85,76,392</b>	<b>-</b>	<b>91,85,76,392</b>

The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note



(ii) Effect of Ind AS adoption on the Statement of Profit and Loss for the year ended 31<sup>st</sup> March, 2016

(in ₹)

Particulars	Notes	As at 31 <sup>st</sup> March, 2016 (End of last period presented under previous GAAP)		
		Re-grouped Previous GAAP	Effect of Transition to Ind AS	As per Ind AS balance sheet
Revenue from Operations		28,00,000	-	28,00,000
Other Income		84,168	-	84,168
Share of Profit / (Loss) of Joint Ventures		(5,146)	-	(5,146)
<b>Total Income</b>		<b>28,79,022</b>	<b>-</b>	<b>28,79,022</b>
<b>Expenses</b>				
Costs Of Construction / Development		2,45,36,540	-	2,45,36,540
Changes in Inventories of land and ancillary costs		(1,68,57,633)	-	(1,68,57,633)
Finance Costs	a	1,80,820	2,02,341	3,83,161
Depreciation and Amortisation Expenses		18,39,187	-	18,39,187
Other Expenses		20,75,863	-	20,75,863
<b>Total Expenses</b>		<b>1,17,74,777</b>	<b>2,02,341</b>	<b>1,19,77,118</b>
<b>Profit/(Loss) Before Tax</b>		<b>(88,95,755)</b>	<b>(2,02,341)</b>	<b>(90,98,096)</b>
Tax Expense				
Excess / (Short) provision for taxation in respect of earlier years		76,291	-	76,291
<b>Profit/(Loss) for the Year</b>		<b>(88,19,464)</b>		<b>(90,21,805)</b>
<b>Other Comprehensive Income for the year</b>				
<b>Total Comprehensive Income for the year</b>		<b>21,30,06,342</b>	<b>22,20,28,147</b>	<b>(90,21,805)</b>

The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note

(iii) Effect of Ind AS adoption on the statement of cash flows for the year ended 31<sup>st</sup> March, 2016

(in ₹)

Particulars	As at 31 <sup>st</sup> March, 2016 (End of last period presented under previous GAAP)		
	Re-grouped Previous GAAP	Effect of Transition to Ind AS	As per Ind AS balance sheet
Net cash flows from Operating activities	(4,49,583)	-	(4,49,583)
Net cash flows from Investing activities	-	-	-
Net cash flows from Financing activities	(72,821)	-	(72,821)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(5,22,404)</b>	<b>-</b>	<b>(5,22,404)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>7,96,229</b>	<b>-</b>	<b>7,96,229</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>2,73,825</b>	<b>-</b>	<b>2,73,825</b>

## Notes to effect of first time adoption of Ind AS on the Financial Statements

a. Under previous GAAP, redeemable preference shares were classified as equity, whereas under Ind AS, redeemable preference share capital with fixed interest rates are to be classified as borrowings and are to carried at fair value. Hence 10% Non-cumulative non convertible preference shares have been reclassified as a financial liability and grouped under borrowings, stated at fair value. Consequently, interest at 10% has been recognized in the statement of profit and loss. The net effect of these changes is a decrease in total equity by ₹ 22,25,753 as at 31st March, 2016 and ₹ 20,23,411 as at 1st April, 2015 and decrease in profit for the year ended 31st March, 2016.

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: 26th May, 2017

For and on behalf of the Board of Directors

PRAPHUL SHINDE  
Director

DIN: 03140671



JAINAM SHAH  
Director

DIN: 07129100

Mumbai  
Date: 26th May, 2017

**DIRECTORS' REPORT**

To  
**THE MEMBERS**  
**CITYGOLD FARMING PRIVATE LIMITED**

The Directors hereby present the Eleventh Annual Report of the Company together with the Audited Financial Statements for the year ended March 31, 2017.

**FINANCIAL RESULTS :**

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standard) Rules, 2015 as amended. The financial statements for the Financial Year ended March 31, 2017 are the Company's first Ind AS compliant annual audited financial statements with comparative figures for the year ended March 31, 2016 also under Ind AS. The transition date is April 1, 2015.

During the year under review, the Company incurred a net loss of Rs. 1,91,61,286/- as against net loss of Rs. 2,91,27,964/- during the previous year.

**DIVIDEND :**

In view of the loss incurred, the Directors do not recommend the payment of dividend for the year ended March 31, 2017.

**TRANSFER TO RESERVES :**

In view of the loss incurred, the Directors have not transferred any amount to reserves.

**MATERIAL CHANGES AND COMMITMENTS :**

No material changes or commitments have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

**CHANGE IN THE NATURE OF BUSINESS :**

There has been no change in the nature of business of the Company during the year under review.

**SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES :**

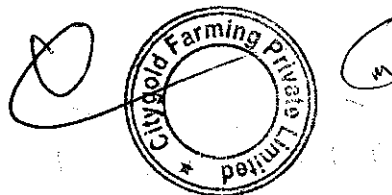
During the year under review, the Company had 1 subsidiary company. However, as the financial statements of the said subsidiary are not available, the statement in Form- AOC -1 have not been attached to the financial statements of the Company pursuant to the provisions of Section 129 (1) of the Companies Act, 2013.

**DEPOSITS:**

The Company has not accepted any deposits during the year under review.

**TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND :**

During the year under review, the Company was not required to transfer any amount to the Investor Education and Protection Fund.



**SHARE CAPITAL :**

The paid-up equity share capital and preference share capital of the Company as on March 31, 2017 was Rs. 1,00,000/- and Rs. 2,58,75,000/- respectively . During the year under review, the Company has not issued any shares with differential voting rights or granted stock options or sweat equity.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186**

The Company has not given any loan or made investment or provided any security or guarantee during the year under review, which require to be disclosed under Section 186 of the Companies Act, 2013.

**RELATED PARTY TRANSACTIONS :**

The particulars of transactions entered into by the Company with related parties during the year under review are disclosed in the relevant note to the Financial Statements. The said related party transactions are on an arms length basis and hence not required to be disclosed in Form AOC-2.

**INTERNAL FINANCIAL CONTROLS :**

The Company has an Internal Control System, commensurate with the nature and size of its operations. Based on the framework of internal financial controls maintained by the Company and the work performed by the Statutory Auditors, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the Financial Year 2016-2017.

**DIRECTORS :**

Mr. Vyomesh Shah (DIN: 00009596), Mr. Hemant Shah (DIN: 00009659), Mr. Rushank Shah (DIN: 02960155), Mr. Khilen Shah (DIN: 03134932) and Mr. Kushal Shah (DIN: 06843982) were appointed as Additional Directors on the Board of Directors of the Company effective January 02, 2017.

Mr. Anil Ahluwalia (DIN: 00597508) was appointed as Additional Director on the Board of Directors of the Company effective July 25, 2017 and in terms of Section 161 (1) of the Companies Act, 2013, hold office upto the date of the ensuing Annual General Meeting. The Company has received a notice under Section 160 of the said Act together with requisite deposit, from a member of the Company proposing the candidature of Mr. Anil Ahluwalia for the office of Director of the Company at the ensuing Annual General Meeting of the Company.

Mr. Rushank Shah (DIN: 02960155), Mr. Khilen Shah (DIN: 03134932) and Mr. Kushal Shah (DIN: 06843982) resigned from the Board of Directors of the Company effective January 03, 2017.

Mr. Vyomesh Shah (DIN: 00009596) and Mr. Hemant Shah (DIN: 00009659) resigned from the Board of Directors of the Company effective July 25, 2017. The Board places on record its appreciation of the valuable services provided by Mr. Vyomesh Shah and Mr. Hemant Shah.

In accordance with the provisions of Section 152 (6) (e) of the said Act and the Articles of Association of the Company, Mr. Rajeevan Paramban (DIN: 03141200), Director of the Company retires by rotation and being eligible, offers himself for reappointment.

The provisions of Section 149 of the Companies Act, 2013 relating to the appointment of Independent Directors do not apply to the Company.



## **ANNUAL RETURN :**

The extracts of Annual Return pursuant to the provisions of Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in 'Annexure A' to this Report.

## **BOARD MEETINGS :**

The Company had convened and held Seven (7) Board meetings during the year under review. The said Board meetings were held on April 29, 2016, May 19, 2016, July 19, 2016, August 22, 2016, October 21, 2016, January 02, 2017 and January 03, 2017. The gap between the meetings did not exceed the period prescribed under the Act.

## **DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to sub-section (3) (c) of Section 134 (5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended March 31, 2017, the Directors of your Company, to the best of their knowledge and belief and on the basis of the information and explanations received by them, hereby state and confirm that :

- (i) in the preparation of the Annual Accounts for the year ended March 31, 2017, the applicable accounting standards read with the requirements under Schedule III to the said Act have been followed alongwith proper explanation relating to material departures, if any;
- (ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year on 31st March, 2017, and of the loss of the Company for that period;
- (iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the annual accounts have been prepared on a 'going concern' basis;
- (v) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

## **DISCLOSURE OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL**

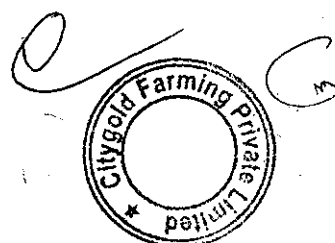
During the year under review, there were no significant or material orders passed by any regulatory / statutory authorities or courts / tribunals against the Company impacting its going concern status and operations in future.

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

The nature of operations of the Company does not require disclosure of particulars relating to conservation of energy and technology absorption, as prescribed under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014. During the year under review the Company had 'Nil' foreign exchange earnings and outgo.

## **RISK MANAGEMENT POLICY :**

The Company has not adopted a Risk Management Policy as the elements of risks threatening the Company's existence are minimal.



## AUDITORS :

At the Eighth Annual General Meeting (AGM) of the Company held on September 24, 2014, M/s. L. J. Kothari & Co. , Chartered Accountants (Firm Reg. No. 105313W) were appointed as Statutory Auditors of the Company for five financial years commencing from April 01, 2014 upto March 31, 2019, to hold office until the conclusion of the Thirteenth AGM to be held for the year 2019, subject to ratification of their appointment at each AGM).

Accordingly, the members are requested to ratify the reappointment of M/s., M/s. L. J. Kothari & Co. , Chartered Accountants as the Statutory Auditors of the Company for the current financial year 2017-2018 and to authorise the Board of Directors to fix their remuneration.

M/s. L. J. Kothari & Co., Chartered Accountants have offered themselves for reappointment and have confirmed their eligibility to be appointed as Auditors pursuant to the provisions of Section 141 of the Companies Act, 2013 and Rule 4 of the Companies (Audit and Auditors) Rules, 2014.

## AUDITORS' REPORT AND AUDIT OBSERVATIONS :

The Statutory Auditors have stated an 'Emphasis of Matter' in their Report on the Financial Statements for the year ended March 31, 2017 and the response of your Directors thereto is as follows

### EMPHASIS OF MATTER :

The footnote to Note. 4 of the Financial Statements is self-explanatory and do not call for further clarifications/elaboration.

### GENERAL :

The provisions relating to Secretarial Audit, appointment of Key Managerial Personnel, constitution of Audit Committee, Corporate Social Responsibility Committee, Nomination and Remuneration Committee and Vigil Mechanism are not applicable to the Company.

### DISCLOSURE UNDER 'THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013':

The Company has adopted a Policy on Prevention, Prohibition and Redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder for prevention and redressal of complaints of sexual harassment at work place.

The Company has not received any complaint on sexual harassment during the year under review.

### PARTICULARS OF EMPLOYEES

The Company does not have any employee on its roll and none of the Directors of the Company receive any remuneration under Section 197 of the Companies Act, 2013. Accordingly, no information is required to be disclosed in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

For and on behalf of the Board



  
Praphul Shinde  
Director  
DIN: 03140671

  
Rajeevan Paramban  
Director  
DIN: 03141200

Place: Mumbai  
Date: August 05, 2017



FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN

As on financial year ended on March 31, 2017

[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014]

**I. REGISTRATION & OTHER DETAILS:**

1.	CIN	U01122MH2006PTC163517
2.	Registration Date	03/08/2006
3.	Name of the Company	Citygold Farming Private Limited
4.	Category/Sub-category of the Company	Company Having Share Capital
5.	Address of the Registered office & contact details	Unit No. 116, First Floor, Rehab Building No. 4, Akruvi Annexe, Road No. 7, Marol MIDC, Andheri (E) Mumbai - 400093. Tel: 022 67037400; Fax: 022 67037403
6.	Whether listed company	No
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Not Applicable

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	To acquire by purchase, lease or otherwise, to carryout agriculture and allied activities and to construct, erect, equip, lease, convert, adapt, improve, develop, operate and manage all sort of agricultural parks, special economic zone and related infrastructure facilities and amenities.	84130	100.00%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

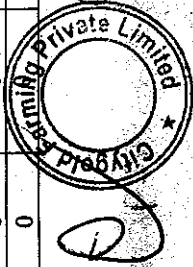
Sr. No.	Name And Address of the Company	CIN/GLN	Holding/ Subsidiary/Associate Holding	% of Shares Held	Applicable Section
1	Hubtown Limited Plaza Panchsheel, "A" Wing, 5th Floor, Hughes Road, Behind Dharam Palace, Grant Road (West), Mumbai 400007	L45200MH1989PLC050688	Holding	0.38%	2(46)
2	Asha Multitrade Private Limited H/157, Dr. Ambedkar Nagar, Kokari Nagar, S. M. Road, Sion, Koliwada, Mumbai-400037	U51101MH2007PTC175077	Subsidiary	93.75%	2(87)(ii)



**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

**i) Category-wise Share Holding**

SN.	Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2016]			No. of Shares held at the end of the year [As on 31-March-2017]			% Change during the year	
		Demat	Physical	Total	% of Total Shares	Demat	Physical		Total
<b>A. Promoters</b>									
<b>(1) Indian</b>									
(a)	Individual/ HUF	0	0	0	0	0	0	0	0
(b)	Central Govt	0	0	0	0	0	0	0	0
(c)	State Govt(s)	0	0	0	0	0	0	0	0
(d)	Bodies Corp.	0	10000	10000	100	0	10000	10000	100
(e)	Banks / FI	0	0	0	0	0	0	0	0
(f)	Any other	0	0	0	0	0	0	0	0
	<b>Total share-holding of Promoter (A)(1)</b>	0	10000	10000	100	0	10000	10000	100
<b>(2) Foreign</b>									
(a)	NRIs - Individuals	0	0	0	0	0	0	0	0
(b)	Other - Individuals	0	0	0	0	0	0	0	0
(c)	Bodies Corp.	0	0	0	0	0	0	0	0
(d)	Banks / FI	0	0	0	0	0	0	0	0
(e)	Any Other	0	0	0	0	0	0	0	0
	<b>Sub-total (A) (2)</b>	0	0	0	0	0	0	0	0
	<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	0	10000	10000	100	0	10000	10000	100
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
(a)	Mutual Funds	0	0	0	0	0	0	0	0
(b)	Banks / FI	0	0	0	0	0	0	0	0
(c)	Central Govt	0	0	0	0	0	0	0	0
(d)	State Govt(s)	0	0	0	0	0	0	0	0
(e)	Venture Capital Funds	0	0	0	0	0	0	0	0
(f)	Insurance Companies	0	0	0	0	0	0	0	0
(g)	FIs	0	0	0	0	0	0	0	0
(h)	Foreign Venture Capital Funds	0	0	0	0	0	0	0	0
(i)	Others (specify)	0	0	0	0	0	0	0	0
	<b>Sub-total (B)(1):-</b>	0	0	0	0	0	0	0	0



2. Non-Institutions											
(a)	Bodies Corp.	(i) Indian	0	0	0	0	0	0	0	0	0
		(ii) Overseas	0	0	0	0	0	0	0	0	0
(b)	Individuals:	(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	0	0	0	0	0	0	0	0
		(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0	0	0	0	0	0
(c)	Others (specify)	(i) Trusts	0	0	0	0	0	0	0	0	0
		(ii) Non-Resident Indians	0	0	0	0	0	0	0	0	0
		(iii) Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
		(iv) Clearing Members	0	0	0	0	0	0	0	0	0
		Sub-total (B)(2)	0	0	0	0	0	0	0	0	0
Total Public Shareholding (B)=(B)(1)+(B)(2)		0	0	0	0	0	0	0	0	0	
C.	Shares held by Custodian for GDRs & ADRs		0	0	0	0	0	0	0	0	0
		Grand Total (A+B+C)	0	10000	10000	100	100	10000	10000	10000	100

ii) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year [As on 31-March-2016]				Shareholding at the end of the year [As on 31-March-2017]				% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares		
1	Hutbown Limited along with beneficial owners	10000	100.00%	0	10000	100.00%	0	0	0	
	<b>Total</b>	<b>10000</b>	<b>100.00%</b>	<b>0</b>	<b>10000</b>	<b>100.00%</b>	<b>0</b>	<b>0</b>	<b>0</b>	



(iii) Change in Promoters' Shareholding (please specify, if there is no change)

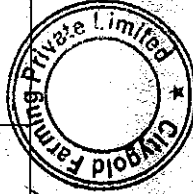
SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	<b>Hubtown Limited along with beneficial owners (No changes in the shareholding during the year)</b>				
	At the beginning of the year (April 01, 2016)	10000	100.00%	10000	100.00%
	Date wise Increase / Decrease in the Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year(March 31, 2017)	-	-	10000	100.00%

iv) Shareholding Pattern of top ten Shareholders:  
(Other than Directors, Promoters and Holders of GDRs and ADRs):

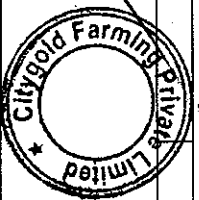
SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the Company
	Nil	-	-	-	-

v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the Company
1)	<b>Mr. Praphul Shinde (Director)</b>				
	At the beginning of the year(April 01, 2016)	-	-	-	-
	Date wise Increase / Decrease in the Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year(March 31, 2017)	-	-	-	-
2)	<b>Mr. Suhaas Dumbre (Director)(upto August 22, 2016)</b>				
	At the beginning of the year(April 01, 2016)	-	-	-	-
	Date wise Increase / Decrease in the Shareholding	-	-	-	-



SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year	Cumulative Shareholding during the year		
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the Company
	during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)				
	At the end of the year(March 31, 2017)	-	-	-	-
3)	<b>Mr. Kamal Matalia (Director)</b>				
	At the beginning of the year(April 01, 2016)	-	-	-	-
	Date wise Increase / Decrease in the Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)				
	At the end of the year(March 31, 2017)	-	-	-	-
4)	<b>Mr. Hemant M. Shah (Additional Director) (w.e.f. January 02, 2017)</b>				
	At the beginning of the year(April 01, 2016)				
	Date wise Increase / Decrease in the Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)				
	At the end of the year(March 31, 2017)				
5)	<b>Mr. Vyomesh M. Shah (Additional Director) (w.e.f. January 02, 2017)</b>				
	At the beginning of the year(April 01, 2016)				
	Date wise Increase / Decrease in the Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)				
	At the end of the year(March 31, 2017)				
6)	<b>Mr. Khilen V. Shah (Additional Director) (upto January 03, 2017)</b>				
	At the beginning of the year(April 01, 2016)				
	Date wise Increase / Decrease in the Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)				
	At the end of the year(March 31, 2017)				
7)	<b>Mr. Rushank V. Shah (Additional Director) (upto January 03, 2017)</b>				
	At the beginning of the year(April 01, 2016)				



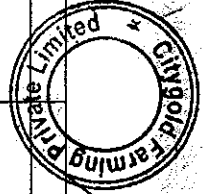
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SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the Company
	Date wise Increase / Decrease in the Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)				
	At the end of the year(March 31, 2017)				
8)	<b>Mr. Kushal H. Shah (Additional Director) (upto January 03, 2017)</b>				
	At the beginning of the year(April 01, 2016)				
	Date wise Increase / Decrease in the Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)				
	At the end of the year(March 31, 2017)				
9)	<b>Mr. Rajeevan Paramban (Director) (w.e.f. August 22, 2016)</b>				
	At the beginning of the year(April 01, 2016)				
	Date wise Increase / Decrease in the Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)				
	At the end of the year(March 31, 2017)				

**V) INDEBTEDNESS -**

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-
<b>Change in Indebtedness during the financial year</b>				
* Addition	-	-	-	-
* Reduction	-	-	-	-
<b>Net Change</b>	-	-	-	-

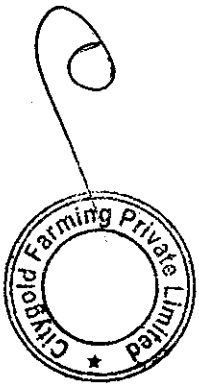


	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the end of the financial year</b>	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL.**

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1	Gross salary	-	-
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under Section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission - as % of profit - others, specify...	-	-
5	Others, please specify	-	-
	<b>Total (A)</b>	-	-
	Ceiling as per the Act	-	-



B. Remuneration to other directors:

SN	Particulars of Remuneration	Name of Directors										Total Amount		
		Mr. Praphul Shinde	Mr. Suhaas Dumbre (upto August 22, 2016)	Mr. Kamal Matalia	Mr. Hemant Shah (w.e.f. January 02, 2017)	Mr. Vyomesh Shah (w.e.f. January 02, 2017)	Mr. Khilen Shah (upto January 03, 2017)	Mr. Rajeevan Paramban (w.e.f. August 22, 2016)	Mr. Rushank Shah (upto January 03, 2017)	Mr. Kushal Shah (upto January 03, 2017)				
1	Independent Directors	-	-	-	-	-	-	-	-	-	-	-	-	-
	Fee for attending Board/Committee meetings	-	-	-	-	-	-	-	-	-	-	-	-	-
	Commission	-	-	-	-	-	-	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total (1)</b>	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Other Non-Executive Directors	-	-	-	-	-	-	-	-	-	-	-	-	-
	Fee for attending Board/Committee meetings	-	-	-	-	-	-	-	-	-	-	-	-	-
	Commission	-	-	-	-	-	-	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total (2)</b>	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total (B) = (1+2)</b>	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-	-	-	-	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-	-	-	-	-	-	-	-	-

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		
		CEO	Company Secretary	CFO
1	Gross salary	-	-	-
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	<b>Total</b>	-	-	-

(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961

(b) Value of perquisites u/s 17(2) Income-tax Act, 1961



6




		(c) Profits in lieu of salary under Section 17(3) Income-tax Act 1961	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission	-	-	-	-	-
	- as % of profit	-	-	-	-	-
	others, specify...	-	-	-	-	-
5	Others, please specify	-	-	-	-	-
	Total	-	-	-	-	-


**VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B. DIRECTORS</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For and on behalf of the Board

  
Praphat Shinde  
Director

DIN: 03140671

  
Rajeevan Paramban  
Director

DIN: 03141200

Place: Mumbai

Date: August 05, 2017





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

**L. J. KOTHARI & CO.**

**CHARTERED ACCOUNTANTS**

GANDHI MANSION, 3<sup>RD</sup> 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 CITYGOLD FARMING PRIVATE LIMITED

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of CITYGOLD FARMING PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2017 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 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 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, 2017, 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.

### Emphasis of Matter

Attention is invited to Note 4 in the financial statements with regards to the Company's investment in subsidiary Asha Multitrade Private Limited, carried at Rs. 15 Crore in the balance sheet as at March 31st, 2017. We are unable to obtain sufficient appropriate audit evidence with regards value of such long term investment. Consequently, we are unable to state whether any provision for diminution is required to recognize decline in value of investment, if any.

P

Our opinion is not qualified with respect to this matter.

### Other Matter

The financial information of the Company for the year ended 31<sup>st</sup> March, 2016 and the transition date opening balance sheet as at 01<sup>st</sup> April, 2015 included in these financial statements, are based on the previously issued statutory financial statements for the years ended 31<sup>st</sup> March, 2016 and 31<sup>st</sup> March, 2015 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an unmodified opinion dated 19th May, 2016 and 19th May, 2015 respectively. The adjustments to those financial statements for the differences in accounting policies adopted by the Company on transition have been audited by us.

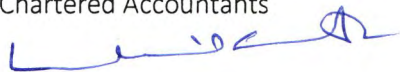
### Report on Other Legal and Regulatory Requirements

- I. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of 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;



- (e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 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 contract 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; and
  - iv. The Company has provided requisite disclosures in its Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016 on the basis of information available with the company. Based on audit procedures, and relying on management's representation, we report that disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the management. – Refer Note 32.

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



LALIT KOTHARI  
Partner  
Membership No.: 30917



Place: Mumbai  
Date : 05<sup>th</sup> August, 2017

**ANNEXURE "A" REFERRED TO IN OUR REPORT TO THE MEMBERS OF CITYGOLD FARMING PRIVATE LIMITED ON THE INDEBITOR'S ASSETS AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017;**

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) The Company does not own any immovable property therefore provision of clause 3(I)(c) of the said order are not applicable;
- (ii) The physical verification of inventory has been conducted at the reasonable intervals by the management during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been appropriately dealt with in the books of accounts;
- (iii) 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 under section 189 of the Companies Act, 2013 ('the Act'). Therefore, provision of clause 3(iii), 3(iii)(a), 3(iii)(b), 3(iii)(c) of the said order are not applicable to the company;
- (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. 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, Therefore the provisions of clause 3 (v) of the Companies (Auditors Report) Order, 2016 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;
- (vii)
  - (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, except for dues in respect of Tax deducted at Source, Service tax and Interest on tax payable, the Company is generally regular in depositing undisputed statutory dues, including Value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. There was an amount of Tax deducted at Source of ₹2,43,744/-, Service tax of ₹ 11,15,314/- and Interest on tax payable ₹2,98,950/- is outstanding as 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, Wealth Tax, Service Tax, Custom Duty, Excise Duty or Cess other than mentioned below:



Name of the statute	Nature of dues	Period to which the amount relates (F.Y.)	Amount (₹)	Amount Paid (₹)	Balance Amount (₹)	Forum where the dispute is pending
Income Tax Act, 1961	143 (3)	2009-10	14,40,09,320	2,15,74,692	12,24,34,628	Commissioner of Income tax (appeals)
Income Tax Act, 1961	271 (1)(c)	2009-10	Amount not ascertainable	-	-	Dy. Commissioner of Income tax
Income Tax Act, 1961	143 (3)	2012-13	97,070		97,070	Dy. Commissioner of Income tax

- (viii) As the Company does not have any loans or borrowings from any financial institution or bank or Government, nor has it issued any debentures 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. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- (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 or provided managerial remuneration during the year and 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) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company;
- (xiii) The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Ind AS 24, Related Party Disclosures specified under section 133 to 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, the provision of clause 3(xiv) of the Companies (Auditors Report) Order, 2016 are 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 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.

**L.J. KOTHARI & CO**

Firm Registration No. 105313W

Chartered Accountants



**LALIT KOTHARI**

Partner

Membership No.: 30917

Place: Mumbai

Date : 05<sup>th</sup> August, 2017



## **“ANNEXURE B” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF CITYGOLD FARMING 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 CITYGOLD FARMING PRIVATE LIMITED (“the Company”) as of 31st March, 2017 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 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 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, 2017, 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 : 5<sup>th</sup> August, 2017

CITYGOLD FARMING PRIVATE LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2017

Particulars	Note No.	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹	As at 1st April, 2015 ₹
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
(a) Property, plant and equipment	3	41,131	82,263	1,23,395
(b) Financial assets				
Investments	4	15,00,10,000	15,00,16,000	15,00,16,000
(c) Current tax assets (Net)	5	2,20,02,393	93,57,437	43,98,170
(d) Other non-current assets	6	1,24,72,000	1,26,98,190	1,34,14,190
<b>Total Non-Current assets</b>		<b>18,45,25,524</b>	<b>17,21,53,890</b>	<b>16,79,51,755</b>
<b>Current assets</b>				
(a) Inventories	7	1,03,05,82,241	1,07,92,63,310	1,17,61,16,286
(b) Financial assets				
(i) Trade receivables	8	51,11,766	21,09,460	19,92,468
(ii) Cash and cash equivalents	9	29,68,740	81,065	23,40,447
(iii) Loans	10	-	12,51,067	-
(iv) Other financial assets	11	9,47,05,224	9,14,05,089	12,47,50,955
(c) Other current assets	12	15,03,15,012	14,04,33,882	13,06,43,382
<b>Total Current Assets</b>		<b>1,28,36,82,983</b>	<b>1,31,45,43,873</b>	<b>1,43,58,43,538</b>
<b>TOTAL ASSETS</b>		<b>1,46,82,08,507</b>	<b>1,48,66,97,763</b>	<b>1,60,37,95,293</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity share capital	13	2,59,75,000	2,59,75,000	2,59,75,000
(b) Other equity	14	18,41,44,650	20,33,05,936	23,24,33,900
<b>Total Equity</b>		<b>21,01,19,650</b>	<b>22,92,80,936</b>	<b>25,84,08,900</b>
<b>Liabilities</b>				
<b>Non-Current Liabilities</b>				
<b>Financial Liabilities</b>				
Other Financial Liabilities	15	19,16,867	65,29,611	45,22,986
<b>Total Non-Current Liabilities</b>		<b>19,16,867</b>	<b>65,29,611</b>	<b>45,22,986</b>
<b>Current Liabilities</b>				
(a) Financial Liabilities				
(i) Trade payables	16	44,01,116	4,59,686	4,59,686
(ii) Other financial liabilities	17	1,12,44,54,082	1,19,91,51,086	1,33,97,91,262
(b) Other current liabilities	18	12,73,16,792	5,12,76,444	2,15,930
(c) Current tax Liabilities (Net)	19	-	-	3,96,529
<b>Total Current Liabilities</b>		<b>1,25,61,71,990</b>	<b>1,25,08,87,216</b>	<b>1,34,08,63,407</b>
<b>Total Liabilities</b>		<b>1,25,80,88,857</b>	<b>1,25,74,16,827</b>	<b>1,34,53,86,393</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,46,82,08,507</b>	<b>1,48,66,97,763</b>	<b>1,60,37,95,293</b>

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: 5th August, 2017

For and on behalf of the Board of Directors

ERAPHUL SHINDE  
Director  
DIN: 03140671

RAJEEVAN PARAMBAN  
Director  
DIN: 03141200



Mumbai  
Date: 5th August, 2017

CITYGOLD FARMING PRIVATE LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	Note No.	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
<b>I INCOME</b>			
Revenue from Operations	20	3,55,85,394	7,16,75,267
Other Income	21	2,00,000	4,25,000
Share of Profit / (Loss) of Joint Ventures		4,435	(5,460)
<b>TOTAL INCOME</b>		<b>3,57,89,829</b>	<b>7,20,94,807</b>
<b>II Expenses</b>			
Costs of Construction / Development	22	39,54,558	-
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	23	4,33,02,583	9,68,52,976
Finance Costs	24	3,29,981	2,01,818
Depreciation and Amortisation Expenses	25	41,132	41,132
Other Expenses	26	73,22,861	41,36,541
<b>TOTAL EXPENSES</b>		<b>5,49,51,115</b>	<b>10,12,32,467</b>
<b>Profit before Tax</b>		<b>(1,91,61,286)</b>	<b>(2,91,37,660)</b>
Tax Expense			9,696
Excess / (Short) provision for taxation in respect of earlier years		-	9,696
<b>Profit / (Loss) for the year</b>		<b>(1,91,61,286)</b>	<b>(2,91,27,964)</b>
<b>Other Comprehensive Income</b>		-	-
<b>Total Comprehensive Income for the year</b>		<b>(1,91,61,286)</b>	<b>(2,91,27,964)</b>
<b>Earning per equity share of nominal value of ₹ 10/- each (in Rupees)</b>	27		
Basic		(1,916.13)	(2,912.80)
Diuted		(1,916.13)	(2,912.80)

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



For and on behalf of the Board of Directors

**PRAPHUL SHINDE**

Director

DIN: 03140671



**RAJEEVAN PARAMBAN**

Director

DIN: 03141200

Mumbai

Date: 5th August, 2017

Mumbai

Date: 5th August, 2017

## CITYGOLD FARMING PRIVATE LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	31st March, 2017 ₹	31st March, 2016 ₹
<b>I. CASH FLOWS ARISING FROM OPERATING ACTIVITIES</b>		
Net profit / (loss) before taxation as per Statement of Profit and Loss	(1,91,61,286)	(2,91,37,660)
<b>Add / (Less) :</b>		
Depreciation and amortisation	41,132	41,132
Liabilities written back	(20,610)	(15,67,900)
Interest paid	48,807	47,470
Share of loss from Partnership Firm and Joint venture	(4,435)	5,460
Advances and other debit balance written off	-	8,45,866
	<b>64,894</b>	<b>(6,27,972)</b>
<b>Operating profit before working capital changes</b>	<b>(1,90,96,392)</b>	<b>(2,97,65,632)</b>
<b>Add / (Less) :</b>		
(Increase)/ Decrease in inventories	4,86,81,069	9,68,52,976
(Increase) / Decrease in trade and other receivables	(1,59,57,381)	2,33,08,508
Increase / (Decrease) in trade and other payables	6,92,640	(8,60,05,137)
Direct taxes paid	(1,26,44,956)	(53,46,100)
	<b>2,07,71,372</b>	<b>2,88,10,247</b>
<b>Net cash flow from operating activities</b>	<b>16,74,980</b>	<b>(9,55,385)</b>
<b>II. CASH FLOWS ARISING FROM INVESTING ACTIVITIES</b>		
<b>Inflow / (Outflow) on account of :</b>		
Sale / (Purchase) of fixed assets	-	-
Decrease/ (increase) in loans given	12,51,067	(12,51,067)
Share of loss from Partnership Firm and Joint venture	4,435	(5,460)
Acquisition of current investment	6,000	-
<b>Net cash flow from investing activities</b>	<b>12,61,502</b>	<b>(12,56,527)</b>
<b>III. CASH FLOWS ARISING FROM FINANCING ACTIVITIES</b>		
<b>Inflow / (Outflow) on account of :</b>		
Finance costs paid	(48,807)	(47,470)
<b>Net cash flow from financing activities</b>	<b>(48,807)</b>	<b>(47,470)</b>
<b>Net increase in cash and cash equivalents ( I + II + III )</b>	<b>28,87,675</b>	<b>(22,59,382)</b>
<b>Add: Balance at the beginning of the year</b>	<b>81,065</b>	<b>23,40,447</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>29,68,740</b>	<b>81,065</b>
<b>Components of cash and cash equivalents (Refer Note 9)</b>		
Cash on hand	83,740	75,207
Balances with Banks		
- in Current accounts	28,85,000	5,858
<b>TOTAL</b>	<b>29,68,740</b>	<b>81,065</b>

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.

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



For and on behalf of the Board of Directors



  
PRAPHUL SHINDE  
Director

DIN: 03140671

  
RAJEEVAN PARAMBAN  
Director

DIN: 03141200

Mumbai  
Date: 5th August, 2017

Mumbai  
Date: 5th August, 2017

CITYGOLD FARMING PRIVATE LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2017

	Equity Share Capital	Securities Premium reserve	Retained Earnings	Total
Balance at 1st April, 2015	2,59,75,000	28,46,25,000	(5,21,91,100)	25,84,08,900
Total Comprehensive Income for the Year	-	-	(2,91,27,964)	(2,91,27,964)
Balance at 1st April, 2016	2,59,75,000	28,46,25,000	(8,13,19,064)	22,92,80,936
Total Comprehensive Income for the Year	-	-	(1,91,61,286)	(1,91,61,286)
Balance at 31st March, 2017	2,59,75,000	28,46,25,000	(10,04,80,350)	21,01,19,650

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: 5th August, 2017

For and on behalf of the Board of Directors

**PRAPHULSHINDE**  
Director  
DIN: 03140671



**RAJEEVAN PARAMBAN**  
Director  
DIN: 03141200

Mumbai  
Date: 5th August, 2017

**1 Company Overview**

Citygold Farming private Limited is a private limited Company domiciled in India, incorporated under the Companies Act, 1956. The main object of the company is to acquire by purchase, lease or otherwise, agricultural land for farming, to establish and run farms and to Construct, erect, acquire, equip, lease, furnish, convert, adapt, improve, develop, operate & manage all sorts of Agricultural Parks, Industrial Parks, Special Economic Zone & related infrastructure facilities, commercial & social infrastructure facilities & amenities.

The financial statements are approved for issue by the Company's Board of Directors on 5th August, 2017.

**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 no. 41

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 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:

**An asset is classified as current when:**

- \* It is expected to be realised or intended to sold or consumed in normal operating cycle
- \* It is held primarily for the purpose of trading
- \* It is expected to be realised within twelve months after the reporting period, or
- \* 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 :**

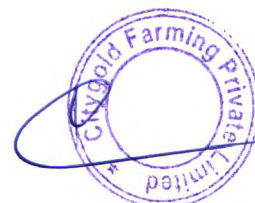
- \* It is expected to be settled in normal operating cycle
- \* It is held primarily for the purpose of trading
- \* It is due to be settled within twelve months after the reporting period, or
- \* There is no unconditional right to defer the settlement of the liability for at least twelve months after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



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**2.1 Revenue Recognition****A. Revenue from Sale of Land**

Revenue from sale of land is recognised on transfer of all significant risks and rewards of ownership of such land, 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 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.

**D. 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.

**2.2 Property Plant And Equipment And Depreciation**

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)
Furniture & Fixtures	10
Office Equipments	5

**2.3 Investments**

Investments are classified into Current and Non Current/Investments. Current Investments are stated at fair value. Non-current investments are stated at amortised cost.

**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.



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**(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 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.

**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 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.



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**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 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 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 Inventories**

All inventories are stated at Cost or Net Realizable Value, whichever is lower.

'Incomplete Projects' include cost of land 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.

Cost included in inventory include costs incurred upto the completion of the project viz. cost of land, 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 statement of Profit and Loss Account.



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**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 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.

**2.10.1 Critical accounting judgements and estimates**

**a. Property, plant and equipment**

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.

**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.



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CITYGOLD FARMING PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

Note 3. Property, plant and equipment

	Furniture and Fixtures	Office Equipment	Total
<b>Cost or deemed cost</b>			
<b>Balance at 1st April, 2015</b>	5,17,500	6,30,000	11,47,500
Additions	-	-	-
Disposals	-	-	-
Transfers	-	-	-
<b>Balance at 31st March, 2016</b>	5,17,500	6,30,000	11,47,500
<b>Accumulated depreciation</b>			
<b>Balance at 1st April, 2015</b>	3,94,105	6,30,000	10,24,105
Eliminated on disposal of assets	-	-	-
Depreciation expense	41,132	-	41,132
<b>Balance at 31st March, 2016</b>	4,35,237	6,30,000	10,65,237
<b>Carrying amount as on 31st March, 2016</b>	82,263	-	82,263
	Furniture and Fixtures	Office Equipment	Total
<b>Cost or deemed cost</b>			
<b>Balance at 31st March, 2016</b>	5,17,500	6,30,000	11,47,500
Additions	-	-	-
Disposals	-	-	-
<b>Balance at 31st March, 2017</b>	5,17,500	6,30,000	11,47,500
<b>Accumulated depreciation</b>			
<b>Balance at 31st March, 2016</b>	4,35,238	6,30,000	10,65,238
Eliminated on disposal of assets	-	-	-
Depreciation expense	41,132	-	41,132
<b>Balance at 31st March, 2017</b>	4,76,369	6,30,000	11,06,369
<b>Carrying amount as at 31st March 2017</b>	41,131	-	41,131



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CITYGOLD FARMING PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹	As at 1st April, 2015 ₹
<b>Note 4. Investments</b>			
(Trade, unless otherwise specified)			
<b>A) Investment in equity instruments (Unquoted)</b>			
150,000 Equity shares of face value of ₹10/- each	15,00,00,000	15,00,00,000	15,00,00,000
<b>Asha Multitrade Private limited (Refer footnote)</b>			
<b>Footnote:</b>			
The Company has invested Rs. 15,00,00,000 in Asha Multitrade Private limited and thereby holds 93.75 % of Equity Share Capital of the said company. The financial statements as on 31st March 2017 of the investee company are not available. However, the management is of the view that there is no permanent diminution in value of its long term investment. Considering the representations made available, the Company has opted for exemption from preparing consolidated financial statements as per 4(a) of Ind AS 110 - Consolidated financials statement.			
<b>B) Capital Investment in Partnership Firms and Joint Venture</b>			
<b>a) Capital Investment in Partnership Firm</b>			
M/s Rising Glory Developers	10,000	10,000	10,000
<b>b) Capital Investment in Joint Venture</b>			
Town Planning Fintrade JV	-	6,000	6,000
<b>TOTAL</b>	<b>15,00,10,000</b>	<b>15,00,16,000</b>	<b>15,00,16,000</b>

Details of Investments made in capital of Partnership firm and Joint Venture:

a) Partnership Firm

M/s Rising Glory Developers

Particulars	31st March, 2017	31st March, 2016	1st April, 2015
	Profit Sharing Ratio	Profit Sharing Ratio	Profit Sharing Ratio
1 Hubtown Limited	20.00%	20.00%	4.78%
2 Ackruti Safeguard System Private Limited	5.33%	5.33%	4.76%
3 Citygold Education Research Limited	5.33%	5.33%	4.76%
4 Citygold Farming Private Limited	5.33%	5.33%	4.76%
5 Diviniti Projects Private Limited	5.33%	5.33%	4.76%
6 Halitious Developers Limited	5.33%	5.33%	4.76%
7 Headland Farming Private Limited	5.33%	5.33%	4.76%
8 Heddle Knowledge Private Limited	5.33%	5.33%	4.76%
9 Heet Builders Private Limited	5.33%	5.33%	4.77%
10 Twenty Five South Realty Limited	-	-	4.76%
11 Hubtown Bus Terminal (Adajan) Private Limited	-	-	4.76%
12 Hubtown Bus Terminal (Ahemdabad) Private Limited	-	-	4.76%
13 Hubtown Bus Terminal (Mehsana) Private Limited	-	-	4.76%
14 Hubtown Bus Terminal (Surat) Private Limited	-	-	4.76%
15 Hubtown Bus Terminal (Vadodara) Private Limited	-	-	4.76%
16 Subhsiddhi Builders Private Limited	5.33%	5.33%	-
17 Joynest Premises Private Limited	-	-	4.76%
18 Sunstream City Private Limited	10.66%	10.66%	4.77%
19 Upvan lake Resort Private Limited	5.33%	5.33%	4.76%
20 Vega Developers Private Limited	5.33%	5.33%	4.76%
21 Whitebud Developers Limited	5.33%	5.33%	4.76%
22 Yantti Buildcon Private Limited	5.33%	5.33%	4.76%
22 Yantti Buildcon Private Limited	5.33%	5.33%	4.76%
<b>Total Capital of the firm in ₹</b>	<b>1,50,000</b>	<b>1,50,000</b>	<b>2,10,000</b>

b) Joint Venture

Town Planning Fintrade JV

Name of Co- Venturer	31st March, 2017	31st March, 2016	1st April, 2015
	Profit Sharing Ratio	Profit Sharing Ratio	Profit Sharing Ratio
Citygold Education Research Limited	-	60%	60%
Rubix Trading Private Limited	-	40%	40%
<b>Total</b>	<b>-</b>	<b>100%</b>	<b>100%</b>
<b>Total Capital of the Joint Venture in ₹</b>	<b>-</b>	<b>10,000</b>	<b>10,000</b>



CITYGOLD FARMING PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹	As at 1st April, 2015 ₹
<b>Note 5. Current Tax assets and liabilities</b>			
Advance Tax paid	2,34,34,426	1,07,89,437	58,30,170
Less: Provision for Tax	(14,32,033)	(14,32,000)	(14,32,000)
<b>TOTAL</b>	<b>2,20,02,393</b>	<b>93,57,437</b>	<b>43,98,170</b>
<b>Note 6. Other non current assets</b>			
<b>Non-current</b>			
Advances to land owners (Refer Note 32)	1,24,72,000	1,26,98,190	1,34,14,190
Less:- Provision for Doubtful	-	-	-
<b>TOTAL</b>	<b>1,24,72,000</b>	<b>1,26,98,190</b>	<b>1,34,14,190</b>
<b>Note 7. Inventories</b>			
Inventories (lower of cost or net realisable value)			
- Incomplete projects	1,03,05,82,241	1,07,92,63,310	1,17,61,16,286
<b>TOTAL</b>	<b>1,03,05,82,241</b>	<b>1,07,92,63,310</b>	<b>1,17,61,16,286</b>
<b>Note 8. Trade Receivables</b>			
<b>Current</b>			
Unsecured, considered good			
- Other trade receivables	51,11,766	22,01,928	19,92,468
- Doubtful	-	(92,468)	-
<b>TOTAL</b>	<b>51,11,766</b>	<b>21,09,460</b>	<b>19,92,468</b>
<b>Note 9. Cash and cash equivalents</b>			
Balances with banks:			
- in current accounts	28,85,000	5,858	22,74,594
Cash on hand	83,740	75,207	65,853
<b>TOTAL</b>	<b>29,68,740</b>	<b>81,065</b>	<b>23,40,447</b>
<b>10. Loans</b>			
<b>Current</b>			
Loan to others (Unsecured, considered good)	-	12,51,067	-
<b>TOTAL</b>	<b>-</b>	<b>12,51,067</b>	<b>-</b>
<b>Note 11. Other financial assets</b>			
<b>Current</b>			
Project Advances to related parties (Refer Note 39)	23,41,000	-	-
Current Account Balances in Partnership Firms	19,99,635	-	-
Advances for Projects	8,83,34,500	8,93,75,000	12,18,75,000
Other Advances and Receivables			
Advances recoverable from others	4,79,169	4,79,169	4,79,169
Other receivables (Other than Trade Receivables)	15,50,920	15,50,920	23,96,786
<b>TOTAL</b>	<b>9,47,05,224</b>	<b>9,14,05,089</b>	<b>12,47,50,955</b>
<b>Note 12. Other current assets</b>			
<b>Current</b>			
Advances to land owners (Refer Note 32)	15,03,15,012	14,04,33,882	13,06,43,382
<b>TOTAL</b>	<b>15,03,15,012</b>	<b>14,04,33,882</b>	<b>13,06,43,382</b>



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**Note 13. Equity share capital****Authorised Share Capital:**

	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹	As at 1st April, 2015 ₹
10,000 (As at 31st March, 2016: 10,000; As at 1st April, 2015: 10,000) Equity Shares of ₹ 10/- each	1,00,000	1,00,000	1,00,000
9,99,000 (As at 31st March, 2016: 9,99,000; As at 1st April, 2015: 9,99,000) 8% Non Cumulative Convertible Preference Shares of ₹ 100/- each	9,99,00,000	9,99,00,000	9,99,00,000
<b>TOTAL</b>	<b>10,00,00,000</b>	<b>10,00,00,000</b>	<b>10,00,00,000</b>

**Issued and subscribed capital comprises:**

	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹	As at 1st April, 2015 ₹
10,000 (As at 31st March, 2016: 10,000; As at 1st April, 2015: 10,000) Equity Shares of ₹ 10/- each	1,00,000	1,00,000	1,00,000
2,58,750 (As at 31st March, 2016: 2,58,750; As at 1st April, 2015: 2,58,750) 8% Non Cumulative Convertible Preference Shares of ₹ 100/- each	2,58,75,000	2,58,75,000	2,58,75,000
<b>TOTAL</b>	<b>2,59,75,000</b>	<b>2,59,75,000</b>	<b>2,59,75,000</b>

**Footnotes:****(i) Reconciliation of the number of Equity shares outstanding at the beginning and at the end of the year**

	Number of shares Nos.	Share Capital ₹
Balance at 1st April, 2015	10,000	1,00,000
Add : Issued during the year	-	-
Less : Bought back during the year	-	-
Balance at 31st March, 2016	10,000	1,00,000
Add : Issued during the year	-	-
Less : Bought back during the year	-	-
<b>Balance at 31st March, 2017</b>	<b>10,000</b>	<b>1,00,000</b>

**(ii) Reconciliation of the number of Preference shares outstanding at the beginning and the end of the year**

	Number of shares Nos.	Share Capital ₹
Balance at 1st April, 2015	2,58,750	2,58,75,000
Add : Issued during the year	-	-
Less : Bought back during the year	-	-
Balance at 31st March, 2016	2,58,750	2,58,75,000
Add : Issued during the year	-	-
Less : Bought back during the year	-	-
<b>Balance at 31st March, 2017</b>	<b>2,58,750</b>	<b>2,58,75,000</b>

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

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	No of shares held	% holding	No of shares held	% holding	No of shares held	% holding
<b>Fully paid equity shares</b>						
Hubtown Limited with Beneficiary Owners	10,000	100%	10,000	100%	10,000	100%
<b>TOTAL</b>	<b>10,000</b>	<b>100%</b>	<b>10,000</b>	<b>100%</b>	<b>10,000</b>	<b>100%</b>

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	No of shares held	% holding	No of shares held	% holding	No of shares held	% holding
<b>Fully paid preference shares</b>						
Harmony Energy Pvt. Ltd.	20,900	8.08%	20,900	8.08%	20,900	8.08%
Alken Management and Financial Services Pvt. Ltd.	20,900	8.08%	20,900	8.08%	20,900	8.08%
Priority Traders Pvt.Ltd.	20,900	8.08%	20,900	8.08%	20,900	8.08%
Shree Ganesh Spinners Ltd.	29,200	11.29%	29,200	11.29%	29,200	11.29%
Tac Technosoft Private Limited	16,700	6.45%	16,700	6.45%	16,700	6.45%
Hindustan Continental Limited	37,500	14.49%	37,500	14.49%	37,500	14.49%
Epson Trading Pvt. Ltd.	33,400	12.91%	33,400	12.91%	33,400	12.91%
Lilac Medicines Private Ltd.	16,700	6.45%	16,700	6.45%	16,700	6.45%
Harekrishna Securities Pvt. Ltd.	41,700	16.12%	41,700	16.12%	41,700	16.12%
Nextgen Infotel Pvt. Ltd.	8,350	3.23%	-	-	-	-
Albright Electricals Private Ltd.	12,500	4.83%	-	-	-	-
Others	-	-	20,850	8.06%	20,850	8.06%
<b>TOTAL</b>	<b>2,58,750</b>	<b>100%</b>	<b>2,58,750</b>	<b>100%</b>	<b>2,58,750</b>	<b>100%</b>

**(iv) The rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital:****Equity Share**

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.

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.

**Preference Shares**

8% Non cumulative convertible Preference Shares of ₹100 each. The Preference Shares of the Company shall be converted into fully paid equity shares of the Company on or after 1st April, 2012 or on such other date as may be decided by Board of Directors of the Company by exercising a call option vested in the Company for conversion of the Preference Shares on such terms and conditions as the Board of Directors may deem fit. However the Board of Directors has not exercise a call option as on 31st March, 2017.



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CITYGOLD FARMING PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹	As at 1st April, 2015 ₹
<b>Note 14. Other Equity</b>			
<b>Securities premium reserve</b>			
Balance at the beginning of the year	28,46,25,000	28,46,25,000	28,46,25,000
Add / (Less) :	-	-	-
Premium on account of shares allotted during the year	-	-	-
<b>Balance at the end of the year</b>	<b>28,46,25,000</b>	<b>28,46,25,000</b>	<b>28,46,25,000</b>
<b>Retained Earnings</b>			
Balance at the beginning of the year	(8,13,19,064)	(5,21,91,100)	(5,21,91,100)
Profit attributable to the owners of the company	(1,91,61,286)	(2,91,27,964)	-
<b>Balance at the end of the year</b>	<b>(10,04,80,350)</b>	<b>(8,13,19,064)</b>	<b>(5,21,91,100)</b>
<b>TOTAL</b>	<b>18,41,44,650</b>	<b>20,33,05,936</b>	<b>23,24,33,900</b>

**Note 15: Other non current liabilities**

**Non-current**

Security Deposits	16,29,104	15,80,296	-
Advance rentals	2,87,763	4,26,329	-
Outstanding payables against Land purchased	-	45,22,986	45,22,986
<b>TOTAL</b>	<b>19,16,867</b>	<b>65,29,611</b>	<b>45,22,986</b>

**Note 16. Trade payables**

Dues to MSME (Refer Footnote)	-	-	-
Dues to Others	44,01,116	4,59,686	4,59,686
<b>TOTAL</b>	<b>44,01,116</b>	<b>4,59,686</b>	<b>4,59,686</b>

**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 2008 (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 Financial Liabilities**

Interest accrued and due on borrowings	-	-	2,46,655
Advances received from body corporates for projects	15,00,00,000	15,00,00,000	15,00,00,000
Advance received from others	60,00,00,000	66,08,00,000	66,79,00,000
Business advances from related party (Refer Note 39)	36,15,08,295	3,34,87,923	17,09,37,923
Current account balance in firms and joint ventures	-	34,75,11,800	34,75,07,300
Security deposits (Refundable)	15,00,000	15,00,000	25,21,505
Advance rentals	-	-	5,64,895
Other payables	1,14,45,787	58,51,363	1,12,984
<b>TOTAL</b>	<b>1,12,44,54,082</b>	<b>1,19,91,51,086</b>	<b>1,33,97,91,262</b>

**Note 18. Other Liabilities**

**Current**

Advance from customers	12,49,33,500	4,92,00,000	-
Overdrawn bank balances as per books of accounts	-	14,82,064	-
Other payables :			
- Statutory dues	23,83,292	5,94,380	2,15,930
<b>TOTAL</b>	<b>12,73,16,792</b>	<b>5,12,76,444</b>	<b>2,15,930</b>

**Note 19. Current Tax assets and liabilities**

Provision for Tax	-	-	10,54,300
Less: Advance Tax paid	-	-	(6,57,771)
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>3,96,529</b>

**Significant Estimates:**

In calculating the tax expense for the current period, the group has treated certain expenditures as being deductible for tax purposes.



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CITYGOLD FARMING PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

Note 20. Revenue from operations

	As at 31 March, 2017 ₹	As at 31 March, 2016 ₹
Sale from operations :		
Sale of properties / rights (Net)	2,68,28,750	6,71,68,800
	<b>2,68,28,750</b>	<b>6,71,68,800</b>
Other operating revenue :		
Lease rentals	85,05,000	28,00,000
Amortisation of Advance Lease rentals	1,38,566	1,38,567
Liabilities written back to the extent no longer required	20,610	15,67,900
Provision for doubtful debts written back	92,468	-
	<b>87,56,644</b>	<b>45,06,467</b>
<b>TOTAL</b>	<b>3,55,85,394</b>	<b>7,16,75,267</b>

Note 21. Other income

Miscellaneous income	2,00,000	4,25,000
<b>TOTAL</b>	<b>2,00,000</b>	<b>4,25,000</b>

Note 22. Costs of Construction / Development

Construction costs incurred during the year:		
Land cost	39,54,558	-
<b>TOTAL</b>	<b>39,54,558</b>	<b>-</b>

Note 23. Changes In Inventories Of Incomplete Projects, Finished Properties And FSI

Opening Inventory incomplete projects	1,07,92,63,310	1,17,61,16,286
Less:		
Purchase Return (Land)	26,09,500	-
Expenses incurred on procurement of land (Refer Note 26)	27,68,986	-
	1,07,38,84,824	1,17,61,16,286
Closing Inventory incomplete projects	1,03,05,82,241	1,07,92,63,310
<b>TOTAL</b>	<b>4,33,02,583</b>	<b>9,68,52,976</b>

Note 24. Finance Costs

Interest costs:		
Unwinding of security deposit	48,807	47,470
Delayed/penal interest on loans and statutory dues	2,81,174	1,54,348
<b>TOTAL</b>	<b>3,29,981</b>	<b>2,01,818</b>

Note 25. Depreciation and Amortisation Expenses

Depreciation of property, plant and equipment	41,132	41,132
<b>TOTAL</b>	<b>41,132</b>	<b>41,132</b>

Note 26. Other Expenses

Advances and other debit balances written off	-	8,45,866
Brokerage	5,23,662	20,65,200
Provision for doubtful advances	-	92,468
Bad Debts written off	92,468	-
Municipal Taxes & Land non utilization charges	29,43,444	-
Security Charges	-	3,60,814
Legal and professional fees	6,11,735	6,33,430
Work in progress written off (Land expenses) (Refer Note 23)	27,68,986	-
Other expenses (Refer footnote)	3,82,566	1,38,763
<b>TOTAL</b>	<b>73,22,861</b>	<b>41,36,541</b>

Foot Note:

Auditor Remuneration (Included in the other expenses)

Audit Fees	35,000	35,000
	<b>35,000</b>	<b>35,000</b>



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	Year Ended	Year Ended
	31st March, 2017	31st March, 2016
	₹	₹
<b>Note 27. Earnings per share (EPS)</b>		
Basic earning per share	(1,916.13)	(2,912.80)
Diluted earnings per share*	(1,916.13)	(2,912.80)
<b>Basic EPS</b>		
The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows:		
Profit / (Loss) for the year attributable to the owners of the Company	(1,91,61,286)	(2,91,27,964)
Weighted average number of equity shares for the purposes of basic earnings per share	10,000	10,000
<b>Diluted EPS</b>		
The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows:		
Profit/(Loss) for the year attributable to the owners of	(1,91,61,286)	(2,91,27,964)
Weighted average number of equity shares for the purposes of diluted earnings per share*	10,000	10,000

**Footnote:**

For the purpose of diluted EPS convertible instruments (8% non cumulative convertible preference shares) deem to have been converted into equity shares at the beginning of the period. The conversion ratio has been arrived at on face value basis.

8% non cumulative convertible preference shares could potentially dilute basic earnings per share, hence are not included in the calculation of diluted earnings per share for 2017 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.

**Note 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:

**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.

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.

**Note 29. 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.

**Note 30. Categories of Financial Instruments****Fair Value measurement**

(₹)

	31st March, 2017		31st March, 2016		1st April, 2015	
	FVPL & FVOCI	Amortised Cost	FVPL & FVOCI	Amortised Cost	FVPL & FVOCI	Amortised Cost
<b>Financial Assets</b>						
Investment	-	15,00,10,000	-	15,00,16,000	-	15,00,16,000
Loans	-	-	-	12,51,067	-	-
Trade receivables	-	51,11,766	-	21,09,460	-	19,92,468
Cash and cash equivalent	-	29,68,740	-	81,065	-	23,40,447
Other financial assets	-	9,47,05,224	-	9,14,05,089	-	12,47,50,955
<b>Total of Financial Assets</b>	-	<b>25,27,95,730</b>	-	<b>24,48,62,681</b>	-	<b>27,90,99,870</b>
<b>Financial Liabilities</b>						
Trade payables	-	44,01,116	-	4,59,686	-	4,59,686
Other Financial liabilities	-	1,12,63,70,949	-	1,20,56,80,697	-	1,34,43,14,248
<b>Total of Financial Liabilities</b>	-	<b>1,13,07,72,065</b>	-	<b>1,20,61,40,383</b>	-	<b>1,34,47,73,934</b>



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## NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

**Note 31.** The permission under Bombay Tenancy and Agricultural Land Act (BTAL) from Revenue Department for acquiring Agricultural Land in excess of ceiling limit are subject to conditions imposed by Government which state that the approvals/ permissions under MLR Code, Restoration of Land to ST Act, BTAL Act, Forests Acts, CRZ, NDZ and other similar laws wherever applicable are necessary.

(in ₹)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Advance paid to farmers for which no agreement have been entered	1,24,72,000	1,26,98,191	1,34,14,191
Advances paid to farmers for which agreements have been executed in the name of Company and nominee	15,03,15,012	14,04,33,882	13,06,43,382

**Note 33. Disclosure on Specified Bank Notes (SBNs)**

(in ₹)

Particulars	SBNs*	Other Denomination Notes	Total
Closing Cash in hand as on 8th November, 2016	10,000	59,219	69,219
(+) Permitted Receipts	-	-	-
(-) Permitted Payments	-	-	-
(-) Amount Deposited in Bank	10,000	-	10,000
<b>Closing Cash in hand as on 30th December, 2016</b>	<b>-</b>	<b>59,219</b>	<b>59,219</b>

\* For the purpose of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 340(E), dated the 8th November, 2016.

**Note 34. Contingent Liability (not acknowledged as debt)**

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
<b>Claims against the Company, not acknowledged as debts on account of:</b>			
Income Tax Matter under u/s 143(3) with CIT for the F.Y. 2009-2010 (A.Y. 2010-11)	12,24,34,628	14,40,09,320	14,40,09,320
Income Tax Matter under u/s 271(1)(c) with CIT for the F.Y. 2009-2010 (A.Y. 2010-11)	Amount not ascertainable at present	Amount not ascertainable at present	Nil
Income Tax Matter under u/s 143(3) with CIT for the F.Y. 2012-2013 (A.Y. 2013-14)	97,070	97,070	Nil
Income Tax Matter under u/s 271(1)(c) with CIT for the F.Y. 2012-2013 (A.Y. 2013-14)	Nil	Amount not ascertainable at present	Nil
Income Tax Matter under u/s 143(3) with CIT for the F.Y. 2011-2012 (A.Y. 2012-13)	Nil	2,40,06,150	2,40,06,150
On account of properties purchased pending registration and other formalities under different statutes, for which confirmations are pending, with regards to consideration paid for the purchase of land through aggregator.	Nil	Nil	Amount not ascertainable at present

**Note:** Interest / Penalty that may accrue on original demands are not ascertainable, at present. The company has taken the 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.

**Note 35.** In the opinion of the board of Directors of the Company, all the items of current assets, current liabilities & loans and advances continue to have a realisable value of atleast the amount at which they are stated in the balance sheet.

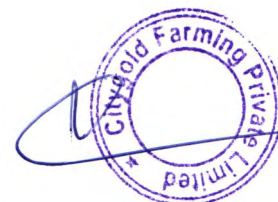
**Note 36.** The company has invested in Town Planning Fintrade JV and agreed to transfer Land admeasuring to 65 Acres (approx.) along with the amounts received against the said land in the earlier years as per the terms and conditions agreed upon.

**Note 37.** The Company is in the process of acquisition of land / properties. Some of the Land purchased standing in the name of nominees of Company pending for necessary permissions from the Revenue Department.

**Note 38.** Debtors, Creditors and Loans and advances include confirmations, reconciliation and adjustments and are considered payable/ realizable, as



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## Note 39. Related party disclosure

## A) Names of Related Parties and description of Relationships

## I Holding Company

Hubtown Limited

## II Fellow Subsidiary Companies

Joynest Premises Private Limited

Heddle Knowledge Private Limited

## III Firm in which the company is partner

M/S Rising Glory Developers

## IV Joint venture

Town Planning Fintrade

Hinterland Fintrade

## V Entities With Joint Control Of, Or Significant Influence Over, the Entity

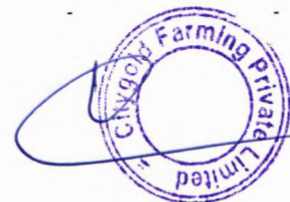
Rubix Trading Private Limited [Subsidiary Of Vinca]

## Footnote:

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

## B) Transactions with Related party

Sr. No.	Nature of Transaction	Holding Company	Others Significant Influence	Key Management Personnel of the Entity	Firm in which Company is a partner
1	<b>Business Advances Received/ Recovered/ Adjusted</b> Hubtown Limited	6,98,49,372	-	-	-
		(2,35,00,000)	(-)	(-)	(-)
		-	34,75,01,000	-	-
	Rubix Trading Private Limited	(-)	(-)	(-)	(-)
2	<b>Business Advances given/ Repaid/ Adjusted</b> Hubtown Limited	8,93,30,000	-	-	-
		(16,09,50,000)	(-)	(-)	(-)
		-	13,00,000	-	-
		(-)	(-)	(-)	(-)
		-	-	-	34,75,01,000
	Citygold Education Research Limited	(-)	(-)	(-)	(-)
	Town Planning Fintrade JV	(-)	(-)	(-)	(-)
	Heddle Knowledge Private Limited	(-)	10,40,500	(-)	(-)
		(-)	(-)	(-)	(-)
3	<b>Share of loss from Joint venture</b> Town Planning Fintrade JV	-	-	-	(-)
		(-)	(-)	(-)	(4,500)
4	<b>Share of profit from Joint venture</b> Town Planning Fintrade JV	-	-	-	4,435
		(-)	(-)	(-)	(-)
5	<b>Share of loss from Partnership Firm</b> Rising Glory Developers	-	-	-	365
		(-)	(-)	(-)	(960)
6	<b>Contribution to Current Account</b> Rising Glory Developers	-	-	-	20,00,000
		(-)	(-)	(-)	(-)
i.	<b>Balances Outstanding</b>		<b>As at</b>	<b>As at</b>	<b>As at</b>
			<b>31st March, 2017</b>	<b>31st March, 2016</b>	<b>31st March, 2015</b>
		Hubtown Limited	1,40,07,295	3,34,87,923	17,09,37,923
		Joynest Premises Private Limited	15,00,00,000	15,00,00,000	15,00,00,000
		Rising Glory Developers	-	10,960	10,000
		Town Planning Fintrade JV	-	34,75,11,800	34,75,07,300
Rubix Trading Private Limited	34,75,01,000	-	-		
ii.	<b>Balances Receivable</b>		<b>As at</b>	<b>As at</b>	<b>As at</b>
			<b>31st March, 2017</b>	<b>31st March, 2016</b>	<b>31st March, 2015</b>
		Citygold Education Research Limited	13,00,500	-	-
		Rising Glory Developers	19,99,635	-	-
		Heddle Knowledge Private Limited	10,40,500	-	-

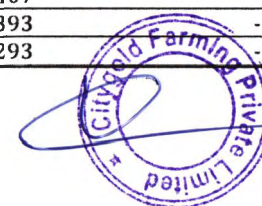
## Note 40. First Time Ind AS Adoption Reconciliations

Effect of Ind AS adoption on the Balance Sheet as at 31st March, 2016 and 1st April, 2015

(in ₹)

Particulars	As at 31st March, 2016 (End of last period presented under previous GAAP)			As at 1st April, 2015 (Date of Transaction)		
	Regrouped Previous GAAP	Effect of Transition to Ind AS	As per Ind AS balance sheet	Regrouped Previous GAAP	Effect of Transition to Ind AS	As per Ind AS balance sheet
<b>Non-Current Assets</b>						
(a) Property, plant and equipment	82,263	-	82,263	1,23,395	-	1,23,395
(b) Financial assets	-	-	-	-	-	-
Investments in firm and joint venture	15,00,16,000	-	15,00,16,000	15,00,16,000	-	15,00,16,000
(c) Current tax assets(net)	93,57,437	-	93,57,437	43,98,170	-	43,98,170
(d) Other non-current assets	1,26,98,190	-	1,26,98,190	1,34,14,190	-	1,34,14,190
<b>Total Non-Current Assets</b>	<b>17,21,53,890</b>	<b>-</b>	<b>17,21,53,890</b>	<b>16,79,51,755</b>	<b>-</b>	<b>16,79,51,755</b>
<b>Current assets</b>						
(a) Inventories	1,07,92,63,310	-	1,07,92,63,310	1,17,61,16,286	-	1,17,61,16,286
(b) Financial assets						
(i) Trade receivables	21,09,460	-	21,09,460	19,92,468	-	19,92,468
(ii) Cash and cash equivalents	81,065	-	81,065	23,40,447	-	23,40,447
(iii) Loans	12,51,067	-	12,51,067	-	-	-
(iv) Other financial assets	9,14,05,089	-	9,14,05,089	12,47,50,955	-	12,47,50,955
(c) Other current assets	14,04,33,882	-	14,04,33,882	13,06,43,382	-	13,06,43,382
<b>Total Current Assets</b>	<b>1,31,45,43,873</b>	<b>-</b>	<b>1,31,45,43,873</b>	<b>1,43,58,43,538</b>	<b>-</b>	<b>1,43,58,43,538</b>
<b>TOTAL ASSETS</b>	<b>1,48,66,97,763</b>	<b>-</b>	<b>1,48,66,97,763</b>	<b>1,60,37,95,293</b>	<b>-</b>	<b>1,60,37,95,293</b>
<b>Equity</b>						
(a) Equity share capital	2,59,75,000	-	2,59,75,000	2,59,75,000	-	2,59,75,000
(b) Other equity	20,32,12,562	93,375	20,33,05,936	23,24,33,900	-	23,24,33,900
<b>Total Equity</b>	<b>22,91,87,562</b>	<b>93,375</b>	<b>22,92,80,936</b>	<b>25,84,08,900</b>	<b>-</b>	<b>25,84,08,900</b>
<b>Non-Current Liabilities</b>						
Financial Liabilities						
Other Financial Liabilities	66,22,986	(93,375)	65,29,611	45,22,986	-	45,22,986
<b>Total Non-Current Liabilities</b>	<b>66,22,986</b>	<b>(93,375)</b>	<b>65,29,611</b>	<b>45,22,986</b>	<b>-</b>	<b>45,22,986</b>
<b>Current Liabilities</b>						
(a) Financial Liabilities						
(i) Trade payables	4,59,686	-	4,59,686	4,59,686	-	4,59,686
(ii) Other financial liabilities	1,19,91,51,086	-	1,19,91,51,086	1,33,97,91,262	-	1,33,97,91,262
(b) Other current liabilities	5,12,76,444	-	5,12,76,444	2,15,930	-	2,15,930
(c) Current tax liabilities (net)	-	-	-	3,96,529	-	3,96,529
<b>Total Current Liabilities</b>	<b>1,25,08,87,216</b>	<b>-</b>	<b>1,25,08,87,216</b>	<b>1,34,08,63,407</b>	<b>-</b>	<b>1,34,08,63,407</b>
<b>Total Liabilities</b>	<b>1,25,75,10,202</b>	<b>(93,375)</b>	<b>1,25,74,16,827</b>	<b>1,34,53,86,393</b>	<b>-</b>	<b>1,34,53,86,393</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,48,66,97,763</b>	<b>-</b>	<b>1,48,66,97,763</b>	<b>1,60,37,95,293</b>	<b>-</b>	<b>1,60,37,95,293</b>

The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note



## (ii) Effect of Ind AS adoption on the Statement of Profit and Loss for the year ended 31st March, 2016

Particulars	As at 31st March, 2016 (End of last period presented under previous GAAP)		
	Regrouped Previous GAAP	Effect of Transition to Ind AS	As per Ind AS balance sheet
Revenue from Operations	7,15,36,700	1,38,566	7,16,75,267
Other Income	4,25,000	-	4,25,000
Share of Profit / (Loss) of Joint Ventures	(5,460)	-	(5,460)
<b>TOTAL INCOME</b>	<b>7,19,56,241</b>	<b>1,38,566</b>	<b>7,20,94,807</b>
<b>Expenses</b>			
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	9,68,52,976	-	9,68,52,976
Finance Costs	1,56,626	45,192	2,01,818
Depreciation and Amortisation Expenses	41,132	-	41,132
Other Expenses	41,36,541	-	41,36,541
<b>TOTAL EXPENSES</b>	<b>10,11,87,275</b>	<b>45,192</b>	<b>10,12,32,467</b>
<b>Profit Before Tax</b>	<b>(2,92,31,034)</b>	<b>93,374</b>	<b>(2,91,37,660)</b>
Tax Expense			
Excess / (Short) provision for taxation in respect of earlier years	9,696	-	9,696
<b>Profit for the Year</b>	<b>(2,92,21,338)</b>	<b>93,374</b>	<b>(2,91,27,964)</b>
<b>Total Other comprehensive Income</b>	-	-	-
<b>Total Other Comprehensive Income for the year</b>	<b>(2,92,21,338)</b>	<b>93,374</b>	<b>(2,91,27,964)</b>

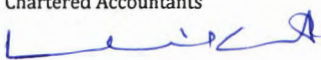
## (iii) Effect of Ind AS adoption on the statement of cash flows for the year ended 31st March, 2016

Particulars	As at 31st March, 2016 (End of last period presented under previous GAAP)		
	Regrouped Previous GAAP	Effect of Transition to Ind AS	As per Ind AS balance sheet
Net cash flows from Operating activities	(9,55,385)	-	(9,55,385)
Net cash flows from Investing activities	(12,56,527)	-	(12,56,527)
Net cash flows from Financing activities	(47,470)	-	(47,470)
Net increase (decrease) in cash and cash equivalents	<b>(22,59,381)</b>	-	<b>(22,59,381)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>23,40,447</b>	-	<b>23,40,447</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>(12,56,527)</b>	-	<b>(12,56,527)</b>

## Notes to effects of first time adoption of Ind AS on the Financial Statements

- Under previous GAAP security deposit were stated at carrying value. However under IND AS security deposit are to be stated at amortised cost. Therefore security deposit has been discounted by ₹ 5,19,704 and has been unwinded at a rate of 8%, being the cost of capital to the company. Consequently finance cost has been recognised amounting to ₹ 45,192.
- Advance rental has been stated at ₹ 4,26,329 and amortised over the period of lease and adjusted with lease income. Consequently there is an increase in lease rentals of ₹ 1,38,566.

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

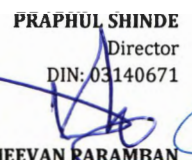


**LALIT KOTHARI**  
Proprietor  
Membership No. 30917




Mumbai  
Date: 5th August, 2017

**PRAPHUL SHINDE**  
Director  
DIN: 03140671



**RAJEEVAN PARAMBAN**  
Director  
DIN: 03141200




Mumbai  
Date: 5th August, 2017

# CITYWOOD BUILDERS PRIVATE LIMITED

CIN: U45202MH2009PTC191711

## DIRECTORS' REPORT

To  
THE MEMBERS  
CITYWOOD BUILDERS PRIVATE LIMITED

The Directors hereby present the Eighth Annual Report of the Company together with the Audited Financial Statements for the year ended March 31, 2017.

### FINANCIAL RESULTS:

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standard) Rules, 2015 as amended. The financial statements for the Financial Year ended March 31, 2017 are the Company's first Ind AS compliant annual audited financial statements with comparative figures for the year ended March 31, 2016 also under Ind AS. The transition date is April 1, 2015.

During the year under review, the Company incurred a net profit of Rs. 4,360,266/- as against a net loss of Rs. 24,478,566/- during the previous year.

### DIVIDEND:

In order to conserve the resources of the Company, the Directors do not recommend any dividend for the year under review.

### TRANSFER TO RESERVES:

The Company has not transferred any amounts to the General Reserve for the year under review.

### MATERIAL CHANGES AND COMMITMENTS:

No material changes or commitments have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report, affecting the financial position of the Company.

### CHANGE IN THE NATURE OF BUSINESS:

There has been no change in the nature of business of the Company during the year under review.

### SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

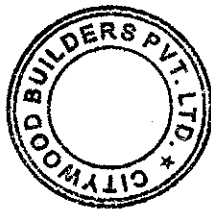
During the year under review, the Company did not have any subsidiary, joint venture or an associate company.

### DEPOSITS:

The Company has not accepted any deposits during the year under review.

### TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND:

During the year under review, the Company was not required to transfer any amount to the Investor Education and Protection Fund.



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**SHARE CAPITAL:**

The paid-up equity share capital of the Company as on March 31, 2017 was Rs 100,000/-. During the year under review, the Company has not issued any shares with differential voting rights or granted stock options or sweat equity.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:**

The Company has not given any loan or made investment or provided any security or guarantee during the year under review, which require to be disclosed under Section 186 of the Companies Act, 2013.

**RELATED PARTY TRANSACTIONS:**

The particulars of transactions entered into by the Company with related parties during the year under review are disclosed in the relevant note to the Financial Statements. The said related party transactions are on an arm's length basis and hence not required to be disclosed in Form AOC-2.

**INTERNAL FINANCIAL CONTROLS:**

The Company has an Internal Control System, commensurate with the nature and size of its operations. Based on the framework of internal financial controls maintained by the Company and the work performed by the Statutory Auditors, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the Financial Year 2016-2017.

**DIRECTORS:**

In accordance with the provisions of Section 152 (6) (e) of the said Act and the Articles of Association of the Company, Mr. Jainam Shah (DIN: 07129100), Director of the Company retires by rotation and being eligible, offers himself for reappointment.

The provisions of Section 149 of the Companies Act, 2013 relating to the appointment of Independent Directors do not apply to the Company.

**ANNUAL RETURN:**

The extracts of Annual Return pursuant to the provisions of Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in 'Annexure -A' to this Report.

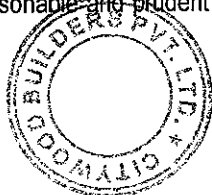
**BOARD MEETINGS:**

The Company had convened and held Six (6) Board meetings during the year under review. The said Board meetings were held on April 11, 2016, May 18, 2016, August 30, 2016, October 29, 2016, January 11, 2017 and March 15, 2017. The gap between the meetings did not exceed the period prescribed under the Act.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to sub-section (3) (c) of Section 134 (5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended March 31, 2017, the Directors of your Company, to the best of their knowledge and belief and on the basis of the information and explanations received by them, hereby state and confirm that:

- (i) in the preparation of the Annual Accounts for the year ended March 31, 2017, the applicable accounting standards read with the requirements under Schedule III to the said Act have been followed alongwith proper explanation relating to material departures, if any;
- (ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the



Company at the end of the financial year on 31st March, 2017, and of the Profit of the Company for that period;

- (iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the annual accounts have been prepared on a 'going concern' basis;
- (v) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

#### **DISCLOSURE OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL**

During the year under review, there were no significant or material orders passed by any regulatory / statutory authorities or courts / tribunals against the Company impacting its going concern status and operations in future.

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

The nature of operations of the Company does not require disclosure of particulars relating to conservation of energy and technology absorption, as prescribed under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014. During the year under review the Company had Nil foreign exchange earnings and outgo.

#### **RISK MANAGEMENT POLICY:**

The Company has adopted a Risk Management Policy pursuant to the provisions of Section 134 of the Companies Act, 2013 to identify and evaluate business risks and opportunities. Risks are analysed by combining estimates of probability and impact of occurrence, if the risk occurs.

#### **AUDITORS:**

There are no qualification, reservation or adverse remark or disclaimer made by the Statutory Auditors in the Auditors' Report.

At the Fifth Annual General Meeting (AGM) of the Company held on September 25, 2014. M/s. Sanket R Shah & Associates, Chartered Accountants (Firm Reg. No. 135703W) were appointed as Statutory Auditors of the Company for five financial years commencing from April 01, 2014 upto March 31, 2019, to hold office until the conclusion of the Tenth AGM to be held for the year 2019 (subject to ratification of their appointment at each AGM).

Accordingly, the members are requested to ratify the reappointment of M/s. Sanket R Shah & Associates, Chartered Accountants as the Statutory Auditors of the Company for the current financial year 2017-2018 and to authorise the Board of Directors to fix their remuneration.

M/s. Sanket R Shah & Associates, Chartered Accountants have offered themselves for reappointment and have confirmed their eligibility to be appointed as Auditors pursuant to the provisions of Section 141 of the Companies Act, 2013 and Rule 4 of the Companies (Audit and Auditors) Rules, 2014.

#### **GENERAL :**

The provisions relating to Secretarial Audit, appointment of Key Managerial Personnel, constitution of Audit Committee, Corporate Social Responsibility Committee, Nomination and Remuneration Committee and Vigil Mechanism are not applicable to the Company.



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**DISCLOSURE UNDER 'THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013':**

The Company has adopted a Policy on Prevention, Prohibition and Redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder for prevention and redressal of complaints of sexual harassment at work place.

The Company has not received any complaint on sexual harassment during the year under review.

**PARTICULARS OF EMPLOYEES**

The Company does not have any employee on its roll and none of the Directors of the Company receive any remuneration under Section 197 of the Companies Act, 2013. Accordingly, no information is required to be disclosed in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**For and on behalf of the Board**



**Place:** Mumbai  
**Date:** August 05, 2017

*Jasmin Rathod*  
**Jasmin Rathod**  
Director  
DIN: 03147669

**Praphul Shinde**  
Director  
DIN: 03140671

**ANNEXURE -A**  
**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**  
**As on financial year ended on March 31, 2017**  
**[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014]**

**I. REGISTRATION & OTHER DETAILS:**

1.	CIN	U45202MH2009PTC191711
2.	Registration Date	16/04/2009
3.	Name of the Company	Citywood Builders Private Limited
4.	Category/Sub-category of the Company	Company Having Share Capital
5.	Address of the Registered office & contact details	Unit No. 116, First Floor, Rehab Building No. 4, Akruti Annexe, Road No. 7, Marol MIDC, Andheri (E) Mumbai - 400093 Tel: 022 66040800; Fax: 022 67037403
6.	Whether listed company	No
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	<b>Link Intime India Private Limited</b> C-101, 247, Lal Bahadur Shastri Marg, Gandhi Nagar, Vikhroli West, Mumbai, Maharashtra 400083. Tel No.: 022 2594 6970; Fax: 022 4918 6060 E-mail: rnt.helpdesk@linkintime.co.in

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Real Estate business of construction and development of residential and commercial projects and other real estate project etc.	4100	100.00%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-**

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	<b>Hubtown Limited</b> Plaza Panchsheel, "A" Wing, 5th Floor, Hughes Road, Behind Dharam Palace, Grant Road (West), Mumbai 400007	L45200MH1989PLC050688	Holding	100%	2(46)

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

**i) Category-wise Share Holding**

SN.	Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>										
<b>(1) Indian</b>										
(a)	Individual/ HUF	0	0	0	0	0	0	0	0	0
(b)	Central Govt	0	0	0	0	0	0	0	0	0
(c)	State Govt(s)	0	0	0	0	0	0	0	0	0



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(d)	Bodies Corp.	10000	0	10000	100	10000	0	10000	100	0
(e)	Banks / FI	0	0	0	0	0	0	0	0	0
(f)	Any other	0	0	0	0	0	0	0	0	0
	<b>Total shareholding of Promoter (A)(1)</b>	10000	0	10000	100	10000	0	10000	100	0
<b>(2) Foreign</b>										
(a)	NRIs - Individuals	0	0	0	0	0	0	0	0	0
(b)	Other - Individuals	0	0	0	0	0	0	0	0	0
(c)	Bodies Corp.	0	0	0	0	0	0	0	0	0
(d)	Banks / FI	0	0	0	0	0	0	0	0	0
(e)	Any Other	0	0	0	0	0	0	0	0	0
	Sub-total (A) (2)	0	0	0	0	0	0	0	0	0
	<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	10000	0	10000	100	10000	0	10000	100	0
<b>B. Public Shareholding</b>										
<b>1. Institutions</b>										
(a)	Mutual Funds	0	0	0	0	0	0	0	0	0
(b)	Banks / FI	0	0	0	0	0	0	0	0	0
(c)	Central Govt	0	0	0	0	0	0	0	0	0
(d)	State Govt(s)	0	0	0	0	0	0	0	0	0
(e)	Venture Capital Funds	0	0	0	0	0	0	0	0	0
(f)	Insurance Companies	0	0	0	0	0	0	0	0	0
(g)	FIs	0	0	0	0	0	0	0	0	0
(h)	Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
(i)	Others (specify)	0	0	0	0	0	0	0	0	0
	<b>Sub-total (B)(1):-</b>	0	0	0	0	0	0	0	0	0
<b>2. Non-Institutions</b>										
(a)	<b>Bodies Corp.</b>									
	(i) Indian	0	0	0	0	0	0	0	0	0
	(ii) Overseas	0	0	0	0	0	0	0	0	0
(b)	<b>Individuals:</b>									
	(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	0	0	0	0	0	0	0	0
	(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0	0	0	0	0	0



(c) Others (specify)										
(i) Trusts										
(ii) Non-Resident Indians	0	0	0	0	0	0	0	0	0	0
(iii) Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0	0
(iv) Clearing Members	0	0	0	0	0	0	0	0	0	0

	<b>Sub-total (B)(2)</b>	0	0	0	0	0	0	0	0	0
	Total Public Shareholding (B)=(B)(1)+(B)(2)	0	0	0	0	0	0	0	0	0
C.	<b>Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0
	<b>Grand Total (A+B+C)</b>	10000	0	10000	100	10000	0	10000	100	0

SN	Shareholder's Name	Shareholding at the beginning of the year [As on 31-March-2016]			Shareholding at the end of the year [As on 31-March-2017]			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Hubtown Limited along with Nominees	10000	100%	100%	10000	100%	100%	
	<b>Total</b>	10000	100%	100%	10000	100%	100%	

ii) Shareholding of Promoter-

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	<b>Hubtown Limited (No changes in the shareholding during the year)</b>				
	At the beginning of the year (April 01, 2016)	10000	100.00%	10000	100.00%
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year(March 31, 2017)	-	-	10000	100.00%

iv) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the Company
	Nil	0	0	0	0



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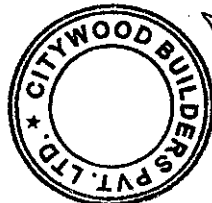
v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	<b>Mr. Praphul Shinde (Director)</b>				
	At the beginning of the year(April 01, 2016)	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year(March 31, 2017)	-	-	-	-
2	<b>Mr. Jasmin Rathod (Director)</b>				
	At the beginning of the year(April 01, 2016)	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year(March 31, 2017)	-	-	-	-
3	<b>Mr. Jainam Shah (Director)</b>				
	At the beginning of the year(April 01, 2016)	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year(March 31, 2017)	-	-	-	-

V) INDEBTEDNESS -

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	28,70,10,000	56,92,739	-	29,27,02,739
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	7,38,474	-	-	7,38,474
<b>Total (i+ii+iii)</b>	<b>28,77,48,474</b>	<b>56,92,739</b>	<b>-</b>	<b>29,34,41,213</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	17,69,17,082	70,04,800		18,39,21,882
* Reduction	11,32,66,218	55,00,000		11,87,66,218
<b>Net Change</b>	<b>63,650,864</b>	<b>15,04,800</b>		<b>6,51,55,664</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	351,399,338	71,97,539		35,85,96,877
ii) Interest due but not paid	-	-		-
iii) Interest accrued but not due	-	-		-
<b>Total (i+ii+iii)</b>	<b>351,399,338</b>	<b>71,97,539</b>		<b>35,85,96,877</b>



**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		N.A.	N.A.	
1	Gross salary			-
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under Section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-
5	Others, please specify	-	-	-
	<b>Total (A)</b>	-	-	-
	Ceiling as per the Act			-

**B. Remuneration to other directors:**

SN.	Particulars of Remuneration	Name of Directors			Total Amount
		Mr. Jasmin Rathod	Mr. Praphul Shinde	Mr. Jainam Shah	
1	Independent Directors	0	0	0	0
	Fee for attending Board/Committee meetings	0	0	0	0
	Commission	0	0	0	0
	Others, please specify	0	0	0	0
	<b>Total (1)</b>	0	0	0	0
2	Other Non-Executive Directors	0	0	0	0
	Fee for attending Board/Committee meetings	0	0	0	0
	Commission	0	0	0	0
	Others, please specify	0	0	0	0
	<b>Total (2)</b>	0	0	0	0
	Total (B)=(1+2)	0	0	0	0
	Total Managerial Remuneration	0	0	0	0
	Overall Ceiling as per the Act				-



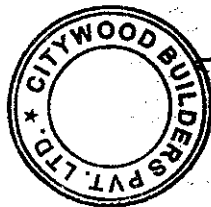
**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross salary	N.A.	N.A.	N.A.	-
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	-	-	-

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B. DIRECTORS</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For and on behalf of the Board



*Pradhu Shinde*  
Pradhu Shinde  
Director  
DIN: 03140671

*Jasmin Rathod*  
Jasmin Rathod  
Director  
DIN: 03147669

Place: Mumbai  
Date: August 05, 2017



**Independent Auditor's Report  
To the Members of Citywood Builders Private Limited**

**1) Report on the Standalone Ind AS Financial Statements:**

We have audited the accompanying standalone Ind AS financial statements of Citywood Builders Private Limited ('the Company'), which comprise the balance sheet as at 31st March, 2017 the statement of profit and loss (including other comprehensive income) 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").

**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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income and the statement of 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 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.

**3) 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 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 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. 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.

**4) 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, 2017, 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. 35 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. 37 of the financial statements with regards to balances that are subject to confirmations, reconciliation and adjustments if any.
3. The Company has not charged interest on loans, debentures 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;
  - 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 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 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 Ind AS 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
  - iv. the Company has provided requisite disclosures in its standalone Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company: Refer Note No. 33 to the standalone Ind AS financial statements.

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

  
**Sanket Shah**  
**Proprietor**  
**M. No.: 152369**



Place: Mumbai  
Date: 5<sup>th</sup> August, 2017

### Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements for the year ended 31 March 2017, 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 maintaining proper project-wise records. 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 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;  
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, with respect to the loans and investments made.
- (v) The Company has not accepted any deposits from the public.
- (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) (a) According to the information and explanations given to us and 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.	Service Tax Liability	6,22,902/-
2.	Maharashtra Value Added Tax (MVAT) Liability	2,06,686/-
3.	Works Contract Tax (WCT)	1,93,935/-
4.	Profession Tax Liability	2,900/-
5.	Interest on above Statutory Liability	5,15,548/-
	<b>Total Statutory Liability</b>	<b>15,41,971/-</b>

(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 have taken loans or borrowings from any financial institution, banks, government or debenture holders during the year. On the basis of records examined by us the Company default in repayment of foreign loan taken from bank.
- (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 Ind AS 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.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, 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.

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

  
**Sanket Shah**  
**Proprietor**  
**M. No.: 152369**



Place: Mumbai  
Date: 5<sup>th</sup> August, 2017

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

We have audited the internal financial controls over financial reporting of Citywood Builders Private Limited ("the Company") as of 31 March 2017 in conjunction with our audit of the standalone Ind AS 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 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.



**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 2017, 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 Shah**  
**Proprietor**  
**M. No.: 152369**



Place: Mumbai  
Date: 5<sup>th</sup> August, 2017

**CITYWOOD BUILDERS PRIVATE LIMITED**

**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2017**

Particulars	Note No.	As at 31 <sup>st</sup> March, 2017 ₹	As at 31 <sup>st</sup> March, 2016 ₹	As at 1 <sup>st</sup> April, 2015 ₹
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
(a) Property, plant and equipment	4	3,52,368	4,61,897	6,82,019
(b) Current tax assets (Net)	5	17,63,712	13,91,464	-
(c) Other non-current assets	6	2,69,90,194	2,69,90,194	2,69,90,193
<b>Total Non-Current assets</b>		<b>2,91,06,274</b>	<b>2,88,43,555</b>	<b>2,76,72,212</b>
<b>Current assets</b>				
(a) Inventories	7	86,06,98,775	69,43,25,034	81,79,85,913
(b) Financial assets				
(i) Investments	8	1,51,96,922	-	-
(ii) Trade receivables	9	10,31,45,472	18,95,38,394	2,54,45,329
(iii) Cash and cash equivalents	10	2,44,91,531	8,10,54,478	42,85,533
(iv) Bank balances other than (iii) above	11	6,40,000	-	-
(v) Loans	12	10,000	16,14,687	-
(vi) Other financial assets	13	10,04,38,503	7,66,62,771	7,52,43,183
(c) Other current assets	6	10,67,95,889	5,17,81,871	7,11,25,928
<b>Total Current Assets</b>		<b>1,21,14,17,093</b>	<b>1,09,49,77,235</b>	<b>99,40,85,886</b>
<b>Total assets</b>		<b>1,24,05,23,367</b>	<b>1,12,38,20,790</b>	<b>1,02,17,58,099</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity share capital	14	1,00,000	1,00,000	1,00,000
(b) Other equity	15	(13,86,52,597)	(14,30,12,863)	(11,85,34,297)
<b>Total Equity</b>		<b>(13,85,52,597)</b>	<b>(14,29,12,863)</b>	<b>(11,84,34,297)</b>
<b>Liabilities</b>				
<b>Non-Current Liabilities</b>				
Financial Liabilities				
(i) Borrowings	16	35,13,99,338	33,15,87,009	-
(ii) Other Financial Liabilities	17	70,94,757	39,20,874	32,52,679
<b>Total Non-Current Liabilities</b>		<b>35,84,94,095</b>	<b>33,55,07,883</b>	<b>32,52,679</b>
<b>Current Liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	18	71,97,539	69,93,319	1,55,93,587
(ii) Trade payables	19	11,68,07,593	1,66,38,099	3,32,39,905
(iii) Other financial liabilities	17	84,96,66,962	80,18,19,992	1,01,33,33,301
(b) Other current liabilities	20	4,63,15,182	10,57,74,361	7,28,58,817
(c) Current tax Liabilities (Net)	21	5,94,592	-	19,14,106
<b>Total Current Liabilities</b>		<b>1,02,05,81,869</b>	<b>93,12,25,771</b>	<b>1,13,69,39,716</b>
<b>Total Liabilities</b>		<b>1,37,90,75,964</b>	<b>1,26,67,33,653</b>	<b>1,14,01,92,395</b>
<b>Total Equity and Liabilities</b>		<b>1,24,05,23,367</b>	<b>1,12,38,20,790</b>	<b>1,02,17,58,099</b>

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**

**JASMIN RATHOD**  
DIRECTOR

DIN: 03147669



**PRAPHUL SHINDE**  
DIRECTOR

DIN: 03140671

Mumbai

Date: 5th August, 2017

**CITYWOOD BUILDERS PRIVATE LIMITED**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

Particulars	Note No.	Year ended 31 <sup>st</sup> March, 2017 ₹	Year ended 31 <sup>st</sup> March, 2016 ₹
<b>INCOME</b>			
Revenue from Operations	22	6,54,57,189	20,28,99,538
Other Income	23	5,86,505	21,96,643
<b>Total Income</b>		<b>6,60,43,694</b>	<b>20,50,96,181</b>
<b>EXPENSES</b>			
Costs Of Construction / Development	24	13,65,74,279	4,83,17,055
Purchase of Stock-in-Trade		3,70,321	-
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	25	(16,72,91,562)	12,37,54,446
Employee Benefits Expense	26	3,00,316	3,97,325
Finance Costs	27	7,68,10,870	5,72,14,102
Depreciation and Amortisation Expenses	28	1,09,529	2,30,123
Other Expenses	29	1,42,15,083	22,84,187
<b>Total Expenses</b>		<b>6,10,88,836</b>	<b>23,21,97,238</b>
<b>Profit / (Loss) before exceptional items and Tax (I - II)</b>		<b>49,54,858</b>	<b>(2,71,01,057)</b>
<b>Profit / (Loss) before Tax</b>		<b>49,54,858</b>	<b>(2,71,01,057)</b>
<b>Tax Expense</b>			
(1) Current Tax		5,94,592	-
(2) Excess / (Short) provision for taxation in respect of earlier years		-	26,22,491
		5,94,592	26,22,491
<b>Profit / (Loss) for the year</b>		<b>43,60,266</b>	<b>(2,44,78,566)</b>
<b>Other Comprehensive Income</b>		-	-
<b>Total Comprehensive Income</b>		<b>43,60,266</b>	<b>(2,44,78,566)</b>
<b>Earning per equity share of nominal value of ₹ 10/- each</b>	30		
Basic and Diluted		555	(2,448)

The accompanying notes are an integral part of Financial Statements.

As per our report of even date

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Date: 5th August, 2017

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DIRECTOR  
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DIRECTOR  
DIN: 03140671





**CITYWOOD BUILDERS PRIVATE LIMITED**

**Cash Flow Statement for the year ended 31<sup>st</sup> March, 2017**

Particulars	Year Ended	Year Ended
	31 <sup>st</sup> March, 2017	31st March, 2016
	₹	₹
<b>I. CASH FLOWS ARISING FROM OPERATING ACTIVITIES</b>		
Net profit/(loss) before taxation as per Statement of Profit and Loss	49,54,858	(2,71,01,057)
<b>Add / (Less) :</b>		
Finance costs	7,68,10,870	5,72,14,102
Depreciation and amortisation	1,09,529	2,30,123
Other gains and losses	(1,77,761)	-
Interest income	-	(21,96,643)
	<b>8,16,97,494</b>	<b>2,81,46,525</b>
<b>Operating profit before working capital changes</b>		
<b>Add / (Less) :</b>		
(Increase)/Decrease in inventories	(16,63,73,741)	12,36,60,879
(Increase)/Decrease in Trade Receivables and Other Receivables (Including Current Investment)	4,67,80,267	(16,40,93,065)
Increase / (Decrease) in trade and other payables	15,19,28,822	(22,67,50,863)
Increase / (Decrease) in Other Financial Liabilities (Current)	(5,94,59,179)	3,29,15,543
Direct taxes paid	(3,72,248)	(6,83,079)
	<b>(2,74,96,079)</b>	<b>(23,49,50,585)</b>
<b>Net cash flow from operating activities</b>	<b>5,42,01,415</b>	<b>(20,68,04,060)</b>
<b>II. CASH FLOWS ARISING FROM INVESTING ACTIVITIES</b>		
<b>Inflow / (Outflow) on account of :</b>		
Interest income received	-	7,77,055
Other gains and losses (miscellaneous income)	1,77,761	-
(Increase)/Decrease in Loans and advances	(5,34,09,331)	1,77,29,369
Purchase of fixed assets	-	(10,000)
<b>Net cash flow from investing activities</b>	<b>(5,32,31,570)</b>	<b>1,84,96,424</b>
<b>III. CASH FLOWS ARISING FROM FINANCING ACTIVITIES</b>		
<b>Inflow / (Outflow) on account of :</b>		
Proceeds from Long Term Borrowing	2,00,16,552	32,29,86,740
Finance costs paid	(7,75,49,344)	(5,79,10,159)
<b>Net cash flow from financing activities</b>	<b>(5,75,32,792)</b>	<b>26,50,76,581</b>
<b>Net increase in cash and cash equivalents ( I + II + III )</b>	<b>(5,65,62,946)</b>	<b>7,67,68,945</b>
<b>Add: Balance at the beginning of the year</b>	<b>8,10,54,478</b>	<b>42,85,533</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>2,44,91,531</b>	<b>8,10,54,478</b>
<b>Components of cash and cash equivalents (Refer Note 10)</b>		
Cash on hand	6,03,304	34,86,564
Balances with banks		
- in Current accounts	(10,06,516)	1,94,27,914
- in Deposits with maturity of less than three months	2,48,94,743	5,81,40,000
	<b>2,44,91,531</b>	<b>8,10,54,478</b>

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

Mumbai  
Date: 5th August, 2017

**FOR AND ON BEHALF OF THE BOARD**

**JASMIN RATHOD**  
DIRECTOR  
DIN: 03147669

**PRAPHUL SHINDE**  
DIRECTOR  
DIN: 03140671

**CITYWOOD BUILDERS PRIVATE LIMITED**

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

in ₹

Particulars	Equity Share Capital	Retained Earnings	Total
Balance at 1 <sup>st</sup> April, 2015	1,00,000	(11,85,34,297)	(11,84,34,297)
Total Comprehensive Income for the year	-	(2,44,78,566)	(2,44,78,566)
Balance at 31 <sup>st</sup> March, 2016	1,00,000	(14,30,12,863)	(14,29,12,863)
Total Comprehensive Income for the year	-	43,60,266	43,60,266
Balance at 31 <sup>st</sup> March, 2017	1,00,000	(13,86,52,597)	(13,85,52,597)

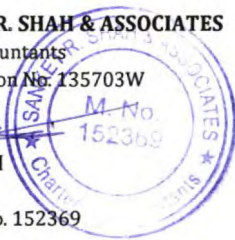
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As per our report of even date

**FOR SANKET R. SHAH & ASSOCIATES**

Chartered Accountants  
Firm Registration No. 135703W

**SANKET SHAH**  
PROPRIETOR  
Membership No. 152369



**FOR AND ON BEHALF OF THE BOARD**

**JASMIN RATHOD**  
DIRECTOR  
DIN: 03147669

**PRAPHUL SHINDE**  
DIRECTOR  
DIN: 03140671



Mumbai  
Date: 5th August, 2017

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

**1. Company Overview and Significant Accounting Policies**

**Company Overview**

Citywood Builders Private Limited is a private 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 projects and other real estate project etc.

The financial statements are approved for issue by the Company's Board of Directors on August 5, 2017.

**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.

**3. 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 40.

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 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



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

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.

**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.

**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. 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;

1. All critical approvals necessary for the commencement of the project have been obtained;
2. 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;
3. Atleast 25% of the saleable project area is secured by agreements with the buyers; and
4. 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.

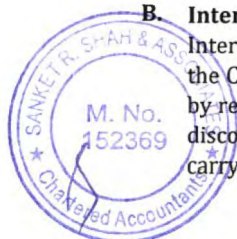
Further, revenue recognized in the aforesaid manner and related costs are both restricted to 90% until the construction activity and related formalities are substantially completed. Recognition of revenue relating to agreements entered into with the buyers, which are subject to fulfillment of obligations / 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.

d. 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 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.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

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)
Computer	3
Office Equipments	5
Furniture and Fixture	10

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.



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

**(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 consolidated 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.

**ii. Deferred Tax**

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the consolidated 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.



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

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.

'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.

Cost included in inventory include 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.

**3.6 EMPLOYEE BENEFITS**

**Post-Employment Benefits**

**3.6.1 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**

Borrowings are initially recognised at the net transaction costs incurred and measured at amortised 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.

**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.

**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 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.



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

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.

**3.11 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 3.11.1. 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.

**3.11.1 Critical accounting judgements and estimates**

**a. Revenue recognition**

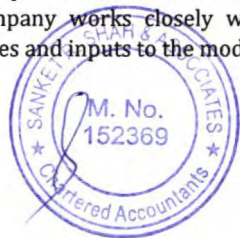
The Company uses the percentage-of-completion method in accounting for its revenue. Costs of the project are based on the management's estimate of the cost to be incurred upto the completion of the projects and include cost of land, Floor Space Index (FSI), materials, services and other expenses attributable 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**

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.



2



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

	As at 31 <sup>st</sup> March, 2017 ₹	As at 31 <sup>st</sup> March, 2016 ₹	As at 1 <sup>st</sup> April, 2015 ₹
<b>4. Property, plant and equipment</b>			
<b>Carrying amounts of:</b>			
Leasehold land		-	-
Commercial Premises		10,000	1,20,595
Mivan System		4,61,897	6,82,019
Computers and Laptops	-	-	-
Furniture and Fixtures	3,42,368	4,51,897	5,61,424
Vehicles		-	-
Office Equipment	10,000	10,000	1,20,595
<b>Total</b>	<b>3,52,368</b>	<b>4,61,897</b>	<b>6,82,019</b>
Capital work-in-progress		-	-
		<b>4,61,897</b>	<b>6,82,019</b>

	Computers and Laptops	Furniture and Fixtures	Office Equipment	Total
<b>4. Property, Plant and Equipment</b>				
<b>Cost or deemed cost</b>				
<b>Balance at 1<sup>st</sup> April, 2015</b>	6,814	12,99,826	11,49,710	24,56,350
Additions	-	-	10,000	10,000
Disposals	-	-	-	-
Transfers	-	-	-	-
<b>Balance at 31<sup>st</sup> March, 2016</b>	<b>6,814</b>	<b>12,99,826</b>	<b>11,59,710</b>	<b>24,66,350</b>
<b>Accumulated depreciation and impairment</b>				
<b>Balance at 1<sup>st</sup> April, 2015</b>	6,814	7,38,402	10,29,115	17,74,331
Eliminated on disposal of assets	-	-	-	-
Depreciation expense	-	1,09,528	1,20,595	2,30,123
<b>Balance at 31<sup>st</sup> March, 2016</b>	<b>6,814</b>	<b>8,47,930</b>	<b>11,49,710</b>	<b>20,04,454</b>
<b>Carrying amount as on 31<sup>st</sup> March 2016</b>	<b>-</b>	<b>4,51,896</b>	<b>10,000</b>	<b>4,61,896</b>

	Computers and Laptops	Furniture and Fixtures	Office Equipment	Total
<b>Cost or deemed cost</b>				
<b>Balance at 31<sup>st</sup> March, 2016</b>	6,814	12,99,827	11,59,710	24,66,351
Additions	-	-	-	-
Disposals	-	-	-	-
<b>Balance at 31<sup>st</sup> March, 2017</b>	<b>6,814</b>	<b>12,99,827</b>	<b>11,59,710</b>	<b>24,66,351</b>
<b>Accumulated depreciation and impairment</b>				
<b>Balance at 31<sup>st</sup> March, 2016</b>	6,814	8,47,930	11,49,710	20,04,454
Eliminated on disposal of assets	-	-	-	-
Depreciation expense	-	1,09,529	-	1,09,529
<b>Balance at 31<sup>st</sup> March, 2017</b>	<b>6,814</b>	<b>9,57,459</b>	<b>11,49,710</b>	<b>21,13,983</b>
<b>Carrying amount as at 31<sup>st</sup> March 2017</b>	<b>-</b>	<b>3,42,368</b>	<b>10,000</b>	<b>3,52,368</b>



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

	As at 31 <sup>st</sup> March, 2017 ₹	As at 31 <sup>st</sup> March, 2016 ₹	As at 1 <sup>st</sup> April, 2015 ₹
<b>5. Current tax assets (Net)</b>			
Advance Tax paid	17,63,712	45,68,973	-
Less : Provision for Tax	-	31,77,509	-
<b>Current Tax Asset / (Liability)</b>	<b>17,63,712</b>	<b>13,91,464</b>	<b>-</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.

**6. Other assets****Non-current**

Advances to land owners

	2,69,90,194	2,69,90,194	2,69,90,193
<b>Total</b>	<b>2,69,90,194</b>	<b>2,69,90,194</b>	<b>2,69,90,193</b>

**Current**

Advances to Suppliers, Contractors and Professionals

Balance with statutory authorities

Unbilled revenue

Other Advances

- Others

- Prepaid Expense

	2,11,93,528	4,84,34,357	3,47,65,463
	50,26,788	31,86,710	16,47,728
	5,52,43,599	-	3,34,54,212
	2,51,00,000	-	-
	2,31,974	1,60,804	12,58,525
<b>Total</b>	<b>10,67,95,889</b>	<b>5,17,81,871</b>	<b>7,11,25,928</b>

**7. Inventories**

Inventories (lower of cost or net realisable value)

- Stock of material at site

- Incomplete projects

	25,29,114	20,62,951	19,69,384
	85,81,69,661	69,22,62,083	81,60,16,529
<b>Total</b>	<b>86,06,98,775</b>	<b>69,43,25,034</b>	<b>81,79,85,913</b>

**8. Investments****Current Investments****Investment in Mutual Funds (Quoted)****(At Fair Value) (Other than Trade)**

a) 649,173.824 units of L &amp; T Short Term Opportunities

Fund - Growth (P.Y. Nil units)

(NAV as on 31st March, 2017 ₹ 15.65)

1,01,59,376 - -

b) 490,988.9410 units of Canara Robeco Plus Fund -

Regular Daily Dividend (P.Y. Nil units)

(NAV as on 31st March, 2017 ₹ 10.26)

50,37,547 - -

<b>Total</b>	<b>1,51,96,922</b>	<b>-</b>	<b>-</b>
--------------	--------------------	----------	----------

Aggregate amount of quoted investments

1,51,96,922 - -

Aggregate amount of unquoted investments

- - -

Aggregate provision for diminution in value of investments:

- - -

**Note:**

Quoted investment in Mutual Funds (Quoted) are fair valued at their closing NAV.



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**CITYWOOD BUILDERS PRIVATE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹	As at 1st April, 2015 ₹
<b>9. Trade Receivables</b>			
<b>Current</b>			
Trade Receivables			
Unsecured, considered good			
Outstanding for a period exceeding six months from the date they are due for payment	-	-	86,59,670
Others	10,31,45,472	18,95,38,394	1,67,85,659
<b>Total</b>	<b>10,31,45,472</b>	<b>18,95,38,394</b>	<b>2,54,45,329</b>
<b>10. Cash and cash equivalents</b>			
Balances with banks:			
- in current accounts	(10,06,516)	1,94,27,914	1,40,611
- in escrow accounts	2,48,94,743	-	-
- in deposit with maturity of less than three months	-	5,81,40,000	6,40,000
Cash on hand	6,03,304	34,86,564	35,04,922
<b>Total</b>	<b>2,44,91,531</b>	<b>8,10,54,478</b>	<b>42,85,533</b>
<b>11. Other bank balances</b>			
Deposits with maturity of more than three months but less than twelve months(Refer footnote)	6,40,000	-	-
<b>Total</b>	<b>6,40,000</b>	<b>-</b>	<b>-</b>
<b>Footnote</b> : Balances with Bank in Fixed Deposit are kept as security for gurantees.			
<b>12. Loans</b>			
<b>Current</b>			
a) Loans to employee			
- Unsecured, considered good	-	-	-
b) Loan to others			
- Unsecured, considered good	10,000	16,14,687	-
<b>Total</b>	<b>10,000</b>	<b>16,14,687</b>	<b>-</b>
<b>13. Other financial assets</b>			
<b>Current</b>			
Security deposits	1,85,500	1,85,500	1,85,500
Business advances to related Parties (Refer Note 32)	-	7,50,19,210	7,50,19,210
Other Advances and Receivables			
Advances recoverable from others	9,90,12,825		
Reimbursement			
- Related parties	10,97,964	-	-
- Others	-	-	-
Current Account Balances in Partnership Firms and Joint	-	-	-
Interest accrued on fixed deposits	1,42,214	14,58,061	38,473
Interest accrued on investments	-	-	-
Other receivables (Other than Trade Receivables)	-	-	-
<b>Total</b>	<b>10,04,38,503</b>	<b>7,66,62,771</b>	<b>7,52,43,183</b>



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

	As at 31 <sup>st</sup> March, 2017 ₹	As at 31 <sup>st</sup> March, 2016 ₹	As at 1 <sup>st</sup> April, 2015 ₹
<b>14. Equity Share Capital</b>			
<b>Authorised Share Capital:</b>			
50,000 (As at 31st March, 2016: 50,000; As at 1st April, 2015: 50,000) Equity Shares of ₹ 10/- each fully paid up	50,00,000	50,00,000	50,00,000
<b>Issued and subscribed capital comprises:</b>			
10,000 (As at 31st March, 2016: 10,000; As at 1st April, 2015: 10,000) Equity Shares of ₹ 10/- each fully paid up	1,00,000	1,00,000	1,00,000

**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, 2015	10,000	1,00,000
Add : Issued during the year	-	-
Less : Bought back during the year	-	-
Balance at 31st March, 2016	10,000	1,00,000
Add : Issued during the year	-	-
Less : Bought back during the year	-	-
<b>Balance at 31st March, 2017</b>	<b>10,000</b>	<b>1,00,000</b>

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

	31st March, 2017		31st March, 2016		1st April, 2015	
	No of shares held	% holding	No of shares held	% holding	No of shares held	% holding
<b>Fully paid equity shares</b>						
Hubtown Limited	9,994	99.99%	9,994	99.99%	7,500	75.00%
Maya Vaidya / Hubtown Limited	1	0.01%	1	0.01%	2,500	25.00%
<b>Total</b>	<b>9,995</b>	<b>99.94%</b>	<b>9,995</b>	<b>99.94%</b>	<b>10,000</b>	<b>100%</b>

**(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.



**CITYWOOD BUILDERS PRIVATE LIMITED****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

	Year ended 31 <sup>st</sup> March, 2017 ₹	Year ended 31 <sup>st</sup> March, 2016 ₹	Year ended 1 <sup>st</sup> April, 2015 ₹
<b>15. Other Equity</b>			
<b>Retained Earnings</b>			
Balance at the beginning of the year	(14,30,12,863)	(11,85,34,297)	(11,85,34,297)
Profit attributable to the owners of the company	43,60,266	(2,44,78,566)	-
<b>Balance at the end of the year</b>	<b>(13,86,52,597)</b>	<b>(14,30,12,863)</b>	<b>(11,85,34,297)</b>

**16. Non-current borrowings****Secured**

## Debentures

300 (As at 31st March, 2016: 300; As at 1st April, 2015: NIL) 0% Redeemable non-convertible debentures of the face value of ₹ 10,00,000 each

	35,13,99,338	33,15,87,009	-
<b>Total</b>	<b>35,13,99,338</b>	<b>33,15,87,009</b>	<b>-</b>

**Footnote:**

- Debentures are to be redeemed on 6th May, 2019.
- The Debentures shall be redeemed at a premium such that the Debenture Holders earn an IRR of 22% on Subscription Amount.
- If Issuer commits a default in payment of Redemption Amount or Amounts Due or in redemption of Debenture (including Target Return thereupon) for two consecutive months, then the Debenture Holder shall have the right to exchange/convert (the "Conversion Option"), as its option, the whole or part of the defaulted amount of the outstanding Debentures into 100% of the equity shares of the Issuer.
- The debentures are secured by:
  - Personal guarantee of the promoters of Hubtown Limited.
  - Unconditional and irrevocable Corporate Guarantee of Hubtown Limited.
  - Pledge of unencumbered equity shares valued at INR 50 million of Hubtown Limited.

**17. Other financial liabilities****Non-current**

Retention money payable	70,94,757	39,20,874	32,52,679
<b>Total</b>	<b>70,94,757</b>	<b>39,20,874</b>	<b>32,52,679</b>

**Current**

Interest accrued and due on borrowings	-	-	14,34,531
Interest accrued but not due on borrowings	-	7,38,474	-
Business advance for project			
- From related parties (Refer Footnote)	65,28,43,615	61,19,36,204	70,36,62,798
- From others	6,92,89,071	6,92,89,071	6,92,89,071
Other payables	12,75,34,276	11,98,56,243	23,89,46,901
<b>Total</b>	<b>84,96,66,962</b>	<b>80,18,19,992</b>	<b>1,01,33,33,301</b>

**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.



**CITYWOOD BUILDERS PRIVATE LIMITED****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

	As at 31 <sup>st</sup> March, 2017 ₹	As at 31 <sup>st</sup> March, 2016 ₹	As at 1 <sup>st</sup> April, 2015 ₹
<b>18. Current borrowings</b>			
Loans repayable on demand (Unsecured):			
- From Related Party (Refer footnote 1)	-	41,54,065	41,54,065
- From Companies (Refer footnote 2)	71,97,539	28,39,254	1,14,39,522
- From Others			
<b>Total</b>	<b>71,97,539</b>	<b>69,93,319</b>	<b>1,55,93,587</b>

**Footnotes:**

1. Unsecured Loans from related party carrying interest rate Nil in F.Y. 2015-16 and 18% in F.Y. 2014-15.
2. Unsecured loans from Companies carry interest rates within range of nil to 19.10%, (F.Y. 2015-16 & 2014-15 19.10%) repayable on demand.

**19. Trade payables**

Trade Payables (Refer Footnote)

- Related parties	-	1,37,431	1,37,431
- Others	11,68,07,593	1,65,00,668	3,31,02,474
<b>Total</b>	<b>11,68,07,593</b>	<b>1,66,38,099</b>	<b>3,32,39,905</b>

**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.

**20. Other current liabilities****Current**

Advance from customers	4,49,59,719	9,79,41,941	6,60,69,927
Overdrawn bank balances as per books of accounts		-	9,91,431
Other payables :			
- Statutory dues	13,55,464	78,32,420	57,97,459
<b>Total</b>	<b>4,63,15,182</b>	<b>10,57,74,361</b>	<b>7,28,58,817</b>

**21. Current Tax assets liability**

Provision for Tax	5,94,592	-	58,00,000
Less : Advance tax paid	-	-	(38,85,894)
<b>Total</b>	<b>5,94,592</b>	<b>-</b>	<b>19,14,106</b>



**CITYWOOD BUILDERS PRIVATE LIMITED****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

	Year Ended 31 <sup>st</sup> March, 2017 ₹	Year Ended 31 <sup>st</sup> March, 2016 ₹
<b>22. Revenue from operations</b>		
Sale from operations :		
Sale of properties / rights (Net)		
Revenue from Incomplete Properties on cancellation of flats	6,49,74,819	20,28,92,122
Revenue from sale of Trading Materials	4,21,400	-
	<u>6,53,96,219</u>	<u>20,28,92,122</u>
Other operating revenue :		
Liabilities written back to the extent no longer required.	60,970	7,416
	<u>60,970</u>	<u>7,416</u>
<b>Total</b>	<u><b>6,54,57,189</b></u>	<u><b>20,28,99,538</b></u>
<b>23. Other income</b>		
a) Interest Income:		
- Bank fixed deposits	3,64,369	21,96,643
- Others	14,929	-
	<u>3,79,298</u>	<u>21,96,643</u>
b) Dividend Income		
Dividend received	29,446	
c) Other gains and losses		
Gain on fair valuation of investments	61,787	-
Gain on sale of current investments	1,05,689	
Gain on foreign currency fluctuation (Net)	10,285	-
	<u>1,77,761</u>	<u>-</u>
<b>(a+b+c)</b>	<u><b>5,86,505</b></u>	<u><b>21,96,643</b></u>



**CITYWOOD BUILDERS PRIVATE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

	Year Ended 31 <sup>st</sup> March, 2017 ₹	Year Ended 31st March, 2016 ₹
<b>24. Costs Of Construction / Development</b>		
<b>Construction costs incurred during the year:</b>		
Land / rights acquired	400	-
Material and labour costs	10,18,41,011	2,27,73,338
Approval and consultation expenses	1,00,82,473	1,66,72,721
Other direct development expenses	2,46,50,395	88,70,996
<b>Total</b>	<b>13,65,74,279</b>	<b>4,83,17,055</b>
<b>25. Changes In Inventories Of Incomplete Projects, Finished Properties And FSI</b>		
<b>Opening Inventory :</b>		
Incomplete projects	69,22,62,083	81,60,16,529
	<b>69,22,62,083</b>	<b>81,60,16,529</b>
<b>Closing Inventory :</b>		
Incomplete projects	85,95,53,645	69,22,62,083
	85,95,53,645	69,22,62,083
<b>Total</b>	<b>(16,72,91,562)</b>	<b>12,37,54,446</b>
<b>26. Employee Benefits Expense</b>		
Salaries, bonus, etc.	2,14,958	3,20,953
Contribution to provident and other funds	21,602	37,598
Staff welfare expenses	57,456	38,774
Other fund expenses	6,300	-
<b>Total</b>	<b>3,00,316</b>	<b>3,97,325</b>
<b>27. Finance Costs</b>		
Interest costs:-		
Interest on Debentures	7,57,63,064	5,33,24,823
Other interest expense	1,46,235	27,98,791
Delayed/penal interest on loans and statutory dues	9,01,571	10,90,488
<b>Total</b>	<b>7,68,10,870</b>	<b>5,72,14,102</b>
<b>28. Depreciation and Amortisation Expenses</b>		
Depreciation of property, plant and equipment	1,09,529	2,30,123
<b>Total depreciation and ammortisation expense</b>	<b>1,09,529</b>	<b>2,30,123</b>



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**CITYWOOD BUILDERS PRIVATE LIMITED****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

	Year Ended 31 <sup>st</sup> March, 2017 ₹	Year Ended 31st March, 2016 ₹
<b>29. Other Expenses</b>		
Insurance	2,81,123	-
Rent	45,51,500	-
Rates and taxes	10,77,647	-
Advertisement expenses	25,58,551	4,91,114
Brokerage	5,21,052	-
Repairs and society maintenance charges	85,551	-
Legal and professional fees	22,67,621	68,455
Compensation on cancellation of flats	-	13,50,378
Other expenses (Refer Footnote)	28,72,038	3,74,240
<b>Total</b>	<b>1,42,15,083</b>	<b>22,84,187</b>
<b>Footnote:</b>		
Auditors, Remuneration:		
Audit fees	60,000	60,000
Service Tax on above	9,000	8,700
<b>Total</b>	<b>69,000</b>	<b>68,700</b>



**CITYWOOD BUILDERS PRIVATE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

	Year Ended 31 <sup>st</sup> March, 2017 ₹	Year Ended 31 <sup>st</sup> March, 2016 ₹
<b>30. EARNINGS PER SHARE (EPS)</b>		
Basic Earning Per Share	555	(2,448)
<b>(i) Basic and Diluted EPS</b>		
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	55,49,450	(2,44,78,566)
<b>Earnings used in the calculation of basic earnings per share</b>	<b>55,49,450</b>	<b>(2,44,78,566)</b>
<b>(ii) Weighted average number of equity shares for the purposes of basic and diluted earnings per share</b>	<b>10,000</b>	<b>10,000</b>



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

**31. 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**

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.

c) Commodity price risk

- The Company is not affected by the price volatility of commodities
- The Company has awarded building construction contracts to its contractors on turnkey basis.

**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 sale / lease buildings are yet to be constructed and there is no sale or leasing in relation to the same.

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. Investments of surplus funds are made only with approved companies and within credit limits assigned to each company. The credit limits of parties to whom loans are granted are reviewed by board of Directors on an annual basis. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make repayments.

**3) Liquidity risk**

The company is in stage of construction of buildings. All allowable expenses are inventorised by as per the policy of the company. Liquidity risk is dependent on the market demand for completed flats.



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**CITYWOOD BUILDERS PRIVATE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

**32. RELATED PARTY TRANSACTIONS**

**a. LIST OF RELATED PARTIES:**

**A. Names of related parties and description of relationship**

**I. HOLDING COMPANY**

Hubtown Limited

**II. FELLOW SUBSIDIARY COMPANIES**

Heet Builders Private Limited

**III. Entities With Joint Control Of, Or Significant Influence Over, the Entity**

Rubix Trading Private Limited [Subsidiary Of Vinca]

**V. JOINT VENTURES OF HOLDING COMPANY**

Shreenath Realtors

**Note:**(i) Related party relationships are as identified by the Company and relied upon by the Auditors.

(ii) Previous year's figures are given in brackets

**b. Transactions with Related Parties:**

Sr. No.	Particulars	Key Managerial Personnel	Holding Company	Fellow Subsidiary Companies	Joint Ventures of Holding Company
1	<b>Loans and advances received /recovered:</b> Hubtown Limited	- (-)	3,60,07,211 (9,23,75,000)	- (-)	- (-)
2	<b>Loans and Advances given/ repaid/adjusted</b> Hubtown Limited	- (-)	3,82,99,800 (34,87,62,570)	- (-)	- (-)
3	<b>On behalf payments made (Including reimbursement of expenses)</b> Shreenath Realtors	- (-)	- (-)	- (-)	1,12,500 (-)
4	<b>On behalf payments received/Adjusted</b> Heet Builders Private Limited  Hubtown Ltd.	- (-) -	- (-) (1,37,431)	24,788 (-) -	- (-) (-)
5	<b>On behalf payments repaid/Adjusted</b> Heet Builders Private Limited	- (-)	- (-)	24,788 (-)	- (-)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
<b>Balance outstanding receivables:</b>			
<b>Joint Ventures of Holding Company</b> Shreenath Realtors	7,40,33,746	7,39,21,246	7,39,21,246
<b>Balance outstanding payables:</b>			
<b>Associates of Holding Company</b> Rubix Trading Private Limited	6,92,89,071	6,92,89,071	6,92,89,071
<b>Holding Company</b> Hubtown Ltd.	44,53,40,601	-	70,38,00,229



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

## 33. DISCLOSURE ON SPECIFIED BANK NOTES (SBNs)

During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination wise SBNs and other notes as per the notification is given below:

	in ₹		
	SBNs*	Other Denomination Notes	Total
<b>Particulars</b>			
Closing Cash in hand as on November 8, 2016	28,29,000	5,69,490	33,98,490
(+) Permitted Receipts	-	-	-
(-) Permitted Payments	-	3,965	3,965
(-) Amount Deposited in Bank	28,29,000	-	28,29,000
<b>Closing Cash in hand as on December 30, 2016</b>	<b>-</b>	<b>5,65,525</b>	<b>5,65,525</b>

\* For the purpose of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 340(E), dated the 8th November, 2016.

34. 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 has made strategic investments in certain assets / projects, the proceeds of which would 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.

## 35. CONTINGENT LIABILITY (not acknowledged as debt)

Sr. No.	Particulars	As at 31st March, 2017	As at 31st March, 2016
	<b>Income Tax Matters for,</b>		
	Claim against Company not acknowledge as debt on accounts of:-		
	Pending with Commissioner of Income tax (appeals):		
	F.Y. 2010-11	1,00,000	1,00,000
	F.Y. 2012-13	1,82,16,090	5,25,70,280
	Pending with Assistant Commissioner of Income Tax:		
	F.Y. 2011-12	Amount not ascertainable	Amount not ascertainable
	Pending with Deputy Commissioner of Income Tax:		
	F.Y. 2012-13	Amount not ascertainable	Amount not ascertainable

**Notes:**

There is no contingent liability towards Service Tax, MVAT/Sales Tax as on 31st March, 2017.

36. 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.
37. Trade payable & other current liability are subject to confirmation, reconciliation and adjustment if any.

## 38. 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.

The gearing ratio at the reporting period was as follows:

	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹	As at 1st April, 2015 ₹
Unsecured Loan	71,97,539	69,93,319	1,55,93,587
Interest accrued	-	7,38,474	14,34,531
<b>Total Debt</b>	<b>71,97,539</b>	<b>77,31,793</b>	<b>1,70,28,118</b>
Cash and Cash Equivalents	2,44,91,531	8,10,54,478	42,85,533
<b>Net Debt (A)</b>	<b>(1,72,93,992)</b>	<b>(7,33,22,685)</b>	<b>1,27,42,585</b>
Equity Share Capital	1,00,000	1,00,000	1,00,000
Other Equity	(13,86,52,597)	(14,30,12,863)	(11,85,34,297)
<b>Total Equity (B)</b>	<b>(13,85,52,597)</b>	<b>(14,29,12,863)</b>	<b>(11,84,34,297)</b>
<b>Debt Equity Ratio A/B</b>	<b>12%</b>	<b>51%</b>	<b>0%</b>



**CITYWOOD BUILDERS PRIVATE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

**39. Fair Value measurement of Financial Instruments**

	31st March 2017			31st March 2016			31st March 2015		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
<b>Financial Assets</b>									
Investments	1,51,96,922	-	-	-	-	-	-	-	-
Trade receivables			10,31,45,472			18,95,38,394			2,54,45,329
Cash and cash equivalents			2,44,91,531			8,10,54,478			42,85,533
Bank balances other than (iii) above			6,40,000			-			-
Loans			10,000			16,14,687			-
Other financial assets			10,04,38,503			7,66,62,771			7,52,43,183
<b>Total of Financial Assets</b>	<b>1,51,96,922</b>	<b>-</b>	<b>22,87,25,507</b>	<b>-</b>	<b>-</b>	<b>34,88,70,330</b>	<b>-</b>	<b>-</b>	<b>10,49,74,045</b>
<b>Financial Liabilities</b>									
Borrowings			35,85,96,877			33,85,80,328			1,55,93,587
Trade payables			11,68,07,593			1,66,38,099			3,32,39,905
Other Financial liabilities			85,67,61,719			80,57,40,866			1,01,65,85,980
<b>Total of Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>1,33,21,66,189</b>	<b>-</b>	<b>-</b>	<b>1,16,09,59,293</b>	<b>-</b>	<b>-</b>	<b>1,06,54,19,472</b>

**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 2017				
<b>Financial Asset</b>				
Investments	1,51,96,922	-	-	1,51,96,922
<b>Total Financial Liabilities</b>	<b>1,51,96,922</b>	<b>-</b>	<b>-</b>	<b>1,51,96,922</b>

**ii) Valuation technique and process used to determine fair value**

The fair value of the financial instrument is determined using quoted value.

**Changes in Level 1 items for the year ended 31st March, 2017 and 31st March, 2016**

	Investments	Total
As at 31st March, 2016	-	-
Acquisition	1,50,00,000	1,50,00,000
(Gain)/loss recognised in profit or loss	1,96,922	1,96,922
<b>As at 31st March, 2017</b>	<b>1,51,96,922</b>	<b>1,51,96,922</b>



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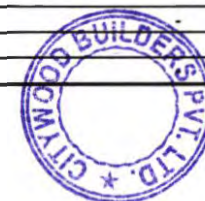
## 40. FIRST TIME IND AS ADOPTION RECONCILIATIONS

## (i) Effect of Ind AS adoption on the Balance Sheet as at 31st March, 2016 and 1st April, 2015

(₹)

Particulars	As at 31st March, 2016 (End of last period presented under previous GAAP)			As at 1st April, 2015 (Date of Transition)		
	Regrouped Previous GAAP	Effect of Transition to Ind AS	As per Ind AS balance sheet	Regrouped Previous GAAP	Effect of Transition to Ind AS	As per Ind AS balance sheet
<b>Non-Current Assets</b>						
(a) Property, plant and equipment	4,61,897	-	4,61,897	6,82,019	-	6,82,019
(b) Other non-current assets	2,69,90,194	-	2,69,90,194	2,69,90,193	-	2,69,90,193
<b>Total Non-Current Assets</b>	<b>2,74,52,091</b>	<b>-</b>	<b>2,74,52,091</b>	<b>2,76,72,212</b>	<b>-</b>	<b>2,76,72,212</b>
<b>Current assets</b>						
(a) Inventories	68,52,34,430	90,90,604	69,43,25,034	85,80,88,334	(4,01,02,421)	81,79,85,913
(b) Financial assets						
(i) Current investments	-	-	-	-	-	-
(ii) Trade receivables	18,95,38,394	-	18,95,38,394	2,54,45,329	-	2,54,45,329
(iii) Cash and cash equivalents	8,10,54,478	-	8,10,54,478	42,85,533	-	42,85,533
(iv) Loans	16,14,687	-	16,14,687	-	-	-
(v) Other financial assets	7,66,62,771	-	7,66,62,771	7,52,43,183	-	7,52,43,183
(c) Current tax assets (Net)	13,91,464	-	13,91,464	-	-	-
(d) Other current assets	5,63,97,887	(46,16,016)	5,17,81,871	7,11,25,928	-	7,11,25,928
<b>Total Current Assets</b>	<b>1,09,18,94,112</b>	<b>44,74,588</b>	<b>1,09,63,68,699</b>	<b>1,03,41,88,307</b>	<b>(4,01,02,421)</b>	<b>99,40,85,886</b>
<b>Total Assets</b>	<b>1,11,93,46,202</b>	<b>44,74,588</b>	<b>1,12,38,20,790</b>	<b>1,06,18,60,520</b>	<b>(4,01,02,421)</b>	<b>1,02,17,58,099</b>
<b>Equity</b>						
(a) Equity share capital	1,00,000	-	1,00,000	1,00,000	-	1,00,000
(b) Other equity	(14,30,12,864)	0	(14,30,12,863)	(11,85,34,297)	-	(11,85,34,297)
<b>Total Equity</b>	<b>(14,29,12,864)</b>	<b>0</b>	<b>(14,29,12,863)</b>	<b>(11,84,34,297)</b>	<b>-</b>	<b>(11,84,34,297)</b>
<b>Non-Current Liabilities</b>						
Financial Liabilities						
(i) Borrowings	28,70,10,000	4,45,77,009	33,15,87,009	-	-	-
(ii) Other Financial Liabilities	39,20,874	-	39,20,874	32,52,679	-	32,52,679
<b>Total Non-Current Liabilities</b>	<b>29,09,30,874</b>	<b>4,45,77,009</b>	<b>33,55,07,883</b>	<b>32,52,679</b>	<b>-</b>	<b>32,52,679</b>
<b>Current Liabilities</b>						
(a) Financial Liabilities						
(i) Borrowings	69,93,319	-	69,93,319	1,55,93,587	-	1,55,93,587
(i) Trade payables	1,66,38,099	-	1,66,38,099	3,32,39,905	-	3,32,39,905
(ii) Other financial liabilities	80,18,19,992	-	80,18,19,992	1,01,33,33,301	-	1,01,33,33,301
(b) Current tax Liabilities (Net)	-	-	-	19,14,106	-	19,14,106
(c) Other current liabilities	10,57,74,361	-	10,57,74,361	7,28,58,817	-	7,28,58,817
<b>Total Current Liabilities</b>	<b>93,12,25,771</b>	<b>-</b>	<b>93,12,25,771</b>	<b>1,13,69,39,717</b>	<b>-</b>	<b>1,13,69,39,717</b>
<b>Total Liabilities</b>	<b>1,22,21,56,645</b>	<b>4,45,77,009</b>	<b>1,26,67,33,653</b>	<b>1,14,01,92,396</b>	<b>-</b>	<b>1,14,01,92,396</b>
<b>Total Equity and Liabilities</b>	<b>1,07,92,43,781</b>	<b>4,45,77,009</b>	<b>1,12,38,20,790</b>	<b>1,02,17,58,098</b>	<b>-</b>	<b>1,02,17,58,098</b>

The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purposes of this note



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

## (ii) Effect of Ind AS adoption on the Statement of Profit and Loss for the year ended 31st March, 2016

(₹)

Particulars	As at 31st March, 2016		
	Regrouped Previous GAAP	Effect of Transition to Ind AS	As per Ind AS balance sheet
<b>INCOME</b>			
Revenue from Operations	20,28,99,538	-	20,28,99,538
Other Income	21,96,643	-	21,96,643
<b>Total Income</b>	<b>20,50,96,181</b>	-	<b>20,50,96,181</b>
<b>EXPENSES</b>			
Costs Of Construction / Development	4,83,17,055	-	4,83,17,055
Purchase of Stock-in-Trade	-	-	-
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	17,29,47,471	(4,91,93,025)	12,37,54,446
Employee Benefits Expense	3,97,325	-	3,97,325
Finance Costs	80,21,077	4,91,93,025	5,72,14,102
Depreciation and Amortisation Expenses	2,30,123	-	2,30,123
Other Expenses	22,84,187	-	22,84,187
<b>Total Expenses</b>	<b>23,21,97,238</b>	-	<b>23,21,97,238</b>
<b>Profit Before Tax</b>	<b>(2,71,01,057)</b>	-	<b>(2,71,01,057)</b>
Tax Expense			
(1) Current Tax	-	-	-
(2) Excess / (Short) provision for taxation in respect of earlier years	26,22,491	-	26,22,491
<b>Profit for the Year</b>	<b>(2,44,78,566)</b>	-	<b>(2,44,78,566)</b>
<b>Other Comprehensive Income</b>	-	-	-
<b>Total Comprehensive Income</b>	<b>(2,44,78,566)</b>	-	<b>(2,44,78,566)</b>

The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purposes of this note.

## (iii) Effect of Ind AS adoption on the statement of cash flows for the year ended 31st March, 2016

(₹)

Particulars	As at March 31, 2016		
	Regrouped Previous GAAP	Effect of Transition to Ind AS	As per Ind AS balance sheet
Net cash flows from Operating activities	(20,68,04,060)	-	(20,68,04,060)
Net cash flows from Investing activities	1,84,96,424	-	1,84,96,424
Net cash flows from Financing activities	26,50,76,581	-	26,50,76,581
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>7,67,68,945</b>	-	<b>7,67,68,945</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>42,85,533</b>	-	<b>42,85,533</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>8,10,54,478</b>	-	<b>8,10,54,478</b>

The accompanying notes are an integral part of Financial Statements.

As per our report of even date

FOR AND ON BEHALF OF THE BOARD

FOR SANKET R. SHAH & ASSOCIATES

Chartered Accountants

Firm Registration No. 135703W

M. No. 152369

SANKET SHAH

PROPRIETOR

Membership No. 152369

Mumbai

Date: 5th August, 2017



JASMIN RATHOD  
DIRECTOR  
DIN: 03147669

PRARHUL SHINDE  
DIRECTOR  
DIN: 03140671



**DEVKRUPA BUILD TECH LIMITED**

CIN: U74140MH2006PLC166596

**DIRECTORS' REPORT**

**To**  
**THE MEMBERS**  
**DEVKRUPA BUILD TECH LIMITED**

The Directors hereby present the Eleventh Annual Report of the Company together with the Audited Financial Statements for the year ended March 31, 2017.

**FINANCIAL RESULTS :**

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standard) Rules, 2015 as amended. The financial statements for the Financial Year ended March 31, 2017 are the Company's first Ind AS compliant annual audited financial statements with comparative figures for the year ended March 31, 2016 also under Ind AS. The transition date is April 1, 2015.

During the year under review the Company incurred a net loss of Rs. 20,436/- as against a profit Rs. 76,57,888/- during the previous year.

**DIVIDEND :**

In view of the loss incurred, the Directors do not recommend the payment of dividend for the year ended March 31, 2017.

**TRANSFER TO RESERVES :**

In view of the loss incurred, the Directors have not transferred any amount to reserves.

**MATERIAL CHANGES AND COMMITMENTS :**

No material changes or commitments have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

**CHANGE IN THE NATURE OF BUSINESS :**

There has been no change in the nature of business of the Company during the year under review.

**SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES :**

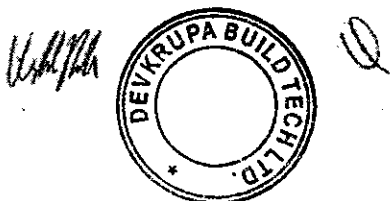
During the year under review, the Company did not have any subsidiary, joint venture or an associate company.

**DEPOSITS :**

The Company has not accepted any deposits during the year under review.

**TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND:**

During the year under review, the Company was not required to transfer any amount to the Investor Education and Protection Fund.



**SHARE CAPITAL:**

The paid-up equity share capital of the Company as on March 31, 2017 was Rs. 500,000. During the year under review, the Company has not issued any shares with differential voting rights or granted stock options or sweat equity.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:**

The Company has not given any loan or made investment or provided any security or guarantee during the year under review, which require to be disclosed under Section 186 of the Companies Act, 2013.

**RELATED PARTY TRANSACTIONS:**

The particulars of transactions entered into by the Company with related parties during the year under review are disclosed in the relevant note to the Financial Statements. The said related party transactions are on an arms length basis and hence not required to be disclosed in Form AOC-2.

**INTERNAL FINANCIAL CONTROLS:**

The Company has an Internal Control System, commensurate with the nature and size of its operations. Based on the framework of internal financial controls maintained by the Company and the work performed by the Statutory Auditors, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the Financial Year 2016-2017.

**DIRECTORS:**

During the year under review, Ms. Nancy Pereira resigned from the Board of Directors of the Company effective September 28, 2016. The Board places on record its appreciation of the valuable services provided by Ms. Nancy Pereira during his tenure as Director of the Company.

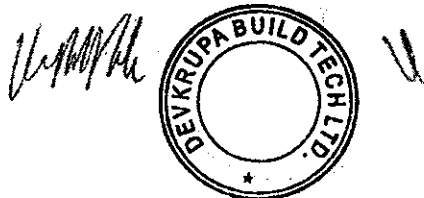
Mr. Samirkumar Salot (DIN: 07115916) was appointed as an Additional Director on the Board of Directors of the Company effective September 28, 2016 and in terms of Section 161 (1) of the Companies Act, 2013, holds office upto the date of the ensuing Annual General Meeting. The Company has received a notice under Section 160 of the said Act together with requisite deposit, from a member of the Company proposing the candidature of Mr. Samirkumar Salot for the office of Director of the Company at the ensuing Annual General Meeting of the Company.

In accordance with the provisions of Section 152 (6) (e) of the said Act and the Articles of Association of the Company, Mr. Vikrant Jain (DIN: 01912696), Director of the Company retires by rotation and being eligible, offers himself for reappointment.

The provisions of Section 149 of the Companies Act, 2013 relating to the appointment of Independent Directors do not apply to the Company.

**ANNUAL RETURN:**

The extracts of Annual Return pursuant to the provisions of Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in 'Annexure-A' to this Report.



**BOARD MEETINGS:**

The Company had convened and held Six (6) Board meetings during the year under review. The said Board meetings were held on May 18, 2016, July 30, 2016, August 30, 2016, September 28, 2016, December 22, 2016, February 15, 2017. The gap between the meetings did not exceed the period prescribed under the Act.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to sub-section (3) (c) of Section 134 (5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended March 31, 2016, the Directors of your Company, to the best of their knowledge and belief and on the basis of the information and explanations received by them, hereby state and confirm that:

- (i) in the preparation of the Annual Accounts for the year ended March 31, 2017, the applicable accounting standards read with the requirements under Schedule III to the said Act have been followed alongwith proper explanation relating to material departures, if any;
- (ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year on 31st March, 2017, and of the loss of the Company for that period;
- (iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the annual accounts have been prepared on a 'going concern' basis;
- (v) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

**DISCLOSURE OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL**

During the year under review, there were no significant or material orders passed by any regulatory / statutory authorities or courts / tribunals against the Company impacting its going concern status and operations in future.

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

The nature of operations of the Company does not require disclosure of particulars relating to conservation of energy and technology absorption, as prescribed under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014. During the year under review, or the Company had Nil foreign exchange earnings and outgo.

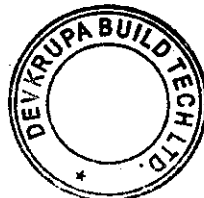
**RISK MANAGEMENT POLICY:**

The Company has not adopted a Risk Management POLicyt as the elements of risks threatening the Company's existence are minimal.

**AUDITORS:**

There are no qualification, reservation or adverse remark or disclaimer made by the Statutory Auditors in the Auditors' Report.

At the Eighth Annual General Meeting (AGM) of the Company held on September 18, 2014. M/s. M. K. Gohel & Associates, Chartered Accountants (Firm Reg. No. 103256W ) were appointed as Statutory Auditors of the Company for five financial years commencing from April 01, 2014 to March 31, 2019, to hold office until the conclusion of the Thirteenth AGM to be held for the year 2019 (subject to ratification of their appointment at each AGM).



Accordingly, the members are requested to ratify the reappointment of M/s. M. K. Gohel & Associates, Chartered Accountants as the Statutory Auditors of the Company for the current financial year 2017-2018 and to authorise the Board of Directors to fix their remuneration.

M/s. M. K. Gohel & Associates, Chartered Accountants have offered themselves for reappointment and have confirmed their eligibility to be appointed as Auditors pursuant to the provisions of Section 141 of the Companies Act, 2013 and Rule 4 of the Companies (Audit and Auditors) Rules, 2014.

**GENERAL :**

The provisions relating to Secretarial Audit, appointment of Key Managerial Personnel, constitution of Audit Committee, Corporate Social Responsibility Committee, Nomination and Remuneration Committee and Vigil Mechanism are not applicable to the Company.

**DISCLOSURE UNDER 'THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013':**

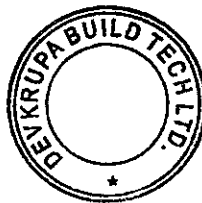
The Company has adopted a Policy on Prevention, Prohibition and Redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder for prevention and redressal of complaints of sexual harassment at work place.

The Company has not received any complaint on sexual harassment during the year under review.


**PARTICULARS OF EMPLOYEES**

The Company does not have any employee on its roll and none of the Directors of the Company receive any remuneration under Section 197 of the Companies Act, 2013. Accordingly, no information is required to be disclosed in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

For and behalf of the board



  
Kushal Shah  
Director  
DIN: 06843982

  
Vikrant Jain  
Director  
DIN: 01912696

Place: Mumbai  
Date: May 24, 2017

**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**

As on financial year ended on March 31, 2017

[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014]

**I. REGISTRATION & OTHER DETAILS:**

1.	CIN	U74140MH2006PLC166596
2.	Registration Date	29/12/2006
3.	Name of the Company	Devkrupa Build Tech Limited
4.	Category/Sub-category of the Company	Company Having Share Capital
5.	Address of the Registered office & contact details	Raheja Chamber, Office No. 317, 3rd Floor, Free Press Marg, Nariman Point, Mumbai - 400021. Tel: 022 67037400; Fax: 022 67037403
6.	Whether listed company	No
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Not Applicable

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
-	-	-	-

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-**

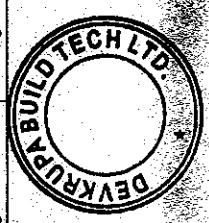
Sr. No.	Name And Address of the Company	CIN/GLN	Holding/ Subsidiary/Associate	% of Shares Held	Applicable Section
1	<b>Hubtown Limited</b> Akruti Center Point, 6 <sup>th</sup> Floor, Central Road, Marol MIDC, Andheri (East), Mumbai- 400093	L45200MH1989PLC050688	Holding	100.00%	2(46)



IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

SN.	Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2016]			No. of Shares held at the end of the year [As on 31-March-2017]			% Change during the year	
		Demat	Physical	Total	% of Total Shares	Demat	Physical		Total
<b>A. Promoters</b>									
<b>(1) Indian</b>									
(a)	Individual/ HUF	0	0	0	0	0	0	0	0
(b)	Central Govt	0	0	0	0	0	0	0	0
(c)	State Govt(s)	0	0	0	0	0	0	0	0
(d)	Bodies Corp.	0	25500	25500	51	0	50000	50000	100
(e)	Banks / FI	0	0	0	0	0	0	0	0
(f)	Any other	0	0	0	0	0	0	0	0
	<b>Total share-holding of Promoter (A)(1)</b>	0	25500	25500	51	0	50000	50000	100
<b>(2) Foreign</b>									
(a)	NRIs - Individuals	0	0	0	0	0	0	0	0
(b)	Other - Individuals	0	0	0	0	0	0	0	0
(c)	Bodies Corp.	0	0	0	0	0	0	0	0
(d)	Banks / FI	0	0	0	0	0	0	0	0
(e)	Any Other	0	0	0	0	0	0	0	0
	<b>Sub-total (A) (2)</b>	0	0	0	0	0	0	0	0
	<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	0	25500	25500	51	0	50000	50000	100
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
(a)	Mutual Funds	0	0	0	0	0	0	0	0
(b)	Banks / FI	0	0	0	0	0	0	0	0
(c)	Central Govt	0	0	0	0	0	0	0	0
(d)	State Govt(s)	0	0	0	0	0	0	0	0
(e)	Venture Capital Funds	0	0	0	0	0	0	0	0
(f)	Insurance Companies	0	0	0	0	0	0	0	0
(g)	FIIIs	0	0	0	0	0	0	0	0
(h)	Foreign Venture Capital Funds	0	0	0	0	0	0	0	0
(i)	Others (specify)	0	0	0	0	0	0	0	0



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2. Non-Institutions											
Sub-total (B)(1):-											
Non-Institutions											
(a)	<b>Bodies Corp.</b>										
	(i) Indian	0	0	0	0	0	0	0	0	0	0
	(ii) Overseas	0	0	0	0	0	0	0	0	0	0
(b)	<b>Individuals:</b>										
	(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	0	0	0	0	0	0	0	0	0
	(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	24500	24500	49	0	0	0	0	0	(49)
(c)	<b>Others (Specify)</b>										
	(i) Trusts										
	(ii) Non-Resident Indians	0	0	0	0	0	0	0	0	0	0
	(iii) Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0	0
	(iv) Clearing Members	0	0	0	0	0	0	0	0	0	0
	<b>Sub-total (B)(2)</b>	0	24500	24500	49	0	0	0	0	0	(49)
	<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	0	24500	24500	49	0	0	0	0	0	(49)
C.	<b>Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0	0
	<b>Grand Total (A+B+C)</b>	0	50000	50000	100	0	50000	50000	100	0	0

ii) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year [As on 31-March-2016]				Shareholding at the end of the year [As on 31-March-2017]				% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares		
1	Hubtown Limited along with Nominees.	25500	51.00%	0	50000	100.00%	0	49	49	
	<b>Total</b>	25500	51.00%	0	50000	100.00%	0	49	49	

*[Handwritten Signature]*



*[Handwritten Initials]*

**(iii) Change in Promoters' Shareholding (please specify, if there is no change)**

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Hubtown Limited along with Nominees				
	At the beginning of the year (April 01, 2016)	25500	51.00%	25500	51.00%
	Purchase of Shares on 30-07-2016	24500	49.00%	50000	100.00%
	At the end of the year (March 31, 2017)	-	-	50000	100.00%

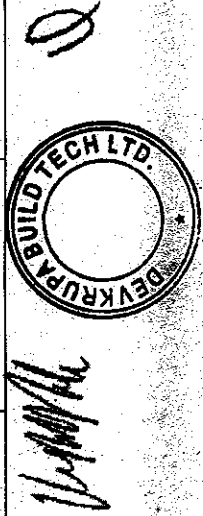
**iv) Shareholding Pattern of top ten Shareholders:**

**(Other than Directors, Promoters and Holders of GDRs and ADRs):**

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the Company
1.	Surendra Ramchandra Sanas				
	At the beginning of the year (April 01, 2016)	24500	49.00%	24500	49.00%
	Sale of Shares on 30-07-2016	(24500)	(49.00%)	-	-
	At the end of the year (March 31, 2017)	-	-	-	-

**v) Shareholding of Directors and Key Managerial Personnel:**

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1)	<b>Mr. Vikrant Jain (Director)</b>				
	At the beginning of the year (April 01, 2016)	0	0	0	0
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	0	0	0	0
	At the end of the year (March 31, 2017)	0	0	0	0
2)	<b>Mr. Kushal Shah (Director)</b>				
	At the beginning of the year (April 01, 2016)	0	0	0	0
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	0	0	0	0
	At the end of the year (March 31, 2017)	0	0	0	0
3)	<b>Mrs. Nancy Pereira (Director) (upto September 28, 2016)</b>				
	At the beginning of the year (April 01, 2016)	0	0	0	0





Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	0	0	0	0
At the end of the year(March 31, 2017)	0	0	0	0
<b>4) Mrs. Samirkumar Salot (Additional Director) (w.e.f September 28, 2016)</b>				
At the beginning of the year(April 01, 2016)				
Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)				
At the end of the year(March 31, 2017)				

**V) INDEBTEDNESS -**

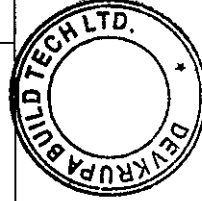
Indebtedness of the Company including interest outstanding/accrued but not due for payment (Rs.)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	-	60250394	-	60250394
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	60250394	-	60250394
<b>Change in Indebtedness during the financial year</b>				
* Addition	-	18035	-	18035
* Reduction	-	-	-	-
<b>Net Change</b>	-	60268429	-	60268429
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	60268429	-	60268429
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	60268429	-	60268429

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**

Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1	Gross salary	-	-
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-



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	(c) Profits in lieu of salary under Section 17(3) Income-tax Act 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-
5	Others, please specify	-	-	-
	<b>Total (A)</b>	-	-	-
	Ceiling as per the Act	-	-	-

B. Remuneration to other directors:

SN	Particulars of Remuneration	Name of Directors			Total Amount
		Mr. Kushal Shah	Mr. Vikrant Jain	Mr. Samir Kumar Salot (w.e.f September 28, 2016)	
1	Independent Directors	0	0	0	0
	Fee for attending Board/Committee meetings	0	0	0	0
	Commission	0	0	0	0
	Others, please specify	0	0	0	0
	<b>Total (1)</b>	0	0	0	0
2	Other Non-Executive Directors	0	0	0	0
	Fee for attending Board/Committee meetings	0	0	0	0
	Commission	0	0	0	0
	Others, please specify	0	0	0	0
	<b>Total (2)</b>	0	0	0	0
	<b>Total (B)=(1+2)</b>	0	0	0	0
	Total Managerial Remuneration	0	0	0	0
	Overall Ceiling as per the Act				0

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross salary	N.A.	N.A.	N.A.	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act 1961	-	-	-	-



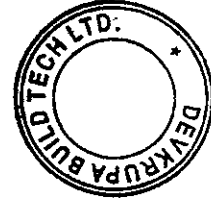
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	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	-	-	-

**VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B. DIRECTORS</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For and on behalf of the Board



*Kushal Shah*  
Kushal Shah  
Director  
DIN: 06843982

*Vikrant Jain*  
Vikrant Jain  
Director  
DIN: 01912696

Place: Mumbai  
Date: May 24, 2017

**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, 2017, 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 (herein after referred to as "standalone 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 Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, 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 state of affairs of the Company as at 31st March, 2017, 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

Attention is invited to:

- (a) The Statement of Profit and Loss of the Company which includes share of loss (net) from investments in partnership firms / joint ventures aggregating ₹ 4.75 lakhs are based on the financial statements of the joint ventures / firms as audited by other auditors whose reports have been furnished to us, which have been relied upon by us. Further the Statement of Profit and Loss of the Company includes share of loss from investments in partnership firms / joint ventures aggregating ₹ 720.93 lakhs are based on the financial statements of the joint ventures / firms as prepared by the management and presented to us on which we have relied.
- (b) Note 12 (footnote e) regarding the Company's investments in certain subsidiaries, jointly controlled entities and associates as at 31<sup>st</sup> March, 2016 which have incurred losses and have negative net worth as at March 31, 2016.

### 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 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 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, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 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".
- (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.
  - iv. The Company has provided requisite disclosures in its Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 on the basis of information available with the company. Based on audit procedures, and relying on management's representation, we report that disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the management.

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

*MK Gohel*

**MUKESH K. GOHEL**  
PROPRIETOR  
Membership No. 038823  
Place : Mumbai  
Date : 24/05/2017



**"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 31<sup>st</sup> MARCH, 2017 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, it has been generally regular in depositing, wherever applicable, Wealth 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. There were Tax Deducted at Source ₹523030/- Service Tax ₹1047513/-, TDS on Interest ₹ 866,454/- and WCT ₹484287 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, Wealth 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.
- (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

*MKGohel*

**MUKESH K. GOHEL**  
PROPRIETOR  
Membership No. 038823



Place : Mumbai  
Date : 24/05/2017

**"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 31<sup>st</sup> MARCH, 2017 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, 2017 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**

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. 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, 2017, 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

*M.K. Gohel*

**MUKESH K. GOHEL**  
PROPRIETOR  
Membership No. 038823



Place : Mumbai  
Date : 24/05/2017

**DEVKRUPA BUILD TECH LIMITED**

**BALANCE SHEET AS AT 31ST MARCH, 2017**

Particulars	Note No.	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹	As at 1st April, 2015 ₹
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
(a) Property, plant and equipment	4	53,358	61,979	77,223
(b) Current tax assets (Net)	5	15,01,718	9,25,960	9,093
<b>Total Non-Current assets</b>		<b>15,55,076</b>	<b>9,87,939</b>	<b>86,316</b>
<b>Current assets</b>				
(a) Financial assets				
(i) Trade receivables	6	41,93,359	41,93,359	41,93,359
(ii) Cash and cash equivalents	7	3,25,750	3,45,546	8,16,128
(iii) Other financial assets	8	1,90,300	1,90,300	1,90,300
(b) Other current assets	9	5,293	3,730	-
<b>Total Current Assets</b>		<b>47,14,702</b>	<b>47,32,935</b>	<b>51,99,787</b>
<b>Total assets</b>		<b>62,69,778</b>	<b>57,20,874</b>	<b>52,86,103</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity share capital	10	5,00,000	5,00,000	5,00,000
(b) Other equity	11	(8,71,33,808)	(8,71,13,372)	(9,47,71,260)
<b>Total Equity</b>		<b>(8,66,33,808)</b>	<b>(8,66,13,372)</b>	<b>(9,42,71,260)</b>
<b>Current Liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	12	6,02,68,429	6,02,50,394	5,82,68,852
(ii) Trade payables	13	2,80,30,246	2,80,30,246	2,90,77,759
(iii) Other financial liabilities	14	22,14,659	16,47,137	86,78,896
(b) Other current liabilities	15	23,90,252	23,91,152	35,31,856
(c) Current tax Liabilities (Net)	16	-	15,317	-
<b>Total Current Liabilities</b>		<b>9,29,03,586</b>	<b>9,23,34,246</b>	<b>9,95,57,363</b>
<b>Total Liabilities</b>		<b>9,29,03,586</b>	<b>9,23,34,246</b>	<b>9,95,57,363</b>
<b>Total Equity and Liabilities</b>		<b>62,69,778</b>	<b>57,20,874</b>	<b>52,86,103</b>

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

*MKGohel*  
MUKESH K GOHEL  
PROPRIETOR  
Membership No. 038823



*S. Salot*  
SAMIRKUMAR SALOT  
DIRECTOR  
DIN : 07115916

*Vikrant Jain*  
VIKRANT JAIN  
DIRECTOR  
DIN : 01912696

Mumbai  
Date: 24th May, 2017

*A*

**DEVKRUPA BUILD TECH LIMITED****STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017**

Particulars	Note No.	Year ended	Year ended
		31st March, 2017	31st March, 2016
		₹	₹
<b>I INCOME</b>			
Other Income	17	4,92,590	84,35,115
<b>Total Income</b>		<b>4,92,590</b>	<b>84,35,115</b>
<b>II EXPENSES</b>			
Finance Costs	18	4,62,146	5,30,412
Depreciation	19	8,621	15,244
Other Expenses	20	42,259	2,16,254
<b>Total Expenses</b>		<b>5,13,026</b>	<b>7,61,910</b>
<b>Profit / (Loss) before Tax</b>		<b>(20,436)</b>	<b>76,73,205</b>
<b>Tax Expense</b>			
Current Tax		-	(15,317)
<b>Total Tax</b>		<b>-</b>	<b>(15,317)</b>
<b>Profit / (Loss) for the Period</b>		<b>(20,436)</b>	<b>76,57,888</b>
<b>Earning per equity share of nominal value of ₹ 10/- each (in Rupees)</b>	21		
Basic and Diluted		(0.41)	153.16

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 **M. K. GOHEL & ASSOCIATES**

CHARTERED ACCOUNTANTS

FIRM REG. NO.:103256W

*MKGohel*

**MUKESH K GOHEL**

PROPRIETOR

Membership No. 038823

Mumbai

Date: 24th May, 2017



*Smsalot*  
**SAMIRKUMAR SALOT**  
DIRECTOR  
DIN : 07115916

*Vikrant Jain*  
**VIKRANT JAIN**  
DIRECTOR  
DIN : 01912696

**DEVKRUPA BUILD TECH LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017**

Particulars	31st March, 2017 ₹	31st March, 2016 ₹
<b>Cash flows arising from operating activities</b>		
Net profit before taxation as per statement of profit and loss	(20,436)	76,73,205
<b>Add / (Less) :</b>		
Depreciation	8,621	15,244
Finance Cost	4,62,146	5,30,412
Liability written back to the extent no longer required	(4,92,590)	(84,35,115)
<b>Total</b>	<u>(21,823)</u>	<u>(78,89,459)</u>
<b>Operating profit before working capital changes</b>	<b>(42,259)</b>	<b>(2,16,254)</b>
<b>Add / (Less) :</b>		
(Increase) / Decrease in trade and other receivables	(5,77,321)	(9,20,597)
Increase / (Decrease) in other Current liabilities	10,43,895	73,89,423
Increase / (Decrease) in trade and other payables	-	(10,47,513)
Direct taxes paid	-	-
<b>Total</b>	<u>4,66,574</u>	<u>54,21,313</u>
<b>Net cash flow from operating activities</b>	<b>4,24,316</b>	<b>52,05,059</b>
<b>Cash flows arising from investing activities</b>		
<b>Inflow / (Outflow) on account of :</b>		
Interest income received	-	-
<b>Net cash flow from investing activities</b>	<u>-</u>	<u>-</u>
<b>Cash flows arising from financing activities</b>		
<b>Inflow / (Outflow) on account of :</b>		
Proceeds from short-term borrowings	18,035	19,81,541
Finance costs paid	(4,62,146)	(76,57,183)
<b>Net cash flow from financing activities</b>	<u>(4,44,111)</u>	<u>(56,75,642)</u>
<b>Net Increase in cash and cash equivalents</b>	<b>(19,795)</b>	<b>(4,70,582)</b>
<b>Add: Balance at the beginning of the year</b>	<u>3,45,546</u>	<u>8,16,128</u>
<b>Cash and cash equivalents at the end of the year</b>	<u>3,25,750</u>	<u>3,45,546</u>
<b>Components of cash and cash equivalents (Refer note 8)</b>		
Cash and cash equivalents:		
Cash on hand	-	195
Balances with banks		
- On Current accounts	3,25,750	3,45,351
	<u>3,25,750</u>	<u>3,45,546</u>

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

Mumbai  
Date: 24th May, 2017



For and on behalf of the Board of Directors

*S. S. S. S.*  
DIRECTOR  
DIN : 07115916  
*Vikrant Jain*  
**VIKRANT JAIN**  
DIRECTOR  
DIN : 01912696

**DEVKRUPA BUILD TECH LIMITED**

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2017**

(₹)

	Reserves and Surplus			Total
	Equity	General reserve	Retained Earnings	
Balance at April 1, 2015	5,00,000	5,25,00,000	(14,72,71,260)	(9,42,71,260)
Total Comprehensive Income for the year	-	-	76,57,888	76,57,888
Balance as at 31st March 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)

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

*MK Gohel*

**MUKESH K GOHEL**  
PROPRIETOR  
Membership No. 038823

Mumbai  
Date: 24th May, 2017



*S. Salot*  
**SAMIRKUMAR SALOT**

DIRECTOR  
DIN : 07115916

*V. Jain*

**VIKRANT JAIN**  
DIRECTOR  
DIN : 01912696

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

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 24th May, 2017.

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 30.

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 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.

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.



*Sanjay*



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

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 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.



*Gnsalet*



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

## 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

## 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 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 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.



*Ansalat*



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

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.



**DEVKRUPA BUILD TECH LIMITED****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017****4. Property, plant and equipment**

	Pump	Office Equipment	Total
<b>Cost or deemed cost</b>			
Balance at 1st April, 2015	1,86,810	39,509	2,26,319
Additions	-	-	-
Disposals	-	-	-
Transfers	-	-	-
<b>Balance at 31st March, 2016</b>	<b>1,86,810</b>	<b>39,509</b>	<b>2,26,319</b>
<b>Accumulated depreciation and impairment</b>			
Balance at 1st April, 2015	1,09,587	39,509	1,49,096
Eliminated on disposal of assets	-	-	-
Depreciation expense	15,244	-	15,244
<b>Balance at 31st March, 2016</b>	<b>1,24,831</b>	<b>39,509</b>	<b>1,64,340</b>
<b>Carrying amount as on 31st March 2016</b>	<b>61,979</b>	<b>-</b>	<b>61,979</b>

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



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**DEVKRUPA BUILD TECH LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹	As at 1st April, 2015 ₹
<b>5. Current Tax assets and liabilities</b>			
Advance Tax paid	20,77,476	15,01,718	5,84,851
Less: Provision for Tax	(5,75,758)	(5,75,758)	(5,75,758)
<b>Total</b>	<b>15,01,718</b>	<b>9,25,960</b>	<b>9,093</b>

**Footnotes:**

**Income Tax expense**

	31st March, 2017	31st March, 2016
(a) <b>Income Tax expense</b>		
Current Tax		
Current Tax on taxable income for the year	-	(15,317)
Tax in respect of earlier years	-	-
<b>Current tax expense</b>	-	<b>(15,317)</b>
Deferred tax		
Decrease / (increase) in deferred tax assets	-	-
(Decrease) / increase in deferred tax liabilities	-	-
<b>Deferred tax charge / (credit)</b>	-	-
<b>Income tax expense</b>	-	<b>(15,317)</b>

**(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.

**6. Trade Receivables**

**Current**

Trade Receivables

Unsecured, considered good

Outstanding for a period exceeding six months from the date they are due for payment	41,93,359	41,93,359	41,93,359
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**Total** **41,93,359** **41,93,359** **41,93,359**

**7. Cash and cash equivalents**

Balances with banks:

- in current accounts

Cash on hand

- in current accounts	3,25,750	3,45,351	8,15,933
Cash on hand	-	195	195

**Total** **3,25,750** **3,45,546** **8,16,128**

**8. Other financial assets**

**Current**

Security deposits

Security deposits	1,90,300	1,90,300	1,90,300
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**Total** **1,90,300** **1,90,300** **1,90,300**

**9. Other assets**

**Current**

Balance with Statutory Authorities (Cenvat credit)

Balance with Statutory Authorities (Cenvat credit)	5,293	3,730	-
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**Total** **5,293** **3,730** **-**



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹	As at 1st April, 2015 ₹
<b>10. Equity share capital</b>			
<b>Authorised Share Capital:</b> 50,000 (As at March 31, 2016: 50,000; As at April 1, 2015: 50,000) Equity Shares of ₹ 10/- each	5,00,000	5,00,000	5,00,000
<b>Issued and subscribed capital comprises:</b> 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	5,00,000
	<u>5,00,000</u>	<u>5,00,000</u>	<u>5,00,000</u>
<b>Footnotes:</b>			
<b>(i) Reconciliation of the number of Equity shares outstanding at the beginning and at the end of the year.</b>		Number of shares	Share Capital ₹
Balance at 1st April, 2015		50,000	5,00,000
Add : Issued during the year		-	-
Less : Bought back during the year		-	-
Balance at 31st March, 2016		50,000	5,00,000
Add : Issued during the year		-	-
Less : Bought back during the year		-	-
Balance at 31st March, 2017		<u>50,000</u>	<u>5,00,000</u>

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

	31st March, 2017		31st March, 2016		1st April, 2015	
	No of shares held	% holding	No of shares held	% holding	No of shares held	% holding
<b>Fully paid equity shares</b>						
Hubtown Limited with its beneficiary owners	50,000	100%	50,000	100%	50,000	100%
<b>Total</b>	<u>50,000</u>	<u>100%</u>	<u>50,000</u>	<u>100%</u>	<u>50,000</u>	<u>100%</u>

## (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 31 March, 2017 ₹	As at 31 March, 2016 ₹	As at 1 April, 2015 ₹
<b>11. Other Equity</b>			
<b>General reserve</b>			
Balance at the beginning of the year	5,25,00,000	5,25,00,000	5,25,00,000
Add / (Less):			
Amount transferred from Retained Earnings			
<b>Balance at the end of the year</b>	<u>5,25,00,000</u>	<u>5,25,00,000</u>	<u>5,25,00,000</u>
<b>Retained Earnings</b>			
Balance at the beginning of the year	(13,96,13,372)	(14,72,71,260)	(14,72,71,260)
Profit attributable to the owners of the company	(20,436)	76,57,888	-
<b>Balance at the end of the year</b>	<u>(13,96,33,808)</u>	<u>(13,96,13,372)</u>	<u>(14,72,71,260)</u>
<b>Total Other Equity</b>	<u>(8,71,33,808)</u>	<u>(8,71,13,372)</u>	<u>(9,47,71,260)</u>



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**DEVKRUPA BUILD TECH LIMITED****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹	As at 1st April, 2015 ₹
<b>12. Borrowings</b>			
<b>Current</b>			
Loans repayable on demand (Unsecured):			
- From Related Party(Refer footnote i)	5,96,77,354	5,96,59,319	5,82,68,852
- From Companies(Refer footnote ii)	5,91,075	5,91,075	-
<b>TOTAL</b>	<b>6,02,68,429</b>	<b>6,02,50,394</b>	<b>5,82,68,852</b>

**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 amounts so received is not measureable precisely.
- (ii) Loan from other Company is received at an interest rate of C.Y NIL and (P.Y. 15% p.a.)

**13. Trade payables**

Trade Payables(Refer Footnote)	2,80,30,246	2,80,30,246	2,90,77,759
<b>TOTAL</b>	<b>2,80,30,246</b>	<b>2,80,30,246</b>	<b>2,90,77,759</b>

**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.

**14. Other financial liabilities****Current**

Interest accrued and due on borrowings			71,26,771
Security deposits (Refundable)	1,13,230	1,13,230	1,13,230
Other payables	21,01,429	15,33,907	14,38,895
<b>TOTAL</b>	<b>22,14,659</b>	<b>16,47,137</b>	<b>86,78,896</b>

**15. Other current liabilities****Current**

Advance from customers	3,35,422	3,35,422	3,35,422
Other payables :			
- Statutory dues	20,54,830	20,55,730	31,96,434
<b>TOTAL</b>	<b>23,90,252</b>	<b>23,91,152</b>	<b>35,31,856</b>

**16. Current Tax Liabilities**

Provision for Tax	-	15,317	-
Less: Advance Tax paid	-	-	-
<b>Provision for Tax (Net)</b>	<b>-</b>	<b>15,317</b>	<b>-</b>



*Signature*



**DEVKRUPA BUILD TECH LIMITED****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

	Year Ended 31st March, 2017 ₹	Year Ended 31st March, 2016 ₹
<b>17. Other income</b>		
Liability written back to the extent no longer required	4,92,590	84,35,115
<b>Total</b>	<b>4,92,590</b>	<b>84,35,115</b>
<b>18. Finance Costs</b>		
Delayed/penal interest on loans and statutory dues	4,62,146	5,30,412
<b>Total</b>	<b>4,62,146</b>	<b>5,30,412</b>
<b>19. Depreciation</b>		
Depreciation of property, plant and equipment	8,621	15,244
<b>Total</b>	<b>8,621</b>	<b>15,244</b>
<b>20. Other Expenses</b>		
Auditors Remuneration	17,250	17,175
Legal and professional fees	10,750	62,845
Other expenses	14,259	1,36,234
<b>Total</b>	<b>42,259</b>	<b>2,16,254</b>



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**DEVKRUPA BUILD TECH LIMITED****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017**

	Year Ended 31st March, 2017 ₹	Year Ended 31st March, 2016 ₹
<b>21. EARNINGS PER SHARE (EPS)</b>		
Basic and Diuted Earning Per Share	(0.41)	153.16

**(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, 2017	Year Ended 31st March, 2016
Profit for the year attributable to the owners of the Company	(20,436)	76,57,888
<b>Earnings used in the calculation of basic and diluted earnings per share</b>	<b>(20,436)</b>	<b>76,57,888</b>

	As at 31 March, 2017	As at 31 March, 2016
(ii) Weighted average number of equity shares for the purposes of basic earnings per share	50,000	50,000

**22. DISCLOSURE ON SPECIFIED BANK NOTES (SBNs)**

During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination wise SBNs and other notes as per the notification is given below:

Particulars	SBNs	Other Denomination Notes	Total
Closing Cash in hand as on November 8, 2016	-	-	-
(+) Permitted Receipts	-	-	-
(-) Permitted Payments	-	-	-
(-) Amount Deposited in Bank	-	-	-
<b>Closing Cash in hand as on December 30, 2016</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Footnote:**

Specified Bank Notes is defined as Bank Notes of denominations of the existing series of the value of five hundred rupees and one thousand rupees.

The disclosures with respects to 'Permitted Receipts', 'Permitted Payments', 'Amount Deposited in Banks' and 'Closing Cash in Hand as on 30.12.2016' is understood to be applicable in case of SBNs only.



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**DEVKRUPA BUILD TECH LIMITED****23. 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 influences 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	18,035 (3,00,000)	-	-
	Urvi Build Tech Limited	-	(9,18,000)	-
2	Loans repaid / given / Adjusted			
	Urvi Build Tech Limited	-	(10,90,467)	-
3	Interest Expense			
	Urvi Build Tech Limited	-	(1,91,630)	-
4	Reimbursement of Expenses			
	City Gold Management Services Pvt Ltd	-	-	1,000 (400)

**Footnote:**

Previous Year figures are given in brackets.

Balance outstanding payables / receivables:				
Nature of Transactions	Amount (₹)			
	31st March, 2017	31st March, 2016	1st April, 2015	
1 Hubtown Limited	5,66,82,926	5,66,64,891	5,63,64,891	
2 Urvi Build Tech Limited	29,94,428	29,94,428	19,03,961	
3 Akruti Jay Developers	2,61,91,710	2,61,91,710	2,72,39,223	
4 City Gold Management Services Pvt Ltd	1,400	400	-	

**24. 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 interest 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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**DEVKRUPA BUILD TECH LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**  
**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 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 from its holding company

**26. CONTINGENT LIABILITY**

Particular	(₹)	
	As At 31st March, 2017	As At 31st March, 2016
Claims against the Company, not acknowledged as debts on account of:- Income tax matters under appeals for : Income Tax matters under Appeal with CIT for the Financial Year 2011-2012	1,99,06,143	2,08,23,010

**Note:**

Interest / Penalty that may accrue on original demands are not ascertainable, at present. The company has taken the 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.

27. 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

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



*Consent*



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Note 29 : Fair Value measurement of Financial Instruments

	31st March 2017(₹)			31st March 2016(₹)			31st March 2015(₹)		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
<b>Financial Assets</b>									
Trade receivables	-	-	41,93,359	-	-	41,93,359	-	-	41,93,359
Cash and cash equivalent	-	-	3,25,750	-	-	3,45,546	-	-	8,16,128
Other financial assets	-	-	1,90,300	-	-	1,90,300	-	-	1,90,300
<b>Total of Financial Assets</b>	-	-	<b>47,09,409</b>	-	-	<b>47,29,205</b>	-	-	<b>51,99,787</b>
<b>Financial Liabilities</b>									
Borrowings	-	-	6,02,68,429	-	-	6,02,50,394	-	-	5,82,68,852
Trade payables	-	-	2,80,30,246	-	-	2,80,30,246	-	-	2,90,77,759
Other Financial liabilities	-	-	22,14,659	-	-	16,47,137	-	-	86,78,896
<b>Total of Financial Liabilities</b>	-	-	<b>9,05,13,334</b>	-	-	<b>8,99,27,777</b>	-	-	<b>9,60,25,507</b>



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**DEVKRUPA BUILD TECH LIMITED**
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**
**30. FIRST TIME IND AS ADOPTION RECONCILIATIONS**
**(i) Reconciliations Balance Sheet as at 31st March, 2016 and 1st April, 2015**

Particulars	As at 31st March, 2016 (End of last period presented under previous GAAP)			As at 1st April, 2015 (Date of Transition)		
	Regrouped Previous GAAP	Effect of Transition to Ind AS	As per Ind AS balance sheet	Regrouped Previous GAAP	Effect of Transition to Ind AS	As per Ind AS balance sheet
<b>Non-Current Assets</b>						
Property, plant and equipment	61,979	-	61,979	77,223	-	77,223
<b>Total Non-Current Assets</b>	<b>61,979</b>	<b>-</b>	<b>61,979</b>	<b>77,223</b>	<b>-</b>	<b>77,223</b>
<b>Current assets</b>						
(a) Financial assets						
(i) Trade receivables	41,93,359	-	41,93,359	41,93,359	-	41,93,359
(ii) Cash and cash equivalents	3,45,546	-	3,45,546	8,16,128	-	8,16,128
(iii) Other financial assets	1,90,300	-	1,90,300	1,90,300	-	1,90,300
(b) Current tax assets (Net)	9,25,960	-	9,25,960	9,093	-	9,093
(c) Other current assets	3,730	-	3,730	-	-	-
<b>Total Current Assets</b>	<b>56,58,895</b>	<b>-</b>	<b>56,58,895</b>	<b>52,08,880</b>	<b>-</b>	<b>52,08,880</b>
<b>Total Assets</b>	<b>57,20,874</b>	<b>-</b>	<b>57,20,874</b>	<b>52,86,103</b>	<b>-</b>	<b>52,86,103</b>
<b>Equity</b>						
(a) Equity share capital	5,00,000	-	5,00,000	5,00,000	-	5,00,000
(b) Other equity	(8,71,13,372)	(0)	(8,71,13,372)	(9,47,71,260)	-	(9,47,71,260)
<b>Total Equity</b>	<b>(8,66,13,372)</b>	<b>(0)</b>	<b>(8,66,13,372)</b>	<b>(9,42,71,260)</b>	<b>-</b>	<b>(9,42,71,260)</b>
<b>Non-Current Liabilities</b>						
<b>Financial Liabilities</b>						
Borrowings	6,02,50,394	-	6,02,50,394	5,82,68,852	-	5,82,68,852
<b>Total Non-Current Liabilities</b>	<b>6,02,50,394</b>	<b>-</b>	<b>6,02,50,394</b>	<b>5,82,68,852</b>	<b>-</b>	<b>5,82,68,852</b>
<b>Current Liabilities</b>						
(a) Financial Liabilities						
(i) Trade payables	2,80,30,246	-	2,80,30,246	2,90,77,759	-	2,90,77,759
(ii) Other financial liabilities	16,47,137	-	16,47,137	86,78,896	-	86,78,896
(b) Current tax Liabilities (Net)	15,317	-	15,317	-	-	-
(c) Other current liabilities	23,91,152	-	23,91,152	35,31,856	-	35,31,856
<b>Total Current Liabilities</b>	<b>3,20,83,852</b>	<b>-</b>	<b>3,20,83,852</b>	<b>4,12,88,511</b>	<b>-</b>	<b>4,12,88,511</b>
<b>Total Liabilities</b>	<b>9,23,34,246</b>	<b>-</b>	<b>9,23,34,246</b>	<b>9,95,57,363</b>	<b>-</b>	<b>9,95,57,363</b>
<b>Total Equity and Liabilities</b>	<b>57,20,874</b>	<b>(0)</b>	<b>57,20,874</b>	<b>52,86,103</b>	<b>-</b>	<b>52,86,103</b>

The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note



**DEVKRUPA BUILD TECH LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

**(ii) Effect of Ind AS adoption on the Statement of Profit and Loss for the year ended 31st March, 2016 (₹)**

Particulars	As at 31st March, 2016		
	Regrouped Previous GAAP	Effect of Transition to Ind AS	As per Ind AS balance sheet
<b>INCOME</b>			
Other Income	84,35,115		84,35,115
<b>Total Income</b>	<b>84,35,115</b>	<b>-</b>	<b>84,35,115</b>
<b>EXPENSES</b>			
Finance Costs	5,30,412		5,30,412
Depreciation and Amortisation Expenses	15,244	-	15,244
Other Expenses	2,16,254	-	2,16,254
<b>Total Expenses</b>	<b>7,61,910</b>	<b>-</b>	<b>7,61,910</b>
<b>Profit Before Tax</b>	<b>76,73,205</b>	<b>-</b>	<b>76,73,205</b>
Tax Expense			
(1) Current Tax	(15,317)	-	(15,317)
(2) Excess / (Short) provision for taxation in respect of earlier years			
	(15,317)	-	(15,317)
<b>Profit for the Year</b>	<b>76,57,888</b>	<b>-</b>	<b>76,57,888</b>

The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

**(iii) Effect of Ind AS adoption on the statement of cash flows for the year ended 31st March, 2016**

Particulars	As at March 31, 2016		
	Regrouped Previous GAAP	Effect of Transition to Ind AS	As per Ind AS balance sheet
Net cash flows from Operating activities	52,05,060	-	52,05,060
Net cash flows from Investing activities	-	-	-
Net cash flows from Financing activities	(56,75,642)	-	(56,75,642)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(4,70,582)</b>		<b>(4,70,582)</b>
Cash and cash equivalents at the beginning of the period	8,16,128		8,16,128
Cash and cash equivalents at the end of the period	3,45,546		3,45,546

As per our report of even date  
For **M. K. GOHEL & ASSOCIATES**  
CHARTERED ACCOUNTANTS  
FIRM REG. NO.:103256W

For and on behalf of the Board of Directors

*M. K. Gohel*  
**MUKESH K GOHEL**  
PROPRIETOR  
Membership No. 038823  
Mumbai  
Date: 24th May, 2017



*S. Salot*  
**SAMIRKUMAR SALOT**  
DIRECTOR  
DIN : 07115916

*V. Jain*  
**VIKRANT JAIN**  
DIRECTOR  
DIN : 01912696

**DIVINITI PROJECTS PRIVATE LIMITED**

CIN: U70100MH1995PTC087713

**DIRECTORS' REPORT**

To  
**THE MEMBERS**  
**DIVINITI PROJECTS PRIVATE LIMITED**

The Directors hereby present the Twenty -Second Annual Report of the Company together with the Audited Financial Statements for the year ended March 31, 2017.

**FINANCIAL RESULTS:**

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standard) Rules, 2015 as amended. The financial statements for the Financial Year ended March 31, 2017 are the Company's first Ind AS compliant annual audited financial statements with comparative figures for the year ended March 31, 2016 also under Ind AS. The transition date is April 1, 2015.

During the year under review, the Company incurred a net loss of Rs. 347,514/- as against net loss of Rs. 127,404/- during the previous year.

**DIVIDEND:**

In view of the loss incurred, the Directors do not recommend the payment of dividend for the year ended March 31, 2017.

**TRANSFER TO RESERVES:**

In view of the loss incurred, the Directors have not transferred any amount to reserves.

**MATERIAL CHANGES AND COMMITMENTS:**

No material changes or commitments have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report, affecting the financial position of the Company.

**CHANGE IN THE NATURE OF BUSINESS:**

There has been no change in the nature of business of the Company during the year under review.

**SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:**

During the year under review, the Company did not have any subsidiary, joint venture or an associate company.

**DEPOSITS:**

The Company has not accepted any deposits during the year under review.

**TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND:**

During the year under review, the Company was not required to transfer any amount to the Investor Education and Protection Fund.



At the Nineteenth Annual General Meeting (AGM) of the Company held on September 18, 2014 M/s. Dalal Doshi & Associates, Chartered Accountants (Firm Reg. No. 121773W) were appointed as Statutory Auditors of the Company for five financial years commencing from April 01, 2014 to March 31, 2019, to hold office until the conclusion of the Twenty-Fourth AGM to be held for the year 2019, subject to ratification of their appointment at each AGM).

Accordingly, the members are requested to ratify the reappointment of M/s. Dalal Doshi & Associates, Chartered Accountants as the Statutory Auditors of the Company for the current financial year 2017-2018 and to authorise the Board of Directors to fix their remuneration.

M/s. Dalal Doshi & Associates, Chartered Accountants have offered themselves for reappointment and have confirmed their eligibility to be appointed as Auditors pursuant to the provisions of Section 141 of the Companies Act, 2013 and Rule 4 of the Companies (Audit and Auditors) Rules, 2014.

**GENERAL :**

The provisions relating to Secretarial Audit, appointment of Key Managerial Personnel, constitution of Audit Committee, Corporate Social Responsibility Committee, Nomination and Remuneration Committee and Vigil Mechanism are not applicable to the Company.

**DISCLOSURE UNDER 'THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013':**

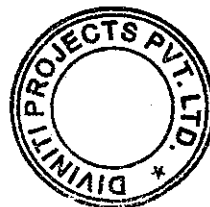
The Company has adopted a Policy on Prevention, Prohibition and Redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder for prevention and redressal of complaints of sexual harassment at work place.

The Company has not received any complaint on sexual harassment during the year under review.

**PARTICULARS OF EMPLOYEES**

The Company does not have any employee on its roll and none of the Directors of the Company receive any remuneration under Section 197 of the Companies Act, 2013. Accordingly, no information is required to be disclosed in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**For and on behalf of the Board**



*Jainam Shah*  
Jainam Shah  
Director  
DIN: 07129100

*Rajeevan Paramban*  
Rajeevan Paramban  
Director  
DIN: 03141200

**Place: Mumbai**  
**Date: May 26, 2017**



**FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN**

As on financial year ended on March 31, 2017

[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014]

**I. REGISTRATION & OTHER DETAILS:**

1.	CIN	U70100MH1995PTC087713
2.	Registration Date	26/04/1995
3.	Name of the Company	Diviniti Projects Private Limited
4.	Category/Sub-category of the Company	Company Having Share Capital
5.	Address of the Registered office & contact details	Unit No. 116, First Floor, Rehab Building No. 4, Akruiti Annexe, Road No. 7, Marol MIDC, Andheri (E) Mumbai - 400093. Tel: 022 66830600;
6.	Whether listed company	No
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Not Applicable

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Construction of buildings	4100	Nil

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-**

Sr. No.	Name And Address of the Company	CIN/GLN	Holding/ Subsidiary/Associate	% of Shares Held	Applicable Section
1	<b>Hubtown Limited</b> Akruti Center Point, 6 <sup>th</sup> Floor, Central Road, Marol MIDC, Andheri (East), Mumbai- 400093	L45200MH1989PLC050688	Holding	100.00%	2(46)



IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

j) Category-wise Share Holding

SN.	Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>										
<b>(1) Indian</b>										
(a)	Individual/HUF	0	0	0	0	0	0	0	0	0
(b)	Central Govt	0	0	0	0	0	0	0	0	0
(c)	State Govt(s)	0	0	0	0	0	0	0	0	0
(d)	Bodies Corp.	0	50000	50000	100	0	50000	50000	100	0
(e)	Banks / FI	0	0	0	0	0	0	0	0	0
(f)	Any other	0	0	0	0	0	0	0	0	0
	<b>Total share-holding of Promoter (A) (1)</b>	0	50000	50000	100	0	50000	50000	100	0
<b>(2) Foreign</b>										
(a)	NRIs - Individuals	0	0	0	0	0	0	0	0	0
(b)	Other - Individuals	0	0	0	0	0	0	0	0	0
(c)	Bodies Corp.	0	0	0	0	0	0	0	0	0
(d)	Banks / FI	0	0	0	0	0	0	0	0	0
(e)	Any Other	0	0	0	0	0	0	0	0	0
	<b>Sub-total (A) (2)</b>	0	0	0	0	0	0	0	0	0
	<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	0	50000	50000	100	0	50000	50000	100	0
<b>B. Public Shareholding</b>										
<b>1. Institutions</b>										
(a)	Mutual Funds	0	0	0	0	0	0	0	0	0
(b)	Banks / FI	0	0	0	0	0	0	0	0	0
(c)	Central Govt	0	0	0	0	0	0	0	0	0



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(d)	State Govt(s)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(e)	Venture Capital Funds	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(f)	Insurance Companies	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(g)	FIs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(h)	Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

(i)	Others (specify)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	<b>Sub-total (B)(1):-</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>2. Non-Institutions</b>																			
(a)	<b>Bodies Corp.</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	(i) Indian	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	(ii) Overseas	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(b)	<b>Individuals:</b>																		
	(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(c)	<b>Others (specify)</b>																		
	(i) Trusts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	(ii) Non-Resident Indians	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	(iii) Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	(iv) Clearing Members	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	<b>Sub-total (B)(2)</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Total Public Shareholding (B)=(B)(1)+(B)(2)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
C.	Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	<b>Grand Total (A+B+C)</b>	0	0	50000	50000	50000	100	50000	50000	50000	100	50000	50000	50000	100	50000	50000	100	0



ii) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year [As on 31-March-2016]			Shareholding at the end of the year [As on 31-March-2017]			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Hubtown Limited along with Nominees	50000	100.00%	0	50000	100.00%	0	0
	<b>Total</b>	50000	100.00%	0	50000	100.00%	0	0

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Shareholding at the beginning of the year			Cumulative Shareholding during the year		
		No. of shares	% of total shares of the company	% of Shares Pledged / encumbered to total shares	No. of shares	% of total shares of the company	% of Shares Pledged / encumbered to total shares
1	Hubtown Limited (No changes in the shareholding during the year)	50000	100.00%	-	50000	100.00%	-
	At the beginning of the year (April 01, 2016)						
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (eg. allotment / transfer / bonus/ sweat equity etc.):						
	At the end of the year(March 31, 2017)				50000	100.00%	

iv) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the Company
	Nil	-	-	-	-



*(Handwritten signature)*

v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the company
1)	<b>Mr. Rajeevan Paramban (Director)</b>	-	-	-	-
	At the beginning of the year (April 01, 2016)	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year (March 31, 2017)	-	-	-	-
2)	<b>Mr. Jitendra Shah (Director)</b>	-	-	-	-
	At the beginning of the year (April 01, 2016)	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year (March 31, 2017)	-	-	-	-
3)	<b>Mr. Jainam Shah (Director)</b>	-	-	-	-
	At the beginning of the year (April 01, 2016)	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year (March 31, 2017)	-	-	-	-



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**V) INDEBTEDNESS -**

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	511500000	2167532	-	513667532
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>511500000</b>	<b>2167532</b>	<b>-</b>	<b>513667532</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	-	7593466	-	7593466
* Reduction	-	-	-	-
<b>Net Change</b>	<b>-</b>	<b>7593466</b>	<b>-</b>	<b>7593466</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	511500000	9760998	-	521260998
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>511500000</b>	<b>9760998</b>	<b>-</b>	<b>521260998</b>

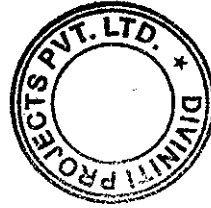


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**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

SN.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
		N.A.	-
1	Gross salary (a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under Section 17(3) Income- tax Act, 1961 Stock Option	N.A.	-
2			-
3	Sweat Equity	-	-
4	Commission - as % of profit - others, specify ...	-	-
5	Others, please specify	-	-
	<b>Total (A)</b>	-	-
	Ceiling as per the Act	-	-



**B. Remuneration to other directors:**

SN.	Particulars of Remuneration	Name of Directors			Total Amount
		Mr. Rajeevan Paramban	Mr. Jitendra Shah	Mr. Jahnani Shah	
1	Independent Directors	0	0	0	0
	Fee for attending Board/Committee meetings	0	0	0	0
	Commission	0	0	0	0
	Others, please specify	0	0	0	0
	<b>Total (1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
2	Other Non-Executive Directors	0	0	0	0
	Fee for attending Board/Committee meetings	0	0	0	0
	Commission	0	0	0	0
	Others, please specify	0	0	0	0
	<b>Total (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Total (B)=(1+2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	Total Managerial Remuneration	0	0	0	0
	Overall Ceiling as per the Act				

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

Sl. no.	Particulars of Remuneration	Key Managerial Personnel				Total
		CEO	Company Secretary	CFO		
1	Gross salary					-
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961					-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961					-
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961					-
2	Stock Option	N.A.	N.A.	N.A.		-
3	Sweat Equity					-
4	Commission					-
	- as % of profit					-
	others, specify...					-
5	Others, please specify					-
	<b>Total</b>					-

*JS*

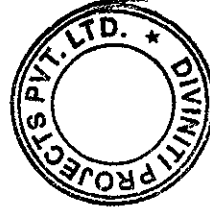
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VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B. DIRECTORS</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For and on behalf of the Board



*Rajeevan Paramban*  
Rajeevan Paramban  
Director  
DIN: 01341200

*Jainam Shah*  
Jainam Shah  
Director  
DIN: 07129100

Place: Mumbai  
Date: May 26, 2017

**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, 2017, 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, 2017, 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 financial information of the Company for the year ended 31<sup>st</sup> March, 2016 and the transition date opening balance sheet as at 01<sup>st</sup> April, 2015 included in these financial statements, are based on the previously issued statutory financial statements for the years ended 31<sup>st</sup> March, 2016 and 31<sup>st</sup> March, 2015 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an unmodified opinion dated 18<sup>th</sup> May, 2016 and 18<sup>th</sup> May, 2015 respectively. The adjustments to those financial statements for the differences in accounting policies adopted by the Company on transition have been audited by us.

## Report on Other Legal and Regulatory Requirements

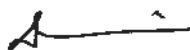
- I. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms section 143(11) of the Act, we give in the "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the Order;
- II. As required by Section 143 (3) of the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



- (e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 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;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company; and
  - iv. The Company has provided requisite disclosures in its Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016 on the basis of information available with the company. Based on audit procedures, and relying on management's representation, we report that disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the management.  
- Refer Note 21

**FOR DALALDOSHI & ASSOCIATES**

Firm Registration No.: 121773W  
Chartered Accountants



**DINESH DOSHI**

Partner

Membership No.: F - 9464



Place: Mumbai

Date: 26<sup>th</sup> May, 2017

**ANNEXURE "A" REFERRED TO IN OUR REPORT TO THE MEMBERS OF DIVINITI PROJECTS PRIVATE LIMITED ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2017;**

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 ₹ 14,99,337 and interest on late payment of taxes of ₹ 2,40,820 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.



- (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 Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable.

**FOR DALALDOSHI & ASSOCIATES**

Firm Registration No.: 121773W

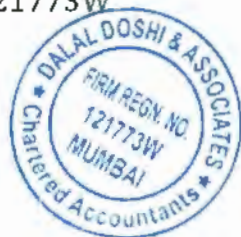
Chartered Accountants



**DINESH DOSHI**

Partner

Membership No.: F- 9464



Place: Mumbai

Date : 26<sup>th</sup> May, 2017

## **"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, 2017 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 2017, 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 DALAL DOSHI & ASSOCIATES**

Firm Registration No.:121773W

Chartered Accountants



**DINESH DOSHI**

Partner

Membership No.: 105330



Place: Mumbai

Date: 26<sup>th</sup> May, 2017



**DIVINITY PROJECTS PRIVATE LIMITED**

**BALANCE SHEET AS AT 31ST MARCH, 2017**

Particulars	Note No.	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹	As at 1st April, 2015 ₹
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
(a) Financial assets				
(i) Investments	3	14,08,229	14,08,229	11,16,361
(ii) Other financial assets	4	-	1,36,29,200	-
(b) Other non-current assets	5	51,46,89,797	50,10,60,598	-
(c) Current tax assets (Net)	6	44,315	44,315	-
<b>Total Non-Current assets</b>		<b>51,61,42,341</b>	<b>51,61,42,342</b>	<b>11,16,361</b>
<b>Current assets</b>				
Financial assets				
(i) Cash and cash equivalents	7	71,389	2,50,026	2,50,869
(ii) Other financial assets	8	5,68,11,616	4,92,22,308	5,03,50,000
<b>Total Current Assets</b>		<b>5,68,83,005</b>	<b>4,94,72,334</b>	<b>5,06,00,869</b>
<b>TOTAL ASSETS</b>		<b>57,30,25,346</b>	<b>56,56,14,676</b>	<b>5,17,17,230</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity share capital	9	5,00,000	5,00,000	5,00,000
(b) Other equity	10	4,91,21,886	4,94,69,400	4,95,96,804
<b>Total Equity</b>		<b>4,96,21,886</b>	<b>4,99,69,400</b>	<b>5,00,96,804</b>
<b>Liabilities</b>				
<b>Non-Current Liabilities</b>				
(a) Financial Liabilities				
Borrowings	11	51,15,00,000	51,15,00,000	-
(b) Deferred Tax Liabilities (Net)	12	1,08,938	1,36,368	36,348
<b>Total Non-Current Liabilities</b>		<b>51,16,08,938</b>	<b>51,16,36,368</b>	<b>36,348</b>
<b>Current Liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	11	97,60,998	21,67,532	14,80,532
(ii) Trade payables	13	1,54,085	1,23,206	-
(iii) Other financial liabilities	14	20,125	30,730	90,951
(b) Other current liabilities	15	18,59,314	16,07,440	-
(c) Current tax Liabilities (Net)	16	-	-	12,595
<b>Total Current Liabilities</b>		<b>1,17,94,522</b>	<b>40,08,908</b>	<b>15,84,078</b>
<b>Total Liabilities</b>		<b>52,34,03,460</b>	<b>51,56,45,276</b>	<b>16,20,426</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>57,30,25,346</b>	<b>56,56,14,676</b>	<b>5,17,17,230</b>

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

As per our report of even date

**FOR DALAL DOSHI & ASSOCIATES**

Firm Registration No. 121773W

CHARTERED ACCOUNTANTS



**DINESH DOSHI**

PARTNER

Membership No. F-9464

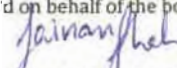


Mumbai

Date: 26th May, 2017



For and on behalf of the board

  
**AJINAM NAWESH SHAH**

Director

DIN: 07129100

  
**RAJESH CHANDRA ANAND**

Director

DIN: 03141200

Mumbai

Date: 26th May, 2017

**DIVINITI PROJECTS PRIVATE LIMITED**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017**

Particulars	Note No.	Year ended 31st March, 2017 ₹	Year ended 31st March, 2016 ₹
<b>INCOME</b>			
Other Income	17	-	2,91,867
Share of Profit / (Loss) of Joint Ventures		-	(692)
<b>TOTAL INCOME</b>		-	<b>2,91,175</b>
<b>EXPENSES</b>			
Finance Costs	18	2,88,009	3,06,144
Other Expenses	19	86,935	69,325
<b>TOTAL EXPENSES</b>		<b>3,74,944</b>	<b>3,75,469</b>
<b>Profit/(Loss) before Tax</b>		<b>(3,74,944)</b>	<b>(84,294)</b>
<b>Tax Expense</b>			
Deferred tax (charge) / credit		27,430	(1,00,020)
Excess / (Short) provision for taxation in respect of earlier years		-	56,910
		<b>27,430</b>	<b>(43,110)</b>
<b>Profit/(Loss) for the Year</b>		<b>(3,47,514)</b>	<b>(1,27,404)</b>
<b>Other Comprehensive Income</b>		-	-
<b>Total Comprehensive Income</b>		<b>(3,47,514)</b>	<b>(1,27,404)</b>
<b>Earning per equity share of nominal value of ₹ 10/- each</b>			
Basic and Diluted	20	(6.95)	(2.55)

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 DALAL DOSHI & ASSOCIATES**

Firm Registration No. 121773W

CHARTERED ACCOUNTANTS

*A*

**DINESH DOSHI**

PARTNER

Membership No. F-9464



**JAINAM NARESH SHAH**

Director

DIN: 07129100

*G.P.*

**RAJEEVAN PARAMBAN**

Director

DIN: 03141200

Mumbai

Date: 26th May, 2017

Mumbai

Date: 26th May, 2017

**DIVINITI PROJECTS PRIVATE LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017**

Particulars	31st March, 2017	31st March, 2016
	₹	₹
<b>I. CASH FLOWS ARISING FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) before taxation as per Statement of Profit and Loss	(3,74,944)	(84,294)
<b>Add/ (Less) :</b>		
Finance costs	2,88,009	3,06,144
Share of (Profit)/Loss from investment in partnership firms and JVs	-	692
Gain on fair valuation of investments	-	(2,91,867)
	<u>2,88,009</u>	<u>14,969</u>
<b>Operating profit before working capital changes</b>	<b>(86,935)</b>	<b>(69,325)</b>
<b>Add / (Less) :</b>		
(Increase) / Decrease in trade and other receivables	(75,89,308)	(51,35,62,106)
Increase / (Decrease) in trade and other payables	1,92,148	17,49,733
	<u>(73,97,160)</u>	<u>(51,18,12,373)</u>
<b>Net cash flow from operating activities</b>	<b>(74,84,095)</b>	<b>(51,18,81,698)</b>
<b>II. Cash flows arising from investing activities</b>		
<b>Inflow / (Outflow) on account of:</b>		
<b>Net cash flow from investing activities</b>	-	-
<b>III. Cash flows arising from financing activities</b>		
<b>Inflow / (Outflow) on account of:</b>		
Proceeds from Long Term Borrowing	-	51,15,00,000
Proceeds from Short Term Borrowing	75,93,466	6,87,000
Finance costs paid	(2,88,009)	(3,06,144)
<b>Net cash flow from financing activities</b>	<b>73,05,457</b>	<b>51,18,80,856</b>
<b>Net increase in cash and cash equivalents ( I + II + III )</b>	<b>(1,78,637)</b>	<b>(842)</b>
<b>Add: Balance at the beginning of the year</b>	<b>2,50,026</b>	<b>2,50,869</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>71,389</b>	<b>2,50,027</b>
<b>Components of cash and cash equivalents (refer note 7)</b>		
<b>Cash and cash equivalents:</b>		
Cash on hand	2,529	24,330
Balances with banks		
- On Current accounts	68,859	2,25,696
	<u>71,389</u>	<u>2,50,026</u>

**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 **DALAL DOSHI & ASSOCIATES**  
Firm Registration No. 121773W  
CHARTERED ACCOUNTANTS

**DINESH DOSHI**  
PARTNER  
Membership No. F-9464

Mumbai  
Date: 26th May, 2017



*Jainam Naresh Shah*

**JAINAM NARESH SHAH**  
Director  
DIN: 07129100

*Rajeevan Paramban*

**RAJEEVAN PARAMBAN**  
Director  
DIN: 03141200

Mumbai  
Date: 26th May, 2017

**DIVINITI PROJECTS PRIVATE LIMITED****STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2017**

	Equity Share Capital	General reserve	Retained Earnings	Total
Balance at 1st April, 2015	5,00,000	1,21,000	4,94,75,804	5,00,96,804
Total Comprehensive Income for the year	-	-	(1,27,404)	(1,27,404)
Balance at 31st March, 2016	5,00,000	1,21,000	4,93,48,400	4,99,69,400
Total Comprehensive Income for the year	-	-	(3,47,514)	(3,47,514)
Balance at 31st March, 2017	5,00,000	1,21,000	4,90,00,886	4,96,21,886

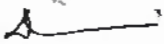
The accompanying notes are an integral part of the financial statements.

As per our report of even date

**FOR DALAL DOSHI & ASSOCIATES**

Firm Registration No. 121773W

CHARTERED ACCOUNTANTS



**DINESH DOSHI**

PARTNER

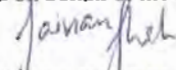
Membership No. F-9464



Mumbai

Date: 26th May, 2017

For and on behalf of the board

  
**JAINAM NARESH SHAH**  
Director

DIN: 07129100

  
**RAJEEVAN PARAMBAN**  
Director

DIN: 03141200

Mumbai

Date: 26th May, 2017

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES

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.

The financial statements are approved for issue by the Company's Board of Directors on 26th May, 2017.

SIGNIFICANT ACCOUNTING POLICIES

2. Basis of preparation of financial statements

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) 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.

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
  - \* It is held primarily for the purpose of trading
  - \* It is expected to be realised within twelve months after the reporting period, or
  - \* 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:

- \* 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 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 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 buyer's 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. Revenues / Income and Costs/ Expenditure are generally accounted on accrual, as they are earned or incurred.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

**2.2 Investments**

Investments are classified into Current and Non-Current Investments. Current Investments are stated at fair value. Non-current investments are stated at amortised cost.

The Company measures its equity investment other than in subsidiaries, joint ventures and associates at fair value through profit and loss.

**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 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.

**2.3.4 Impairment**

**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.

**2.4 Taxation**

**1. 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.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

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.

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 **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 2.6.1. 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.

2.6.1 **Critical accounting judgements and estimates**

**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.



**DIVINITY PROJECTS PRIVATE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017**

	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹	As at 1st April, 2015 ₹
<b>3. Investments</b>			
<b>Non-Current</b>			
<b>A) Investment in other equity instruments (Unquoted) (Refer footnote) (At fair value through profit and loss)</b>			
a) 125 Equity shares of ₹ 25/- each (31st March, 2016: 125; 1st April, 2015: 125) <b>The Shamrao Vithal Co-operative Bank Limited</b>	46,714	46,714	44,444
b) 2,000 Equity shares of ₹ 10/- each (31st March, 2016: 2,000; 1st April, 2015: 2,000) <b>Suraksha Realty Limited</b>	13,51,515	13,51,515	10,61,917
	<b>13,98,229</b>	<b>13,98,229</b>	<b>11,06,361</b>
<b>Footnote:</b> Investments in Shamrao Vithal Co-operative Bank Limited & Suraksha Realty Limited are measured at fair value as at 31st March, 2017.			
<b>B) Capital Investment in Partnership Firms and Joint Ventures (Refer footnote)</b>			
M/s Rising Glory Developers	10,000	10,000	10,000
Less: Provision for Diminution in the value of investments	-	-	-
	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>
<b>Total</b>	<b>14,08,229</b>	<b>14,08,229</b>	<b>11,16,361</b>

**Footnote :**

Details of Investments made in capital of Partnership Firm :

Sr. No.	Name of Partners	31st March, 2017	31st March, 2016	1st April, 2015
		Profit Sharing Ratio	Profit Sharing Ratio	Profit Sharing Ratio
1	Hubtown Limited	20.00%	20.00%	4.78%
2	Ackruti Safeguard System Private Limited	5.33%	5.33%	4.76%
3	Citygold Education Research Limited	5.33%	5.33%	4.76%
4	Citygold Farming Private Limited	5.33%	5.33%	4.76%
5	Divinity Projects Private Limited	5.33%	5.33%	4.76%
6	Haltious Developers Limited	5.33%	5.33%	4.76%
7	Headland Farming Private Limited	5.33%	5.33%	4.76%
8	Heddle Knowledge Private Limited	5.33%	5.33%	4.76%
9	Heet Builders Private Limited	5.33%	5.33%	4.77%
10	Twenty Five South Realty Limited	-	-	4.76%
11	Hubtown Bus Terminal (Adajan) Private Limited	-	-	4.76%
12	Hubtown Bus Terminal (Ahemdabad) Private Limited	-	-	4.76%
13	Hubtown Bus Terminal (Mehsana) Private Limited	-	-	4.76%
14	Hubtown Bus Terminal (Surat) Private Limited	-	-	4.76%
15	Hubtown Bus Terminal (Vadodara) Private Limited	-	-	4.76%
16	Subhsiddhi Builders Private Limited	5.33%	5.33%	-
17	Joynest Premises Private Limited	-	-	4.76%
18	Sunstream City Private Limited	10.66%	10.66%	4.77%
19	Upvan lake Resort Private Limited	5.33%	5.33%	4.76%
20	Vega Developers Private Limited	5.33%	5.33%	4.76%
21	Whitebud Developers Limited	5.33%	5.33%	4.76%
22	Yantti Buildcon Private Limited	5.33%	5.33%	4.76%
	<b>Total Capital of the firm in ₹</b>	<b>1,50,000</b>	<b>1,50,000</b>	<b>2,10,000</b>

**4. Other financial assets**

**Non-current**

Other Advances and Receivables

From Related party

**Total**

-	1,36,29,200	-
-	<b>1,36,29,200</b>	-





**DIVINITI PROJECTS PRIVATE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹	As at 1st April 2015 ₹
<b>5. Other assets</b>			
<b>Non-current</b>			
Capital Advances to			
- Related parties	51,46,89,797	50,10,60,598	-
<b>Total</b>	<b>51,46,89,797</b>	<b>50,10,60,598</b>	<b>-</b>
Footnote :			
The estimated amount of contract remaining to be executed on capital account and not provided for (net of capital advances) is ₹ 99,14,60,800 (As at 31st March, 2016: ₹ 1,00,00,79,402 ; As at 31st March, 2015: ₹ Nil)			
<b>6. Current tax assets (Net)</b>			
Advance Tax paid for the Current Year	44,315	44,315	-
Less: Provision for tax	-	-	-
<b>Total</b>	<b>44,315</b>	<b>44,315</b>	<b>-</b>
<b>7. Cash and cash equivalents</b>			
Balances with banks:			
- in current accounts	68,859	2,25,696	2,22,879
Cash on hand	2,529	24,330	27,990
<b>Total</b>	<b>71,389</b>	<b>2,50,026</b>	<b>2,50,869</b>
<b>8. Other financial assets</b>			
<b>Current</b>			
Other Advances and Receivables			
Advances recoverable from others	15,34,637	4,75,34,637	5,03,50,000
Current Account Balances in Partnership Firms and Joint Ventures	5,35,89,308	-	-
Other receivables from a related party (Other than Trade Receivables) (Refer note 24)	16,87,671	16,87,671	-
<b>Total</b>	<b>5,68,11,616</b>	<b>4,92,22,308</b>	<b>5,03,50,000</b>



DIVINITY PROJECTS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹	As at 1st April, 2015 ₹
<b>9. Equity share capital</b>			
Authorised Share Capital: 50,000 (As at 31st March, 2016: 50,000; As at 1st April, 2015: 50,000) Equity Shares of ₹ 10/- each	5,00,000	5,00,000	5,00,000
Issued and subscribed capital comprises: 50,000 (As at 31st March, 2016: 50,000; As at 1st April, 2015: 50,000) Equity Shares of ₹ 10/- each fully paid up	5,00,000	5,00,000	5,00,000
<b>Total</b>	<b>5,00,000</b>	<b>5,00,000</b>	<b>5,00,000</b>

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, 2015	50,000	5,00,000
Add : Issued during the year	-	-
Less : Bought back during the year	-	-
Balance at 31st March, 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

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, 2017		As at 31st March, 2016		As at 1st April, 2015	
	No of shares held	% holding	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%	50,000	100%	50,000	100%

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

	As at 31 March, 2017		As at 31 March, 2016		As at 1 April, 2015	
	No of shares held	% holding	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%	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 PRIVATE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹	As at 1st April, 2015 ₹
<b>10. Other equity</b>			
<b>General reserve</b>			
Balance at the beginning of the year	1,21,000	1,21,000	1,21,000
Add/(Less) :			
Transfer from profit and loss account	-	-	-
<b>Balance at the end of the year</b>	<b>1,21,000</b>	<b>1,21,000</b>	<b>1,21,000</b>
<b>Retained Earnings</b>			
Balance at the beginning of the year	4,93,48,400	4,94,75,804	4,94,75,804
Profit attributable to the owners of the company	(3,47,514)	[1,27,404]	-
<b>Balance at the end of the year</b>	<b>4,90,00,886</b>	<b>4,93,48,400</b>	<b>4,94,75,804</b>
<b>Total</b>	<b>4,91,21,886</b>	<b>4,94,69,400</b>	<b>4,95,96,804</b>
<b>11. Borrowings</b>			
<b>Non-Current</b>			
<b>Secured</b>			
Term Loans			
- From financial institutions	51,15,00,000	51,15,00,000	-
<b>Total</b>	<b>51,15,00,000</b>	<b>51,15,00,000</b>	<b>-</b>
<b>Footnote :</b>			
i. The Company has entered in to tripartite agreement 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.			
<b>ii. Repayment Terms</b>			
a. Long term borrowings amounting to ₹ 24 crore is paid to be repaid in 8 equal 6 monthly installments starting from the month of July, 2018.			
b. Long term borrowings amounting to ₹ 31 crore is paid to be repaid in 8 equal 6 monthly installments starting from the month of July, 2018.			
<b>iii. The above loan are secured against:</b>			
a. For loan amounting to ₹ 24 crore:			
Mortgage and charge over unit no. 2103 and 3001 having aggregate carpet area of 5,202 sq.ft. to be constructed at Prabhadevi, Dadar.			
b. For loan amounting to ₹ 31 crore:			
Mortgage and charge over unit no. 4003 having aggregate carpet area of 9,840 sq.ft. to be constructed at Prabhadevi, Dadar.			
<b>Current</b>			
<b>Unsecured</b>			
(i) Loans repayable on demand :			
- From Related Party	14,31,532	21,67,532	14,80,532
- From Companies	83,29,466	-	-
<b>Total</b>	<b>97,60,998</b>	<b>21,67,532</b>	<b>14,80,532</b>



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**DIVINITI PROJECTS PRIVATE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹	As at 1st April, 2015 ₹
<b>12. Deferred Tax balances</b>			
The following is the analysis of deferred tax (liabilities)/asset presented in the balance sheet			
Deferred Tax Liability	(1,08,938)	(1,36,368)	(36,348)
Deferred Tax Asset	-	-	-
<b>Total</b>	<b>(1,08,938)</b>	<b>(1,36,368)</b>	<b>(36,348)</b>
<b>2016-2017</b>			
	Opening Balance	Recognised in profit or loss	Closing Balance
<b>Deferred tax (liabilities) / assets in relation to :</b>			
On account of fair valuation of investments	(1,36,368)	27,430	(1,08,938)
	(1,36,368)	27,430	(1,08,938)
<b>2015-2016</b>			
	Opening Balance	Recognised in profit or loss	Closing Balance
<b>Deferred tax (liabilities) / assets in relation to :</b>			
On account of fair valuation of investments	(36,348)	(1,00,020)	(1,36,368)
	(36,348)	(1,00,020)	(1,36,368)
<b>13. Trade payables</b>			
Due to MSME (Refer footnote)	-	-	-
Due to others	1,54,085	1,23,206	-
<b>Total</b>	<b>1,54,085</b>	<b>1,23,206</b>	<b>-</b>
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.			
<b>14. Other financial liabilities</b>			
<b>Current</b>			
Current account balance in firms	-	692	-
Other payables	20,125	30,038	90,951
<b>Total</b>	<b>20,125</b>	<b>30,730</b>	<b>90,951</b>
<b>15. Other current liabilities</b>			
<b>Current</b>			
Other payables :			
- Statutory dues	18,59,314	16,87,440	-
<b>Total</b>	<b>18,59,314</b>	<b>16,87,440</b>	<b>-</b>
<b>16. Current Tax Liabilities</b>			
Provision for Tax	-	-	56,70,089
Advance tax paid	-	-	56,57,494
<b>Total</b>	<b>-</b>	<b>-</b>	<b>12,595</b>
	<b>Year Ended 31st March, 2017 ₹</b>	<b>Year Ended 31st March, 2016 ₹</b>	
<b>17. Other income</b>			
Other gains and losses			
- Gain on fair valuation of investments	-	-	2,91,867
<b>Total</b>	<b>-</b>	<b>-</b>	<b>2,91,867</b>



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**DIVINITI PROJECTS PRIVATE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

	Year Ended 31 March, 2017 ₹	Year Ended 31 March, 2016 ₹
<b>18. Finance costs</b>		
Delayed/penal interest on loans and statutory dues	2,88,009	3,06,144
<b>Total</b>	<b>2,88,009</b>	<b>3,06,144</b>
<b>19. Other expenses</b>		
Rates and taxes	2,500	2,500
Legal and professional fees	22,663	19,202
Other expenses	61,772	47,623
<b>Total</b>	<b>86,935</b>	<b>69,325</b>
Footnote :		
<b>Auditor's Remuneration (included in other expenses) :</b>		
Audit Fees	17,500	17,500
Service Tax on above	2,625	2,538
<b>Total</b>	<b>20,125</b>	<b>20,038</b>

**20. Earnings Per Share (EPS)**

Basic and Diluted Earnings Per Share (₹)

**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	(3,47,514)	(1,27,404)
Weighted average number of equity shares for the purposes of basic and diluted earnings per share	50,000	50,000

**21. Disclosure On Specified Bank Notes (SBNs)**

Particulars	Other		Total
	SBNs*	Denomination Notes	
Closing Cash in hand as on 8th November, 2016	21,500	529	22,029
(+) Permitted Receipts	-	-	-
(-) Permitted Payments	-	-	-
(-) Amount Deposited in Bank	21,500	-	21,500
Closing Cash in hand as on 30th December, 2016	-	529	529

\* Specified Bank Notes is defined as Bank Notes of denominations of the existing series of the value of five hundred rupees and one thousand rupees.

**22. 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.

23. 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.



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**DIVINITI PROJECTS PRIVATE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

**24. Related Party Disclosures**

**A. Name of related parties and description of relations**

- (i) **HOLDING COMPANY** : Hubtown Limited
- (ii) **FIRM IN WHICH COMPANY IS A PARTNER** : Rising Glory Developers
- (iii) **ENTITIES UNDER THE JOINT CONTROL OF HOLDING COMPANY** : Twenty Five South Realty 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	Other Significant Influences
i	Loans received / recovered / Adjusted: Hubtown Limited	- (6,85,000)	- (-)	- (-)
ii	Loans given /repaid/ Adjusted: Hubtown Limited	7,34,000 (-)	- (-)	- (-)
iii	Share of loss from Partnership Firm: Rising Glory Developers	- (-)	- (-)	- (692)
iv	Investment in Current Account of Partnership Firm Rising Glory Developers	- (-)	- (-)	5,35,90,000 (-)
v	Advance towards property: Twenty Five South Realty Limited	- (-)	1,36,29,200 (50,10,60,598)	- (-)
vi	On behalf payments made (including reimbursement of expenses) Twenty Five South Realty Limited	- (-)	- (16,87,671)	- (-)

**Footnote:**

Previous Year figures are given in brackets.

**Balance outstanding payables/receivable:**

	Nature of Transaction	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
a.	<b>Receivable</b>			
	Joint Venture of Holding Company Rising Glory developers	5,35,89,308	-	-
	Entities Under The Joint Control Of Holding Company Twenty Five South Realty Limited	51,63,77,469	50,27,48,269	-
b.	<b>Payable</b>			
	Holding Company Hubtown Limited	14,31,532	21,65,532	14,80,532
	Joint Venture of Holding Company Rising Glory developers	-	692	-



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**DIVINITY PROJECTS PRIVATE LIMITED****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017****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 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, 2017	As at 31 March, 2016	As at 1 April, 2015
Secured Loan	51,15,00,000	51,15,00,000	-
Unsecured Loan	97,60,998	21,67,532	14,80,532
Less: Cash and Bank Balances	(71,389)	(2,50,026)	(2,50,869)
<b>Net Debt (A)</b>	<b>52,11,89,609</b>	<b>51,34,17,506</b>	<b>12,29,663</b>
Equity Share Capital	5,00,000	5,00,000	5,00,000
Retained Earnings	4,91,21,886	4,94,69,400	4,95,96,804
<b>Total Equity (B)</b>	<b>4,96,21,886</b>	<b>4,99,69,400</b>	<b>5,00,96,804</b>
Debt Equity Ratio A/B	1050%	1027%	2%

**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 resources, 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.



**DIVINITY PROJECTS PRIVATE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

**27. Fair Value measurement of Financial Instruments**

	31st March 2017			31st March 2016			31st March 2015		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
<b>Financial Assets</b>									
Investments	14,08,229	-	-	14,08,229	-	-	11,16,361	-	-
Cash and cash equivalents	-	-	71,389	-	-	2,50,026	-	-	2,50,869
Other financial assets	-	-	5,68,11,616	-	-	6,28,51,508	-	-	5,03,50,000
<b>Total of Financial Assets</b>	<b>14,08,229</b>	<b>-</b>	<b>5,68,83,005</b>	<b>14,08,229</b>	<b>-</b>	<b>6,31,01,534</b>	<b>11,16,361</b>	<b>-</b>	<b>5,06,00,869</b>
<b>Financial Liabilities</b>									
Borrowings	-	-	52,12,60,998	-	-	51,36,67,532	-	-	14,80,532
Trade payables	-	-	1,54,085	-	-	1,23,206	-	-	-
Other Financial liabilities	-	-	20,125	-	-	30,730	-	-	90,951
<b>Total of Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>52,14,35,208</b>	<b>-</b>	<b>-</b>	<b>51,38,21,468</b>	<b>-</b>	<b>-</b>	<b>15,71,483</b>

**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 2017				
<b>Financial Liabilities</b>				
Investments	-	-	14,08,229	14,08,229
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>14,08,229</b>	<b>14,08,229</b>

**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 2017, 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 determine 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, 2016**

	Investments	Total
As at 1st April, 2015	11,16,361	11,16,361
(Gain)/loss recognised in profit or loss	2,91,867	2,91,867
As at 31st March, 2016	14,08,229	14,08,229
(Gain)/loss recognised in profit or loss	-	-
As at 31st March, 2017	14,08,229	14,08,229

**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 2015 and 2016. However, the balance sheet of these entities were not available for fair valuation for the financial year 2017. Hence, fair value for the financial year 2016 has been carried forward to the financial year 2017 as the management is of the opinion that there is no significant change.

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**DIVINITI PROJECTS PRIVATE LIMITED**

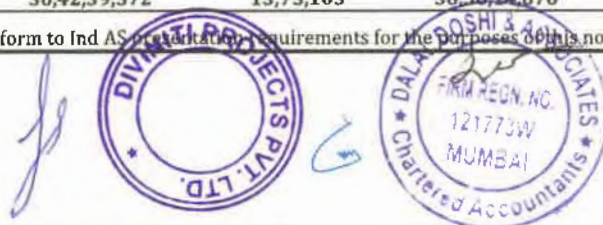
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

**28. First Time Ind As Adoption Reconciliations**

**1 Effect of Ind AS adoption on the Balance Sheet as at 31st March, 2016 and 1st April, 2015**

Particulars	Notes	As at March 31, 2016 (End of last period presented under previous GAAP)			As at April 1, 2015 (Date of Transaction)		
		Regrouped Previous GAAP	Effect of Transition to Ind AS	As per Ind AS balance sheet	Regrouped Previous GAAP	Effect of Transition to Ind AS	As per Ind AS balance sheet
<b>Non-Current Assets</b>							
(a) Financial assets							
i) Investments	a	33,125	13,75,104	14,08,229	33,125	10,83,236	11,16,361
ii) Other financial assets		1,36,29,200	-	1,36,29,200	-	-	-
(b) Other non-current assets		50,10,60,598	-	50,10,60,598	-	-	-
(c) Current tax assets (Net)		44,315	-	44,315	-	-	-
<b>Total Non-Current Assets</b>		<b>51,47,67,238</b>	<b>13,75,104</b>	<b>51,61,42,342</b>	<b>33,125</b>	<b>10,83,236</b>	<b>11,16,361</b>
<b>Current assets</b>							
(a) Financial assets							
(i) Cash and cash equivalents		2,50,026	-	2,50,026	2,50,869	-	2,50,869
(ii) Other financial assets		4,92,22,308	-	4,92,22,308	5,03,50,000	-	5,03,50,000
<b>Total Current Assets</b>		<b>4,94,72,334</b>	<b>-</b>	<b>4,94,72,334</b>	<b>5,06,00,869</b>	<b>-</b>	<b>5,06,00,869</b>
<b>Total Assets</b>		<b>56,42,39,572</b>	<b>13,75,104</b>	<b>56,56,14,676</b>	<b>5,06,33,994</b>	<b>10,83,236</b>	<b>5,17,17,230</b>
<b>Equity and Liabilities</b>							
<b>Equity</b>							
(a) Equity share capital		5,00,000	-	5,00,000	5,00,000	-	5,00,000
(b) Other equity	c	4,82,30,664	12,38,736	4,94,69,400	4,85,49,916	10,46,888	4,95,96,804
<b>Total Equity</b>		<b>4,87,30,664</b>	<b>12,38,736</b>	<b>4,99,69,400</b>	<b>4,90,49,916</b>	<b>10,46,888</b>	<b>5,00,96,804</b>
<b>Non-Current Liabilities</b>							
(a) Financial Liabilities							
Borrowings		51,15,00,000	-	51,15,00,000	-	-	-
(b) Deferred Tax Liabilities (Net)	b	-	1,36,368	1,36,368	-	36,348	36,348
<b>Total Non-Current Liabilities</b>		<b>51,15,00,000</b>	<b>1,36,368</b>	<b>51,16,36,368</b>	<b>-</b>	<b>36,348</b>	<b>36,348</b>
<b>Current Liabilities</b>							
(a) Financial Liabilities							
(i) Borrowings		21,67,532	-	21,67,532	14,80,532	-	14,80,532
(ii) Trade payables		1,23,206	-	1,23,206	-	-	-
(iii) Other financial liabilities		30,730	-	30,730	90,951	-	90,951
(b) Other current liabilities		16,87,440	-	16,87,440	-	-	-
(c) Current tax Liabilities (Net)		-	-	-	12,595	-	12,595
<b>Total Current Liabilities</b>		<b>40,08,908</b>	<b>-</b>	<b>40,08,908</b>	<b>15,84,078</b>	<b>-</b>	<b>15,84,078</b>
<b>Total Liabilities</b>		<b>51,55,08,908</b>	<b>1,36,368</b>	<b>51,56,45,276</b>	<b>15,84,078</b>	<b>36,348</b>	<b>16,20,426</b>
<b>Total Equity and Liabilities</b>		<b>56,42,39,572</b>	<b>13,75,105</b>	<b>56,56,14,676</b>	<b>5,06,33,994</b>	<b>10,83,236</b>	<b>5,17,17,230</b>

The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note



**DIVINITI PROJECTS PRIVATE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

**II Effect of Ind AS adoption on the Statement of Profit and Loss for the year ended 31st March, 2016**

Particulars	Notes	As at 31st March, 2016		
		(End of last period presented under previous GAAP)		
		Regrouped Previous GAAP	Effect of Transition to Ind AS	As per Ind AS balance sheet
Revenue from Operations		-	-	-
Other Income	a	-	2,91,867	2,91,867
Share of Profit / (Loss) of Joint Ventures		(692)	-	(692)
<b>Total Income</b>		<b>(692)</b>	<b>2,91,867</b>	<b>2,91,175</b>
Finance Costs		3,06,144	-	3,06,144
Other Expenses		69,325	-	69,325
<b>Total Expenses</b>		<b>3,75,469</b>	<b>-</b>	<b>3,75,469</b>
<b>Profit Before Tax</b>		<b>(3,76,161)</b>	<b>2,91,867</b>	<b>(84,294)</b>
Tax Expense				
(1) Deferred tax (charge) / credit	b	-	(1,00,020)	(1,00,020)
(2) Excess / (Short) provision for taxation in respect of earlier years		56,910	-	56,910
<b>Profit for the Year</b>		<b>(3,19,251)</b>	<b>1,91,847</b>	<b>(1,27,404)</b>
<b>Other Comprehensive Income</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Other Comprehensive Income for the period</b>		<b>(3,19,251)</b>	<b>1,91,847</b>	<b>(1,27,404)</b>

The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

**III Effect of Ind AS adoption on the statement of cash flows for the year ended 31st March, 2016**

Particulars	Year ended 31st March, 2016		
	(Latest period presented under previous GAAP)		
	Previous GAAP	Effect of Transition to Ind AS	As per Ind AS balance sheet
Net cash flows from Operating activities	(51,18,81,698)	-	(51,18,81,698)
Net cash flows from Investing activities	-	-	-
Net cash flows from Financing activities	51,18,80,856	-	51,18,80,856
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(842)</b>	<b>-</b>	<b>(842)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>2,50,869</b>	<b>-</b>	<b>2,50,869</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>2,50,027</b>	<b>-</b>	<b>2,50,027</b>

**Notes to Reconciliation**

- Under previous GAAP, investments in other equity instruments were measured at cost less diminution in value which is other than temporary. Under Ind AS, these financial assets have been classified as FVTPL. On the date of transition to Ind AS, these financial assets have been measured at their fair value which is higher than the cost as per previous GAAP, resulting in an increase in the carrying amount by ₹ 13,75,104 as at 31st March, 2016 ( ₹ 10,83,236 as at 1st April, 2015).
- Deferred tax liability recognised on the aforesaid Ind AS adjustments is ₹ 1,00,020 for the year ended 31st March, 2016 ( ₹ 36,348 as at 1st April, 2015).
- The net effect of these changes is an increase in total equity of ₹ 12,38,735 as at 31st March, 2016 ( ₹ 10,46,888 as at 1st April, 2015).

As per our report of even date

**FOR DALAL DOSHI & ASSOCIATES**  
Firm Registration No. 121773W  
CHARTERED ACCOUNTANTS

**DINESH DOSHI**  
PARTNER  
Membership No. F-9464

Mumbai  
Date: 26th May, 2017



For and on behalf of the board

*Jainam Naresh Shah*  
**JAINAM NARESH SHAH**  
Director  
DIN: 07129100

*Rajeevan Paramban*  
**RAJEEVAN PARAMBAN**  
Director  
DIN: 03141200

Mumbai  
Date: 26th May, 2017

**GUJARAT AKRUTI - TCG BIOTECH LIMITED**

**CIN: U70102GJ2007PLC050966**

**DIRECTORS' REPORT**

To

**THE MEMBERS**

**GUJARAT AKRUTI - TCG BIOTECH LIMITED**

The Directors hereby present the Tenth Annual Report of the Company together with the Audited Financial Statements for the year ended March 31, 2017.

**FINANCIAL RESULTS :**

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standard) Rules, 2015 as amended. The financial statements for the Financial Year ended March 31, 2017 are the Company's first Ind AS compliant annual audited financial statements with comparative figures for the year ended March 31, 2016 also under Ind AS. The transition date is April 1, 2015.

During the year under review, the Company incurred a net loss of Rs. 20,82,063/- as against a net Loss of Rs. 44,89,447/- during the previous year.

**DIVIDEND :**

In view of the loss incurred, the Directors do not recommend the payment of dividend for the year ended March 31, 2017.

**TRANSFER TO RESERVES :**

In view of the loss incurred, the Directors have not transferred any amount to reserves.

**MATERIAL CHANGES AND COMMITMENTS :**

No material changes or commitments have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report, affecting the financial position of the Company.

**CHANGE IN THE NATURE OF BUSINESS :**

There has been no change in the nature of business of the Company during the year under review.

**SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES :**

During the year under review, the Company did not have any subsidiary, joint venture or an associate company.

**DEPOSITS :**

The Company has not accepted any deposits during the year under review.

**TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND :**

During the year under review, the Company was not required to transfer any amount to the Investor Education and Protection Fund.



**SHARE CAPITAL :**

The paid-up equity share capital of the Company as on March 31, 2017 was Rs. 5,00,000/-. During the year under review, the Company has not issued any shares with differential voting rights or granted stock options or sweat equity.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 :**

The Company has not given any loan or made investment or provided any security or guarantee during the year under review, which require to be disclosed under Section 186 of the Companies Act, 2013.

**RELATED PARTY TRANSACTIONS :**

The particulars of transactions entered into by the Company with related parties during the year under review are disclosed in the relevant note to the Financial Statements. The said related party transactions are on an arms length basis and hence not required to be disclosed in Form AOC-2.

**INTERNAL FINANCIAL CONTROLS :**

The Company has an Internal Control System, commensurate with the nature and size of its operations. Based on the framework of internal financial controls maintained by the Company and the work performed by the Statutory Auditors, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the Financial Year 2016-2017.

**DIRECTORS :**

In accordance with the provisions of Section 152 (6) (e) of the said Act and the Articles of Association of the Company, Mr. Rushank Shah (DIN: 02960155), Director of the Company retires by rotation and being eligible, offers himself for reappointment.

The provisions of Section 149 of the Companies Act, 2013 relating to the appointment of Independent Directors do not apply to the Company.

**ANNUAL RETURN :**

The extracts of Annual Return pursuant to the provisions of Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in 'Annexure-A' to this Report.

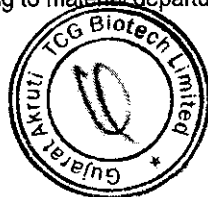
**BOARD MEETINGS :**

The Company had convened and held Four (4) Board meetings during the year under review. The said Board meetings were held on May 19, 2016, September 08, 2016, October 21, 2016, and February 03, 2017. The gap between the meetings did not exceed the period prescribed under the Act.

**DIRECTORS' RESPONSIBILITY STATEMENT :**

Pursuant to sub-section (3) (c) of Section 134 (5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended March 31, 2016, the Directors of your Company, to the best of their knowledge and belief and on the basis of the information and explanations received by them, hereby state and confirm that :

- (i) in the preparation of the Annual Accounts for the year ended March 31, 2017, the applicable accounting standards read with the requirements under Schedule III to the said Act have been followed alongwith proper explanation relating to material departures, if any;



- (ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year on 31st March, 2017, and of the loss of the Company for that period;
- (iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the annual accounts have been prepared on a 'going concern' basis;
- (v) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

#### **DISCLOSURE OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL**

During the year under review, there were no significant or material orders passed by any regulatory / statutory authorities or courts / tribunals against the Company impacting its going concern status and operations in future.

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

The nature of operations of the Company does not require disclosure of particulars relating to conservation of energy and technology absorption, as prescribed under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014. During the year under review, the Company had Nil foreign exchange earnings and outgo.

#### **RISK MANAGEMENT POLICY :**

The Company has not adopted a Risk Management Policy as the elements of risks threatening the Company's existence are minimal.

#### **AUDITORS :**

There are no qualification, reservation or adverse remark or disclaimer made by the Statutory Auditors in the Auditors' Report.

At the Seventh Annual General Meeting (AGM) of the Company held on September 17, 2014. M/s. Dalal Doshi & Associates, Chartered Accountants (Firm Reg. No. 121773W) were appointed as Statutory Auditors of the Company for five financial years commencing from April 01, 2014 to March 31, 2019, to hold office until the conclusion of the Twelfth AGM to be held for the year 2019, subject to ratification of their appointment at each AGM).

Accordingly, the members are requested to ratify the reappointment of M/s. Dalal Doshi & Associates, Chartered Accountants as the Statutory Auditors of the Company for the current financial year 2017-2018 and to authorise the Board of Directors to fix their remuneration.

M/s. Dalal Doshi & Associates, Chartered Accountants have offered themselves for reappointment and have confirmed their eligibility to be appointed as Auditors pursuant to the provisions of Section 141 of the Companies Act, 2013 and Rule 4 of the Companies (Audit and Auditors) Rules, 2014.



**GENERAL :**

The provisions relating to Secretarial Audit, appointment of Key Managerial Personnel, constitution of Audit Committee, Corporate Social Responsibility Committee, Nomination and Remuneration Committee and Vigil Mechanism are not applicable to the Company.

**DISCLOSURE UNDER 'THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013':**

The Company has adopted a Policy on Prevention, Prohibition and Redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder for prevention and redressal of complaints of sexual harassment at work place.

The Company has not received any complaint on sexual harassment during the year under review.

**PARTICULARS OF EMPLOYEES**

The Company does not have any employee on its roll and none of the Directors of the Company receive any remuneration under Section 197 of the Companies Act, 2013. Accordingly, no information is required to be disclosed in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**For and on behalf of the Board**

**Place: Mumbai**  
**Date: May 25, 2017**



*Vikrant Jain*  
**Vikrant Jain**  
**Director**  
**DIN: 01912696**

*Jainam Shah*  
**Jainam Shah**  
**Director**  
**DIN: 07129100**

**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**

As on financial year ended on March 31, 2017

[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014]

**I. REGISTRATION & OTHER DETAILS:**

1.	CIN	U70102GJ2007PLC050966
2.	Registration Date	28/05/2007
3.	Name of the Company	Gujarat Akruti - TCG Biotech Limited
4.	Category/Sub-category of the Company	Company Having Share Capital
5.	Address of the Registered office & contact details	102, Sarthik Square, Plot No. 357, Bodakdev, Ahmedabad, Gujarat – 380015. Tel: 022 66040800; Fax: 022 67037403
6.	Whether listed company	No
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Not Applicable

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

Sr. No	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Engaged into the business of development, construction, marketing and maintenance of bio-technology park in the state of Gujarat.	4100	Nil



III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-

Sr. No.	Name And Address of the Company	CIN/GLN	Holding/ Subsidiary/Associate	% of Shares Held	Applicable Section
1	Hubtown Limited Ackruti Center Point, 6 <sup>th</sup> Floor, Central Road, Marol MIDC, Andheri (East), Mumbai- 400093	L45200MH1989PLC050688	Holding	74.00%	2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

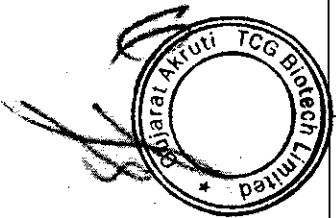
i) Category-wise Share Holding

SN.	Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2016]			No. of Shares held at the end of the year [As on 31-March-2017]			% Change during the year		
		Demat	Physical	Total	% of Total Shares	Demat	Physical		Total	% of Total Shares
<b>A. Promoters</b>										
<b>(1) Indian</b>										
(a)	Individual/ HUF	0	0	0	0	0	0	0	0	
(b)	Central Govt	0	0	0	0	0	0	0	0	
(c)	State Govt(s)	0	0	0	0	0	0	0	0	
(d)	Bodies Corp.	0	37000	37000	74	0	37000	37000	74	
(e)	Banks / FI	0	0	0	0	0	0	0	0	
(f)	Any other	0	0	0	0	0	0	0	0	
<b>Total share- holding of Promoter (A)(1)</b>		0	37000	37000	74	0	37000	37000	74	0





(2) Foreign																			
(a)	NRIs – Individuals	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(b)	Other – Individuals	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(c)	Bodies Corp.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(d)	Banks / FI	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(e)	Any Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Sub-total (A) (2)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A)(1)+(A)(2)		0	37000	37000	37000	74	0	37000	37000	74	0	0	0	0	0	0	0	0	0
<b>B. Public Shareholding</b>																			
<b>1. Institutions</b>																			
(a)	Mutual Funds	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(b)	Banks / FI	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(c)	Central Govt	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(d)	State Govt(s)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(e)	Venture Capital Funds	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(f)	Insurance Companies	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(g)	FIs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(h)	Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(i)	Others (specify)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	<b>Sub-total (B)(1):-</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0



2. Non-Institutions											
(a)	Bodies Corp.	(i) Indian	0	13000	13000	26	0	13000	13000	26	0
		(ii) Overseas	0	0	0	0	0	0	0	0	0
(b)	Individuals: (i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	(i) Individual	0	0	0	0	0	0	0	0	0
		(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0	0	0	0	0	0
(c)	Others (specify)	(i) Trusts									
		(ii) Non-Resident Indians	0	0	0	0	0	0	0	0	0
	(iii) Overseas Corporate Bodies	(i) Overseas Corporate	0	0	0	0	0	0	0	0	0
		(ii) Clearing Members	0	0	0	0	0	0	0	0	0
	Sub-total (B)(2)		0	13000	13000	26	0	13000	13000	26	0
	Total Public Shareholding (B)=(1)+(B)(2)		0	13000	13000	26	0	13000	13000	26	0
C.	Shares held by Custodian for GDRs & ADRs	(i) Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
		Grand Total (A+B+C)	0	50000	50000	100	0	50000	50000	100	0



ii) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year [As on 31-March-2016]				Shareholding at the end of the year [As on 31-March-2017]				% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	% of Shares Pledged / encumbered to total shares		
1	Hubtown Limited along with Nominees	37000	74.00%	0	50000	100.00%	0	0	0	
	<b>Total</b>	<b>37000</b>	<b>74.00%</b>	<b>0</b>	<b>50000</b>	<b>100.00%</b>	<b>0</b>	<b>0</b>	<b>0</b>	

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Hubtown Limited (No changes in the shareholding during the year)	37000	74.00%	37000	74.00%
	At the beginning of the year (April 01, 2016)				
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year(March 31, 2017)			37000	74.00%



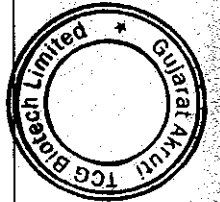
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iv) Shareholding Pattern of top ten Shareholders:  
(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the Company
1)	TCG Urban Infrastructure Holdings Private Ltd (No changes in the shareholding during the year)	13000	26.00%	13000	26.00%
	At the beginning of the year (April 01, 2016)	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year(March 31, 2017)	-	-	13000	26.00%

v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1)	Mr. Rushank Shah (Director)	-	-	-	-
	At the beginning of the year(April 01, 2016)	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year(March 31, 2017)	-	-	-	-
2)	Mr. Vikrant Jain (Director)	-	-	-	-
	At the beginning of the year(April 01, 2016)	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year(March 31, 2017)	-	-	-	-



3)	Mr. Prasanta Biswal (Director)					
	At the beginning of the year(April 01, 2016)	-	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-	-
	At the end of the year(March 31, 2017)	-	-	-	-	-
4)	Mr. Jainam Shah (Director)					
	At the beginning of the year(April 01, 2016)	-	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-	-
	At the end of the year(March 31, 2017)	-	-	-	-	-

**V) INDEBTEDNESS –**

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	89778540	161526900	-	251305440
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>89778540</b>	<b>161526900</b>	<b>-</b>	<b>251305440</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	15046367	-	-	15046367
* Reduction	-	-	-	-
<b>Net Change</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	104824907	161526900	-	266351807
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>104824907</b>	<b>161526900</b>	<b>-</b>	<b>266351807</b>



*(Handwritten mark)*

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		N.A.	N.A.	
1	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others specify...	-	-	-
5	Others, please specify	-	-	-
	<b>Total (A)</b>	-	-	-
	Ceiling as per the Act			



B. Remuneration to other directors:

SN. Particulars of Remuneration	Name of Directors				Total Amount
	Mr. Rushank Shah	Mr. Vikrant Jain	Mr. Prasanta Biswal	Mr. Jainam Shah	
1	Independent Directors	0	0	0	0
	Fee for attending Board/Committee meetings	0	0	0	0
	Commission	0	0	0	0
	Others, please specify	0	0	0	0
	<b>Total (1)</b>	0	0	0	0
2	Other Non-Executive Directors	0	0	0	0
	Fee for attending Board/Committee meetings	0	0	0	0
	Commission	0	0	0	0
	Others, please specify	0	0	0	0
	<b>Total (2)</b>	0	0	0	0
	<b>Total (B)=(1+2)</b>	0	0	0	0
	Total Managerial Remuneration	0	0	0	0
	Overall Ceiling as per the Act				-

*[Handwritten Signature]*



**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross salary				-
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961				-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				-
2	Stock Option				-
3	Sweat Equity				-
4	Commission				-
	- as % of profit				-
	others, specify...				-
5	Others, please specify				-
	Total				-

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B. DIRECTORS</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For and on behalf of the Board

Place: Mumbai  
Date: May 25, 2017



*Vikrant Jain*  
Vikrant Jain  
Director  
DIN: 01912696

*Jainam Shah*  
Jainam Shah  
Director  
DIN: 07129100





# **DALAL DOSHI & ASSOCIATES**

## **CHARTERED ACCOUNTANTS**

{Formerly known as DOSHI DOSHI & ASSOCIATES}  
REGISTERED OFFICE : OFFICE NO. 11, FIRST FLOOR, THE REGENCY BUILDING,  
NATIONAL LIBRARY ROAD, NEAR NANDI CINEMA HALL  
BANDRA (WEST), MUMBAI - 400 050.  
PHONE NOS : 26513538 / 26513539

### **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, 2017, 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



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 2017, 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 financial information of the Company for the year ended 31<sup>st</sup> March, 2016 and the transition date opening balance sheet as at 01<sup>st</sup> April, 2015 included in these financial statements, are based on the previously issued statutory financial statements for the years ended 31<sup>st</sup> March, 2016 and 31<sup>st</sup> March, 2015 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an unmodified opinion dated 19<sup>th</sup> May, 2016 and 19<sup>th</sup> May, 2015 respectively. The adjustments to those financial statements for the differences in accounting policies adopted by the Company on transition have been audited by us.

### 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;
  - (e) On the basis of the written representations received from the directors as on 31st March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2017 from being appointed as a director in terms of Section 164 (2) of the Act;



**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 31<sup>ST</sup> MARCH, 2017;**

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) The title deeds of immovable properties are held in the name of the company.
- (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 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 ` 83,169 and interest on late payment of taxes of ` 33,139 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, Value Added Tax and Cess as at the Balance Sheet date which have not been deposited on account of a dispute, are as follows :



- (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;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company; and
  - iv. The Company has provided requisite disclosures in its Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016 on the basis of information available with the company. Based on audit procedures, and relying on management's representation, we report that disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the management.  
– Refer Note 21.

**FOR DALAL DOSHI & ASSOCIATES**

Chartered Accountants

Firm Registration No.: 121773W



**DINESH DOSHI**

Partner

Membership No. 9464



Place: Mumbai

Date: 25<sup>th</sup> May, 2017

Name of the Statute	Period to which the amount relates (Financial Year.)	Amount (')	Forum where the dispute is pending
Income Tax Act, 1961	2011-12	3,570	Income Tax Appellate Tribunal
Income Tax Act, 1961	2012-13	4,750	Income Tax Appellate Tribunal
Income Tax Act, 1961	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 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 DALAL DOSHI & ASSOCIATES**

Firm Registration No.: 121773W

Chartered Accountants



**DINESH DOSHI**

Partner

Membership No.: F-9464



Place : Mumbai

Date : 25<sup>th</sup> May, 2017

## **"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, 2017 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 2017, 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 DALAL DOSHI & ASSOCIATES**

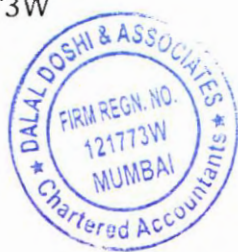
Firm Registration No.:121773W

Chartered Accountants

  
**DINESH DOSHI**

Partner

Membership No.: F-9464



Place: Mumbai

Date: 25<sup>th</sup> May, 2017



**GUJARAT AKRUTI - TCG BIOTECH LIMITED**

**BALANCE SHEET AS AT 31ST MARCH, 2017**

Particulars	Note No.	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹	As at 1st April, 2015 ₹
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
(a) Property, plant and equipment	3	17,85,97,824	17,89,25,874	17,92,54,823
(b) Capital work-in-progress	3	8,43,88,642	6,93,42,275	5,64,55,636
(c) Financial assets				
(i) Other financial assets	4	2,26,870	2,26,870	2,26,870
<b>Total Non-Current assets</b>		<b>26,32,13,336</b>	<b>24,84,95,019</b>	<b>23,59,37,329</b>
<b>Current assets</b>				
(a) Financial assets				
(i) Cash and cash equivalents	5	5,24,675	1,28,398	1,88,588
(ii) Other financial assets	4	5,278	3,521	1,658
<b>Total Current Assets</b>		<b>5,29,953</b>	<b>1,31,919</b>	<b>1,90,246</b>
<b>TOTAL ASSETS</b>		<b>26,37,43,289</b>	<b>24,86,26,938</b>	<b>23,61,27,575</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity share capital	6	5,00,000	5,00,000	5,00,000
(b) Convertible Instruments classified as Equity	7	16,15,26,900	16,15,26,900	16,15,26,900
(c) Other equity	8	(8,57,25,639)	(8,36,43,576)	(7,91,54,099)
<b>Total Equity</b>		<b>7,63,01,261</b>	<b>7,83,83,324</b>	<b>8,28,72,801</b>
<b>Liabilities</b>				
<b>Non-Current Liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	9	10,48,24,907	8,97,78,540	7,68,91,900
(ii) Other financial liabilities	10	7,32,391	7,32,391	7,32,391
(b) Deferred Tax Liabilities (Net)	11	4,50,24,104	4,48,62,804	4,17,75,510
<b>Total Non-Current Liabilities</b>		<b>15,05,81,402</b>	<b>13,53,73,735</b>	<b>11,93,99,801</b>
<b>Current Liabilities</b>				
(a) Financial Liabilities				
(i) Trade payables	12	51,57,927	40,12,415	29,37,550
(ii) Other financial liabilities	10	2,48,56,182	2,40,78,978	2,41,84,560
(b) Other current liabilities	13	68,46,517	67,78,486	67,32,863
<b>Total Current Liabilities</b>		<b>3,68,60,626</b>	<b>3,48,69,879</b>	<b>3,38,54,973</b>
<b>Total Liabilities</b>		<b>18,74,42,028</b>	<b>17,02,43,614</b>	<b>15,32,54,774</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>26,37,43,289</b>	<b>24,86,26,938</b>	<b>23,61,27,575</b>

The accompanying notes are an integral part of the financial statements

As per our report of even date

**FOR DALAL DOSHI & ASSOCIATES**  
Firm Registration No. 121773W  
Chartered Accountants



**DINESH DOSHI**  
Partner  
Membership No.: F-9464

Mumbai  
Date: 25th May, 2017

For and on behalf of the Board of Directors

**VIKRANT JAIN**  
Director  
DIN: 01912696

**RUSHANK SHAH**  
Director  
DIN: 02960155

Mumbai  
Date: 25th May, 2017



**GUJARAT AKRUTI - TCG BIOTECH LIMITED**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017**

Particulars	Note No.	Year ended 31st March, 2017 ₹	Year ended 31st March, 2016 ₹
<b>INCOME</b>			
Revenue from Operations	14	17,175	-
Other Income	15	1,758	7,858
<b>TOTAL INCOME</b>		<b>18,933</b>	<b>7,858</b>
<b>EXPENSES</b>			
Costs Of Construction / Development	16	1,51,000	-
Finance Costs	17	8,796	22,512
Depreciation and Amortisation Expenses	18	3,28,050	3,28,949
Other Expenses	19	14,51,850	10,58,580
<b>TOTAL EXPENSES</b>		<b>19,39,696</b>	<b>14,10,041</b>
<b>Profit/(Loss) before Tax</b>		<b>(19,20,763)</b>	<b>(14,02,183)</b>
<b>Tax Expense</b>			
Deferred tax (charge)		(1,61,300)	(30,87,294)
<b>Profit/(Loss) for the Year</b>		<b>(20,82,063)</b>	<b>(44,89,477)</b>
<b>Other Comprehensive Income</b>		-	-
<b>Total Comprehensive Income</b>		<b>(20,82,063)</b>	<b>(44,89,477)</b>
<b>Earning per equity share of nominal value of ₹10/-each</b>	20		
Basic		(41.64)	(89.79)
Diluted		(41.64)	(89.79)

The accompanying notes are an integral part of the financial statements

As per our report of even date

**FOR DALAL DOSHI & ASSOCIATES**

Firm Registration No. 121773W  
Chartered Accountants



**DINESH DOSHI**

Partner

Membership No.: F-9464



Mumbai

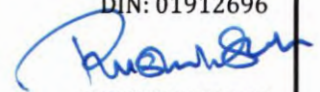
Date: 25th May, 2017

For and on behalf of the Board of Directors

  
**VIKRANT JAIN**

Director

DIN: 01912696

**RUSHANK SHAH**

Director

DIN: 02960155

Mumbai

Date: 25th May, 2017

**GUJARAT AKRUTI - TCG BIOTECH LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017**

Particulars	31st March, 2017 ₹	31st March, 2016 ₹
<b>I CASH FLOWS ARISING FROM OPERATING ACTIVITIES</b>		
Net profit/(loss) before taxation as per Statement of Profit and Loss	(19,20,763)	(14,02,183)
<b>Add/(Less) :</b>		
Depreciation	3,28,050	3,28,949
Finance Costs	8,796	22,512
Interest Income	(1,758)	(1,862)
Sundry credit balances appropriated	(17,175)	-
	<u>3,17,913</u>	<u>3,49,599</u>
<b>Operating profit before working capital changes</b>	<b>(16,02,850)</b>	<b>(10,52,584)</b>
<b>Add / (Less) :</b>		
Increase/(Decrease) in trade and other payables	20,07,923	10,14,906
	<u>20,07,923</u>	<u>10,14,906</u>
<b>Net cash flow from operating activities</b>	<b>4,05,073</b>	<b>(37,678)</b>
<b>II CASH FLOWS ARISING FROM INVESTING ACTIVITIES</b>		
Inflow/(Outflow) on account of :	-	-
<b>Net cash flow from investing activities</b>	<b>-</b>	<b>-</b>
<b>III CASH FLOWS ARISING FROM FINANCING ACTIVITIES</b>		
Inflow/(Outflow) on account of :		
Finance Costs Paid	(8,796)	(22,512)
<b>Net cash flow from financing activities</b>	<b>(8,796)</b>	<b>(22,512)</b>
<b>Net increase in cash and cash equivalents ( I + II + III )</b>	<b>3,96,277</b>	<b>(60,190)</b>
<b>Add: Balance at the beginning of the year</b>	<b>1,28,398</b>	<b>1,88,588</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>5,24,675</b>	<b>1,28,398</b>
<b>Components of cash and cash equivalents (Refer note 5)</b>		
Cash on hand	94,341	1,19,225
Balances with banks		
- On Current accounts	4,30,334	9,173
	<u>5,24,675</u>	<u>1,28,398</u>

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 DALAL DOSHI & ASSOCIATES**

Firm Registration No. 121773W

Chartered Accountants



**DINESH DOSHI**

Partner

Membership No.: F-9464



Mumbai

Date: 25th May, 2017

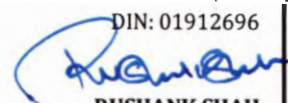
For and on behalf of the Board of Directors

  
**VIKRANT JAIN**

Director

DIN: 01912696





**RUSHANK SHAH**

Director

DIN: 02960155

Mumbai

Date: 25th May, 2017

**GUJARAT AKRUTI - TCG BIOTECH LIMITED****STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2017**

(in ₹)

	Equity Share Capital	Convertible Instruments classified as Equity	Retained Earnings	Total
Balance at 1st April, 2015	5,00,000	16,15,26,900	(7,91,54,099)	8,28,72,801
Total Comprehensive Income for the year	-	-	(44,89,477)	(44,89,477)
Balance at 31st March, 2016	5,00,000	16,15,26,900	(8,36,43,576)	7,83,83,324
Total Comprehensive Income for the year	-	-	(20,82,063)	(20,82,063)
Balance at 31st March, 2017	5,00,000	16,15,26,900	(8,57,25,639)	7,63,01,261

**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 DALAL DOSHI & ASSOCIATES**

Firm Registration No. 121773W

Chartered Accountants

**DINESH DOSHI**

Partner

Membership No.: F-9464



Mumbai

Date: 25th May, 2017

**VIKRANT JAIN**

Director

DIN: 01912696

**RUSHANK SHAH**

Director

DIN: 02960155

Mumbai

Date: 25th May, 2017

## GUJARAT AKRUTI - TCG BIOTECH LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

#### Company Overview and Significant Accounting Policies

##### 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.

The financial statements are approved for issue by the Company's Board of Directors on 25th May, 2017.

##### 2. Basis of preparation of financial statements

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) 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 Ind AS standards and the adoption was carried out in accordance with Ind AS 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 29.

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 :

- 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 Transitions

###### Functional and presentation currency

The financial statements are presented in Indian Rupee ('INR') which is also the functional and presentation currency of the Company.



## GUJARAT AKRUTI - TCG BIOTECH LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

#### 2.1 Revenue Recognition

##### 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 reliably 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

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

- 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.

#### 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 Transition price. Transition 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

###### Non-derivative financial instruments

##### (i) Financial assets carried at amortised cost

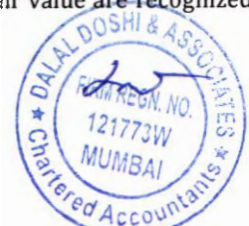
A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal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



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## GUJARAT AKRUTI - TCG BIOTECH LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

#### (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 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.

#### 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 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

###### 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.

#### 2.4 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 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 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.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

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 Borrowings & Borrowing Cost**

Borrowings are initially recognised at the net transaction costs incurred and measured at amortised 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.

Compulsorily convertible debentures are classified as equity as the company can avoid contractual cash outflow obligation. Non convertible debentures are classified as a financial liability. Debentures are to be redeemed at a premium. The debentures are stated at their fair value by using EIR (effective interest rate) 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.

**2.6 Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of Transitions 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.

**2.7 Foreign Currency Transactions**

- i. All transactions in foreign currency are recorded in the reporting currency based on the rate of exchange prevailing on the dates the relevant transactions take place.
- ii. Monetary Assets and Liabilities in foreign currency, outstanding at the close of the year, are converted in Indian Currency at the appropriate rates of exchange prevailing on the date of the Balance Sheet. Resultant gain or loss is charged to the Profit and Loss Account for the year. Exchange differences on transactions settled during the year are recognized in the profit and loss account for that year.
- iii. Non monetary assets and liabilities denominated in foreign currencies are carried at the exchange rate prevalent on the date of the transaction.

**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 Ind AS 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 2.9.1. 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.

**2.9.1 Critical accounting judgements and estimates**

**a. Property, plant and equipment**

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

**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, 2017

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

	Leasehold Land	Compound Wall	Computers and Laptops	Total	Capital work-in-progress
<b>Cost or deemed cost</b>					
Balance at 1st April, 2015	17,14,96,664	1,06,35,281	17,160	18,21,49,105	5,64,55,636
Additions	-	-	-	-	1,28,86,639
Deletions	-	-	-	-	-
Balance at 31st March, 2016	17,14,96,664	1,06,35,281	17,160	18,21,49,105	6,93,42,275
<b>Accumulated depreciation and impairment</b>					
Balance at 1st April, 2015	-	28,77,122	17,160	28,94,282	-
Eliminated on disposal	-	-	-	-	-
Depreciation expense	-	3,28,949	-	3,28,949	-
Balance at 31st March, 2016	-	32,06,071	17,160	32,23,231	-
Carrying amount as on 31st March 2016	17,14,96,664	74,29,210	-	17,89,25,874	6,93,42,275
<b>As at 31st March, 2017</b>					
	Leasehold land	Compound Wall	Computers and Laptops	Total	Capital work-in-progress
<b>Cost or deemed cost</b>					
Balance at 31st March, 2016	17,14,96,664	1,06,35,281	17,160	18,21,49,105	6,93,42,275
Additions	-	-	-	-	1,50,46,367
Balance at 31st March, 2017	17,14,96,664	1,06,35,281	17,160	18,21,49,105	8,43,88,642
<b>Accumulated depreciation and impairment</b>					
Balance at 31st March, 2016	-	32,06,071	17,160	32,23,231	-
Depreciation expense	-	3,28,050	-	3,28,050	-
Balance at 31st March, 2017	-	35,34,121	17,160	35,51,281	-
Carrying amount as at 31st March 2017	17,14,96,664	71,01,160	-	17,85,97,824	8,43,88,642

## 4. Other financial assets

**Non-current**

	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹	As at 1st April, 2015 ₹
Bank deposits	19,270	19,270	19,270
Security deposits	2,07,600	2,07,600	2,07,600
<b>Total</b>	<b>2,26,870</b>	<b>2,26,870</b>	<b>2,26,870</b>

**Current**

Other Advances and Receivables			
Interest accrued on fixed deposits	5,278	3,521	1,658
<b>Total</b>	<b>5,278</b>	<b>3,521</b>	<b>1,658</b>

## 5. Cash and cash equivalents

Balances with banks:			
- in current accounts	4,30,334	9,173	76,120
Cash on hand	94,341	1,19,225	1,12,468
<b>Total</b>	<b>5,24,675</b>	<b>1,28,398</b>	<b>1,88,588</b>



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹	As at 1st April, 2015 ₹
<b>6. Share capital</b>			
<b>Authorised Share Capital:</b>			
3,000,000 (As at 31st March, 2016: 3,000,000; As at 1st April, 2015: 3,000,000) Equity Shares of ₹ 10/- each	3,00,00,000	3,00,00,000	3,00,00,000
800,000 (As at 31st March, 2016: 800,000; As at 1st April, 2015: 800,000) Preference Shares of ₹ 100/- each	8,00,00,000	8,00,00,000	8,00,00,000
<b>Total</b>	<b>11,00,00,000</b>	<b>11,00,00,000</b>	<b>11,00,00,000</b>
<b>Issued and subscribed capital comprises :</b>			
50,000 (As at 31st March, 2016: 50,000; As at 1st April, 2015: 50,000) Equity Shares of ₹ 10/- each fully paid up	5,00,000	5,00,000	5,00,000
<b>Total</b>	<b>5,00,000</b>	<b>5,00,000</b>	<b>5,00,000</b>

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, 2015	50,000	5,00,000
Add : Issued during the year	-	-
Less : Bought back during the year	-	-
Balance at 31st March, 2016	50,000	5,00,000
Add : Issued during the year	-	-
Less : Bought back during the year	-	-
<b>Balance at 31st March, 2017</b>	<b>50,000</b>	<b>5,00,000</b>

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 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, 2017		As at 31st March, 2016		As at 1st April, 2015	
	No of shares held	% holding	No of shares held	% holding	No of shares held	% holding
Hubtown Limited with Beneficiary Owners	37,000	100%	37,000	100%	37,000	100%
<b>Total</b>	<b>37,000</b>	<b>100%</b>	<b>37,000</b>	<b>100%</b>	<b>37,000</b>	<b>100%</b>

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

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	No of shares held	% holding	No of shares held	% holding	No of shares held	% holding
<b>Fully paid equity shares</b>						
Hubtown Limited with Beneficiary Owners	37,000	74%	37,000	74%	37,000	74%
TCG Urban Infrastructure Holdings Private Limited	13,000	26%	13,000	26%	13,000	26%
<b>Total</b>	<b>50,000</b>	<b>100%</b>	<b>50,000</b>	<b>100%</b>	<b>50,000</b>	<b>100%</b>



**GUJARAT AKRUTI - TCG BIOTECH LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹	As at 1st April, 2015 ₹
<b>7. Convertible Instruments classified as Equity</b>			
<b>Convertible Debentures classified as Equity</b>			
1,615,269 (As at 31st March, 2016: 1,615,269; As at 1st April, 2015: 1,615,269) Zero Coupon Compulsorily Convertible Debentures of the face value of ₹ 100 each	16,15,26,900	16,15,26,900	16,15,26,900
<b>Total</b>	<b>16,15,26,900</b>	<b>16,15,26,900</b>	<b>16,15,26,900</b>

**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 been regrouped under equity.

**8. Other Equity**

**Retained Earnings**

Balance at the beginning of the year	(8,36,43,576)	(7,91,54,099)	(7,91,54,099)
Profit attributable to the owners of the company	(20,82,063)	(44,89,477)	-
<b>Total</b>	<b>(8,57,25,639)</b>	<b>(8,36,43,576)</b>	<b>(7,91,54,099)</b>

**9. Borrowings**

**Current**

**Secured**

**Debentures**

768,919 (As at 31st March, 2016: 768,919; As at 1st April, 2015: 768,919) 0% Secured Redeemable Non-Convertible Debentures of the face value of ₹ 100 each

(Refer Footnote)

10,48,24,907	8,97,78,540	7,68,91,900
<b>10,48,24,907</b>	<b>8,97,78,540</b>	<b>7,68,91,900</b>

**Footnote :**

768,919, 0% Debenture having redeemable balance of ₹ 7,68,91,900 are to be redeemed 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**

**Total**

7,32,391	7,32,391	7,32,391
<b>7,32,391</b>	<b>7,32,391</b>	<b>7,32,391</b>

**Current**

**Business Advance received from related party**

**Other payables**

**Total**

12,68,332	4,88,332	6,61,219
2,35,87,850	2,35,90,646	2,35,23,341
<b>2,48,56,182</b>	<b>2,40,78,978</b>	<b>2,41,84,560</b>



**GUJARAT AKRUTI - TCG BIOTECH LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹	As at 1st April, 2015 ₹
<b>11. Deferred Tax Liabilities (Net)</b>			
The following is the analysis of deferred tax liabilities / (asset) presented in the balance sheet			
Deferred Tax Liability	7,84,00,356	8,35,62,693	5,32,74,112
Deferred Tax (Asset)	(3,33,76,252)	(3,86,99,889)	(1,14,98,602)
<b>Total</b>	<b>4,50,24,104</b>	<b>4,48,62,804</b>	<b>4,17,75,510</b>

**2016-2017**

**Deferred tax liabilities / (assets) in relation to :**

	Opening Balance	Recognised in profit or loss	Closing Balance
On account of Depreciation (WDV)	9,86,696	44,910	10,31,606
On account of Capital work-in-progress	(17,67,107)	(10,19,669)	(27,86,776)
On account of Unamortised Premium on Debentures	(2,49,07,661)	62,26,916	(1,86,80,745)
On account of Borrowings   <i>Convertible Instrument</i>	5,14,41,421	(52,07,247)	4,62,34,174
On account of Premium Payable on Debentures	3,11,34,576	-	3,11,34,576
On account of Other Items	(1,20,25,121)	1,16,390	(1,19,08,731)
<b>Total</b>	<b>4,48,62,804</b>	<b>1,61,300</b>	<b>4,50,24,104</b>

**2015-2016**

**Deferred tax liabilities / (assets) in relation to :**

	Opening Balance	Recognised in profit or loss	Closing Balance
On account of Depreciation (WDV)	8,66,709	1,19,987	9,86,696
On account of Capital work-in-progress	-	(17,67,107)	(17,67,107)
On account of Unamortised Premium on Debentures	-	(2,49,07,661)	(2,49,07,661)
On account of Borrowings   <i>Convertible Instrument</i>	5,24,07,403	(9,65,982)	5,14,41,421
On account of Premium Payable on Debentures	-	3,11,34,576	3,11,34,576
On account of Other Items	(1,14,98,602)	(5,26,519)	(1,20,25,121)
<b>Total</b>	<b>4,17,75,510</b>	<b>30,87,294</b>	<b>4,48,62,804</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.

**12. Trade payables**

Due to Micro & Small enterprises (refer footnote)	-	-	-
Due to others	51,57,927	40,12,415	29,37,550
<b>Total</b>	<b>51,57,927</b>	<b>40,12,415</b>	<b>29,37,550</b>

**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.

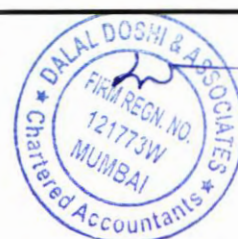
**13. Other Liabilities**

**Current**

Advance from customers	53,00,000	53,00,000	53,00,000
Overdrawn bank balances as per books of accounts	-	8,672	-
Deposits (Unsecured)	13,50,000	13,50,000	13,50,000
Other payables :			
- Statutory dues	1,96,517	1,19,814	82,863
<b>Total</b>	<b>68,46,517</b>	<b>67,78,486</b>	<b>67,32,863</b>



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**GUJARAT AKRUTI - TCG BIOTECH LIMITED****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

	Year Ended 31st March, 2017 ₹	Year Ended 31st March, 2016 ₹
<b>14. Revenue from operations</b>		
Other operating revenue :		
Sundry credit balances appropriated	17,175	-
<b>Total</b>	<b>17,175</b>	<b>-</b>
<b>15. Other income</b>		
a) Interest Income :		
- Bank fixed deposits	1,758	1,862
	<b>1,758</b>	<b>1,862</b>
b) Other gains and losses		
Gain on foreign currency fluctuation (Net)	-	5,996
	-	<b>5,996</b>
<b>Total</b>	<b>1,758</b>	<b>7,858</b>
<b>16. Costs of Construction/Development</b>		
Construction costs incurred during the year :		
Approval and consultation expenses	1,51,000	-
<b>Total</b>	<b>1,51,000</b>	<b>-</b>
<b>17. Finance Costs</b>		
Interest costs :		
Interest on Debentures	1,50,46,367	1,28,86,640
- Transfer to Capital WIP	(1,50,46,367)	(1,28,86,640)
Delayed/penal interest on loans and statutory dues	8,796	22,512
<b>Total</b>	<b>8,796</b>	<b>22,512</b>
<b>18. Depreciation and Amortisation Expenses</b>		
Depreciation of property, plant and equipment	3,28,050	3,28,949
<b>Total</b>	<b>3,28,050</b>	<b>3,28,949</b>
<b>19. Other Expenses</b>		
Legal and professional fees	31,618	18,382
Security Charges	4,36,016	4,07,719
Water Charges	9,38,011	5,77,987
Loss on foreign currency fluctuation (Net)	2,384	-
Other expenses (refer footnote)	43,821	54,492
<b>Total</b>	<b>14,51,850</b>	<b>10,58,580</b>
Footnote:		
<b>Auditors Remuneration (included in other expenses) :</b>		
Audit Fees	20,000	20,000
Limited Review Expenses (including preceding Auditor's fees)	-	15,000
Service Tax on above	3,000	5,075
<b>Total</b>	<b>23,000</b>	<b>40,075</b>



**GUJARAT AKRUTI - TCG BIOTECH LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

	Year Ended 31st March, 2017 ₹	Year Ended 31st March, 2016 ₹
<b>20. Earnings Per Share (EPS)</b>		
Basic Earnings Per Share	(41.64)	(89.79)
Diluted Earnings Per Share *	(41.64)	(89.79)
<b>20.1 Basic EPS</b>		
The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows		
<b>Earnings used in the calculation of basic earnings per share</b>	(20,82,063)	(44,89,477)
Weighted average number of equity shares for the purposes of basic earnings per share	50,000	50,000
<b>20.2 Diluted EPS</b>		
The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows		
<b>Earnings used in the calculation of diluted earnings per share</b>	(20,82,063)	(44,89,477)
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 dilute basic earnings per share for the year ended 31st March, 2017, hence are not included in the calculation of diluted earnings per share for 2017 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. Disclosure On Specified Bank Notes (SBNs)**

Particulars	SBNs*	Other Denomination Notes	Total
<b>Closing Cash in hand as on 8th November, 2016</b>	21,000	1,603	22,603
(+) Permitted Receipts	-	-	-
(-) Permitted Payments	-	-	-
(-) Amount Deposited in Bank	(21,000)	(1,500)	(22,500)
<b>Closing Cash in hand as on 30th December, 2016</b>	-	103	103

Specified Bank Notes is defined as Bank Notes of denominations of the existing series of the value of five hundred rupees and one thousand rupees.

**22. Contingent Liabilities (Not Provided For) :**

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
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	3,570
Income Tax Matter with Dy. Commissioner of Income Tax u/s 271(1)(c) for the F.Y. 2011-2012 (A.Y. 2012-13)	Amount not ascertainable	Amount not ascertainable	Amount not ascertainable
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 Dy. Commissioner of Income Tax u/s 271(1)(c) for the F.Y. 2012-2013 (A.Y. 2013-14)	Amount not ascertainable	Amount not ascertainable	-
Income Tax Matter with Income Tax Appellate Tribunal u/s 143(3) for the F.Y. 2013-14 (A.Y. 2014-15)	520	-	-
Income Tax Matter with Dy. Commissioner of Income Tax u/s 271(1)(c) for the F.Y. 2013-2014 (A.Y. 2014-15)	Amount not ascertainable	-	-
Non Agricultural Tax payable to Gujarat Industrial Development Corporation	1,43,49,775	44,44,000	44,44,000

**Footnote:**

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.



**GUJARAT AKRUTI - TCG BIOTECH LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

**23. 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, 2017	31st March, 2016	1st April, 2015
USD	1,400	1,400	1,400
INR	90,774	92,866	87,276
EURO	50	50	50
INR	3,462	3,755	3,348

24. 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.

**25. 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 (Ahmadabad) Private Limited

**Others - unclassified, with whom Transitions have taken place during the year**

Citygold Management Services Private Limited

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

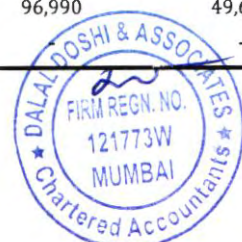
**B. Transitions with Related Parties**

Sr. No.	Nature of Transition	Holding Company ₹	Other Major Shareholder ₹	Joint Venture of Holding Company ₹	Others Unclassified ₹
<b>i. Business Advances received/recovered/adjusted</b>					
	Hubtown Limited	2,00,000 (2,00,000)	- (-)	- (-)	- (-)
<b>ii. Interest Expense</b>					
	Hubtown Limited	1,50,46,367 (1,28,86,640)	- (-)	- (-)	- (-)
<b>iii. On behalf payments made (including reimbursement of expenses)</b>					
	Citygold Management Services Private Limited	- (-)	- (-)	- (-)	7,200 (47,355)
<b>iv. On behalf payments received/ adjusted</b>					
	Hubtown Bus Terminal (Ahmadabad) Private Limited	- (-)	- (-)	12,851 (-)	- (-)

Previous years figures are given in brackets

**C. Balance outstanding payables/receivables**

	As at 31 March, 2017 ₹	As at 31 March, 2016 ₹	As at 1 April, 2015 ₹
<b>a) Unsecured Non- Convertible Debenture</b>			
Hubtown Limited	10,48,24,907	8,97,78,540	7,68,91,900
<b>b) Business Advances payable</b>			
Hubtown Limited	5,60,002	3,60,002	1,00,002
<b>c) Trade Payables</b>			
Hubtown Limited	5,61,217	5,61,217	5,61,217
<b>d) Other Payables</b>			
Citygold Management Services Private Limited	1,04,190	96,990	49,635
Hubtown Bus Terminal (Ahmadabad) Private Limited	12,851	-	-





NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

**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 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

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Secured Debentures	10,48,24,907	8,97,78,540	7,68,91,900
Less: Cash and Bank Balances	(5,24,675)	(1,28,398)	(1,88,588)
<b>Net Debt (A)</b>	<b>10,43,00,233</b>	<b>8,96,50,142</b>	<b>7,67,03,312</b>
Equity Share Capital	5,00,000	5,00,000	5,00,000
Convertible Instruments classified as Equity	16,15,26,900	16,15,26,900	16,15,26,900
Other Equity	(8,57,25,639)	(8,36,43,576)	(7,91,54,099)
<b>Total Equity (B)</b>	<b>7,63,01,261</b>	<b>7,83,83,324</b>	<b>8,28,72,801</b>
<b>Debt Equity Ratio A/B</b>	<b>137%</b>	<b>114%</b>	<b>93%</b>

**27. 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 resources, 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

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 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 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, 2017**

**28. Fair Value measurement of Financial Instruments**

	31st March 2017			31st March 2016			31st March 2015		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
<b>Financial Assets</b>									
Other financial assets	-	-	2,32,148	-	-	2,30,391	-	-	2,28,528
Cash and cash equivalent	-	-	5,24,675	-	-	1,28,398	-	-	1,88,588
<b>Total of Financial Assets</b>	-	-	<b>7,56,823</b>	-	-	<b>3,58,788</b>	-	-	<b>4,17,116</b>
<b>Financial Liabilities</b>									
Borrowings	-	-	10,48,24,907	-	-	8,97,78,540	-	-	7,68,91,900
Trade payables	-	-	51,57,927	-	-	40,12,415	-	-	29,37,550
Other Financial liabilities	-	-	2,55,88,573	-	-	2,48,11,369	-	-	2,49,16,951
<b>Total of Financial Liabilities</b>	-	-	<b>13,55,71,407</b>	-	-	<b>11,86,02,324</b>	-	-	<b>10,47,46,401</b>

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**GUJARAT AKRUTI - TCG BIOTECH LIMITED**
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**
**29. First Time Ind As Adoption Reconciliations**
**(I) Effect of Ind AS adoption on the Balance Sheet as at 31st March, 2016 and 1st April, 2015**

Particulars	Notes	As at March 31, 2016 (End of last period presented under previous GAAP)			As at March 31, 2015 (Date of Transition)		
		Regrouped Previous GAAP	Effect of Transition to Ind AS	As per Ind AS balance sheet	Regrouped Previous GAAP	Effect of Transition to Ind AS	As per Ind AS balance sheet
<b>Non-Current Assets</b>							
(a) Property, plant and equipment		17,89,25,874	-	17,89,25,874	17,92,54,823	-	17,92,54,823
(b) Capital work-in-progress	a	7,44,48,339	(51,06,064)	6,93,42,275	5,64,55,636	-	5,64,55,636
(c) Financial assets							
(i) Other financial assets	a	5,42,04,984	(5,39,78,114)	2,26,870	2,26,870	-	2,26,870
<b>Total Non-Current Assets</b>		<b>30,75,79,197</b>	<b>(5,90,84,178)</b>	<b>24,84,95,019</b>	<b>23,59,37,329</b>	<b>-</b>	<b>23,59,37,329</b>
<b>Current assets</b>							
(b) Financial assets							
(i) Cash and cash equivalents		1,28,398	-	1,28,398	1,88,588	-	1,88,588
(ii) Other financial assets		1,79,96,226	(1,79,92,705)	3,521	1,658	-	1,658
<b>Total Current Assets</b>		<b>1,81,24,624</b>	<b>(1,79,92,705)</b>	<b>1,31,919</b>	<b>1,90,246</b>	<b>-</b>	<b>1,90,246</b>
<b>Total Assets</b>		<b>32,57,03,821</b>	<b>(7,70,76,883)</b>	<b>24,86,26,938</b>	<b>23,61,27,575</b>	<b>-</b>	<b>23,61,27,575</b>
<b>Equity</b>							
(a) Equity share capital		5,00,000	-	5,00,000	5,00,000	-	5,00,000
(b) Convertible Instruments classified as Equity	b	-	16,15,26,900	16,15,26,900	-	16,15,26,900	16,15,26,900
(c) Other equity		(3,87,80,772)	(4,48,62,804)	(8,36,43,576)	(3,73,78,589)	(4,17,75,510)	(7,91,54,099)
<b>Total Equity</b>		<b>(3,82,80,772)</b>	<b>11,66,64,096</b>	<b>7,83,83,324</b>	<b>(3,68,78,589)</b>	<b>11,97,51,390</b>	<b>8,28,72,801</b>
<b>Non-Current Liabilities</b>							
(a) Financial Liabilities							
(i) Borrowings	a,b	23,84,18,800	(14,86,40,260)	8,97,78,540	23,84,18,800	(16,15,26,900)	7,68,91,900
(ii) Other Financial Liabilities	a	9,06,95,914	(8,99,63,523)	7,32,391	7,32,391	-	7,32,391
(b) Deferred Tax Liabilities (Net)	c	-	4,48,62,804	4,48,62,804	-	4,17,75,510	4,17,75,510
<b>Total Non-Current Liabilities</b>		<b>32,91,14,714</b>	<b>(19,37,40,979)</b>	<b>13,53,73,735</b>	<b>23,91,51,191</b>	<b>(11,97,51,390)</b>	<b>11,93,99,801</b>
<b>Current Liabilities</b>							
(a) Financial Liabilities							
(i) Trade payables		40,12,415	-	40,12,415	29,37,550	-	29,37,550
(ii) Other financial liabilities		2,40,78,978	-	2,40,78,978	2,41,84,560	-	2,41,84,560
(b) Other current liabilities		67,78,486	-	67,78,486	67,32,863	-	67,32,863
<b>Total Current Liabilities</b>		<b>3,48,69,879</b>	<b>-</b>	<b>3,48,69,879</b>	<b>3,38,54,973</b>	<b>-</b>	<b>3,38,54,973</b>
<b>Total Liabilities</b>		<b>36,39,84,593</b>	<b>(19,37,40,979)</b>	<b>17,02,43,614</b>	<b>27,30,06,164</b>	<b>(11,97,51,390)</b>	<b>15,32,54,774</b>
<b>Total Equity and Liabilities</b>		<b>32,57,03,821</b>	<b>(7,70,76,883)</b>	<b>24,86,26,938</b>	<b>23,61,27,575</b>	<b>-</b>	<b>23,61,27,575</b>

The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note




**GUJARAT AKRUTI - TCG BIOTECH LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

**(ii) Effect of Ind AS adoption on the Statement of Profit and Loss for the year ended 31st March, 2016**

Particulars	Notes	As at 31st March, 2016		
		(End of last period presented under previous GAAP)		
		Regrouped Previous GAAP	Effect of Transition to Ind AS	As per Ind AS balance sheet
<b>Income</b>				
Other Income		7,858	-	7,858
<b>Total Income</b>		<b>7,858</b>	-	<b>7,858</b>
<b>Expenses</b>				
Finance Costs		22,512	-	22,512
Depreciation and Amortisation Expenses		3,28,949	-	3,28,949
Other Expenses		10,58,580	-	10,58,580
<b>Total Expenses</b>		<b>14,10,041</b>	-	<b>14,10,041</b>
<b>Profit Before Tax</b>		<b>(14,02,183)</b>	-	<b>(14,02,183)</b>
<b>Tax Expense</b>				
(1) Deferred tax (charge)	c	-	(30,87,294)	(30,87,294)
<b>Profit for the Year</b>		<b>(14,02,183)</b>	<b>(30,87,294)</b>	<b>(44,89,477)</b>
<b>Other Comprehensive Income</b>		-	-	-
<b>Total Other Comprehensive Income for the Year</b>		<b>(14,02,183)</b>	<b>(30,87,294)</b>	<b>(44,89,477)</b>

The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note

**(iii) Effect of Ind AS adoption on the statement of cash flows for the year ended 31st March, 2016**

Particulars	Year ended 31st March, 2016		
	(Latest period presented under previous GAAP)		
	Regrouped Previous GAAP	Effect of Transition to Ind AS	As per Ind AS balance sheet
Net cash flows from Operating activities	(37,678)	-	(37,678)
Net cash flows from Investing activities	-	-	-
Net cash flows from Financing activities	(22,512)	-	(22,512)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(60,190)</b>	-	<b>(60,190)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>1,88,588</b>	-	<b>1,88,588</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>1,28,398</b>	-	<b>1,28,398</b>

**Notes to Reconciliation**

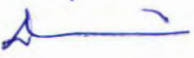
- Under previous GAAP, debentures were classified as a liability and carried at debenture redemption price. However under Ind AS, non convertible debentures are to be carried at fair value. Hence, debentures are stated at net off redemption premium to bring them to their fair value. Consequently interest is being charged to the statement of profit of ₹1,28,86,640 for the year ended 31st March, 2016 (₹Nil for the year ended 31st March, 2015) and loss as per the effective interest rate method (EIR), the same has been capitalised to Capital work-in-progress.  
The net effect of these changes is an increase in total equity of ₹ Nil as at 31st March, 2016 (₹ Nil as at 1st April, 2015).
- Under previous GAAP, debentures were classified as a liability and carried at fair value. However under Ind AS, compulsorily convertible debentures are to be classified as equity. Hence, debentures have been reclassified as equity under the head convertible instruments classified as equity.  
The net effect of these changes is an increase in total equity of ₹ 16,15,26,900 as at 31st March, 2016 (₹ 16,15,26,900 as at 1st April, 2015).
- Deferred tax liability recognised on the aforesaid Ind AS adjustments is ₹ 4,48,62,804 as at 31st March, 2016 (₹ 4,17,75,510 as at 1st April, 2015).

As per our report of even date

For and on behalf of the Board of Directors

**FOR DALAL DOSHI & ASSOCIATES**

Firm Registration No. 121773W  
Chartered Accountants

  
**DINESH DOSHI**  
Partner  
Membership No.: F-9464



Mumbai  
Date: 25th May, 2017



  
**VIKRANT JAIN**  
Director  
DIN: 01912696

  
**RUSHANK SHAH**  
Director  
DIN: 02960155

Mumbai  
Date: 25th May, 2017